



*Spotlight*  
AUTUMN 2021

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# Driving change through ESG



*This is the first in a series of Spotlight reports, that together with our Responsible Investment Report, show how ESG and sustainability are at the heart of our agenda.*

## Hello and welcome to Triton's first ESG Spotlight

We have recently published our second Responsible Investment Report. Having established a solid baseline with our comprehensive first report last year, we are now focusing on the numbers and topics that matter most.

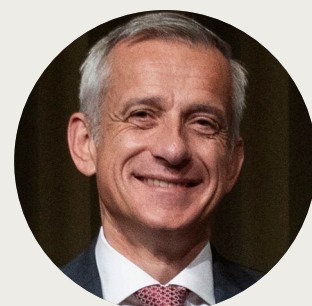
We believe that people drive change. While numbers are crucially important, so too are the knowledge, culture change and learning gained by sharing experiences. Our solution was to create a concise Responsible Investment report and, to complement the picture, develop Spotlight reports to provide deeper insights into the people, processes and programmes driving change.

Highlighting the most important ESG issues for Triton, our Portfolio Companies (PCs) and our stakeholders, this Spotlight will be the first of four we intend to publish in the coming year. We hope you'll find it an interesting read and, as ever, we welcome your feedback.

**You can email us at**  
[esg@triton-partners.com](mailto:esg@triton-partners.com)



*Peder Prahl*

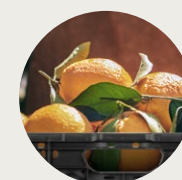


*Martin Huth*

*Spotlight*  
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## Driving change through ESG

Welcome



**IFCO achieves silver for RPCs and Gold for material reutilisation**

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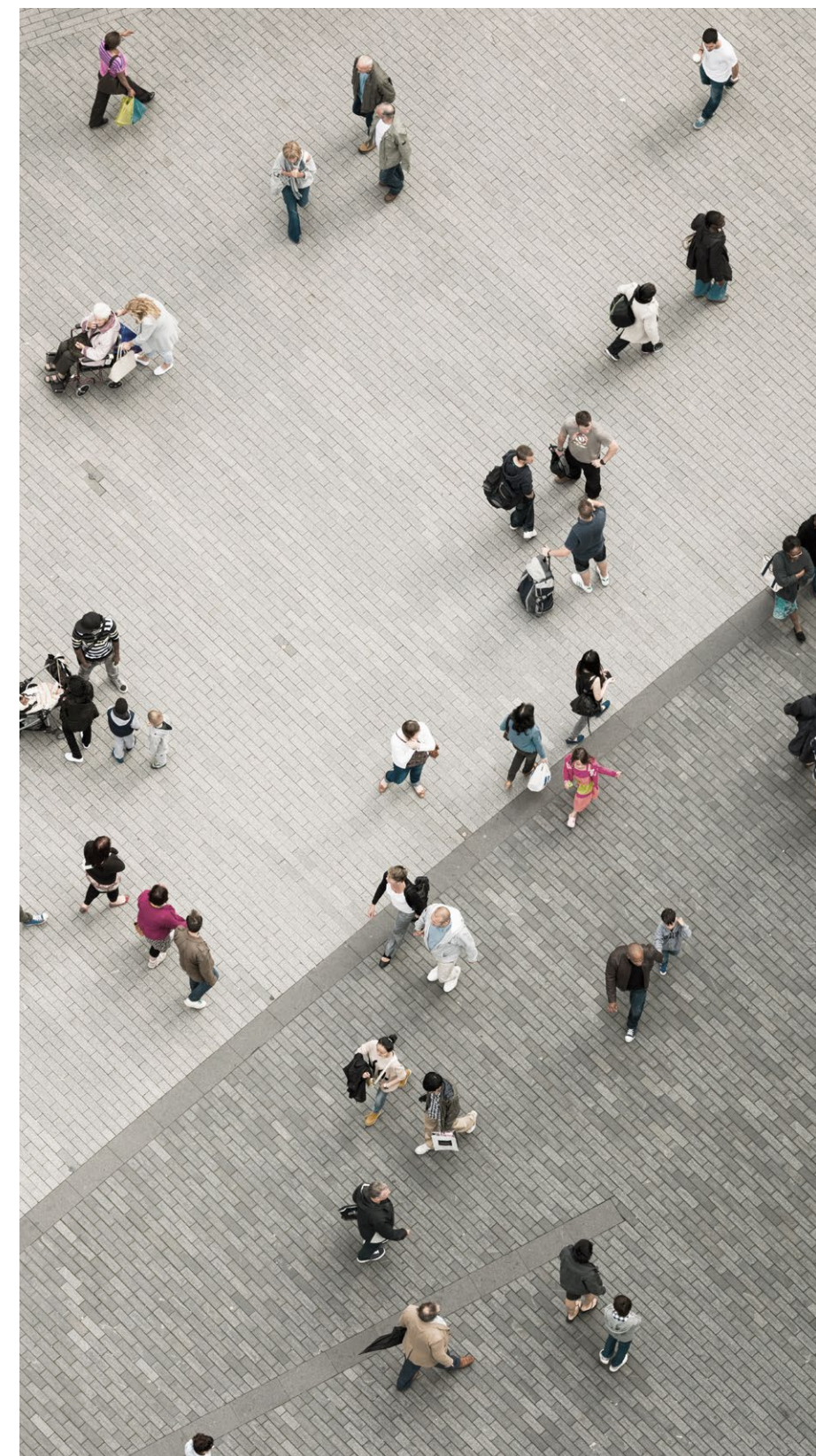
**Driving diversity in Triton**

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**AVS establishes a new compliance management system**

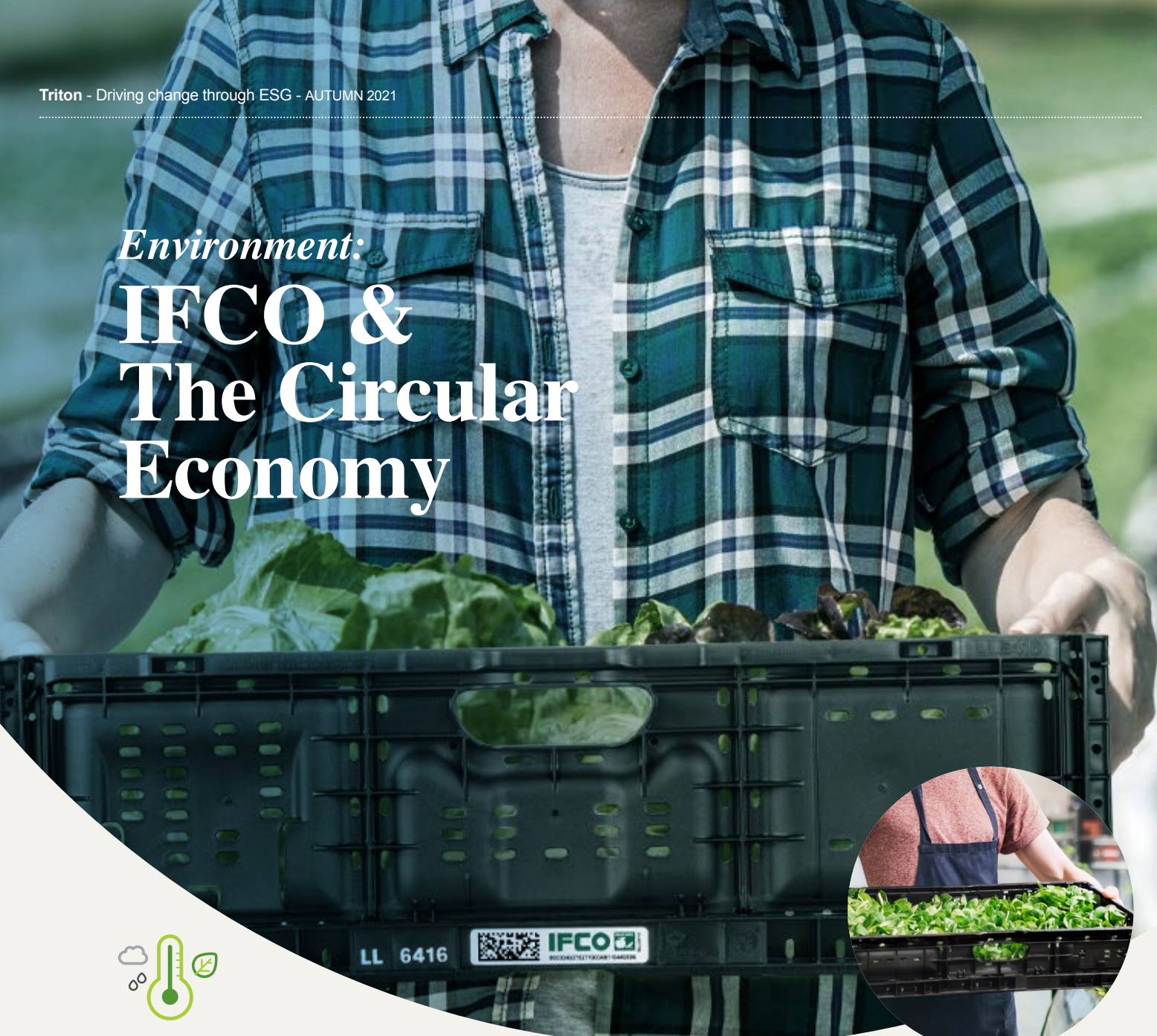
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Environment:

# IFCO & The Circular Economy



## Triton invested in IFCO, a sustainable packing solutions provider for fresh food, in May 2019.

IFCO already had a strong sustainability track record, having pioneered the use of reusable packaging solutions and pooling services close to thirty years ago.

Made from polypropylene (PP5), the Reusable Plastic Containers (RPCs) are used for the delivery and display of fresh foods, including fruit, vegetables, fish & seafood, meat, eggs, and bakery products. There are currently

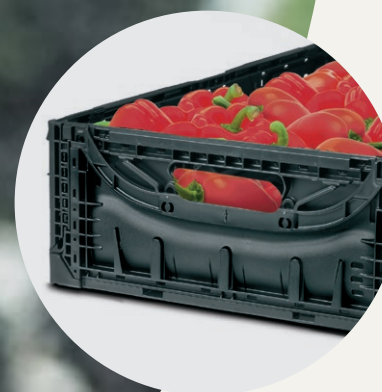
340 million RPCs in circulation around the world and they deliver up to a 96% reduction in food waste when compared to single-use packaging.\*

Clean containers are filled by growers and producers, then transported to retailers for display on supermarket shelves. Once empty, they are collected by IFCO to be inspected, cleaned, disinfected,

and prepared for the next cycle. Damaged containers are repaired or - uniquely for the sector - granulated into pellets ready to manufacture new IFCO RPCs of equal quality. This closed loop approach means the containers continue to serve their original purpose and eliminates the need for single use packaging.



# IFCO



“IFCO’s success shows how Cradle to Cradle (C2C) can help companies to develop and implement circular business models. The potential of C2C for the packaging industry is huge. With its Reusable Plastic Containers, IFCO also shows that C2C provides practical solutions to the most challenging problems of our times. I hope that many more companies will follow IFCO’s good example towards a circular future.”

**Tim Janßen,**  
Executive Director  
(Cradle to Cradle NGO)

## Cradle to Cradle Certification



The IFCO model is an example of the Circular Economy in action, where resources are kept within the cycle of production. In 2021, the IFCO European foldable Lift Lock range of crates became Cradle to Cradle Certified®, at Silver level, and Gold in the assessment category of material reutilisation.

The premium benchmark for sustainability around the world and across all industrial sectors, the independent Cradle to Cradle Certified® Products Programme is one of the world’s most advanced standards for designing and manufacturing products according to the principles of the circular economy.

Triton’s Head of ESG, *Graeme Arduis*, said, “IFCO has been a pioneer in the Circular Economy for almost three decades. Since investing in the company, we have supported IFCO to further develop its ESG programme, including its Cradle to Cradle certification”.

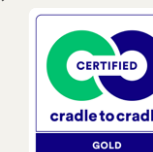
Graeme added, “At Triton, we take a robust, scientific and evidence-based approach to ESG, which is why we’re so pleased that IFCO’s dedication and hard work has been validated in this way. We’ll continue to work closely together to understand how to better embed circular economy principles across IFCO’s products and operations, and on ways we can share learnings and best practice across the portfolio.”



Graeme Arduis

Commenting on IFCO’s certification, *Peter Templeton*, President & CEO of the Cradle to Cradle Products Innovation Institute said, “By applying the global Cradle to Cradle Certified Product Standard, IFCO proves that it is possible to turn a commitment to circular economy principles into measurable product outcomes. In the process, IFCO is demonstrating leadership in designing, making, and verifying products for a healthy, equitable and circular future.”

Find out more about Cradle to Cradle Certification [here](#)







Social:

# DIVERSITY, INCLUSION & COLLABORATION

## Diverse businesses are better businesses.

While the point is obvious, there is now a substantial body of research to demonstrate that fostering a culture of diversity, aside from being the right thing to do, delivers increased profitability, stronger governance, higher employee engagement and innovation.

Triton's approach to diversity and inclusion (D&I) begins with its own operations, but, as an investment company that takes an active approach to creating value, that's only the start of the story.

"Leading means walking the walk and D&I needs authentic leadership" said *Cecile Dutheil*, Triton's Human Capital Practice Lead. "To be credible, we must drive such initiatives first within Triton with passion and full commitment. This is why the Triton



*Cecile Dutheil*



*Frauke Hofsommer*



*Yvonne Comolli*

Return On Inclusion (ROI) Strategy has been designed and is being deployed across the company. The ROI strategy includes awareness surveys and trainings delivered by guest speakers on nurturing an inclusive workplace or around unconscious bias for instance".

Our regular exchanges with our PCs have confirmed that a common, structured approach around diversity and inclusion is critical. Some PCs are much more advanced, others are very keen to learn and leverage best practices. Therefore, this year, a new workstream, led by *Yvonne Comolli*, Chief HR Officer at FlaektGroup, and *Frauke Hofsommer* from Triton's Human Capital Practice, has been created to bring together HR Leaders from across the Triton portfolio family to share best practices, and find innovative ways to expand the focus on gender and beyond.

As *Yvonne Comolli*, explains, "During one of our regular exchanges with other PCs, we found out that several of us were working on D&I programmes. Establishing this workstream allows us to share know-how and combine our efforts. This is what we now do, and I find it extremely beneficial."

The journey continues and the outcomes will be measured using both Key Performance Indicators (KPIs) and employee satisfaction surveys. This helps us monitor how our PC workforce feels about being part of an organisation that embraces a more diverse and inclusive workplace and culture.

*'Creating a level playing field of opportunity is not only the right thing to do, but it's clear that diversity and inclusion build better, higher quality businesses.'*

*Peder Prahl, Managing Partner*

Triton's Human Capital Practice collaborates with all PCs and Boards when it comes to setting up high performing leadership teams for success, from employee engagement to talent development, from organisational design and effectiveness to D&I initiatives.

Triton's Managing Partner, *Peder Prahl* said, "The relationships we have with our PCs are vital to the value creation process. We set high expectations, but we also provide the support needed to ensure that those expectations are met. We take it as a point of pride that our PCs will often challenge us too – that's vital because

we need to be able to discuss and debate key issues and take on feedback."

Creating this sense of inclusion within a diverse environment is what we and our PCs are striving to achieve every single day.



*Peder Prahl*



Governance:

# Setting the pace for change

**Good governance is the foundation of organisational excellence.** The policies, practices, and procedures a company uses to direct and control its operations are essential, and that is why in the first year of ownership, Triton works closely with PCs to set clear expectations, assess the adequacy of existing compliance initiatives, and introduce improvement controls where needed.

Triton encourages every PC to develop several group-wide ESG-related policies, appoint a dedicated Compliance Officer, and deliver training to relevant employees. Given the complexity involved, this can often take a considerable amount of time and resources, so Triton's ESG team supports PCs by providing templates, training, and guidance. Once established, the focus switches to the creation of an annual cycle of continuous improvement.

While building good governance can be a daunting task, that didn't stop one of our PCs from motoring ahead at an impressive pace.

Part of Triton's Workzone Safety Group, AVS is a leading specialist provider of traffic safety services head quartered in Leverkusen, Germany. Following our ESG assessment at investment, we identified the need to strengthen the governance at a policy and engagement level. Just nine months after their first ESG kick-off

meeting, the dedicated team had updated five core policies, created three new ones, and launched a company-wide, bi-lingual training and engagement campaign.

It wasn't just the speed of the roll-out that impressed, but the commitment of the team driving the project and their willingness to use new technology and approaches to inform and engage. This included new e-learning software, an audience-specific communications plan, and face-to-face meetings (pre COVID-19) with key groups to make sure that the rationale for action was clearly understood and feedback heard.

Triton's Head of ESG, *Graeme Ardus* said, "What impressed us most was the 'can-do, will-do' attitude of the team. The AVS team quickly understood why the project was so important and then they ran with it, bringing people along with them in the process."



Case book:

## Strategy in Action

It's easy to talk about putting new policies in place, but a tremendous amount of work goes into making that happen in a meaningful way. To understand more of what's required, we spoke to *Josefine Schmidt*, Head of HR & Organisation at AVS, who led the project.

**Q. Hi Josefine. What was your initial reaction to the governance conversation? There was a lot to do – did it feel like a mountain to climb?**

**A.** It was a challenge, but also not unsolvable. It was important for us to approach the project step by step. We wanted to tackle it with an approach that suits our organisational structure, employee structure, corporate culture as well as the industry standards. From our point of view, this is the only way to establish something sustainable.

**Q. What was the hardest challenge you encountered and how did you overcome it?**

**A.** Online training was new for the organisation in terms of format and scope. That was a big change for everyone. But it was well received by the employees, and everyone embraced the new. We were very pleased about this, and it is also a characteristic of AVS employees that they are willing to try out new things!

From an organisational perspective, it was challenging to build our dataset in the most effective way. At that time we did not yet have a group-wide HR system, so we had to go to great lengths to gather all the data needed to set up the system, while ensuring that it was always up to date.

**Q. What difference has the project made to AVS?**

**A.** The measures and activities implemented have led to a better and clearer understanding of governance topics and increased sensitivity to it by all employees and managers. Our corporate guidelines are particularly important for new companies in our group to understand which guidelines, procedures and expectations exist regarding governance issues, to minimise and manage risks.

We've also built on this governance foundation by conducting risk assessments across a range of topics including, anti-bribery and corruption, anti-trust, cybersecurity, and Business Partners to identify control measures and drive awareness and engagement. The process of improvement, as with all things, is on-going.

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