



LEA 02	Disclosures: Mandatory	Reason for Interaction	Principle: PRI 1, 2, 3
Individual/ internal staff engagements	<p><input checked="" type="checkbox"/> To support investment decision-making in a company's material ESG issues</p> <p><input checked="" type="checkbox"/> To enhance corporate transparency on climate change</p> <p><input type="checkbox"/> To engage internal ESG decision-makers</p> <p><input type="checkbox"/> Other: specify</p> <p><input type="checkbox"/> We do not engage internal staff</p>	<p><input checked="" type="checkbox"/> To support investment decision-making in a company's material ESG issues</p> <p><input checked="" type="checkbox"/> To enhance corporate transparency on climate change</p> <p><input type="checkbox"/> To engage internal ESG decision-makers</p> <p><input type="checkbox"/> Other: specify</p> <p><input type="checkbox"/> We do not engage internal staff</p>	
Collaborative engagements	<p><input type="checkbox"/> To support investment decision-making in a company's material ESG issues</p> <p><input type="checkbox"/> To enhance corporate transparency on climate change</p> <p><input type="checkbox"/> To engage internal ESG decision-makers</p> <p><input type="checkbox"/> Other: specify</p> <p><input type="checkbox"/> We do not engage internal staff</p>		
Service provider engagements	<p><input type="checkbox"/> To support investment decision-making in a company's material ESG issues</p> <p><input type="checkbox"/> To enhance corporate transparency on climate change</p> <p><input type="checkbox"/> To engage internal ESG decision-makers</p> <p><input type="checkbox"/> Other: specify</p> <p><input type="checkbox"/> We do not engage internal staff</p>		

RI TRANSPARENCY REPORT

2020

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 2020 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	✓	Public							✓
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 of listed equity investments by passive and active strategies	🔒	n/a							✓
OO LE 02	Reporting on strategies that are <10% of actively managed listed equities	🔒	n/a							✓
OO FI 01	Breakdown of fixed income investments by passive and active strategies	🔒	n/a							✓
OO FI 02	Reporting on strategies that are <10% of actively managed fixed income	🔒	n/a							✓
OO FI 03	Fixed income breakdown by market and credit quality	🔒	n/a							✓
OO SAM 01	Breakdown of externally managed investments by passive and active strategies	🔒	n/a							✓
OO PE 01	Breakdown of private equity investments by strategy	✓	Public							✓
OO PE 02	Typical level of ownership in private equity investments	✓	Private							✓
OO PR 01	Breakdown of property investments	🔒	n/a							✓
OO PR 02	Breakdown of property assets by management	🔒	n/a							✓
OO PR 03	Largest property types	🔒	n/a							✓
OO INF 01	Breakdown of infrastructure investments	🔒	n/a							✓
OO INF 02	Breakdown of infrastructure assets by management	🔒	n/a							✓
OO INF 03	Largest infrastructure sectors	🔒	n/a							✓
OO HF 01	Breakdown of hedge funds investments by strategies	🔒	n/a							✓
OO End	Module confirmation page	✓	-							

CCStrategy and Governance				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
SG 01	RI policy and coverage	✓	Public							✓
SG 01 CC	Climate risk	✓	Private							✓
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	✓	Private							✓
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 13 CC		🔒	n/a							✓
SG 14	Long term investment risks and opportunity	✓	Private	✓						
SG 14 CC		✓	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	✓	-							

Confidence building measures				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
CM1 01	Assurance, verification, or review	✓	Public							✓
CM1 02	Assurance of last year`s PRI data	✓	Public							✓
CM1 03	Other confidence building measures	✓	Public							✓
CM1 04	Assurance of this year`s PRI data	✓	Public							✓
CM1 05	External assurance	🔒	n/a							✓
CM1 06	Assurance or internal audit	🔒	n/a							✓
CM1 07	Internal verification	✓	Public							✓
CM1 01 End	Module confirmation page	✓	-							

Litorina

Reported Information

Public version

Organisational Overview

PRI disclaimer

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Basic information

OO 01

Mandatory

Public

Gateway/Peering

General

OO 01.1

Select the services and funds you offer

Select the services and funds you offer	% of asset under management (AUM) in ranges
Fund management	<input type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input checked="" type="radio"/> >50%
Fund of funds, manager of managers, sub-advised products	<input checked="" type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50%
Other	<input checked="" type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50%
Total 100%	

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

- Hedge funds
- Fund of hedge funds

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

15

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.

31/12/2019

OO 04.2

Indicate your total AUM at the end of your reporting year.

Include the AUM of subsidiaries, but exclude advisory/execution only assets, and exclude the assets of your PRI signatory subsidiaries that you have chosen not to report on in OO 03.2

	trillions	billions	millions	thousands	hundreds
Total AUM		6	879	000	000
Currency	SEK				
Assets in USD			718	792	725

Not applicable as we are in the fund-raising process

OO 04.4

Indicate the assets which are subject to an execution and/or advisory approach. Provide this figure based on the end of your reporting year

Not applicable as we do not have any assets under execution and/or advisory approach

Based on your reporting above, your total AUM is between 0.1 and 0.99 US\$ billion, and therefore your 2019/20 fee will be £ 1,683. Note that your total AUM is calculated by summing all figures provided in OO 04.2, 04.3, and 04.4.

OO 04.5

Additional information. [Optional]

Total AUM above include Litorina's three open funds, Litorina Kapital III, Litorina IV and Litorina V.

OO 06

Mandatory

Public

Descriptive

General

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
Fund of hedge funds	0	0
Forestry	0	0
Farmland	0	0
Inclusive finance	0	0
Cash	0	0

Money market instruments	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].

OO 06.3 Indicate whether your organisation has any off-balance sheet assets [Optional].

- Yes
- No

OO 06.5 Indicate whether your organisation uses fiduciary managers.

- Yes, we use a fiduciary manager and our response to OO 5.1 is reflective of their management of our assets.
- No, we do not use fiduciary managers.

OO 09 **Mandatory** **Public** **Peering** **General**

OO 09.1 Indicate the breakdown of your organisation's AUM by market.

Developed Markets

100

Emerging Markets

0

Frontier Markets

0

Other Markets

0

Total 100%

100%

OO 09.2 Additional information. [Optional]

Litorina is focused on the Nordic region.

Please note that the the above market breakdown does not include portfolio companies in our funds.

Asset class implementation gateway indicators

OO 11	Mandatory	Public	Gateway	General
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OO 11.1 Select the internally managed asset classes in which you addressed ESG incorporation into your investment decisions and/or your active ownership practices (during the reporting year).

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

Closing module

- Closing module

OO 12.2 Additional information. [Optional]

About Litorina

We have been a partner to entrepreneurs and management teams since 1998

This is Litorina

Litorina invests in niche market leading companies with headquarters in the Nordics. We partner with management teams and entrepreneurs that want our support to take the next step in their development.

Our team has more than 100 years of combined experience from investing in and supporting growth initiatives in leading Nordic companies. We are an active owner with a clear framework of how we support our companies.

We are passionate about what we do. Together with the companies we invest in, we set high goals and ambitions. By contributing capital for expansion, relevant experience, a network of knowledgeable advisors and our passion, we aim to double the size of the companies we invest in within a four to seven year period.

Litorina's investors are long-term international institutional investors that directly or indirectly primarily manage pension savings for Nordic, European, Asian and US workers.

Strategic Focus

We invest in profitable companies with a healthy business model where we can support further growth initiatives. Based on this, we select companies where we can add value and contribute with relevant experience. This means we are looking for:

- Niche market leading companies with headquarters in the Nordics
- Well managed and profitable companies with a clear value creation agenda
- Focus on consumer and business services sectors
- Companies with EUR 10-100m in sales
- Companies that want our support to drive a growth-focused business agenda

How we create value - The Litorina playbook

Over the years, we have developed a clear model for how we create value in our companies. This is centred around the different phases in the investment life cycle.

At entry - strategic direction and focus on key value drivers

- We ensure we have alignment with the management team and entrepreneurs regarding the strategic direction and key value drivers
- Geographic expansion is often a key value driver, within the Nordic region and sometimes also globally
- We support our companies working with buy-and-build, roll-out and acquisition-driven value creation
- We help drive value creation through digitalization, increased online competence and e-commerce excellence
- Operational excellence, realizing best practises and synergies are often important tools to drive value creation

Setting the structure

- The first 12 to 18 months of an investment, we focus on introducing our governance model where we separate and establish the different roles of the owners, board and management
- Together with our partners we appoint a board with an external chairman and one to three additional advisors who can support the management team in specific areas of expertise
- We work with the team to set a suitable management structure and identify recruitment needs to have the right resources in place and work towards the agreed strategic direction
- Set a financial reporting framework with good financial and operational key performance indicators

Setting the plan

- Once we have the right resources and team in place, the board, together with the management team, set a joint business plan for the next three to five years
- We create a business plan that focuses on a limited number of key value drivers and activities needed to reach our goals
- We set a framework for continuous monitoring of the plan with yearly strategic reviews

Implementation

- Litorina works through the board. We usually have six ordinary board meetings per year where different themes and topics are discussed
- Between the board meetings, there is a close dialogue between the CEO, chairman and Litorina in so called troika meetings
- At the request of management, the board and Litorina support the team in specific projects and initiatives

Peering questions

OO PE 01	Mandatory	Public	Descriptive	General
OO PE 01.1	Provide a breakdown of your organisation's internally managed private equity investments by investment strategy.			

Investment strategy	Percentage of your internally managed private equity holdings (in terms of AUM)
Venture capital	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0%
Growth capital	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0%
(Leveraged) buy-out	<input checked="" type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%
Distressed/Turnaround/Special Situations	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0%
Secondaries	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0%
Other investment strategy, specify (1)	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0%
Other investment strategy, specify (2)	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0%
Total 100%	

Litorina

Reported Information

Public version

Strategy and Governance

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Investment policy

SG 01

Mandatory

Public

Core Assessed

General

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.

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"/> Fiduciary (or equivalent) duties <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
- Understanding and incorporating client / beneficiary sustainability preferences
- Other RI considerations, specify (1)
- Other RI considerations, specify (2)

SG 01.4

Describe your organisation's investment principles and overall investment strategy, interpretation of fiduciary (or equivalent) duties, and how they consider ESG factors and real economy impact.

At Litorina, we are convinced that our companies must have a sustainable and long-term approach to be successful. For us, sustainability is essential to drive long term value creation. We recognize that our decisions and activities have an impact on the environment and on the people and communities where we and our portfolio companies operate. As active owners, it is Litorina's ambition to manage those impacts and promote sustainable business practices.

We are committed to promote good business practices across our portfolio companies and at Litorina. We do this because we believe it is the right thing to do. Litorina also believe that companies which effectively manage environmental, social and governance ("ESG") risks and opportunities well are better positioned to increase their long-term value. As a result, we have incorporated our ESG framework into our investment process and active ownership model.

No

I confirm I have read and understood the Accountability tab for SG 01

I confirm I have read and understood the Accountability tab for SG 01

SG 02

Mandatory

Public

Core Assessed

PRI 6

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.

Policy setting out your overall approach

URL/Attachment

URL

URL

{hyperlink:https://litorina.se/content/uploads/2020/02/responsible-investment-framework-2020.pdf}

Attachment (will be made public)

Formalised guidelines on environmental factors

URL/Attachment

URL

URL

{hyperlink:https://litorina.se/content/uploads/2020/02/responsible-investment-framework-2020.pdf}

Attachment (will be made public)

Formalised guidelines on social factors

URL/Attachment

URL

URL

{[hyperlink:https://litorina.se/content/uploads/2020/02/responsible-investment-framework-2020.pdf](https://litorina.se/content/uploads/2020/02/responsible-investment-framework-2020.pdf)}

Attachment (will be made public)

Formalised guidelines on corporate governance factors

URL/Attachment

URL

URL

{[hyperlink:https://litorina.se/content/uploads/2020/02/responsible-investment-framework-2020.pdf](https://litorina.se/content/uploads/2020/02/responsible-investment-framework-2020.pdf)}

Attachment (will be made public)

Screening / exclusions policy

URL/Attachment

URL

URL

{[hyperlink:https://litorina.se/content/uploads/2020/02/responsible-investment-framework-2020.pdf](https://litorina.se/content/uploads/2020/02/responsible-investment-framework-2020.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

{[hyperlink:https://litorina.se/content/uploads/2020/02/responsible-investment-framework-2020.pdf](https://litorina.se/content/uploads/2020/02/responsible-investment-framework-2020.pdf)}

Attachment

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

URL/Attachment

URL

URL

{hyperlink:https://litorina.se/content/uploads/2020/02/responsible-investment-framework-2020.pdf}

Attachment

Governance structure of organisational ESG responsibilities

URL/Attachment

URL

URL

{hyperlink:https://litorina.se/content/uploads/2020/02/responsible-investment-framework-2020.pdf}

Attachment

ESG incorporation approaches

URL/Attachment

URL

URL

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Attachment

Active ownership approaches

URL/Attachment

URL

URL

{hyperlink:https://litorina.se/content/uploads/2020/02/responsible-investment-framework-2020.pdf}

Attachment

Reporting

URL/Attachment

URL

URL

{hyperlink:https://litorina.se/content/uploads/2020/02/responsible-investment-framework-2020.pdf}

Attachment

We do not publicly disclose any investment policy components

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 internal and/or external roles used by your organisation, and indicate for each whether they have oversight and/or implementation responsibilities for responsible investment.

Roles

- Board members or trustees
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Internal Roles (triggers other options)

Select from the below internal roles

- Chief Executive Officer (CEO), Chief Investment Officer (CIO), Chief Operating Officer (COO), 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 (5)**
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
 - Portfolio managers
 - Investment analysts
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
 - Dedicated responsible investment staff
 - Investor relations
 - Other role, specify (1)
 - Other role, specify (2)
- External managers or service providers

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 15 people at 31 January 2020. Litorina's staff consists of 5 Partners (including Managing Partner), 2 Directors, 2 Investment Managers, 4 Associates, 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

I confirm I have read and understood the Accountability tab for SG 07

I confirm I have read and understood the Accountability tab for SG 07

Promoting responsible investment

SG 09	Mandatory	Public	Core Assessed	PRI 4,5
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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.
---------	---

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
- AVCA: Sustainability Committee
- France Invest – La Commission ESG
- BVCA – Responsible Investment Advisory Board
- CDP Climate Change
- CDP Forests
- CDP Water
- CFA Institute Centre for Financial Market Integrity
- Climate Action 100+
- Code for Responsible Investment in SA (CRISA)
- Council of Institutional Investors (CII)
- Eumedion
- Extractive Industries Transparency Initiative (EITI)
- ESG Research Australia
- Invest Europe 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
- HKVCA: ESG Committee
- 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 Financial Action in the 21st Century
- 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
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SG 10.1	Indicate if your organisation promotes responsible investment, independently of collaborative initiatives.
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- 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.
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- 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
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During 2019, Litorina held further workshops to selected portfolio companies on Sustainability reporting and added an ESG module to our Onboarding Program for new portfolio company CFOs and Litorina employees.

	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.
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- 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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SG 13.1	Indicate whether the organisation carries out scenario analysis and/or modelling, and if it does, provide a description of the scenario analysis (by asset class, sector, strategic asset allocation, etc.).
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- Yes, in order to assess future ESG factors
- Yes, in order to assess future climate-related risks and opportunities
- No, our organisation does not currently carry out scenario analysis and/or modelling

SG 13.3	Additional information. [OPTIONAL]
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We invest in Nordic based companies, however, since most our companies act internationally, we always consider e.g. their geographical footprint in our ESG due diligence review.

Communication

SG 19	Mandatory	Public	Core Assessed	PRI 2, 6
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SG 19.1	Indicate whether your organisation typically discloses asset class specific information proactively. Select the frequency of the disclosure to clients/beneficiaries and the public, and provide a URL to the public information.
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Caution! The order in which asset classes are presented below has been updated in the online tool to match the Reporting Framework overview.

If you are transferring data from an offline document, please check your response carefully.

	Private equity
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Do you disclose?

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

Litorina

Reported Information

Public version

Direct – Private Equity

PRI disclaimer

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Overview

PE 02	Mandatory	Public	Core Assessed	PRI 2
-------	-----------	--------	---------------	-------

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 integrates ESG matters in all aspects of our investment approach and continuously strives to develop and apply best practices in all processes.

Sourcing and investment decision

- Exclude companies operating in certain sectors in accordance with agreed criteria with investors
- Understand how relevant ESG matters are managed across the value chain and identify risks and opportunities

Ownership and value creation

- Assign responsibility and accountability for managing ESG matters to the board and management
- Promote, evaluate and prioritise ESG activities and goals as part of business planning and monitor regular reporting of material ESG matters to the board

Exit

- Communicate achievements and, where possible, measure impact over the investment period
- Identify lessons learned and integrate feedback into the Responsible Investment Framework

- 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 integrates ESG matters in all aspects of our investment approach and continuously strives to develop and apply best practices in all processes.

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
- Understand how relevant ESG matters are managed across the value chain and identify risks and opportunities

We have also developed guidance materials and supporting tools 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
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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 our due diligence providers in order to integrate ESG analysis in our main due diligence streams (e.g. commercial, financial, tax, legal, environmental, personnel, etc.) where relevant.

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

Example 1

Any environmental litigations/penalties/fines over the financial year: no companies during 2019

Example 2 (optional)

Any exposition to coal: no companies during 2019

- Social

List up to three example targets of social issues

Example 1

Health and safety plan for employees: all companies (one ongoing) 2019

Example 2 (optional)

Profit-sharing system: all companies during 2019

- Governance

List up to three example targets of governance issues

Example 1

Internal procedures or engagements covering human rights, bribery and AML: all companies (one ongoing) during 2019

- 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 2018, 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
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PE 10.1	Indicate if your organisation tracks the proportion of your portfolio companies that have an ESG/sustainability-related policy (or similar guidelines).
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Yes

PE 10.2	Indicate what percentage of your portfolio companies has an ESG/sustainability policy (or similar guidelines).
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- >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]
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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 (2020). 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.

Litorina

Reported Information

Public version

Confidence building measures

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Confidence building measures

CM1 01	Mandatory	Public	Additional Assessed	General
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CM1 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 correct implementation of RI processes (that have been reported to the PRI this year)
- Internal audit of the correct implementation of RI processes and/or accuracy of 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

CM1 02	Mandatory	Public	Descriptive	General
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CM1 02.1 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
- None of the above, we were in our preparation year and did not report last year.

CM1 03	Mandatory	Public	Descriptive	General
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CM1 03.1 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

CM1 04	Mandatory	Public	Descriptive	General
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CM1 04.1

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

CM1 07

Mandatory

Public

Descriptive

General

CM1 07.1

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)