

Polaris accelerates sustainability efforts

Polaris has intensified its sustainability work and today published its first annual sustainability report, outlining the efforts in 2020 across the investment process, its portfolio companies and Polaris Management. The work will continue in the coming years based on dialogue with investors, portfolio companies, employees and other stakeholders.

Polaris and its portfolio companies have seen increasingly sharp focus on sustainability in recent years as both investors and customers expect structured and systematic efforts in the field. With the development of 'Polaris Sustainability Program', Polaris expanded its overall 'Polaris Excellence Model' in 2020 with a sustainability concept, which is mandatory for new portfolio companies. With support from Polaris, the model ensures that the portfolio companies now identify and manage risks and opportunities, develop sustainability strategies and targets, define CO₂e baselines, identify and follow up on relevant initiatives and prepare consistent and reliable reporting in accordance with recognised standards.

"We are committed to working actively with sustainability and integrating sustainability considerations in our business practices. It is the right thing to do, and we firmly believe that it will drive long-term value creation for our portfolio companies and for our investors. Through our investments and active ownership, we can make a positive change in our own business and throughout the entire value chain. The ambition with our report is to provide an open, honest and complete understanding of how we approach sustainability, where we are today – and where we are heading," says Jan Johan Kühl, Managing Partner of Polaris.

In connection with the preparation of 'Polaris Sustainability Program' and the sustainability report, Polaris has identified three primary areas focusing on climate action, gender equality and employer responsibility. Developments within each of these areas are considered in the investment process and all portfolio companies as well as in Polaris Management with KPIs such as CO₂e emissions, share of female profiles and the ability to develop and retain talent. In addition, Martin Bang-Löwgren has been appointed Head of Sustainability to leverage 11 years of experience from the investment team and develop the sustainability work across the investment process.

"Sustainability has played a significant role for us for years, and it has come to affect all parts of our business. In 2020, we took a big step forward in this area, and we are proud of what we have achieved together with our portfolio companies. Over the coming years, regulation, standards and ambitions will change significantly within the sustainability sphere, and we want to play an active role in this development and continuously raise the bar for our own ambitions, efforts and reporting. We are humble as we take on this task, which we are looking forward to work with and openly communicate about in the coming years," says Martin Bang-Löwgren, Head of Sustainability at Polaris.

Sustainability plays an important role in the decision-making process when Polaris identifies investment opportunities, prepares acquisitions and completes due diligence processes, as well as in the subsequent ownership period and continuous reporting, and in connection with an exit.

"It is our experience that management teams and owners of attractive companies with good growth prospects are increasingly focusing on sustainability and our ability to contribute positively to their continued development in this area – and we thus have to provide the right tools for the job and be transparent about our development. Systematic sustainability work has quite simply become 'licence to operate', and our divestment of Molslinjen in 2020 proved that targeted efforts and investments in sustainable initiatives can contribute to creating very good results," says Jan Johan Kühl.

See Polaris Sustainability Report 2020 at <https://polarisequity.dk/news/>.

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About Polaris – The Power of Partnership

Polaris is a Nordic investment company based in Copenhagen, which invests in and provides flexible capital to well-established medium-sized companies in the Nordics. Since its foundation in 1998, Polaris has raised five funds and obtained capital commitments of EUR 1.7 billion. Polaris' focus is to invest in companies with growth and development potential. To date, Polaris has invested in 48 companies and completed more than 80 add-on investments. Polaris currently owns 17 companies with total revenue of over EUR 1 billion and a total of 5,000 employees. More info at www.polarisequity.dk