



**Litorina**

**Sustainability report 2021/2022.**



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**Message from  
the Managing  
Partner.**

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# Message from our Managing Partner.

## Partnership for sustainable growth.

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The year 2021 was still a year where Covid-19 left a considerable impact. For some of our portfolio companies this remained a key priority for management during 2021, while others continued their focus on long-term sustainable value creating initiatives.

During 2021 we further accelerated our sustainability efforts and decided to strengthen our ESG team with the recruitment of an Investment & Sustainability Controller who started in May 2022.

We integrated our four focus SDGs; Gender Equality, Decent Work and Economic Growth, Climate Action and Peace, Justice and Strong Institutions, into our investment process – from screening potential investments to our active ownership model.

As part of our commitment to contribute to Climate Action we started measuring scope 1 and 2 emissions in our portfolio companies as well as a small selection of scope 3 emissions. During the coming years focus for Litorina and our portfolio companies will be to improve data collection for CO2 emissions and extend the number of relevant scope 3 categories. With a reliable CO2 emission basis, we will be able to set a clear climate strategy to contribute to the goals of the Paris Agreement.



Lars Verneholt,  
Managing Partner





”

*We work actively with our portfolio companies to support them on their sustainability journey.*

During 2021 we have seen our portfolio companies increase their sustainability efforts, where e.g. Care of Carl has accelerated sales in their pre-owned department, Layer Group has obtained several ISO certifications and NN07 continued their work with responsible sourcing, where now more than 70% of suppliers in risk countries have a valid third-party social audit.

Going into 2022 the world, just recovering from the Covid-19 pandemic, was shocked by the Russian invasion of Ukraine. To support humanitarian initiatives for the Ukrainian people our portfolio company Brödernas, together with Litorina, suppliers and partners, launched the “Peace Burger”, as part of their monthly charity burger initiative, raising SEK 2.9 million to UNHCR.

To further emphasize the importance of sustainability work in our portfolio companies and to ensure progress we decided in Q3 2022 to establish ESG committees in

each portfolio company. The ESG committee consists of the Litorina deal team, Litorina’s Head of ESG as well as the CEO, sustainability coordinator and Chairman of the portfolio company.

We also launched an ESG onboarding framework describing the steps to be taken to be fully onboarded in our sustainability efforts, consisting of an ESG governance structure, ESG strategy and ESG reporting. In connection with the onboarding framework, we also developed an internal ESG rating system for our portfolio companies, where companies can develop to become a five-star sustainable company. Focus going forward will be to introduce our onboarding framework to the companies, start rating our portfolio companies and make sure the ESG committees are monitoring progress.

We are proud of the work we have done so far and happy to share our second annual sustainability report. There is however still a lot to be done and we are dedicated to continue our journey towards a more sustainable future.



Lars Verneholt,  
Managing Partner





# 2021 Highlights.

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# 2021 Sustainability highlights.

## Overview.

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### Litorina

- Participation in Upright Project
- CO<sub>2</sub> measurements Scope 1, 2 and 3 (subcategories 3.3 Fuel and energy related activities and 3.6 Business travel) for portfolio companies
- Integrated UN SDGs into our investment policy
- Recruited an Investment & Sustainability Controller to strengthen the ESG team
- Increased the number of portfolio companies with a (Supplier) Code of Conduct and Anti Corruption policy
- A higher share of women in the management teams

### General

- SFDR became effective in March 2021
- EU Taxonomy became law
- Climate scientists won the Nobel prize in physics
- Green investments outnumbered fossil fuel investments



# Upright Project.

## Measuring net impact.

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### About Upright.

The Upright Project provides an automated way to estimate a company's net impact on people, planet, society and knowledge.

The Upright net impact model is a mathematical model of the economy that provides estimates of the net impact of companies by means of an information integration algorithm based on data from scientific knowledge and public statistical databases.

Litorina has participated in the Net Impact and EU Sustainable Finance Program to assess the impact of our investment operations on society and to gain insight in the SFDR PAI metrics and EU Taxonomy eligibility of our portfolio companies.

### Purpose.

Understand the drivers of our portfolio's net impact. See how our fund and the underlying companies impact society, knowledge, health, and the environment — through the entire value chain.





## CO2 measurements.

### Baseline 2021.

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#### Emission scopes.

Greenhouse gas emissions are categorised into three groups or 'Scopes' by the most widely-used international accounting tool, the Greenhouse Gas (GHG) Protocol. Scope 1 covers direct emissions from owned or controlled sources. Scope 2 covers indirect emissions from the generation of purchased electricity, steam, heating and cooling consumed by the reporting company. Scope 3 includes all other indirect emissions that occur in a company's value chain.

#### What did we measure for 2021.

During 2021 Litorina appointed Ethos International (Ethos) to help with educating our portfolio companies on the different emission scopes and reviewing environmental data for 2021 for our portfolio companies. The environmental data has been reviewed and calculated by Ethos in accordance with the GHG Protocol and included the following scopes:

Scope 1. Direct emissions

Scope 2. Purchased energy

Scope 3.3 Fuel and energy

Scope 3.6. Business travel

Next steps will be to improve data collection, enhance the Scope 3 emissions included and work on initiatives to decrease emissions.



# UN SDGs.

An integrated part of our investment policy.

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## Core SDGs.

During 2020 Litorina selected four core SDGs as our focus areas within sustainability. These four SDGs are (5) Gender Diversity, (8) Decent Work and Economic Growth, (13) Climate Action and (16) Peace, Justice and Strong Institutions.



## Integration of UN SDGs.

ESG matters have been an integrated part in all aspects of our investment approach for many years. During 2021 we have refined our investment process to be aligned with our commitment to Litorina's four core SDGs. Already in the screening phase we are looking for investments with a potential to improve on these SDGs as well as other company specific SDGs. This will be confirmed during the due diligence process where we also focus on exposure to sustainability risks and opportunities. In our active ownership phase portfolio companies will, as part of their ESG onboarding, perform a materiality assessment that will identify key ESG areas for the company and will be asked to align these with the UN SDGs. These will then be tracked through meaningful KPIs so we during the exit phase can show the progress made and value-add from an ESG perspective during our ownership.





## Strengthening the team.

### Investment & Sustainability Controller.

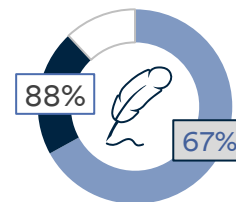
To further prioritize our ESG efforts we decided to strengthen the team with an Investment & Sustainability Controller. Christian Hallner was recruited during 2021 and started at Litorina in May 2022. Christian's focus will be to improve the ESG data collection and together with Litorina's Head of ESG, Thirza Hamrin, guide the portfolio companies on their ESG journey.



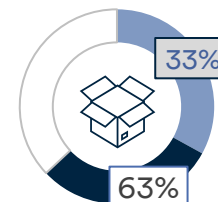
## KPI developments.

Achievements since last year.

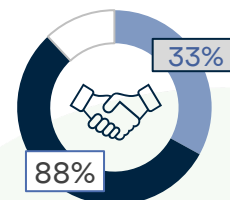
Code of Conduct<sup>1</sup>



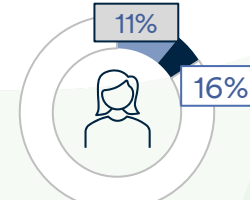
Supplier Code of Conduct<sup>1</sup>



Anti Corruption policy<sup>1</sup>



Female management %<sup>2</sup>



■ Today ■ Last year

1) Share of Litorina V portfolio companies.

2) Total of all management teams in Litorina V portfolio companies.





# About Litorina.

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# This is Litorina.

Preferred partner for sustainable growth.

“

*Our vision is to be the preferred partner to Nordic management teams that want to take their companies to full potential. This will help us to fulfil our mission – to invest in and build sustainable companies that enables us to generate attractive returns.”*

## **Our focus.**

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.**

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.

## **Our investors.**

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



# Litorina in figures.

1998

when it all started  
for Litorina

100+

years combined  
investment  
experience

50+

portfolio company  
investments since  
inception

SEK 3bn

in committed  
capital in Fund V

14

portfolio companies  
currently<sup>1</sup>

<sup>1</sup>) Excluding Litorina's two publicly traded holdings (post IPO).



# Our approach.

Investing in Nordic niche market leading companies.

## What we do



Partner with strong  
management teams  
& entrepreneurs



SEK 100m – 1bn  
in sales



Consumer and  
business services  
focus



Growth driven  
sustainable value  
creation

## How we do it



Passionate  
team from Litorina



Experienced  
advisor network



Litorina  
governance model

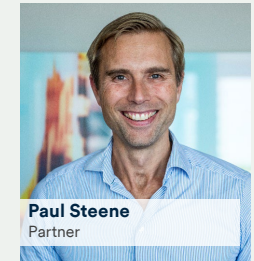
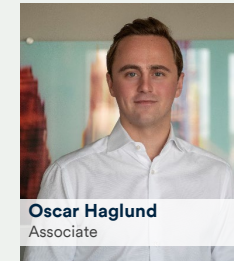
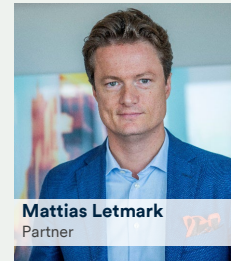
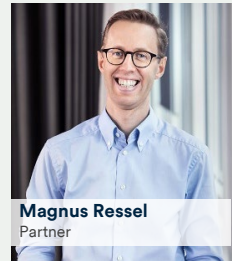
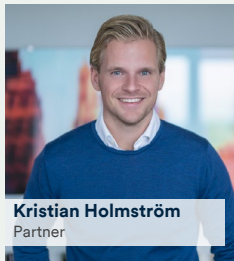
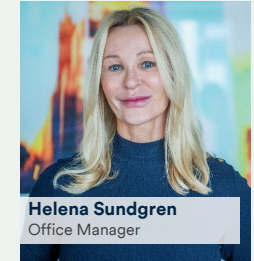
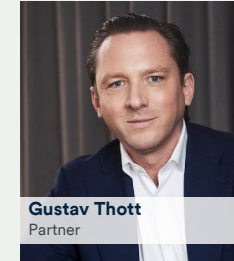
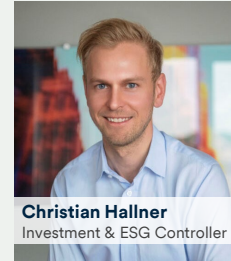
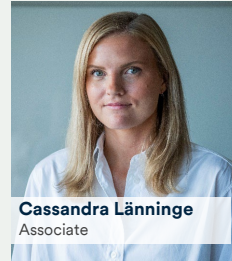
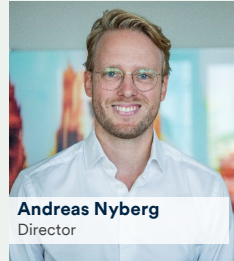
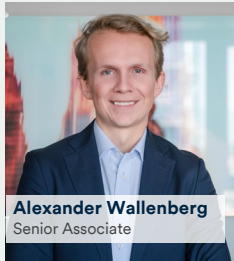


Structured and  
sustainable value  
creation framework



# Litorina team.

Passionate team with 100+ years of combined investment experience.





A full-page background image of a misty mountain landscape. In the foreground, a calm lake reflects the surrounding scenery. The middle ground features dense evergreen forests covering steep hillsides. In the background, misty mountains rise, with rays of light breaking through the clouds. A small cluster of buildings is visible on the shore of the lake, partially obscured by the mist.

# ESG Approach.

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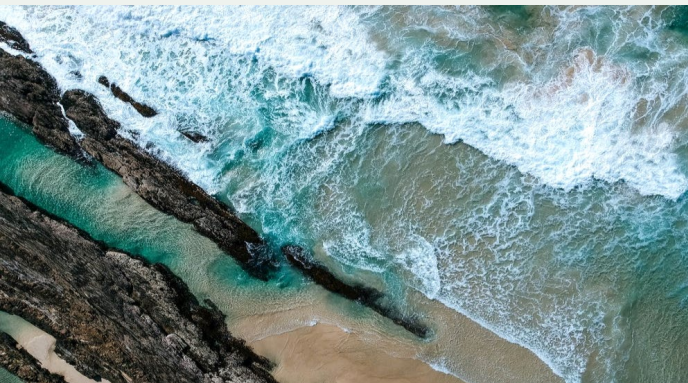


# UN Principles for Responsible Investment.

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## The UN PRI.

The UN Principles for Responsible Investment (PRI) is an international organization that works to promote the incorporation of environmental, social, and corporate governance factors (ESG) into investment and ownership decision-making. In implementing them, signatories contribute to developing a more sustainable global financial system.



## The six principles.

- 1** We will incorporate ESG issues into investment analysis and decision-making processes.
- 2** We will be active owners and incorporate ESG issues into our ownership policies and practices.
- 3** We will seek appropriate disclosure on ESG issues by the entities in which we invest.
- 4** We will promote acceptance and implementation of the Principles within the investment industry.
- 5** We will work together to enhance our effectiveness in implementing the Principles.
- 6** We will each report on our activities and progress towards implementing the Principles.

## Litorina's approach.

Litorina has been a signatory to the UN PRI since 2014. Our active ownership approach is consistent with the Principles. ESG issues are an integrated part of our responsible investment framework, and we support our portfolio companies on their ESG journey. We are also active in the Nordic PE sustainability community where we share knowledge and best practices. As a signatory we are subject to regular reporting and our Annual PRI Transparency Report can be found on our website together with Litorina's own Annual Sustainability Report.



A vertical photograph of a jagged mountain peak with a paraglider in the sky.

# UN Sustainable Development Goals.

## UN SDG's.

The Sustainable Development Goals (SDGs) were adopted by the United Nations in 2015 as a universal call to take action to end poverty, protect the planet, and ensure that by 2030 all people enjoy peace and prosperity. The SDGs are the blueprint to achieve a better and more sustainable future for all and includes 17 unique goals. Litorina strongly believes that we as a private equity owner have a great opportunity to drive sustainability matters in our portfolio companies. We recognize what impact our portfolio companies may have on the environment and the society use the SDGs as a framework to assess risks and opportunities. On Litorina level we focus on four core SDGs: (5) Gender Equality, (8) Decent Work and Economic Growth, (13) Climate Action and (16) Peace, Justice and Strong Institutions. These four focus areas form an integrated part of our investment process and active ownership model. On top of these four core SDGs our portfolio companies are also encouraged to select 1-3 additional SDGs where their business can specifically contribute.



# Litorina's four core SDGs.

## Environmental



### Our contribution

We will support our portfolio companies in creating robust climate strategies, report on GHG emissions and reduce environmental impact in our portfolio companies and at Litorina.



## Social



### Our contribution

We will increase the share of women at Litorina and increase the share of women in Litorina's Advisor network (which represents the non-executive board members that Litorina appoints to the board of directors of our portfolio companies)

We will create new jobs in our portfolio companies and promote sustainable and safe workplaces

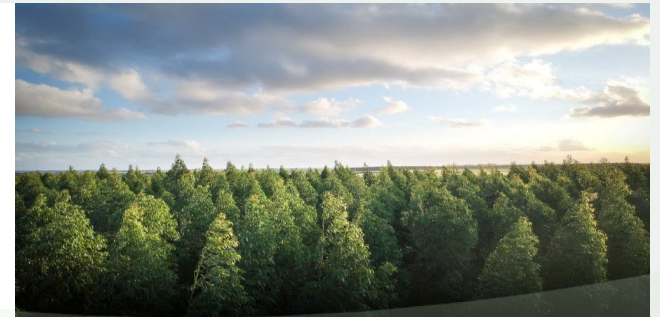


## Governance


















































































































































### Our contribution

We will promote and implement sustainable corporate governance practices and business ethics with the aim of reducing risk of corruption and bribery.





# Portfolio company SDG summary.

Company		1 NO POVERTY	2 ZERO HUNGER	3 GOOD HEALTH AND WELL-BEING	4 QUALITY EDUCATION	5 GENDER EQUALITY	6 CLEAN WATER AND SANITATION	7 AFFORDABLE AND CLEAN ENERGY	8 DECENT WORK AND ECONOMIC GROWTH	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	10 REDUCED INEQUALITIES	11 SUSTAINABLE CITIES AND COMMUNITIES	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	13 CLIMATE ACTION	14 LIFE BELOW WATER	15 LIFE ON LAND	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	17 PARTNERSHIPS FOR THE GOALS
Business services	 Digpro																	
	 JOHAN HALLÉN & BERGFALK																	
	 LAYER GROUP																	
Premium brands and consumer services	CARE OF CARL																	
	 NNØ7 NO NATIONALITY																	
	 Physical Medicine Group																	
	 SUSHI YAMA																	
	 BRÖDERNAS																	





# Responsible Investment Framework.

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# ESG in our investment process.

Responsible and sustainable value creation.

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**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. As a result, we have incorporated sustainability into our investment process and active ownership model.**

We recognize that our decisions and activities have an impact on the environment, the people and the 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. Sustainability is therefore an integrated part of all stages in our investment process: (1) deal sourcing, (2) investment decision, (3) value creation and (4) exit. Our responsible investment framework, which has been developed over the years, describes how we integrate sustainability matters in all process. We strive to continuously update our responsible investment framework based on changes in our sustainability strategy and regulatory requirements.





# Sustainability throughout the investment cycle.

## SOURCING

- Exclude companies or entities whose business activity consists of illegal economic activity, or which substantially focus on tobacco and alcohol, weapons and ammunition, casino and gambling, illegal drugs, pornography or coal-based activities
- Include companies with a good potential to improve on our four core SDGs
- Proactive sourcing excludes sectors and subsectors exposed to high sustainability risks

## INVESTMENT DECISION

- ESG due diligence to determine sustainability risks and opportunities
- Companies that are exposed to (unmanageable) sustainability risks are excluded
- Confirmation of potential to contribute to our four core SDGs as well as identification of company specific SDGs
- ESG due diligence findings are an integrated part of the material presented to the Investment Committee

## VALUE CREATION

- ESG onboarding:
  - ✓ Sustainability coordinator
  - ✓ ESG committee
  - ✓ ESG governance (policies, training, etc.)
- Setting the ESG strategy:
  - ✓ ESG materiality assessment
  - ✓ Selection of UN SDGs
  - ✓ ESG KPIs and targets
  - ✓ ESG integration
  - ✓ Educate and communicate
- Reporting

## EXIT

- Communicate achievements and, where possible, measure impact over the investment period
- Identify lessons learned and integrate feedback into our responsible investment framework





**Sustainability  
in our portfolio  
companies.**

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# Digpro.

“The compass for smart society infrastructure”.

## About Portfolio company

Founded in 1989, Digpro is a Nordic market leader with a growing international presence in the telecom fiber deployment and electrical power distribution segments. In addition, Digpro provides products for network planning and operations for gas utilities, water and wastewater utilities, and district heating utilities. Digpro's products play a vital role in the digitalization of utility supply and in the evolution of smart cities. Network owners and operators use Digpro's software to manage their infrastructure and business processes. With tools and functionalities for planning, design, building, and operations, Digpro offers end-to-end solutions throughout a network's lifecycle.

HQ  
**Stockholm**

CEO  
**Jonas Vestin**

Employees  
**~130**

Sales  
**SEK  
~160m**








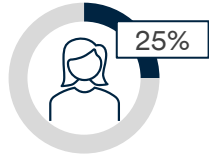
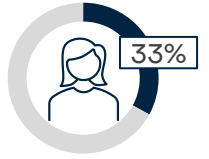
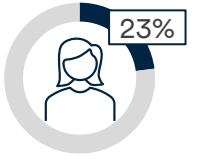








Year of  
acquisition  
**2017**



# Digpro: Sustainability.

## Sustainability highlights.

- Established a Code of Conduct for Digpro employees.
- Started to calculate greenhouse gas emissions from company travels.
- Introduced energy transmission as a separate project in product development.
- Initiatives to support Digpro's largest customer in promoting UN SDG 7 related to the clean energy transition.

<b>Environmental</b> 	<b>CO<sub>2</sub> emissions scope 1</b>  tons	<b>Scope 2</b>  tons	<b>Scope 3<sup>1</sup></b>  tons	<b>Greenhouse gas intensity<sup>1</sup></b>  <b>0.1</b> tons CO <sub>2</sub> e per SEKm of revenue	<b>SDG alignment</b>  
<b>Social</b> 	<b>Female management %</b> 	<b>Female advisors %</b> 	<b>Female employees %</b> 	<b>FTE development</b> <div> <div>121</div> <div>120</div> </div> <div>20202021</div>	<b>SDG alignment</b>  
<b>Governance</b> 	<b>Supplier Code of Conduct</b> 	<b>Code of Conduct</b> 	<b>Anti Corruption policy</b> 	<b>Whistle-blower policy</b>  To be implemented 2023	<b>SDG alignment</b> 

1) Scope 3 emissions only comprise the two subcategories 3.3 Fuel and energy related activities and 3.6 Business travel, the latter include journeys by rental car, taxi, bus, train and aircraft.



# Johan i Hallen & Bergfalk.

“Together for sustainable food – today and tomorrow”.

## About Portfolio company

The Johan i Hallen & Bergfalk group was founded by Litorina in 2018 through a partnership between Bergfalk and Johan i Hallen. The group is the leading Swedish specialist provider of fresh proteins such as meat, delicatessen meat, fish and seafood primarily to independent restaurants, HORECA chains and premium grocers. The company produces or refines almost half of their offered products themselves. Apart from a market leading position in Sweden, the company has an expanding foothold in the Finnish market.

HQ  
**Stockholm**

CEO  
**Andreas  
Göthberg**

Employees  
**~320**

Sales  
**SEK  
~1,970m**

Year of  
acquisition  
**2018**



JOHAN I HALLEN  
& BERGFALK

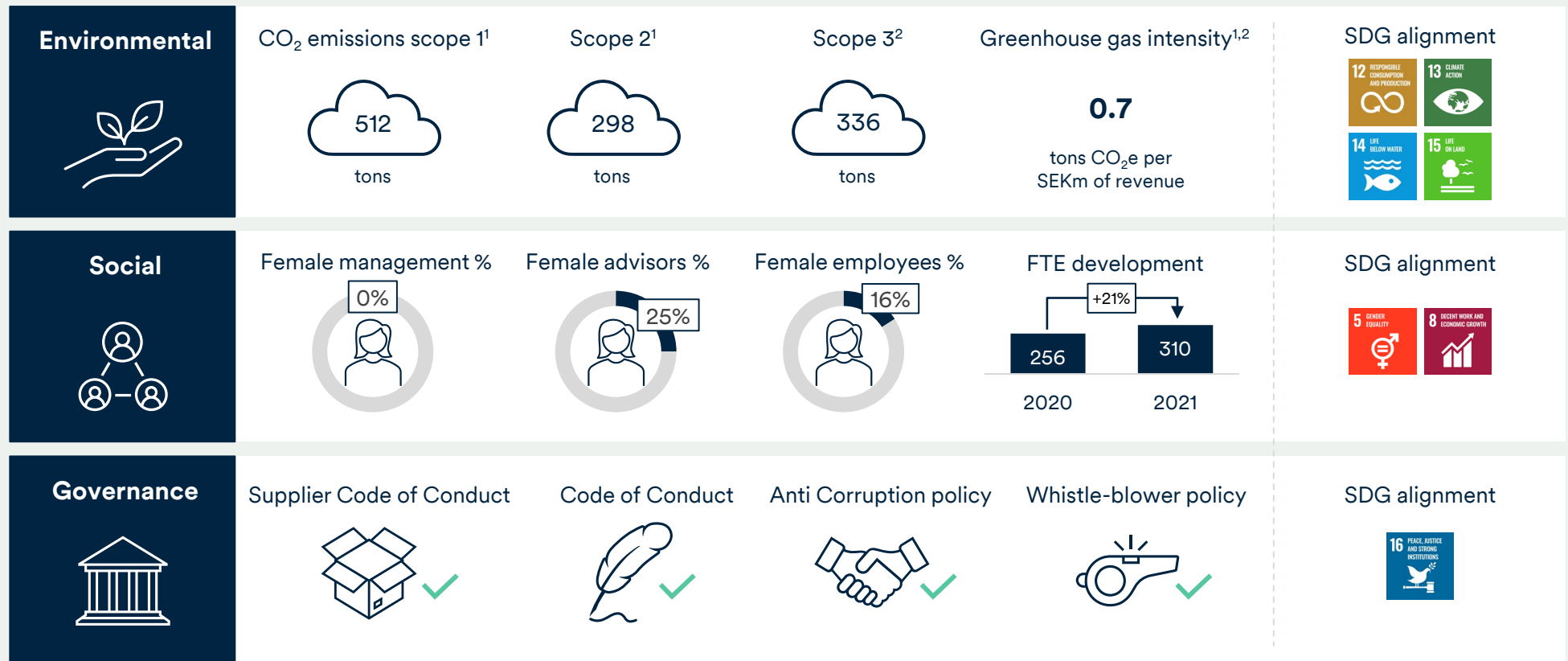




# Johan i Hallen & Bergfalk: Sustainability.

## Sustainability highlights.

- Extensive renovations of both production and office premises with improved sustainability aspects such as lighting, recycling of waste etc.
- Investments in new and replacement of older production machines with significantly lower energy consumption and reduced waste.
- Recycling of styrofoam and adaptations to more environmentally friendly packaging.
- Initiated a process to switch to a more environmentally friendly car fleet.



1) Scope 1 and 2 emissions for operations in Finland have been estimated based on financial data.

2) Scope 3 emissions only comprise the two subcategories 3.3 Fuel and energy related activities and 3.6 Business travel, the latter include journeys by rental car, taxi, train and aircraft (estimation of no. of annual business trips).



# Layer Group.

“Surface services focused on lasting results”.

## About Portfolio company

Layer Group is a leading surface service provider in Sweden and offers services such as painting, flooring and tiling. The group was created in 2020 and consists of 27 companies located throughout the whole of Sweden. Each company within the group is a leading service provider in their respective home markets with long standing industry experience, and operate through their locally established brand and network.

HQ  
**Stockholm**

CEO  
**John  
Strand**

Employees  
**~1,600**

Sales  
**SEK  
~2,200m**

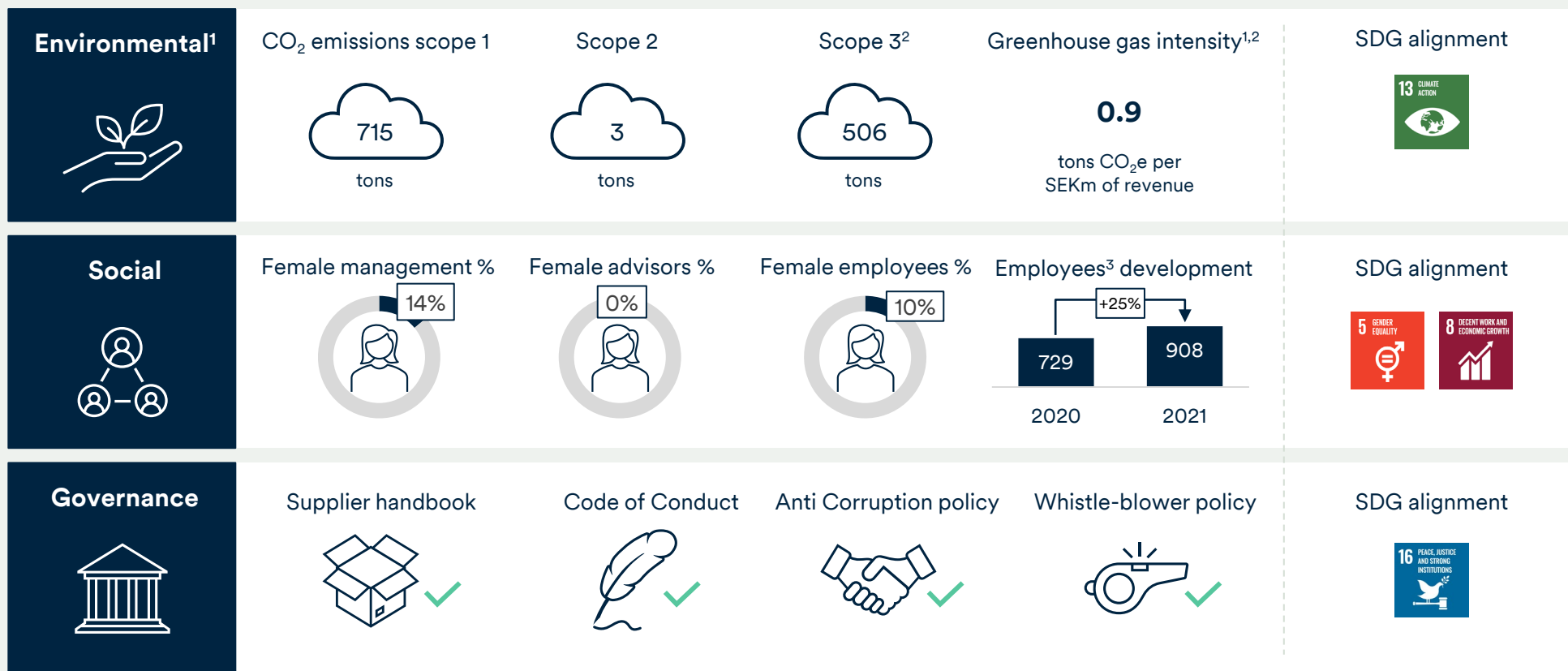
Year of  
acquisition  
**2021**



# Layer Group: Sustainability.

## Sustainability highlights.

- Obtained its certification for ISO 9001, ISO 14001 and ISO 45001 late 2021.
- Established a management system with policies, routines and instructions to improve and develop customer satisfaction, environmental performance and occupational health performance.
- Share of eco-labelled paint purchased at 75% in 2021 (74% in 2020).



1) The Group expanded heavily in 2021; only companies acquired during H1 2021 are included in 2021 numbers. 2) Scope 3 emissions only comprise the two subcategories 3.3 Fuel and energy related activities (based on estimated distance and fuel consumption) and 3.6 Business travel, the latter include journeys by taxi, train and aircraft. 3) Average number of employees.



# Care of Carl.

“The Classics of Tomorrow”.

## About Portfolio company

Care of Carl is a leading Nordic online retailer of well-known, high-quality brands within apparel, footwear and accessories for men, offering more than 220 brands. The company was founded in 2010 in Borås, Sweden and has built its leading position and strong customer loyalty on offering a carefully curated selection of renowned brands online with a first-class customer experience and a high service level. The company is present in the Swedish, Norwegian, Danish, Finnish and German markets with localised sites and sells across Europe on its English site.

HQ  
**Borås**

CEO  
**Mathias  
Ekström**

Employees  
**~80**

Sales  
**SEK  
~400m**

Year of  
acquisition  
**2018**

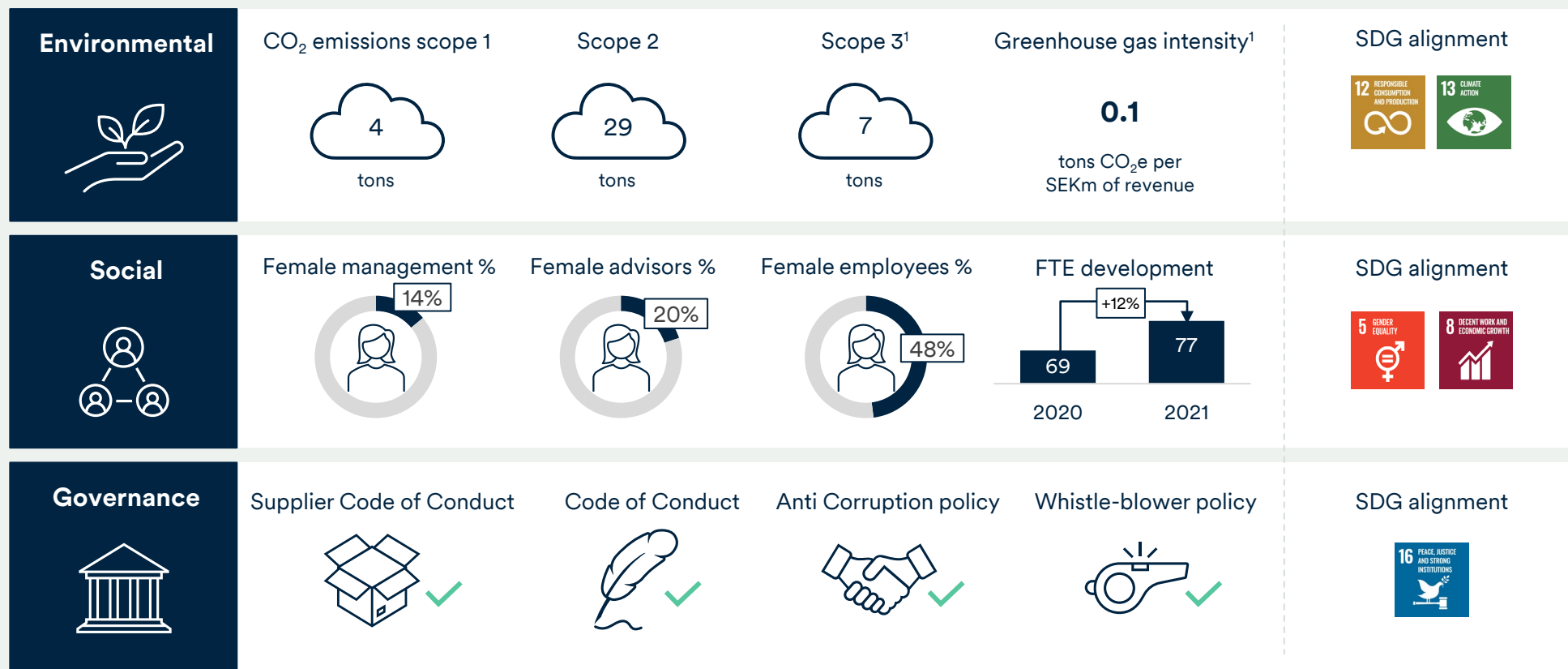




# Care of Carl: Sustainability.

## Sustainability highlights.

- Launched sustainability department, Care with Carl, on their website.
- Accelerated sales and optimized processes in the Pre-Owned department (second hand).
- All plastic materials in packaging have been replaced by paper.
- 88% of suppliers have signed Supplier Code of Conduct, target for 2022 is 90%.
- Great place to work with an eNPS (Employee Net Promoter Score) of 69.



1) Scope 3 emissions only comprise the two subcategories 3.3 Fuel and energy related activities and 3.6 Business travel, the latter include journeys by rental car, train and aircraft.



# NN07.

“Deadly dedicated, ever optimising, towards tomorrow”.

## About Portfolio company

NN07, founded in 2007, is an international premium menswear brand that combines high-quality casual clothing with a strong value proposition, and authentic and consistent brand DNA. The company is well-known for its popular chinos and has, by focusing on design, quality and fit, successfully established itself as a lifestyle brand with a complete product range. NN07 products are sold via its own website, concept stores, through international e-commerce retailers, department stores and retailers in more than 40 countries.

HQ  
Copenhagen

CEO  
Anders  
Rahr

Employees  
~40

Sales  
n.a.

Year of  
acquisition  
2019

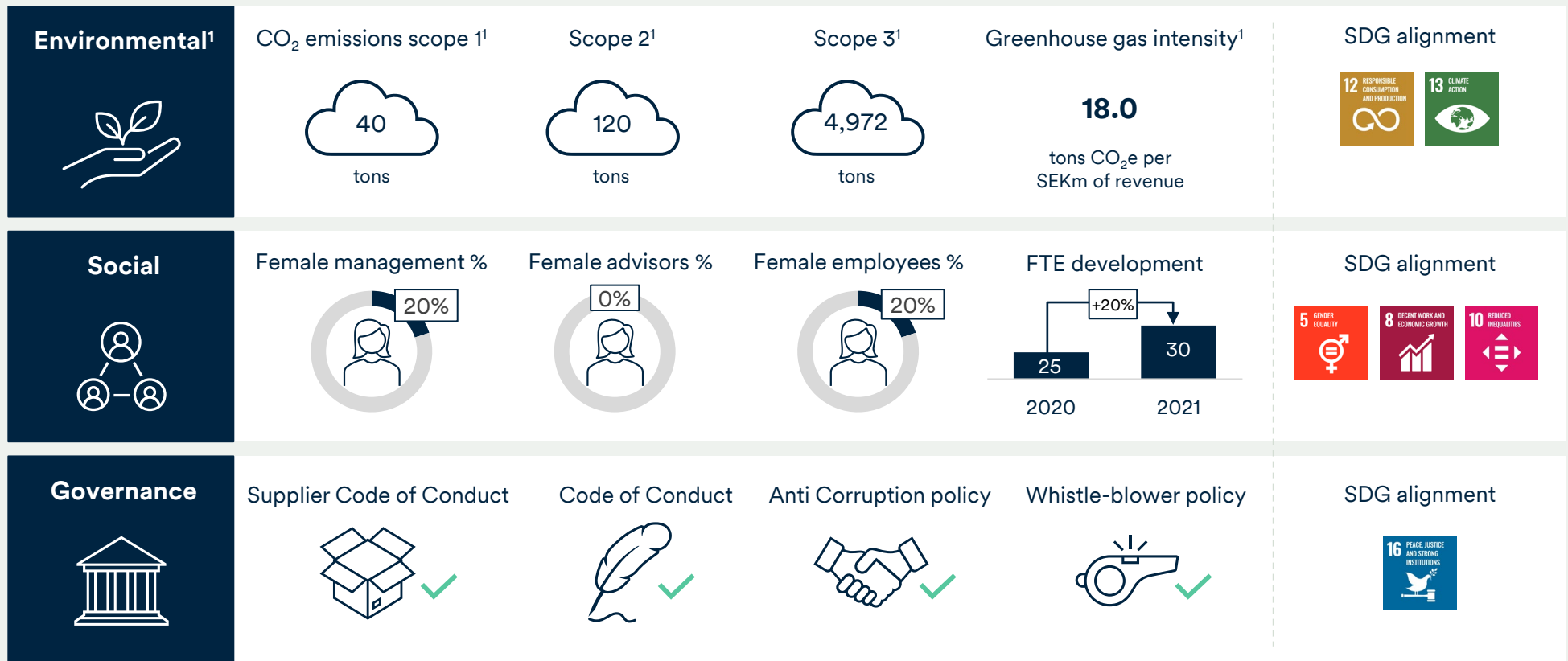




# NN07: Sustainability.

## Sustainability highlights.

- Received a silver rating on CO<sub>2</sub> measuring and contribution actions as part of the UN Climate Neutral Now initiative.
- The majority of suppliers in risk countries (73%) have a valid third-party social audit.
- 56% of total material use is from a preferred lower-impact source, with 75% of cotton (most used material) replaced with a preferred alternative.



1) GHG emissions as per One Carbon World calculations.



# Physical Medicine Group.

“Manual medicine with unconditional focus on quality care.”

## About Portfolio company

Physical Medicine Group was formed through the merger between Klinik for Alle and Naprapatlandslaget. Physical Medicine Group is the market leading provider of physical manual therapy treatments in Northern Europe with 500+ therapists across ca. 120 clinics located in Sweden and Norway. The group has a strong focus on quality care to patients and aim to always attract the best therapists. Physical Medicine Group has a proven ability to grow organically in existing clinics and with new greenfields, as well as through strategic acquisitions.

HQ  
**Stockholm**

CEO  
**Fredrik  
Lagerkvist**

Employees/  
Therapists  
**~500**

Sales  
**NOK  
~470m**

Year of  
acquisition  
**2020**







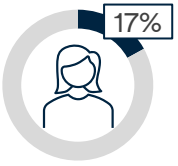
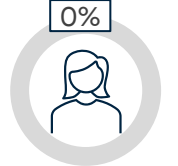
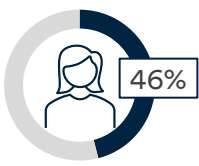
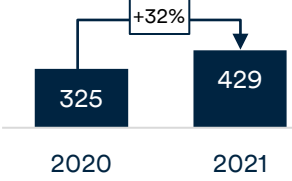













# Physical Medicine Group: Sustainability.

## Sustainability highlights.

- Selected focus UN SDGs and informed the full staff on how Physical Medicine Group can contribute to these goals and become a sustainable company.
- Code of conduct implemented.
- A total of 240 000 unique patients helped in their rehabilitation during 2021, through approximately 700 000 treatments.

<b>Environmental</b> 	CO <sub>2</sub> emissions scope 1	Scope 2	Scope 3 <sup>1</sup>	Greenhouse gas intensity <sup>1</sup>	SDG alignment
	 7 tons	 553 tons	 76 tons	<b>1.7</b> tons CO <sub>2</sub> e per SEKm of revenue	
<b>Social</b> 	Female management %	Female advisors %	Female employees % <sup>2</sup>	FTE development	SDG alignment
	 17%	 0%	 46%	 2020      2021	  
<b>Governance</b> 	Supplier Code of Conduct	Code of Conduct	Anti Corruption policy	Whistle-blower policy	SDG alignment
					

1) Scope 3 emissions only comprise the three subcategories 3.3 Fuel and energy related activities, 3.6 Business travel and 3.7 Employee commute. Business travel include journeys by aircraft only. Employee commute is based on an employee survey with a response rate of approx. 33% and include roughly 26% of all employees' habits. Assumed 46 working weeks in a year and used the upper range (when indicated). Disregarded answers with several modes of transport. 2) No data on female share of FTEs available for 2021. 46% as per October 2022.



# Sushi Yama.

“ASC and MSC certified products”.

## About Portfolio company

Sushi Yama, founded in 2008, is the leading sushi restaurant chain in Sweden with over 45 restaurants across the country. The restaurants serve high-quality sushi in an inviting atmosphere with a strong focus on sustainability and customer service. The company has always strived to be in the forefront when it comes to sustainability and received the “Pioneer of the Year Award” from Aquaculture Stewardship Council in 2019. Sushi Yama is the first sushi chain in the Nordics to certify all its restaurants to serve ASC and MSC certified products to its customers.

HQ  
**Stockholm**

CEO  
**Johannes  
Örnemark**

Employees  
**~250**

Sales  
**SEK  
~260m**

Year of  
acquisition  
**2020**








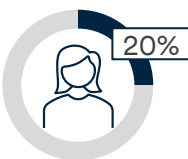

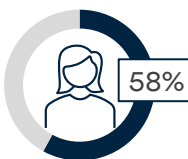
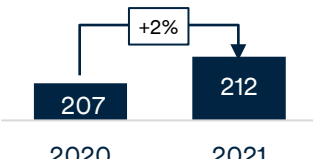












# Sushi Yama: Sustainability.

## Sustainability highlights.

- Sushi Yama is the first ASC- and MSC-certified sushi chain in the Nordics – certified since 2018. The Aquaculture Stewardship Council (ASC) is the certification scheme for farmed seafood, while the Marine Stewardship Council (MSC) is the certification scheme for sustainable fishing, both certifications are the world's leading for each area.
- Implemented WWFs Fish Guide since its foundation.

<b>Environmental</b> 	<b>CO<sub>2</sub> emissions scope 1<sup>1</sup></b>  tons	<b>Scope 2<sup>2</sup></b>  tons	<b>Scope 3<sup>3</sup></b>  tons	<b>Greenhouse gas intensity<sup>1,2,3</sup></b> <b>0.2</b> tons CO <sub>2</sub> e per SEKm of revenue	<b>SDG alignment</b>  
<b>Social</b> 	<b>Female management %</b>  20%	<b>Female advisors %</b>  0%	<b>Female employees %</b>  58%	<b>FTE development</b>  2020      2021	<b>SDG alignment</b>  
<b>Governance</b> 	<b>Supplier Code of Conduct</b> 	<b>Code of Conduct</b> 	<b>Anti Corruption policy</b> 	<b>Whistle-blower policy</b> 	<b>SDG alignment</b> 

1) Scope 1 emissions are based on estimated total driven distance (km) and the emission factor for an average passenger car powered by petrol or diesel.

2) Scope 2 calculations are based on actual electricity consumption for 50% of the establishments which have then been extrapolated.

3) Scope 3 emissions only comprise the two subcategories 3.3 Fuel and energy related activities and 3.6 Business travel, the latter include journeys by rental car and train.



# Brödernas.

## “Brödernas Cares”.

### About Portfolio company

Brödernas was founded in 2017 by the brothers Joakim and Jonas Wiklander. In early 2019, the brothers Monir Kalgoum and Mika Zibanejad joined, and a successful Swedish expansion was initiated. The company is a premium casual dining and fast casual restaurant chain, targeting a broad public by serving high-quality smashed burgers, Neapolitan pizza and fresh salads in an inviting atmosphere with welcoming and service-oriented staff. Brödernas currently has a large part of their restaurants in Stockholm, but also several throughout the rest of Sweden.

HQ  
Stockholm

CEO  
Joakim  
Wiklander

Employees  
~1,400

Sales  
SEK  
~680m

Year of  
acquisition  
2021










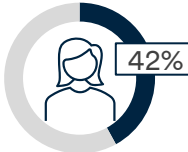














# Brödernas: Sustainability.

## Sustainability highlights.

- Initiated long-term sustainability work with the following focus areas: reducing climate emissions, waste & recycling, gender equality and inclusion, responsible employer, responsible supply chain, food safety, offering sustainable choices to guests and customer satisfaction.
- Collective labour agreement implemented in 2022.
- Monthly Burger campaign where 10 SEK per burger is donated to a different charity organization each month. SEK 2.9 million donated to UNHCR for humanitarian aid in the Ukraine war.

<b>Environmental<sup>1</sup></b> 	CO <sub>2</sub> emissions scope 1	Scope 2 <sup>1</sup>	Scope 3 <sup>2</sup>	Greenhouse gas intensity <sup>1,2</sup>	SDG alignment
	 tons	 tons	 tons	<b>0.3</b> tons CO <sub>2</sub> e per SEKm of revenue	 
<b>Social</b> 	Female management %	Female advisors %	Female employees %	FTEs 2021	SDG alignment
	 20%	 0%	 42%	<b>328</b> 	  
<b>Governance</b> 	Supplier Code of Conduct	Code of Conduct	Anti Corruption policy	Whistle-blower policy	SDG alignment
					








1) Scope 2 emissions estimated based on a given number of restaurants which have then been extrapolated.

2) Scope 3 emissions only comprise the two subcategories 3.3 Fuel and energy related activities and 3.6 Business travel, the latter merely represent company cars (estimation of no. of cars and annual distance).



# Summary.

## Sustainability KPIs.

	Environmental				Social					Governance		
	Company	GHG emissions (scope 1 - tons CO <sub>2</sub> e)	GHG emissions (scope 2 - tons CO <sub>2</sub> e)	GHG emissions (scope 3 - tons CO <sub>2</sub> e) <sup>1</sup>	FTEs 2021	FTE growth	% female (total employees)	% female (management)	% female (advisor network)	Fully implemented Responsible Sourcing practices	Code of Conduct	Anti Corruption policy
Business services	 Digpro	0	2	10	120	(1%)	23%	25%	33%	no	yes	yes
	 JOHAN I HALLEN & BERGFALK	512	298	336	310	21%	16%	0%	25%	yes	yes	yes
	 LAYER GROUP	715	3	506	908 <sup>2</sup>	25%	10%	14%	0%	yes	yes	yes
Premium brands and consumer services	CARE OF CARL	4	29	7	77	12%	48%	14%	20%	yes	yes	yes
	 NN07 NO NATIONALITY	40 <sup>3</sup>	120 <sup>3</sup>	4,972 <sup>3</sup>	30	20%	20%	20%	0%	yes	yes	yes
	 Physical Medicine Group	7	553	76	429	32%	46% <sup>4</sup>	17%	0%	no	yes	yes
	 SUSHI YAMA	20	20	10	212	2%	58%	20%	0%	no	no	no
	 BRÖDERNAS	0	84	52	328	n.i.	42%	20%	0%	yes	yes	yes
	Total portfolio <sup>5</sup>	575	643	3,427	2,414	20% <sup>6</sup>	28%	16%	10%	63%	88%	88%

1) Scope 3 emissions only include selected subcategories. Please refer to company specific pages for details. 2) Average number of employees. 3) GHG emissions for NN07 as per One Carbon World calculations. 4) No data on female share of FTEs available for 2021. 46% as per October 2022. 5) Total portfolio GHG emissions are weighted based on ownership stake.

6) Excluding Brödernas as 2020 FTE data is not available.



A photograph of ocean waves under a soft, hazy sky at sunset or sunrise. The water is a deep blue, and the sky transitions from light blue to a warm orange glow near the horizon.

# **Sustainability at Litorina.**

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# ESG at Litorina.

## A responsible employer.

### Enviromental



For Litorina the majority of our environmental impact stems from our investments. All scope 1 and 2 emissions from our portfolio companies are included in Litorina's scope 3.15 Investments. Our main focus is therefore to actively work with our portfolio companies to decrease their emissions.

Looking at Litorina's own emissions these mainly consist of our electricity consumption (scope 2) and business travel (scope 3.6). During 2021 we switched to 100% renewable energy consumption. We promote digital meetings where possible to reduce business travel and where possible use train transport instead of flights.

### Social



Litorina's team of investment professionals are the key to our success in generating sustainable value in our portfolio companies and for our investors. Ensuring a healthy, sustainable and diverse working environment is essential to retain and attract talent.

We offer our employees a health insurance, annual health checks including a survey on working conditions as well as a wellness allowance.

To promote a diverse working place we have set a goal to recruit 50% women of all new hires. During 2021 50% of all new hires (including part-time analysts) were women. We also support women across the private equity sector as member of Level 20, where we amongst others offer mentorship to women within private equity.

### Governance



Litorina is committed to adhere to the highest ethical and professional standards, to deal fairly and honestly, to act with integrity and transparency and invest responsibly. We have a Code of Conduct in place that applies to all employees within Litorina and we expect our business partners to follow similar standards in their own businesses. All employees have in writing committed to comply with our Code of Conduct.

Sustainability is an integrated part of our business and a standard agenda item in our Executive Group meetings as well as a recurring topic in our Partner meetings. We aim to educate all Litorina employees on ongoing sustainability matters at least once a year.



**“Litorina – your preferred partner for sustainable growth”**



