



LEA 02	Disclosures: Mandatory	Reason for Interaction	Principle: PRI 1, 2, 3
<p>Type of engagement</p> <p>Individual/ internal staff engagements</p>	<p>Reason for Interaction</p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> To support investment decisionmaking in & company's material ESG issues <input checked="" type="checkbox"/> To influence corporate practice or identify the need to amend national or other laws <input type="checkbox"/> To engage internal ESG advisors <input type="checkbox"/> Other: specify <input type="checkbox"/> We do not engage in internal staff 		
<p>Type of engagement</p> <p>Collaborative engagements</p>	<p>Reason for Interaction</p> <ul style="list-style-type: none"> <input type="checkbox"/> To support investment decisionmaking in & company's material ESG issues <input type="checkbox"/> To influence corporate practice or identify the need to amend national or other laws <input type="checkbox"/> To engage internal ESG advisors <input type="checkbox"/> Other: specify <input type="checkbox"/> We do not engage in collaborative engagements 		
<p>Type of engagement</p> <p>Service provider engagements</p>	<p>Reason for Interaction</p> <ul style="list-style-type: none"> <input type="checkbox"/> To support investment decisionmaking in & company's material ESG issues <input type="checkbox"/> To influence corporate practice or identify the need to amend national or other laws <input type="checkbox"/> To engage internal ESG advisors <input type="checkbox"/> Other: specify <input type="checkbox"/> We do not engage in service providers 		

RI TRANSPARENCY REPORT

2018

Litorina

About this report

The PRI Reporting Framework is a key step in the journey towards building a common language and industry standard for reporting responsible investment (RI) activities. This RI Transparency Report is one of the key outputs of this Framework. Its primary objective is to enable signatory transparency on RI activities and facilitate dialogue between investors and their clients, beneficiaries and other stakeholders. A copy of this report will be publicly disclosed for all reporting signatories on the [PRI website](#), ensuring accountability of the PRI Initiative and its signatories.

This report is an export of the individual Signatory organisation's response to the PRI during the 2018 reporting cycle. It includes their responses to mandatory indicators, as well as responses to voluntary indicators the signatory has agreed to make public. The information is presented exactly as it was reported. Where an indicator offers a response option that is multiple-choice, all options that were available to the signatory to select are presented in this report. Presenting the information exactly as reported is a result of signatory feedback which suggested the PRI not summarise the information. As a result, the reports can be extensive. However, to help easily locate information, there is a **Principles index** which highlights where the information can be found and summarises the indicators that signatories complete and disclose.

Understanding the Principles Index

The Principles Index summarises the response status for the individual indicators and modules and shows how these relate to the six [Principles for Responsible Investment](#). It can be used by stakeholders as an 'at-a-glance' summary of reported information and to identify particular themes or areas of interest.

Indicators can refer to one or more Principles. Some indicators are not specific to any Principle. These are highlighted in the 'General' column. When multiple Principles are covered across numerous indicators, in order to avoid repetition, only the main Principle covered is highlighted.

All indicators within a module are presented below. The status of indicators is shown with the following symbols:

Symbol	Status
✓	The signatory has completed all mandatory parts of this indicator
☑	The signatory has completed some parts of this indicator
🔒	This indicator was not relevant for this signatory
-	The signatory did not complete any part of this indicator
Ⓜ	The signatory has flagged this indicator for internal review

Within the table, indicators marked in blue are mandatory to complete. Indicators marked in grey are voluntary to complete.

Principles Index

Organisational Overview				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
OO TG		-	n/a							
OO 01	Signatory category and services	✓	Public							✓
OO 02	Headquarters and operational countries	✓	Public							✓
OO 03	Subsidiaries that are separate PRI signatories	✓	Public							✓
OO 04	Reporting year and AUM	✓	Public							✓
OO 05	Breakdown of AUM by asset class	✓	Asset mix disclosed in OO 06							✓
OO 06	How would you like to disclose your asset class mix	✓	Public							✓
OO 07	Fixed income AUM breakdown	🔒	n/a							✓
OO 08	Segregated mandates or pooled funds	🔒	n/a							✓
OO 09	Breakdown of AUM by market	✓	Private							✓
OO 10	Active ownership practices for listed assets	🔒	n/a							✓
OO 11	ESG incorporation practices for all assets	✓	Public							✓
OO 12	Modules and sections required to complete	✓	Public							✓
OO LE 01	Breakdown by passive, quantitative, fundamental and other active strategies	🔒	n/a							✓
OO LE 02	Reporting on strategies that are <10% of actively managed listed equities	🔒	n/a							✓
OO FI 01	Breakdown by passive, active strategies	🔒	n/a							✓
OO FI 02	Option to report on <10% assets	🔒	n/a							✓
OO FI 03	Breakdown by market and credit quality	🔒	n/a							✓
OO SAM 01	Breakdown by passive, quantitative, fundamental and other active strategies	🔒	n/a							✓
OO PE 01	Breakdown of investments by strategy	✓	Private							✓
OO PE 02	Typical level of ownership	✓	Private							✓
OO PR 01	Breakdown of investments	🔒	n/a							✓
OO PR 02	Breakdown of assets by management	🔒	n/a							✓
OO PR 03	Largest property types	🔒	n/a							✓
OO INF 01	Breakdown of investments	🔒	n/a							✓
OO INF 02	Breakdown of assets by management	🔒	n/a							✓
OO INF 03	Largest infrastructure	🔒	n/a							✓
OO End	Module confirmation page	✓	-							

Strategy and Governance				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
SG 01	RI policy and coverage	✓	Public							✓
SG 02	Publicly available RI policy or guidance documents	✓	Public							✓
SG 03	Conflicts of interest	✓	Public							✓
SG 04	Identifying incidents occurring within portfolios	✓	Private							✓
SG 05	RI goals and objectives	✓	Public							✓
SG 06	Main goals/objectives this year	✓	Private							✓
SG 07	RI roles and responsibilities	✓	Public							✓
SG 07 CC	Climate-issues roles and responsibilities	🔒	n/a							✓
SG 08	RI in performance management, reward and/or personal development	✓	Private							✓
SG 09	Collaborative organisations / initiatives	✓	Public				✓	✓		
SG 09.2	Assets managed by PRI signatories	🔒	n/a	✓						
SG 10	Promoting RI independently	✓	Public				✓			
SG 11	Dialogue with public policy makers or standard setters	✓	Private				✓	✓	✓	
SG 12	Role of investment consultants/fiduciary managers	✓	Public				✓			
SG 13	ESG issues in strategic asset allocation	✓	Public	✓						
SG 14	Long term investment risks and opportunity	✓	Private	✓						
SG 15	Allocation of assets to environmental and social themed areas	✓	Private	✓						
SG 16	ESG issues for internally managed assets not reported in framework	🔒	n/a							✓
SG 17	ESG issues for externally managed assets not reported in framework	🔒	n/a							✓
SG 18	Innovative features of approach to RI	✓	Private							✓
SG 19	Communication	✓	Public							✓
SG End	Module confirmation page	✓	-							

Direct – Private Equity				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
PE 01	Description of approach to RI	✓	Private	✓					✓	
PE 02	Investment guidelines and RI	✓	Public		✓					
PE 03	Fund placement documents and RI	✓	Public	✓			✓		✓	
PE 04	Formal commitments to RI	✓	Private				✓			
PE 05	Incorporating ESG issues when selecting investments	✓	Public	✓						
PE 06	Types of ESG information considered in investment selection	✓	Public	✓		✓				
PE 07	Encouraging improvements in investees	✓	Private	✓	✓					
PE 08	ESG issues impact in selection process	✓	Private	✓						
PE 09	Proportion of companies monitored on their ESG performance	✓	Public		✓					
PE 10	Proportion of portfolio companies with sustainability policy	✓	Public		✓					
PE 11	Actions taken by portfolio companies to incorporate ESG issues into operations	✓	Private		✓					
PE 12	Type and frequency of reports received from portfolio companies	✓	Private		✓	✓				
PE 13	Disclosure of ESG issues in pre-exit	✓	Private		✓					
PE 14	ESG issues affected financial/ESG performance	✓	Private	✓	✓					
PE 15	Examples of ESG issues that affected your PE investments	✓	Private	✓	✓					
PE 16	Approach to disclosing ESG incidents	✓	Private							✓
PE End	Module confirmation page	✓	-							

Assurance				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
CM 1 01.1	Assurance, verification, or review	✓	Public							✓
CM 1 01.2 & 01.8	Assurance of this year's PRI data	✓	Public							
CM 1 01.3 & 01.9	Assurance of last year's PRI data	✓	Public							✓
CM 1 01.4, 10-12	Other confidence building measures	✓	Public							✓
CM 1 01.5	External assurance	🔒	n/a							✓
CM 1 01.6	Assurance or internal audit	🔒	n/a							✓
CM 1 01.7	Internal verification	✓	Public							✓
CM 1 01 End	Module confirmation page	✓	-							

Basic information

OO 01

Mandatory

Public

Gateway/Peering

General

OO 01.1

Select the services and funds you offer

Fund management

% of assets under management (AUM) in ranges

- <10%
- 10-50%
- >50%

- Fund of funds, manager of managers, sub-advised products
- Other, specify

Further options for investment managers (may be selected in addition to the above)

- Execution and advisory services
- Hedge funds
- Fund of hedge funds

OO 01.3

Additional information. [Optional]

Litorina is a private equity fund active in the Nordics, primarily in the Swedish market.

Litorina Capital Advisors (advisor to the funds Litorina Kapital III and Litorina IV) and Litorina V Advisor (advisor to Litorina V) both have their headoffices in Stockholm, Sweden.

Litorina Kapital III and Litorina IV are based in and managed from Jersey (UK) and Litorina V is based in and managed from Stockholm (Sweden).

OO 02

Mandatory

Public

Peering

General

OO 02.1

Select the location of your organisation's headquarters.

Sweden

OO 02.2

Indicate the number of countries in which you have offices (including your headquarters).

- 1
- 2-5
- 6-10
- >10

OO 02.3

Indicate the approximate number of staff in your organisation in full-time equivalents (FTE).

FTE

13

OO 02.4

Additional information. [Optional]

Litorina is a private equity fund active in the Nordics, primarily in the Swedish market.

Litorina Capital Advisors (advisor to the funds Litorina Kapital III and Litorina IV) and Litorina V Advisor (advisor to Litorina V) both have their headoffices in Stockholm, Sweden.

Litorina Kapital III and Litorina IV are based in and managed from Jersey (UK) and Litorina V is based in and managed from Stockholm (Sweden).

OO 03

Mandatory

Public

Descriptive

General

OO 03.1

Indicate whether you have subsidiaries within your organisation that are also PRI signatories in their own right.

- Yes
- No

OO 03.3

Additional information. [Optional]

The definition of subsidiaries above does not include portfolio companies in our funds.

OO 04

Mandatory

Public

Gateway/Peering

General

OO 04.1

Indicate the year end date for your reporting year.

31/12/2017

OO 04.2

Indicate your total AUM at the end of your reporting year, Exclude subsidiaries you have chosen not to report on and any advisory/execution only assets.

	trillions	billions	millions	thousands	hundreds
Total AUM		6	242	000	000
Currency	SEK				
Assets in USD			744	440	632

OO 04.5

Additional information. [Optional]

Total AUM above include Litorina's three open funds, Litorina Kapital III, Litorina IV and Litorina V, where Litorina V is in fundraising with estimated final close in May 2018)

OO 06

Mandatory

Public

Descriptive

General

New selection options have been added to this indicator. Please review your prefilled responses carefully.

OO 06.1

Select how you would like to disclose your asset class mix.

as percentage breakdown

	Internally managed (%)	Externally managed (%)
Listed equity	0	0
Fixed income	0	0
Private equity	100	0
Property	0	0
Infrastructure	0	0
Commodities	0	0
Hedge funds	0	0
Forestry	0	0
Farmland	0	0
Inclusive finance	0	0
Cash	0	0
Other (1), specify	0	0
Other (2), specify	0	0

as broad ranges

OO 06.2

Publish asset class mix as per attached image [Optional].

Asset class implementation gateway indicators

OO 11	Mandatory	Public	Gateway	General
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Private equity

- We address ESG incorporation.
- We do not do ESG incorporation.

OO 12	Mandatory	Public	Gateway	General
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OO 12.1

Below are all applicable modules or sections you may report on. Those which are mandatory to report (asset classes representing 10% or more of your AUM) are already ticked and read-only. Those which are voluntary to report on can be opted into by ticking the box.

Core modules

- Organisational Overview
- Strategy and Governance

RI implementation directly or via service providers

Direct - Other asset classes with dedicated modules

- Private Equity

RI implementation via external managers

Closing module

- Closing module

OO 12.2

Additional information. [Optional]

About us Litorina is a private equity firm that was founded in 1998 with the establishment of our first fund. Our fifth and latest fund, Litorina V, was established in 2017. Since our inception in 1998, we have invested more than SEK 3 billion in 46 companies. This makes us one of the most active and experienced actors in our market segment, the lower end of the Nordic mid-market. Litorina's current buyout portfolio comprises 13 companies with a combined turnover of c. SEK 8 billion and 2,600 employees. Our investment team of 11 people has broad industrial and financial expertise, gained from leading positions in a variety of industries. Litorina Capital Advisors and Litorina V Advisor, being the advisor companies to Litorina's funds, have their head offices in Stockholm. The two funds, Litorina Kapital III and Litorina IV, are based and managed out of Jersey, UK, and the latest fund, Litorina V, is based and managed out of Stockholm, Sweden. In addition to the individuals in our own organisation, we have access to an extensive network of industrial advisors with deep industry experience from leading Swedish and international blue chip companies. Investment Strategy Litorina is a growth oriented investor that acquires and develops profitable Nordic, primarily Swedish, companies that typically have an enterprise value in the range of SEK 200-1,000 million and show potential for further development. These companies ideally hold a strong market position in their niche and have an identifiable organic and/or acquisition-based growth potential.

Investment opportunities most commonly arise when family businesses are faced with generational shifts, in management buyout situations, and when entrepreneurs need support to take their companies to the next level of their development. In most of Litorina's transactions the incumbent owners choose to reinvest parts of their proceeds together with Litorina. As minority shareholders, the incumbent owners can continue to develop their companies in partnership with Litorina and participate in the future value creation.

Litorina typically holds a majority share in the companies we invest in, with the management and board of directors holding significant minority interests. It is our ambition to work in partnership with the management and the board to responsibly provide the best possible conditions for future profitable growth with long-term industrial value creation as the overall vision.

A competent management team with the capacity to realise a sustainable growth-oriented business plan is key to our success with an investment. The appropriate management team is often already put in place at the time of our investment, but occasionally the management team is complemented or replaced should circumstances change during Litorina's ownership.

Creating Value Litorina reviews approximately 100+ Swedish companies per year and typically makes 2 to 3 investments following a detailed assessment of the market, the business, the management team and the overall potential, with high involvement of our industrial network early in the process. We add value to portfolio companies by applying our well-established active ownership model. We work in partnership with management and the board to develop the strategic plan, involving our network and providing industrial and financial expertise. We support portfolio companies by identifying and acquiring the resources needed to take action on the strategic plan. Examples of key activities to create value include: geographical expansion, expansion to new customer categories, broadening of product/service offering, expansion to new sales channels, digitalization and online transformation, add-on acquisitions, roll-outs and buy-and-build, cost savings and efficiency initiatives, operational improvements and best practice, including management of ESG matters.

Litorina's contribution Litorina is an active owner that acts through the board of directors. Our well-established model is characterised by a clear split of responsibilities between the owner, the board of directors and the management team of a portfolio company.

The management team is responsible for the day-to-day operations and for the preparation and implementation of the strategic plan as adopted by the board of directors. Litorina considers a strong management team to be the single most important factor for a company's success. The management team is fully responsible for the day-to-day operations. However, in situations where Litorina has specific competence, such as in M&A and financing activities, we are more heavily involved supporting the management team.

A professional board of directors is another significant factor for a company's success. Litorina ensures that the board consists of seasoned individuals with the appropriate experience, who can contribute to the company's development and offer support and act as a sounding board to the management. The board of directors normally includes two or three external board members with relevant industry experience, one of whom is appointed chairman, and two representatives from Litorina. The board of directors concentrates on strategic issues and ensures that the company follows the strategic plan that has been agreed with the management. The individual board members also contribute to the company's development with their industrial experience and professional and personal networks. The board work is followed-up and evaluated annually.

In addition to board meetings, we find it beneficial to work in smaller, more informal groups, and we hold regular information follow-up meetings with the chairman and the CEO.

It is Litorina's ambition to set common objectives and create incentives for all parties involved in the development of a company. We do this by offering ownership incentives to key individuals in the portfolio companies and in the boards. By ensuring that all decision makers have a common ownership agenda, we create a working environment focused on value creation.

With Litorina as an owner, a management team gains access to competence, network and capital. As shareholders in the company, they can act with great freedom under responsibility. It is our objective to make it financially rewarding, as well as mind-broadening and stimulating, to be a part of the management team of a Litorina portfolio company.

Investment policy

SG 01	Mandatory	Public	Core Assessed	General
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New selection options have been added to this indicator. Please review your prefilled responses carefully.

SG 01.1	Indicate if you have an investment policy that covers your responsible investment approach.
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Yes

SG 01.2

Indicate the components/types and coverage of your policy.

Select all that apply

Policy components/types	Coverage by AUM
<input checked="" type="checkbox"/> Policy setting out your overall approach <input checked="" type="checkbox"/> Formalised guidelines on environmental factors <input checked="" type="checkbox"/> Formalised guidelines on social factors <input checked="" type="checkbox"/> Formalised guidelines on corporate governance factors <input type="checkbox"/> Asset class-specific RI guidelines <input type="checkbox"/> Sector specific RI guidelines <input checked="" type="checkbox"/> Screening / exclusions policy <input type="checkbox"/> Other, specify (1) <input type="checkbox"/> Other, specify(2)	<input checked="" type="radio"/> Applicable policies cover all AUM <input type="radio"/> Applicable policies cover a majority of AUM <input type="radio"/> Applicable policies cover a minority of AUM

SG 01.3

Indicate if the investment policy covers any of the following

- Your organisation's definition of ESG and/or responsible investment and it's relation to investments
- Your investment objectives that take ESG factors/real economy influence into account
- Time horizon of your investment
- Governance structure of organisational ESG responsibilities
- ESG incorporation approaches
- Active ownership approaches
- Reporting
- Climate change and related issues
- Other RI considerations, specify (1)
- Other RI considerations, specify (2)

SG 01.4

Describe your organisation's investment principles and overall investment strategy, and how they consider ESG factors and real economy impact.

Litorina's main objective is to deliver attractive returns to our investors, through a disciplined approach and a focus on long-term industrial value creation in our portfolio companies.

We recognise that our decisions and portfolio companies have an impact on, and are impacted by, society and the environment. As active owners, it is our responsibility to manage those impacts and promote sustainable business practices.

We also believe that those companies which effectively manage ESG matters can better protect and add long-term value and achieve the best returns - in line with our objective. It is therefore a natural part of our strategy to effectively manage ESG related risks and opportunities in our investment activity, where the key benefits include:

- Making wiser investment decisions
- Protecting and adding value to portfolio companies
- Enhancing our brand as a responsible owner, business partner and employer
- Building trust and acceptance in wider society

No

Your responses to this indicator will be used to determine if you meet the minimum requirements of being a PRI signatory introduced for the first time in 2018. Signatories have until 2020 to meet these requirements.

You can find out more information on the PRI website.

There are two minimum requirements for this indicator SG 01.1 and SG 01.2:

- A policy, or similar document, that: Sets out your overall approach to responsible investment; or
- Formalised guidelines on environmental factors; or
- Formalised guidelines on social factors; or
- Formalised guidelines on governance factors.
-

The PRI recognises that RI "policies" can take many different forms and can have a variety of titles. Please see the explanatory notes for this indicator to see further explanation of this and further guidance.

- This policy/document should cover more than 50% of your AUM

If you have any questions or need support please contact reporting@unpri.org or call on + 44 (0) 203 714 3187.

SG 02	Mandatory	Public	Core Assessed	PRI 6
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New selection options have been added to this indicator. Please review your prefilled responses carefully.

SG 02.1	Indicate which of your investment policy documents (if any) are publicly available. Provide a URL and an attachment of the document.
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Policy setting out your overall approach

	URL/Attachment
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URL

	URL
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<http://www.litorina.se/wp-content/uploads/2017/02/Responsible-Investment-framework.pdf>

Attachment (will be made public)

Formalised guidelines on environmental factors

	URL/Attachment
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URL

URL

<http://www.litorina.se/wp-content/uploads/2017/02/Responsible-Investment-framework.pdf>

- Attachment (will be made public)
- Formalised guidelines on social factors

URL/Attachment

- URL

URL

<http://www.litorina.se/wp-content/uploads/2017/02/Responsible-Investment-framework.pdf>

- Attachment (will be made public)
- Formalised guidelines on corporate governance factors

URL/Attachment

- URL

URL

<http://www.litorina.se/wp-content/uploads/2017/02/Responsible-Investment-framework.pdf>

- Attachment (will be made public)
- Screening / exclusions policy

URL/Attachment

- URL

URL

<http://www.litorina.se/wp-content/uploads/2017/02/Responsible-Investment-framework.pdf>

- Attachment (will be made public)
- We do not publicly disclose our investment policy documents

SG 02.2 Indicate if any of your investment policy components are publicly available. Provide URL and an attachment of the document.

- Your organisation's definition of ESG and/or responsible investment and it's relation to investments

URL/Attachment

- URL

URL

<http://www.litorina.se/wp-content/uploads/2017/02/Responsible-Investment-framework.pdf>

Attachment

Your investment objectives that take ESG factors/real economy influence into account

URL/Attachment

URL

URL

<http://www.litorina.se/wp-content/uploads/2017/02/Responsible-Investment-framework.pdf>

Attachment

Governance structure of organisational ESG responsibilities

URL/Attachment

URL

URL

<http://www.litorina.se/wp-content/uploads/2017/02/Responsible-Investment-framework.pdf>

Attachment

ESG incorporation approaches

URL/Attachment

URL

URL

<http://www.litorina.se/wp-content/uploads/2017/02/Responsible-Investment-framework.pdf>

Attachment

Active ownership approaches

URL/Attachment

URL

URL

<http://www.litorina.se/wp-content/uploads/2017/02/Responsible-Investment-framework.pdf>

Attachment

Reporting

URL/Attachment

URL

URL

<http://www.litorina.se/wp-content/uploads/2017/02/Responsible-Investment-framework.pdf>

Attachment

Climate-related issues

URL/Attachment

URL

URL

<http://www.litorina.se/wp-content/uploads/2017/02/Responsible-Investment-framework.pdf>

Attachment

Climate change and related issues

We do not publicly disclose any investment policy components

SG 02.3 Indicate if your organisation's investment principles, and overall investment strategy is publicly available

Yes

URL

<http://www.litorina.se/wp-content/uploads/2017/02/Responsible-Investment-framework.pdf>

No

SG 03	Mandatory	Public	Core Assessed	General
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SG 03.1 Indicate if your organisation has a policy on managing potential conflicts of interest in the investment process.

Yes

SG 03.2

Describe your policy on managing potential conflicts of interest in the investment process.

Litorina's employees shall always work in Litorina's best interest and are expected to show honesty, integrity and professionalism in their daily work with other employees, companies, customers, suppliers, business partners, organisations and authorities.

Litorina's employees shall avoid all acts that are or might be perceived as favoring the employee itself, a company, organisation, individuals or other stakeholders, at Litorina's expense. Employees shall avoid all types of activity that violate the company's interests or have a negative effect on the employee's judgment and integrity.

Examples of conflict of interest includes own, direct or indirect, investments or business commitments that may be in conflict with Litorina's interests, the use of insider information or confidential information for personal gain or favoring personal related parties. Litorina's employees are required to be transparent and inform Litorina as soon as they become aware of such potential conflicts of interest, so that these can be avoided.

No

Objectives and strategies**SG 05****Mandatory****Public****Gateway/Core Assessed****General****SG 05.1**

Indicate if and how frequently your organisation sets and reviews objectives for its responsible investment activities.

- Quarterly or more frequently
- Biannually
- Annually
- Less frequently than annually
- Ad-hoc basis
- It is not set/reviewed

SG 05.2

Additional information. [Optional]

However, performance of ESG activities is monitored and reviewed more frequently.

Governance and human resources**SG 07****Mandatory****Public****Core Assessed****General****SG 07.1**

Indicate the roles present in your organisation and for each, indicate whether they have oversight and/or implementation responsibilities for responsible investment.

Roles present in your organisation

- Board members or trustees
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Chief Executive Officer (CEO), Chief Investment Officer (CIO), Investment Committee
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Other Chief-level staff or head of department, specify
 - Partners (4)**
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
 - Portfolio managers
 - ESG portfolio manager
 - Investment analysts
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
 - Dedicated responsible investment staff
 - External managers or service providers
 - Investor relations
 - Other role, specify (1)
 - Other role, specify (2)

SG 07.2

For the roles for which you have RI oversight/accountability or implementation responsibilities, indicate how you execute these responsibilities.

Litorina had a total staff count of 13 people at 31 December 2017. Litorina's staff consists of 4 Partners (including Managing Partner), 2 Directors, 2 Investment Managers, 2 Senior Associates, 1 Associate, 1 CFO and 1 Office Manager. The Managing Director (who is also a Partner) and other Partners are ultimately accountable for the oversight and implementation of responsible investment, however, responsibility lies with all investment professionals to implement our responsible investment commitments.

Although we do not have dedicated in-house responsible investment staff, we do have two investment professionals who dedicate part of their time working on our responsible investment approach and performance.

In addition, we work with external responsible investment advisors for extra support and guidance from time to time.

SG 07.3

Indicate the number of dedicated responsible investment staff your organisation has.

Number

0

Your responses to this indicator will be used to determine if you meet the minimum requirements of being a PRI signatory introduced for the first time in 2018. Signatories have until 2020 to meet these requirements.

You can find out more information on the PRI website.

There are two minimum requirements for this indicator SG 07.1:

- A role implementing responsible investment: Individuals with implementation roles are those charged with implementing specific aspects of the organisation's responsible investment practices, for example, conducting ESG-related research, incorporating ESG issues into investment strategies, voting shareholdings, engaging with companies and policy makers;
- This can be an internal staff or an external role;
- They do not have to be a dedicated RI/ESG investment staff (captured in 07.3); and
- They do not have to be allocating the majority of their time to RI/ESG activities.
-
- Senior level oversight and accountability for RI implementation: Individuals with oversight roles are those with management or governance responsibility for ensuring that the organisation implements its policies, and achieves its objectives and targets in relation to responsible investment performance; and
- "Senior level" includes the roles: Chief level staff, head of department, CEO, CIO, Investment Committee and Board members or trustees.
-

If you have any questions or need support please contact reporting@unpri.org or call on + 44 (0) 203 714 3187.

Promoting responsible investment

SG 09	Mandatory	Public	Core Assessed	PRI 4,5
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New selection options have been added to this indicator. Please review your prefilled responses carefully.

SG 09.1	Select the collaborative organisation and/or initiatives of which your organisation is a member or in which it participated during the reporting year, and the role you played.
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Select all that apply

- Principles for Responsible Investment

Your organisation's role in the initiative during the reporting period (see definitions)

- Basic
- Moderate
- Advanced

- Asian Corporate Governance Association
- Australian Council of Superannuation Investors
- AFIC – La Commission ESG
- BVCA – Responsible Investment Advisory Board
- CDP Climate Change
- CDP Forests
- CDP Water
- CFA Institute Centre for Financial Market Integrity
- Code for Responsible Investment in SA (CRISA)
- Code for Responsible Finance in the 21st Century
- Council of Institutional Investors (CII)
- Eumedion
- Extractive Industries Transparency Initiative (EITI)
- ESG Research Australia
- EVCA – Responsible Investment Roundtable

Your organisation's role in the initiative during the reporting period (see definitions)

- Basic
- Moderate
- Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

Litorina is a member of Invest Europe, previously named the European Private Equity & Venture Capital Association (EVCA), and as such, aims to follow industry standards and recommendations published by this association.

- Global Investors Governance Network (GIGN)
- Global Impact Investing Network (GIIN)
- Global Real Estate Sustainability Benchmark (GRESB)
- Green Bond Principles
- Institutional Investors Group on Climate Change (IIGCC)
- Interfaith Center on Corporate Responsibility (ICCR)
- International Corporate Governance Network (ICGN)
- Investor Group on Climate Change, Australia/New Zealand (IGCC)
- International Integrated Reporting Council (IIRC)
- Investor Network on Climate Risk (INCR)/CERES
- Local Authority Pension Fund Forum
- Principles for Sustainable Insurance
- Regional or National Social Investment Forums (e.g. UKSIF, Eurosif, ASRIA, RIAA), specify
- Responsible Finance Principles in Inclusive Finance
- Shareholder Association for Research and Education (Share)
- United Nations Environmental Program Finance Initiative (UNEP FI)
- United Nations Global Compact
- Other collaborative organisation/initiative, specify
Swedish Venture Capital Association (SVCA)

Your organisation's role in the initiative during the reporting year (see definitions)

- Basic
- Moderate
- Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

Litorina is a member of the Swedish Private Equity & Venture Capital Association (SVCA), see section SG 10.3 for more information about our level of involvement.

- Other collaborative organisation/initiative, specify
- Other collaborative organisation/initiative, specify
- Other collaborative organisation/initiative, specify

SG 10

Mandatory

Public

Core Assessed

PRI 4

SG 10.1

Indicate if your organisation promotes responsible investment, independently of collaborative initiatives.

Yes

SG 10.2

Indicate the actions your organisation has taken to promote responsible investment independently of collaborative initiatives. Provide a description of your role in contributing to the objectives of the selected action and the typical frequency of your participation/contribution.

Provided or supported education or training programmes (this includes peer to peer RI support) Your education or training may be for clients, investment managers, actuaries, broker/dealers, investment consultants, legal advisers etc.)

Description

During 2017, Litorina provided a workshop on "Sustainability reporting" for the Litorina staff and all portfolio company CFOs

Frequency of contribution

- Quarterly or more frequently
- Biannually
- Annually
- Less frequently than annually
- Ad hoc
- Other

Provided financial support for academic or industry research on responsible investment

Provided input and/or collaborated with academia on RI related work

Encouraged better transparency and disclosure of responsible investment practices across the investment industry

Description

Litorina participates in two separate "PE Round Table" discussion groups, consisting of the leading private equity firms in Sweden. The purpose of the discussion groups is to share best practice and discuss how private equity firms can improve their work with ESG matters to influence their portfolio companies as well as the investment industry as a whole.

Frequency of contribution

- Quarterly or more frequently
 - Biannually
 - Annually
 - Less frequently than annually
 - Ad hoc
 - Other
- Spoke publicly at events and conferences to promote responsible investment
- Wrote and published in-house research papers on responsible investment
- Encouraged the adoption of the PRI

Description

Litorina participates in two separate "PE Round Table" discussion groups, consisting of the leading private equity firms in Sweden. The purpose of the discussion groups is to share best practice and discuss how private equity firms can improve their work with ESG matters to influence their portfolio companies as well as the investment industry as a whole.

Frequency of contribution

- Quarterly or more frequently
 - Biannually
 - Annually
 - Less frequently than annually
 - Ad hoc
 - Other
- Responded to RI related consultations by non-governmental organisations (OECD, FSB etc.)
- Wrote and published articles on responsible investment in the media
- A member of PRI advisory committees/ working groups, specify
- On the Board of, or officially advising, other RI organisations (e.g. local SIFs)
- Other, specify
- No

SG 10.3

Describe any additional actions and initiatives that your organisation has taken part in during the reporting year to promote responsible investment [Optional]

Together with five other leading private equity firms in Sweden, Litorina wrote and signed off on the following article which was published in "Dagens Nyheter", one of Sweden's main newspapers, on June 7th 2013.

<http://www.dn.se/debatt/riskkapitalbolagen-maste-infora-en-uppforandekod/>

The article calls for more guidelines or codes of conduct for the private equity industry to increase transparency and develop its approach to business ethics and responsible investment. The article also highlights the need for the industry to work together with central and local government to develop these guidelines.

As private equity plays an important role as active owners, buyers and developers in business, and therefore forms a large part of the Swedish economy, the article acknowledges the need for greater transparency from private equity companies. It also acknowledges the need for private equity to take greater responsibility for self-regulation regarding transparency, and transparency of operations to demonstrate to the public what it means to be a serious and responsible owner. Therefore a code of conduct has been developed with the aim to be embraced by the Swedish Venture Capital Association (SVCA) and its members.

Outsourcing to fiduciary managers and investment consultants

SG 12	Mandatory	Public	Core Assessed	PRI 4
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New selection options have been added to this indicator. Please review your prefilled responses carefully.

SG 12.1 Indicate whether your organisation uses investment consultants.

- Yes, we use investment consultants
- No, we do not use investment consultants.

ESG issues in asset allocation

SG 13	Mandatory	Public	Descriptive	PRI 1
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New selection options have been added to this indicator. Please review your prefilled responses carefully.

SG 13.1 Indicate if your organisation executes scenario analysis and/or modelling in which the risk profile of future ESG trends at portfolio level is calculated.

- We execute scenario analysis which includes factors representing the investment impacts of future environmental trends
- We execute scenario analysis which includes factors representing the investment impacts of future social trends
- We execute scenario analysis which includes factors representing the investment impacts of future governance trends
- We consider scenario analysis that includes factors representing the investment impacts of future climate-related risks and opportunities
- We execute other scenario analysis, specify
Indirectly, since our modelling includes all kinds of scenarios, including risks and opportunities based on ESG trends even though they are typically not specifically quantified.
- We do not execute such scenario analysis and/or modelling

SG 13.2 Indicate if your organisation considers ESG issues in strategic asset allocation and/or allocation of assets between sectors or geographic markets.

We do the following

- Allocation between asset classes
- Determining fixed income duration
- Allocation of assets between geographic markets
- Sector weightings
- Other, specify
- We do not consider ESG issues in strategic asset allocation

SG 13.3 Additional information. [OPTIONAL]

We invest in Swedish based companies, however, since most our companies act internationally, we always consider their geographical footprint in our ESG due diligence.

Communication

SG 19	Mandatory	Public	Core Assessed	PRI 6
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SG 19.1 Indicate whether your organisation proactively discloses asset class specific information. Select the frequency of the disclosure to clients/beneficiaries and the public, and provide a URL to the public information.

Private equity

- We do not disclose to either clients/beneficiaries or the public.
- We disclose to clients/beneficiaries only.
- We disclose to the public

Overview

PE 02	Mandatory	Public	Core Assessed	PRI 2
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PE 02.1 Indicate whether your organisation's investment activities are guided by a responsible investment policy / follow responsible investment guidelines.

- Our investment activities are guided by a responsible investment policy

PE 02.2 Describe how your organisation outlines expectations on staff and portfolio companies' approach towards ESG issues in investment activities.

Litorina's investment approach aims to:

Evaluate related risks and opportunities before an investment decision is made by requiring investment professionals to:

- Exclude companies operating in certain sectors in accordance with agreed criteria with investors
- Identify potential material ESG related risks and opportunities in the value chain of portfolio companies and work with external experts, where relevant, to conduct detailed due diligence

- Discuss any identified material ESG related risks and opportunities as part of the Investment Committee decision

Ensure ESG activities and practices are driven and reported by portfolio companies through the boards by requiring investment professionals and portfolio companies to:

- Assign responsibility and accountability for managing ESG matters to the board and management
- Evaluate and prioritise ESG activities and goals as part of business planning
- Discuss relevant ESG matters in the board at least once annually
- Monitor regular reporting of material ESG matters to management and the board

Consider ESG matters when we exit by requiring investment professionals to:

- Communicate achievements and, where possible, measure impact over the investment period
- Consider possible buyer or IPO ESG requirements
- Assess comfort with buyer

- Our investment activities are not guided by a responsible investment policy
- We do not have a responsible investment policy

Fundraising of private equity funds

PE 03	Mandatory	Public	Core Assessed	PRI 1,4,6
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PE 03.1

Indicate if your most recent fund placement documents (private placement memorandums (PPM) or similar) refer to responsible investment.

- Yes

PE 03.2

Indicate how your most recent fund placement documents (PPM or similar) refer to the following responsible investment:

- Policy and commitment to responsible investment
- Approach to ESG issues in pre-investment processes
- Approach to ESG issues in post-investment processes
- Approach to ESG reporting

- No
- Not applicable as our organisation does not fundraise

Pre-investment (selection)

PE 05	Mandatory	Public	Gateway	PRI 1
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PE 05.1

During due-diligence indicate if your organisation typically incorporates ESG issues when selecting private equity investments.

- Yes

PE 05.2

Describe your organisation's approach to incorporating ESG issues in private equity investment selection.

Litorina's investment approach and Responsible Investment framework aims to integrate the consideration of ESG matters in each stage of the investment lifecycle in all investment activities, from sourcing to exit.

We aim to evaluate related risks and opportunities before an investment decision is made by requiring investment professionals to:

- exclude companies operating in certain sectors in accordance with agreed criteria with investors
- identify potential material ESG related risks and opportunities in the value chain of portfolio companies (early in the process) and work with external experts, where relevant, to conduct detailed due diligence to evaluate those risks and opportunities
- discuss any identified material ESG related risks and opportunities as part of the final bid discussions (Investment Committee)
- communicate our Responsible Investment commitments, ESG objectives and any related due diligence findings to the management teams and boards of our portfolio companies

We have also developed guidance materials and supporting tools during the reporting year to help investment professionals achieve the above. For example:

- An exclusion list
- A list of which steps to take and when (to analyse ESG issues) during screening and analysis and how these differ between auction and proactive cases
- An ESG checklist for the target company and an industry / geographic ESG manual to assist in scoping due diligence. The checklist considers: Industry and geographic risk classifications in relation to the company profile
- The company's business model, supply chain, operation(s) or products/services involving relevant ESG matters giving rise to reputational, operational or regulatory risk (e.g. contamination issues, harmful processes, resources with high environmental impact, labour rights and working conditions, product safety/quality issues, bribery risk exposure)
- The company's business model, supply chain, operation(s) or products/services involving relevant ESG matters giving rise to commercial opportunities (efficiency improvements, branding enhancement, certification, revenues from products/services with ESG features)
-
- Engaging with all of our due diligence providers in order to integrate ESG analysis in our main due diligence streams (e.g. commercial, financial, legal, personnel etc.) where relevant and identifying a panel of specialist or technical advisors to contact when support is required
- Creating internal bid templates to capture ESG analysis in final bid documents (investment papers) and bid discussions (investment committee)
- Updating investment agreements to include ESG related responsibilities for the managing director and board of directors

No

PE 06

Mandatory

Public

Core Assessed

PRI 1,3

PE 06.1

Indicate what type of ESG information your organisation typically considers during your private equity investment selection process.

- Raw data from target company
- Benchmarks against other companies
- Sector level data/benchmarks
- Country level data/benchmarks
- Reporting standards, industry codes and certifications
- International initiatives, declarations or standards
- Engagements with stakeholders (e.g. customers and suppliers)
- Advice from external resources
- Other, specify
- We do not track this information

PE 06.2

Describe how this information is reported to, considered and documented by the Investment Committee or similar.

Raw data from the target company refers to policies and standards provided by the target company.

As indicated, we have developed an ESG checklist for the target company and an industry / geographic ESG manual to assist in scoping due diligence. The checklist considers:

- Industry and geographic risk classifications in relation to the company profile
- The company's business model, supply chain, operation(s) or products/services involving relevant ESG matters giving rise to reputational, operational or regulatory risk (e.g. contamination issues, harmful processes, resources with high environmental impact, labour rights and working conditions, product safety/quality issues, bribery risk exposure)
- The company's business model, supply chain, operation(s) or products/services involving relevant ESG matters giving rise to commercial opportunities (efficiency improvements, branding enhancement, certification, revenues from products/services with ESG features)

We have also engaged with all of our due diligence providers in order to integrate ESG analysis in our main due diligence streams (e.g. commercial, financial, legal, personnel etc.) where relevant and have identified a panel of specialist advisors to contact when extra ESG support is required.

Post-investment (monitoring)

PE 09**Mandatory****Public****Gateway/Core Assessed****PRI 2****PE 09.1**

Indicate whether your organisation incorporates ESG issues in investment monitoring of portfolio companies.

- Yes

PE 09.2

Indicate the proportion of portfolio companies where your organisation included ESG performance in investment monitoring during the reporting year.

- >90% of portfolio companies
- 51-90% of portfolio companies
- 10-50% of portfolio companies
- <10% of portfolio companies

(in terms of total number of portfolio companies)

PE 09.3

Indicate ESG issues for which your organisation typically sets and monitors targets (KPIs or similar) and provide examples per issue.

ESG issues

- Environmental

List up to three example targets of environmental issues

Any environmental litigations/penalties/fines over the financial year: no companies during 2017

Any exposition to coal: no companies during 2017

- Social

List up to three example targets of social issues

Health & safety plan for employees: all companies except one during 2017

Profit-sharing system: all companies during 2017

- Governance

List up to three example targets of governance issues

Internal procedures or engagements covering human rights, bribery and AML: all companies except one during 2017

Any litigation on business ethics over the financial year: one company during 2017

- We do not set and/or monitor against targets

- No

PE 09.4

Additional information. [Optional]

Aside from the traditional corporate governance aspects that we regularly monitor, following the launch of Litorina's Responsible Investment framework in 2013, we are improving our monitoring to include (more explicitly) wider ESG-related risk management and commercial opportunities.

During 2017 we have improved and extended our annual ESG questionnaire to be filled in by each portfolio company each year to give an update of their current status, documentation, activities and objectives within ESG. Currently the monitoring of the portfolio companies are primarily qualitative and going forward we will evaluate whether to include mandatory more quantitative KPIs on a company and/or overall level.

PE 10**Mandatory****Public****Core Assessed****PRI 2**

PE 10.1

Indicate if your organisation tracks the proportion of your portfolio companies that have an ESG/sustainability-related policy (or similar guidelines).

Yes

PE 10.2

Indicate what percentage of your portfolio companies has an ESG/sustainability policy (or similar guidelines).

- >90% of portfolio companies
- 51-90% of portfolio companies
- 10-50% of portfolio companies
- <10% of portfolio companies
- 0% of portfolio companies

(in terms of total number of portfolio companies)

No

PE 10.3

Additional information. [Optional]

To integrate our Responsible Investment commitments to our existing portfolio companies, we assign responsibility for ESG issues to the board of directors and the management. We ask each company to conduct an ESG risk / opportunity self assessment and to present any relevant findings, improvements identified and a proposed action plan to the board. Our objective is to have all portfolio companies (including all new investments) to complete their assessments in the next reporting year (2018). Actions identified by portfolio companies as a result of this assessment should for example include development of an ESG/sustainability policy (or similar guidelines) where one does not exist.

Assurance

CM 1 01.1

Mandatory

Public

Core Assessed

General

New selection options have been added to this indicator. Please review your prefilled responses carefully.

CM 1 01.1

Indicate whether the reported information you have provided for your PRI Transparency Report this year has undergone:

- Third party assurance over selected responses from this year's PRI Transparency Report
- Third party assurance over data points from other sources that have subsequently been used in your PRI responses this year
- Third party assurance or audit of the implementation of RI processes (that have been reported to the PRI this year)
- Internal audit conducted by internal auditors of the implementation of RI processes and/or RI data that have been reported to the PRI this year)
- Internal verification of responses before submission to the PRI (e.g. by the CEO or the board)
 - Whole PRI Transparency Report has been internally verified
 - Selected data has been internally verified
- Other, specify
- None of the above

CM 1 01.2 & 01.8**Mandatory****Public****Descriptive****CM 1 01.2**

Do you plan to conduct third party assurance of this year's PRI Transparency report?

- Whole PRI Transparency Report will be assured
- Selected data will be assured
- We do not plan to assure this year's PRI Transparency report

CM 1 01.3 & 01.9**Mandatory****Public****Descriptive****General****CM 1 01.3**

We undertook third party assurance on last year's PRI Transparency Report

- Whole PRI Transparency Report was assured last year
- Selected data was assured in last year's PRI Transparency Report
- We did not assure last year's PRI Transparency report, or we did not have such a report last year.

CM 1 01.4, 10-12**Mandatory****Public****Descriptive****General****CM 1 01.4**

We undertake confidence building measures that are unspecific to the data contained in our PRI Transparency Report:

- We adhere to an RI certification or labelling scheme
- We carry out independent/third party assurance over a whole public report (such as a sustainability report) extracts of which are included in this year's PRI Transparency Report
- ESG audit of holdings
- Other, specify
- None of the above

CM 1 01.7**Mandatory****Public****Descriptive****General**

CM 1 01.7

Indicate who has reviewed/verified internally the whole - or selected data of the - PRI Transparency Report . and if this applies to selected data please specify what data was reviewed

Who has conducted the verification

- CEO or other Chief-Level staff

Sign-off or review of responses

- Sign-off
- Review of responses
- The Board

Sign-off or review of responses

- Sign-off
- Review of responses
- Investment Committee

Sign-off or review of responses

- Sign-off
- Review of responses
- Compliance Function
- RI/ESG Team
- Investment Teams
- Legal Department
- Other (specify)