



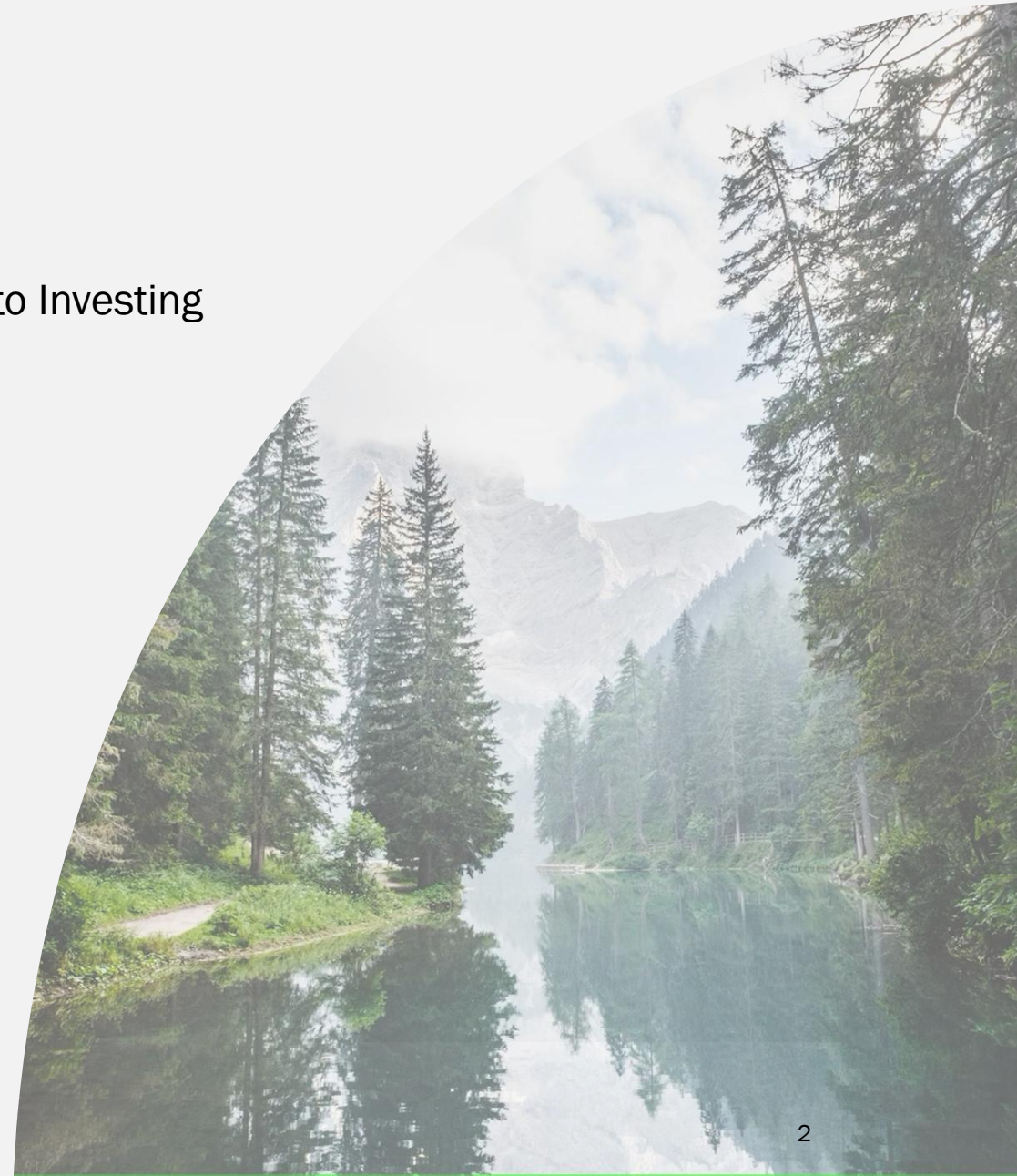
ESG Annual Report - Portfolio

June 2025



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Disclaimer

- The content of this document is strictly confidential and exclusively intended for CEECAT Capital.
- This document has been prepared by Cority, an ESG consulting firm, on the basis of the information provided by CEECAT Capital's portfolio companies and by CEECAT Capital.
- The information collected covers the year 2024, from 01/01/2024 to 31/12/2024.



01.

The importance of ESG Principles and a Unified approach to investing



Foreword

CEECAT Capital is a small investment company, comprised of 12 seasoned professionals with extensive experience in investing in emerging markets. With primary offices in Istanbul, Bucharest, and Belgrade, we have been investing in Turkey and SE Europe since 2005 across a number of strategies, including Private Equity and Private Credit. In 2021, we raised CEECAT Fund II, targeted at growth buyout investments with majority control or minority with strong control rights. Key themes of the Fund are driven by the core convergence of this region with the more developed markets of Western Europe. The Fund is fully invested as of writing, making 9 investments across a number of sectors, including packaging, grocery retail, IT services, deep tech, and building materials. The Fund targets small and medium-cap companies as they transition from family ownership, and we aim to build the platform for continued growth and development. The key foundations of this are good corporate governance, a focus on sustainable market practices, good corporate citizenship, and a strong sense of local community.

We have demonstrated in our investments to date that with control, we are able to effect positive change in our communities through active management. Each of our investments must meet strict criteria – a willingness to effect change and an ability to execute this change. As well as standard financial, legal, and commercial due diligence, we conduct extensive diligence across our key ESG goals – climate impact, inclusivity, and social responsibility. We do not seek to judge the past but rather examine how our investments can make positive changes in each of these areas. For each investment, we identify critical areas of change needed, both immediate and over time, and we develop plans to implement the changes we seek to make. Finally, we seek to buy in from management through incentive programs specifically targeted at achieving specific ESG goals.



Foreword

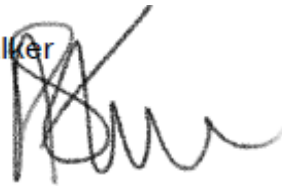
2024 was a year of great progress, some challenges, and, of course, much change. Overall, I remain extremely proud of the progress we have made across the portfolio. Change starts with a mindset, and here we have been positively surprised, not only by the willingness of our companies to adopt new policies but also the building blocks that already existed at most all our companies. Rather than single out individual names, I would prefer to highlight key areas of progress:

1. ESG is now adopted as an important strategic policy matter in all our Board meetings, with KPIs established and measured
2. Half of our portfolio companies now have independent board members, helping to provide greater scrutiny of governance
3. We have actively addressed the issue of gender equality across the portfolio, both in terms of the gender pay gap and senior women in the workplace. I can confidently say that all gender pay issues have been dealt with, while the proportion of women in senior positions has substantially increased. Of special mention is HMM, our medical devices company, which had zero representation of women when we invested. Today, 20% of the workforce is female, and we have witnessed improved productivity and a better work environment
4. Education and social responsibility are critical areas of focus for the Fund, and here I believe we can proudly state that huge progress has been made. Two of our companies have active and growing educational programs focused on young people and a third company opened its own academy by the end of 2024.
5. All our companies are focused on their carbon footprint, and with each, we have developed a plan to minimize this. Two of our companies are now on the verge of carbon neutrality.

With the building blocks put in place in 2023, we have focused in 2024 on meaningful long-term change, especially in laying a foundation to build on carbon neutrality. Importantly, the principles of responsible growth are now firmly established across the portfolio, and we believe that even greater strides can be made in the next 12 to 24 months.

Anthony Stalker

Partner





02.

CEECAT Capital's ESG Approach



empower better tomorrows



ESG Approach

Sustainability is a key part of our investment thesis at CEECAT Capital. ESG considerations are integrated into all stages of the investment process, from the initial screening process to the final exit.

In 2023, CEECAT Capital has further developed and enhanced its ESG Policy to align with the SFDR regulation. For CCL CEECAT Fund II SCSp ("CEECAT II" and/or "the Fund"), CEECAT Capital has taken a further step and enhanced its accountability and dedication to sustainable growth by classifying this product as Article 8. Since 2023, CEECAT II complies with SFDR Article 8 requirements in its reporting to its stakeholders.

CEECAT Fund II has adopted a 2-level strategy that aims to promote common characteristics for all investments as well as specific characteristics per sector. The strategy encompasses strategic targets from a portfolio point of view and then drills down into targets based on sector considerations taking into account the specific circumstances of each company.

Portfolio-wide objectives

- Mitigating global warming by promoting initiatives to monitor and reduce greenhouse gas emissions
- Ensuring a better representation of women in governance bodies by implementing diversity and gender policies
- Promoting the involvement of portfolio companies in local community development

Sector-specific objectives*

- Manufacturing / Industry:
 - ✓ Promote the use or production of renewable energy and improve energy efficiency
 - ✓ Promote health & safety for employees and subcontractors
- Healthcare:
 - ✓ Ensuring employee loyalty, satisfaction and retention through value-sharing
 - ✓ Promote health & safety and well-being at work
- Tech & Business Services:
 - ✓ Promote the integration of young employees and support their promotion
 - ✓ Promote eco-responsible digital or green IT to reduce the social, economic and environmental footprint of digital processes

Sector-specific objectives

- Consumer goods:
 - ✓ Improving the sustainability in purchasing (raw material sourcing, other purchases)
 - ✓ Promoting the revaluation of products
- Consumer services/retailers:
 - ✓ Promoting waste reduction
 - ✓ Promote health & safety and well-being at work

Mitigating Global Warming

- We aim to promote change to mitigate and aid the problem of global warming through our investments. Global warming is accelerated by the constant use and increase of fossil fuels and greenhouse gases.
- A healthier and cleaner planet is one of our top priorities. This will not only affect us but also generations to come. Our goal is to reduce the carbon footprint of all portfolio companies and support them in establishing roadmaps to carbon neutrality
- With our continuous monitoring and reporting grid, we identify where each investment stands in terms of their emissions, and then establish areas for improvements for each of them

"Preserving the environment is a shared responsibility, especially in regions like Eastern Europe, where awareness is still unfolding. Through sustainable investment practices, we aim to leave a positive footprint, safeguarding the natural resources that are essential for the prosperity of future generations."

Diversity

- Ensuring better representation of women in governance bodies by implementing diversity and gender policies is one of our main priorities. We are committed to the principle of equal pay for equal work, as well as a level playing field for all
- Our reporting grid directly addresses diversity and equal opportunity through relevant questions. We make sure that each of our investments upholds those principles of fair and balanced proportion of men to women in the workplace, ensuring representation of duly qualified women in managerial positions and the elimination of pay gaps that may exist
- We ensure that all our employees have equal opportunities to grow and develop on the job
- Women represent 50% of almost all societies. The achievement of gender neutrality can be one of the biggest drivers of growth in our region

"As we navigate the dynamic markets of Eastern Europe, we recognize the transformative power of empowering women in business. Our commitment to diversity not only drives better decision-making but also serves as a catalyst for positive change in societies where gender equality is an emerging frontier."

Social Responsibility

- Contribution to society is one of our core values
- We believe that giving back to society is another way of making a positive impact to community
- CEECAT Fund II promotes the involvement of its portfolio companies in local communities' development through their various initiatives
- Our reporting grid has been designed to capture those social projects and initiatives, quantify their impact and guide the portfolio companies through best practices

"Eastern Europe's progress presents us with a chance to uplift communities and create lasting social value. We are committed to actively investing in projects that strengthen the bond between our companies and their local communities, empowering those communities to thrive and prosper."



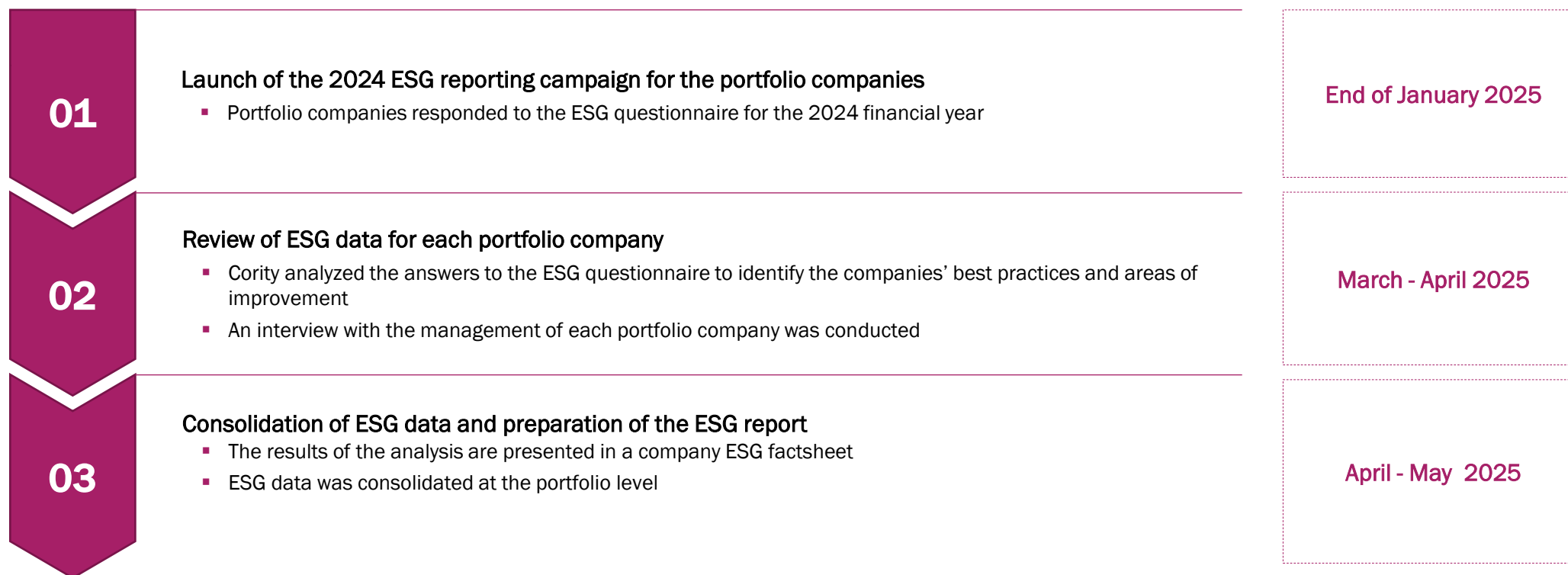
03.

ESG Reporting and Methodology



ESG Reporting and Methodology

Campaign Schedule



Description of the Analysis Grid

CEECAT Capital's portfolio companies responded to an ESG questionnaire containing **176 common indicators and 17 specific indicators**. The ESG questionnaire is composed of quantitative, qualitative, yes / no and MCQ indicators and covers 3 main topics : governance, environment and social



Governance

- › Board diversity
- › Board independence
- › Business ethics
- › Data privacy
- › Sustainability governance
- › Disclosure practices
- › EU Taxonomy
- › External assurance
- › Sustainable purchasing



Social

- › Employees
- › Age breakdown
- › Executive pay ratio
- › Gender Pay Ratio
- › Gender Diversity
- › Hires and leavers
- › Compensation & Benefits
- › Social policies
- › Health and safety
- › Training
- › Social projects
- › Local development



Environment

- › Biodiversity
- › Environmental operations
- › GHG Emissions
- › Energy
- › Water usage
- › Waste management
- › Sustainable digital practices

ESG Reporting and Methodology

Reporting Scope

100% of companies completed the ESG questionnaire

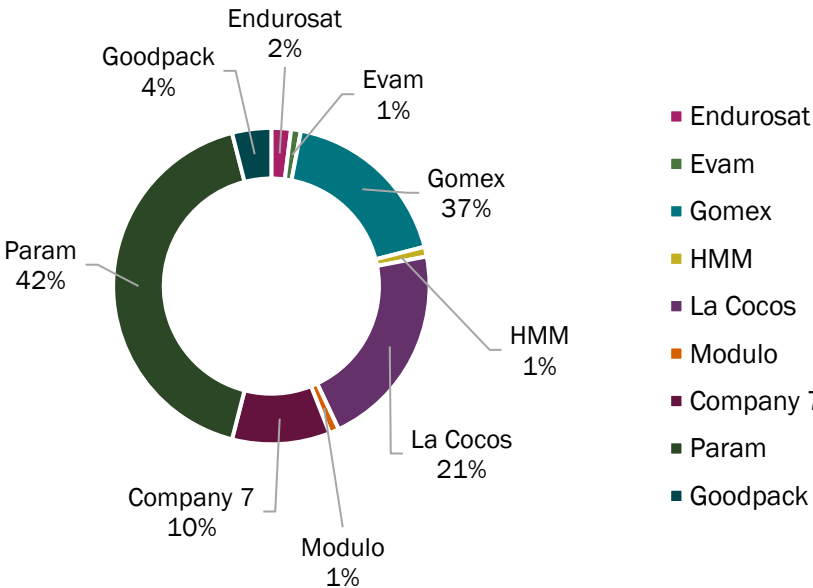
9
Portfolio companies
1 new company : *La Cocos*

100%
of respondents

100%
Interviews conducted with
the companies’
management teams

176
consolidated indicators at
Fund level

Breakdown by revenue



Companies	Sector	Turnover in M€ (compared to 2023)	Employees (compared to 2023)	Location
Endurosat	Manufacturing / Industry	22.6 (+67%)	203 (+44%)	Bulgaria
Evam	Tech & Business Services	7.3 (+137%)	80 (-21%)	England
Gomex	Consumer services / retail	197.6 (+6%)	2 805 (+8%)	Serbia
Goodpack	Manufacturing / Industry	49.7 (+46%)	253 (+1%)	Bulgaria
HMM	Manufacturing / Industry	13.5 (+2%)	289 (-6%)	Turkey
La Cocos	Consumer services / retail	235.5	713	Romania
Company 7	Tech & Business Services	114 (+23%)	486 (+41%)	Bulgaria
Modulo	Manufacturing / Industry	13.2 (-1%)	174 (-7%)	Romania
Param	Tech & Business Services	468.7 (+164%)	287 (+37%)	Turkey



04.

Consolidation of the CEECAT Capital Portfolio



Consolidation of the CEECAT Capital Portfolio

Consolidation of ESG Data

✓ **Consolidation of data**

The data presented on the following pages is the consolidated data at the level of the CEECAT Fund II, on all the responding portfolio companies for the financial year 2024 (over the year or as of 12/31).

They concern Environment, Social and Governance topics.

✓ **Reporting perimeter**

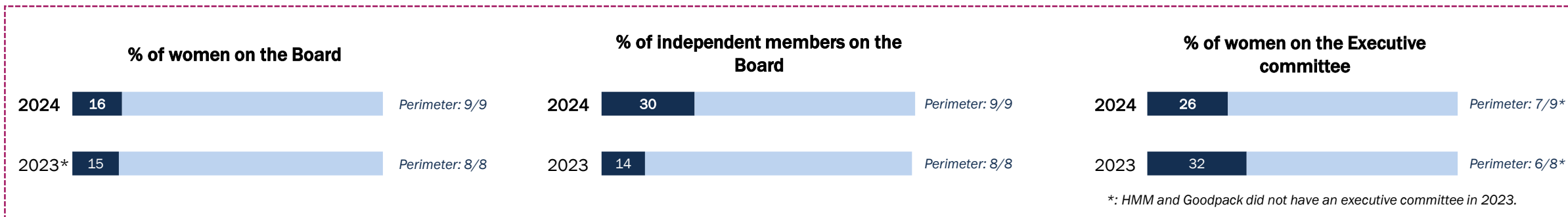
The data reported in the following pages covers the perimeters indicated below:

- **Endurosat:** 100% of the company
- **Evam:** 100% of the company
- **Gomex:** 100% of the company
- **HMM:** 100% of the company
- **Modulo:** 100% of the company
- **Param:** 100% of the company
- **Company 7:** 100% of the company
- **Goodpack:** 100% of the company
- **La Cocos:** 100% of the company

Consolidation of the CEECAT Capital Portfolio

Governance

DIVERSITY IN GOVERNANCE BODIES



* The 2023 figure was refined to use a weighted average rather than a mean, which changed data from 14% to 15%.

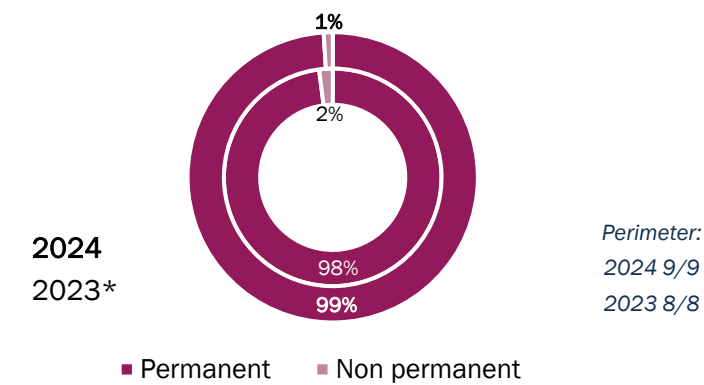
INDICATORS	UNIT	CONSOLIDATED VALUE 2024		PERIMETER 2024	CONSOLIDATED VALUE 2023	PERIMETER 2023
Ethics and/or Anti-corruption policy	Share of "Yes"	100%	➡	9/9	75%	8/8
Data privacy policy	Share of "Yes"	89%	➡	9/9	75%	8/8
Dedicated team/person responsible for ESG	Share of "Yes"	89%	➡	9/9	40%	5/6
Management of environmental risks at Board level / Senior management level	Share of "Yes"	77%	➡	9/9	88%	8/8
Targets and report on SDGs (Sustainable Development Goals)	Share of "Yes"	62%	➡	8/9	38%	8/8

Best Practices

- ✓ Most companies discuss environmental risks in Board of Directors and Senior Management Team meetings.
- ✓ Evam holds ISO 27001 (Information Security Management System) and ISO 27034 (Information Technology) certifications.
- ✓ Modulo manages environmental risks through expert partners, audits, and ISO standards.
- ✓ Param has a diverse Executive Committee, with gender parity respected.

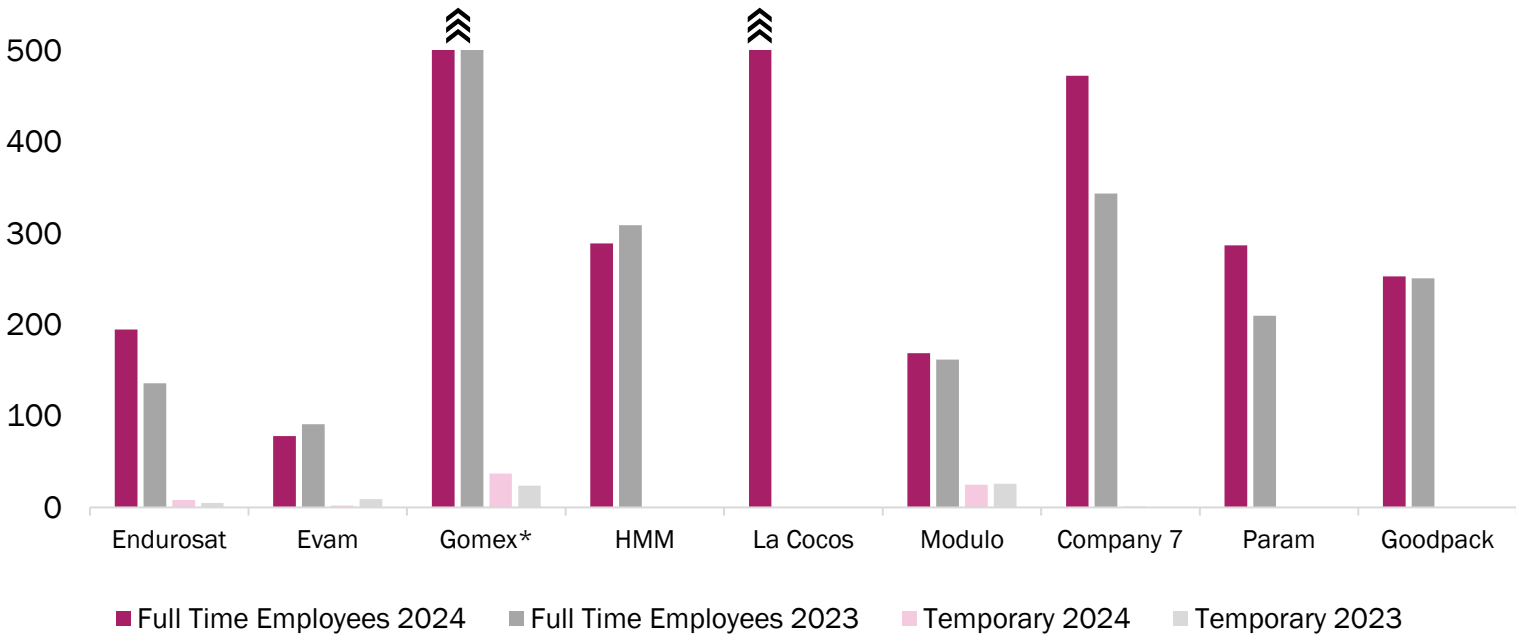
EMPLOYMENT

Breakdown by type of contract
(consolidated view)



* The 2023 figure was refined to use a weighted average rather than a mean.

Breakdown by type of contract
(view by company)



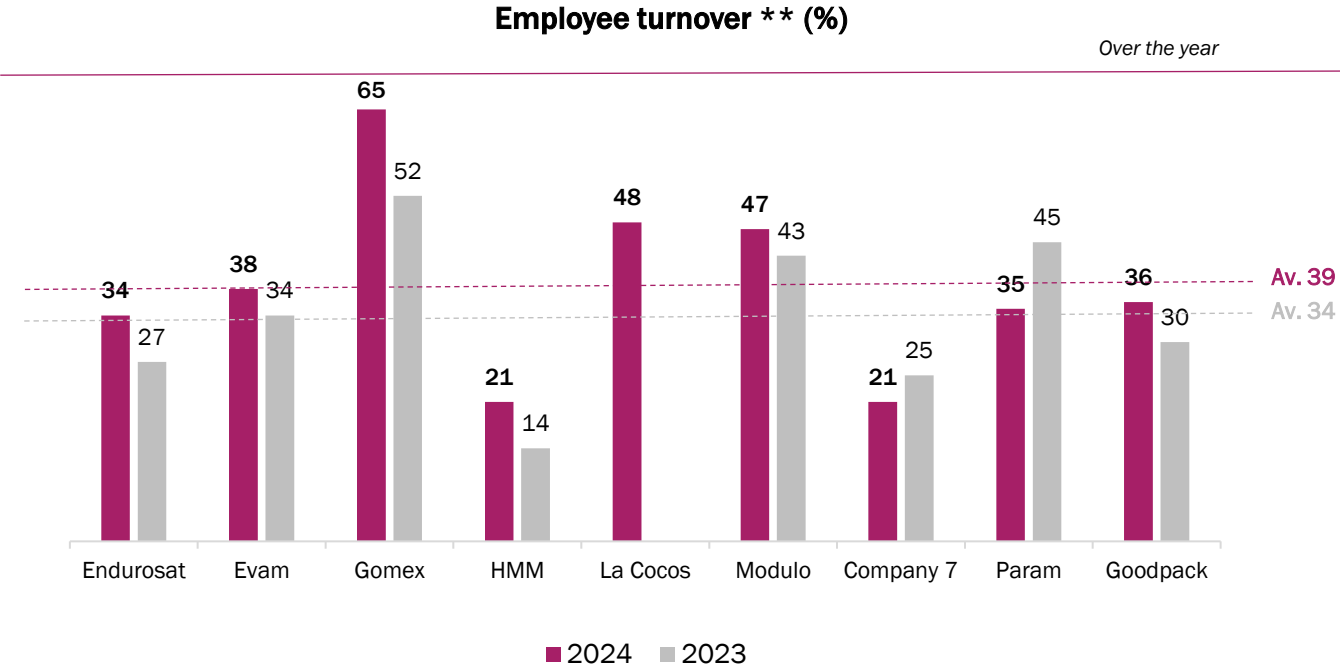
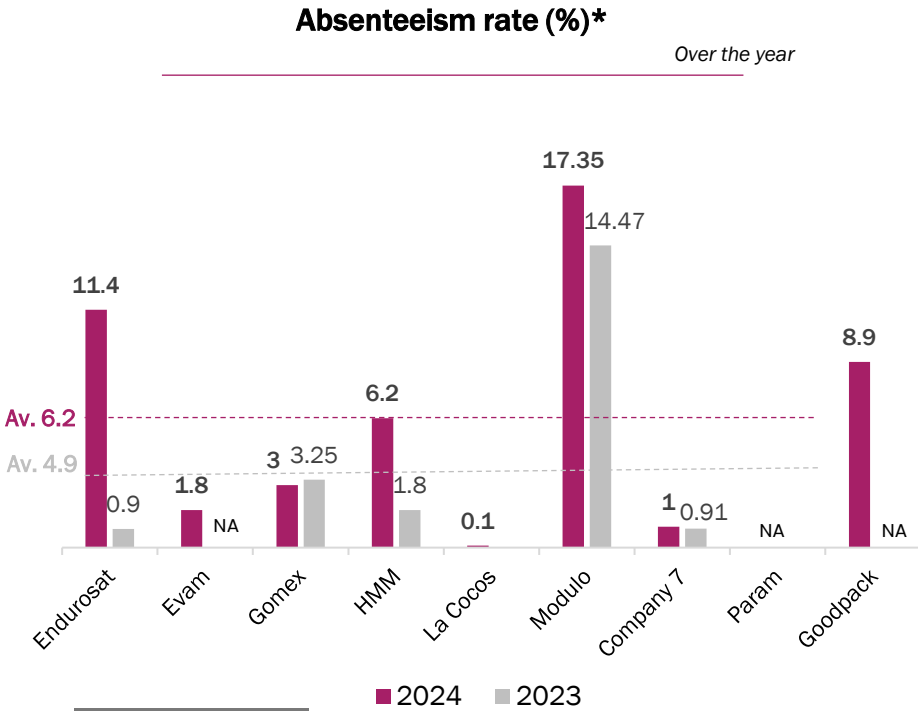
⌵ Gomex has :
In 2024 : 2768 Full Time employees and 37 temporary employees
In 2023 : 2565 Full Time employees and 24 temporary employees

⌵ La Cocos has :
In 2024 : 712 Full Time employees and 0 temporary employees

Consolidation of the CEECAT Capital Portfolio

Social

EMPLOYMENT



Comments

Modulo's high staff turnover and absenteeism are due to the activity's seasonality (the company hires seasonal workers).
Gomex's high turnover is due to the company's sector of activity and the nature of contracts that usually are short-term.
Endurosat's reported leave increased due to a methodology change. In 2023, only PTO in days was included, while the current figure covers all leave types in hours (PTO, maternity/paternity, blood donation, university leave, etc.).

* The average absenteeism rate is calculated as the mean of company-level rates, as not all companies were able to report hours of absence, only a consolidated absenteeism rate. The 2023 figure was recalculated using this method, replacing the previously used weighted average.

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18/07/2025

INDICATORS	UNIT	CONSOLIDATED VALUE 2024	PERIMETER 2024	CONSOLIDATED VALUE 2023	PERIMETER 2023
Companies having reported accidents	Number	3 over 9 companies	9/9	5 over 8 companies	8/8
Accident frequency rate*	%	3%	9/9	0.56%	8/8
Accident severity rate*	%	0.06%	9/9	0.04%	8/8

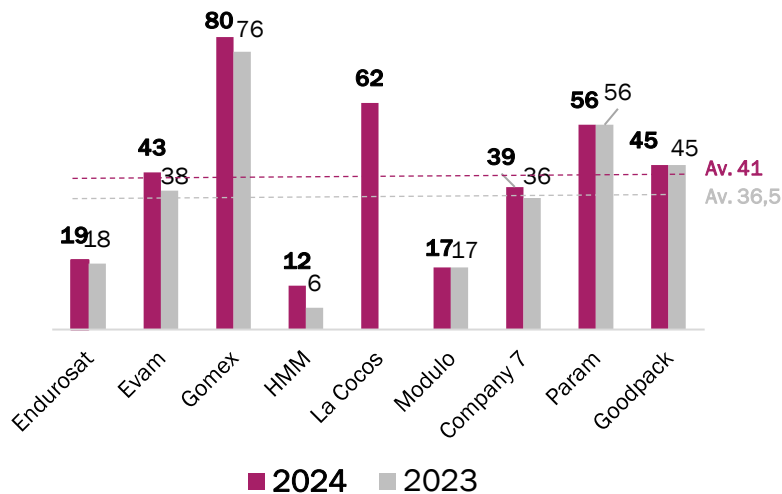
**The formula used to calculate the turnover is: (Hirings + Departures) / 2 / total number of employees * 100

Confidential

DIVERSITY

Female employees (%)

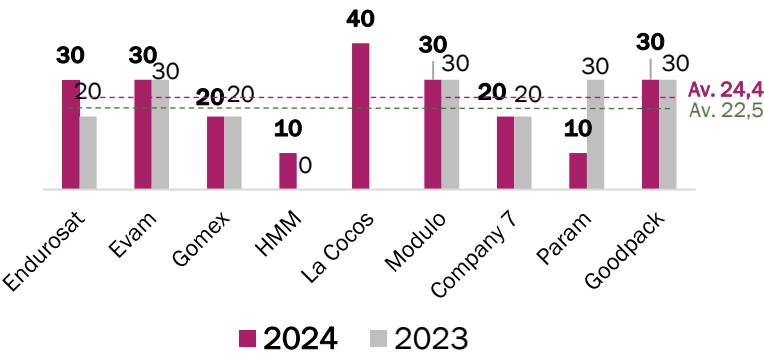
Over the year



6 COMPANIES** have implemented policies to promote diversity at the management level (5 in 2023)

Women in the 10 highest paid profiles (%)

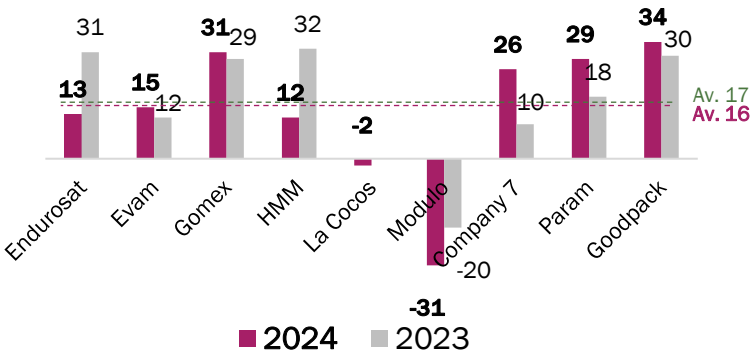
Over the year



4 COMPANIES** organize trainings to avoid gender bias in recruitment (3 in 2023)

Unadjusted gender pay gap* (%)

Over the year



6 COMPANIES** have implemented long term plans to promote diversity (5 in 2023)

*Please refer to the report's annex for additional information on calculation methodology
** out of 9 companies

HEALTH & SAFETY



All companies

have an **occupational health and safety** policy
(as in 2023)

Perimeter: 9/9



All companies

monitor **work-related accidents**
(as in 2023)

Perimeter: 9/9

SOCIAL CONTRIBUTION



8 companies

have donated to **social projects**
(7 in 2023)

Perimeter: 9/9



290 hours

were dedicated to **charitable activities** and voluntary work
(386 hours in 2023)

Perimeter: 9/9



All companies

have used **local service providers** and suppliers
(as in 2023)

Perimeter: 9/9



55% of companies

have **employed trainees** from schools in the **region**
(63% in 2023)

Perimeter: 9/9

PROFIT SHARING & WELL-BEING AT WORK



77%
(38% in 2023)

of companies have implemented one or several of social benefit mechanisms (value-sharing mechanisms, Health insurance, car leasing, etc.)

Perimeter: 9/9



Employee satisfaction surveys were conducted by

6 companies
(3 in 2023)

Perimeter: 9/9

Environment

INDICATORS	UNIT	CONSOLIDATED VALUE 2024		PERIMETER 2024	CONSOLIDATED VALUE 2023	PERIMETER 2023
Activities negatively affecting biodiversity sensitive areas	Share of “No”	100%	—	8/9	100%	8/8
Sustainability and / or environmental policy	Share of “Yes”	78%	➡	9/9	38%	8/8
Carbon footprint assessment	Share of “Yes”	44%	➡	9/9	38%	8/8
Initiatives to reduce GHG emissions	Share of “Yes”	67%	➡	9/9	75%	8/8
Initiatives to reduce energy consumption	Share of “Yes”	78%	➡	9/9	63%	8/8
Waste sorting policy	Share of “Yes”	78%	➡	9/9	63%	8/8

Best Practices

- ✓ HMM is ISO 14001 certified and sets energy efficiency goals to ensure compliance. HMM is implementing a solar energy system to cover the entire electricity consumption of their factory.
- ✓ Gomex ensures waste management across its stores through an employee rulebook and waste collection handled by four companies from its main distribution centers.
- ✓ Evam fosters sustainability through public transport support, digital learning, waste separation, and future initiatives like electric vehicle rentals.
- ✓ La Cocos has implemented motion sensors and solar panels.
- ✓ Company 7 uses renewable energy in its offices.

100% 

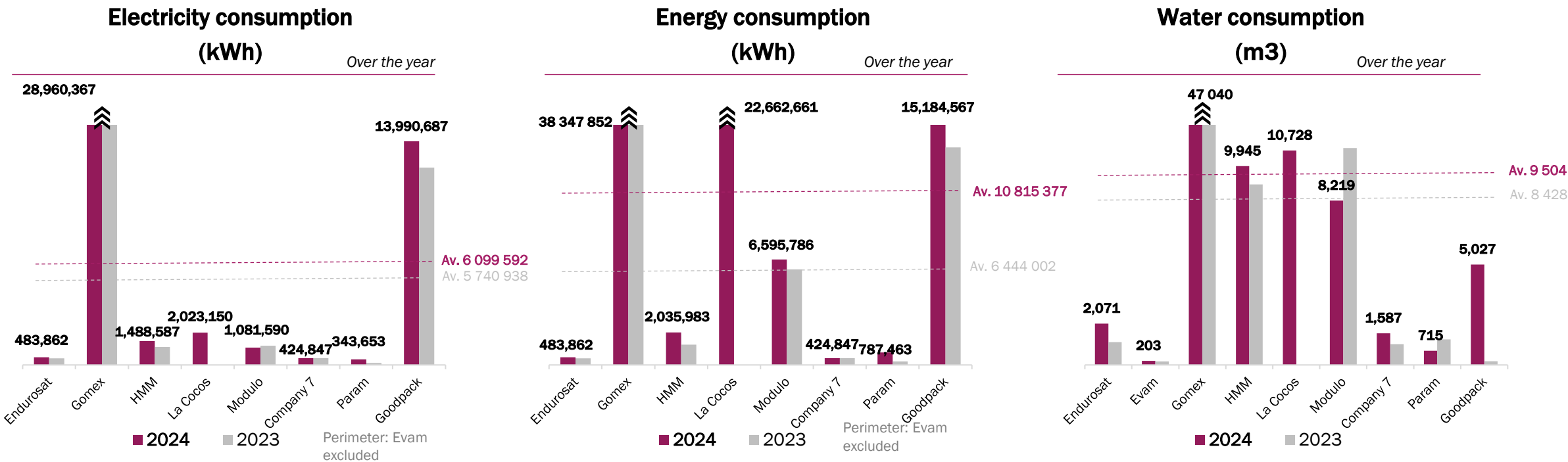
(as in 2023)

of companies monitor their energy consumption.

Perimeter: 9/9

Consolidation of the CEECAT Capital Portfolio

Environment



Comments

- Energy consumption includes electricity, diesel, natural gas consumption, gasoline, propane, butane, fuel oil, heating, cooling, refrigerant gas leaks and consumption of other energies (renewable and non-renewable).
- Diesel and natural gas consumption (in kWh/PCI) are the two most consumed energy sources across the portfolio. Goodpack and La Cocos are the only companies to use butane and Modulo is the only one to use propane.

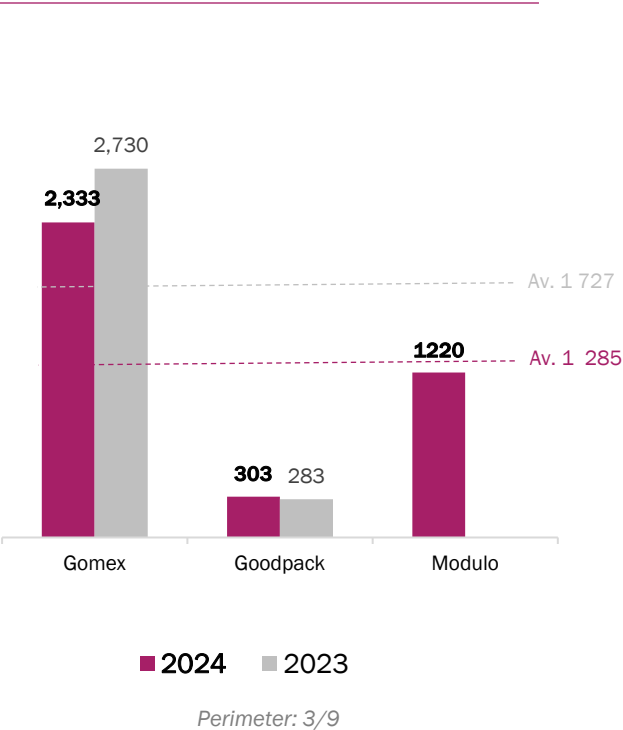
Best Practices

- Goodpack produces renewable energy through solar panel for its own use.
- Modulo has implemented initiatives to improve thermal efficiency across its facilities and increase the use of renewable energy sources.
- La Cocos has replaced traditional bulbs with energy-efficient LEDs to reduce their energy consumption.

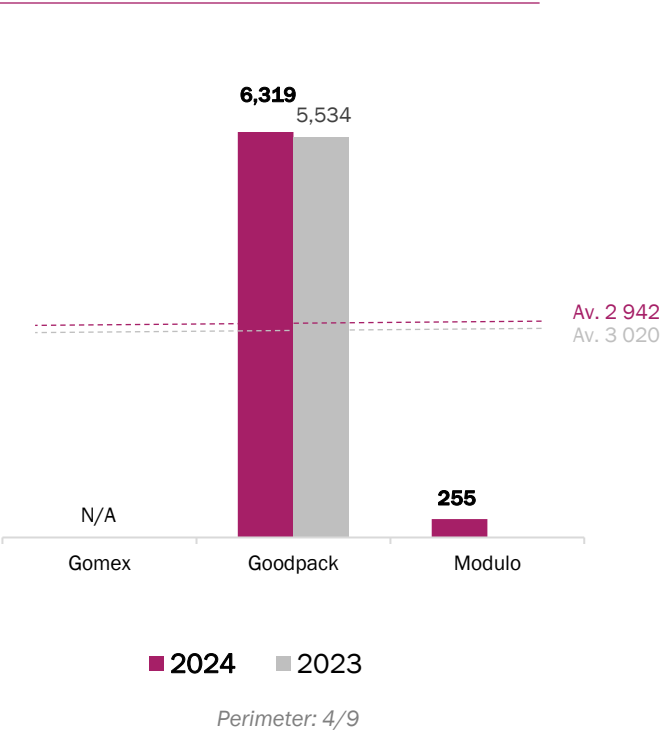
Consolidation of the CEECAT Capital Portfolio

Environment

C02 emissions – Scope 1
(tCO2eq) Over the year



C02 emissions – Scope 2
(tCO2eq) Over the year



Comments

Only 4 companies collect their carbon data. **None of the companies has calculated their Scope 3 emissions.**

Goodpack calculated its carbon footprint internally.
HMM is currently calculating its carbon footprint emissions, but data were not available when this report was produced.

Best Practices

- ✓ Modulo measures its annual carbon footprint and has set short-term goals in its environmental policy to reduce emissions within five years.
- ✓ Endurosat tracks the carbon footprint from business travel and has achieved net zero in facility consumption.
- ✓ Evam is planning to initiate their carbon footprint assessment by the end of 2025.




Consolidation of the CEECAT Capital Portfolio

Highlights and Best Practices




Governance

-  **100%** (75% in 2023)
of companies have adopted Ethics and Anti-corruption policies
-  **88%** (40% in 2023)
of the portfolio now have a dedicated team for ESG topics
-  **+107%** (from 14% in 2023 to 29% in 2024)
increase in independent members across all portfolio companies

Social

-  **56%** (50% in 2023)
of the portfolio integrate diversity topics in their Board meetings
-  **18%** (21% in 2023)
of the top 10 highest-paid profiles across the portfolio companies are women
-  **78%** (25% in 2023)
of the portfolio companies track employee well-being through an annual satisfaction survey

Environment

-  **78%** (38% in 2023)
of the portfolio companies have adopted a sustainability and / or environmental policy
-  **78%** (63% in 2023)
of the portfolio companies have adopted a waste sorting policy
-  **78%** (63% in 2023)
of the companies have launched initiatives to reduce energy consumption
(heat management, change in electricity equipment, etc.)



La Cocos joined CEECAT Capital's portfolio in 2024. The company already demonstrates a high level of maturity and strong commitment to ESG topics.



05.

Perspectives for 2025



Perspectives for 2025

Our biggest challenge in 2024 was the increasing global uncertainty, in large part driven by the result of the US Presidential election. In general, uncertainty results in cautious investment plans, a reassessment of corporate priorities, and this has a material impact, especially on ESG plans and budgets. These are challenges for us to meet.

I am pleased that within the portfolio, we continue to witness growth, and our companies remain committed to the targets we set for them. We have chosen to establish certain key principles at our companies, built on the foundation of good corporate governance. As discussed earlier, and hopefully demonstrated in the company reports, we have spent the past 18 months building the foundations of lasting change, change beyond our participation in the journey of our portfolio.

The foundations are now set. Therefore, it is important to remain focused on what we do and to steer a steady course during change. I have full confidence that 2025 will see a continuation of the great progress that we have made.

Anthony Stalker

Partner



06.

Appendix



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Sustainability Accounting Standards Board



The Sustainability Accounting Standards Board is a US not-for-profit organization engaged in the development and dissemination of accounting standards for ESG and sustainable development.

Founded in 2011. SASB offers a benchmark of more than 195 ESG stakes spread over 77 business sectors and classified. sector by sector, according to their degree of materiality.

To establish its standards in terms of information to be provided on sustainable development, the SASB takes into account the following five dimensions :

- environment;
- share capital;
- human capital;
- innovation and business model;
- leadership and governance.

Environment

- GHG Emissions
- Air Quality
- Energy Management
- Water & Wastewater Management
- Waste & Hazardous Materials Management
- Ecological Impacts

Leadership & Governance

- Business Ethics
- Competitive Behavior
- Management of the Legal & Regulatory Environment
- Critical Incident Risk Management
- Systemic Risk Management



Social Capital

- Human Rights & Community Relations
- Customer Privacy
- Data Security
- Access & Affordability
- Product Quality & Safety
- Customer Welfare
- Selling Practices & Product Labeling

Human Capital

- Labor Practices
- Employee Health & Safety
- Employee Engagement, Diversity & Inclusion

Business Model & Innovation

- Product Design & Lifecycle Management
- Business Model Resilience
- Supply Chain Management
- Materials Sourcing & Efficiency
- Physical Impacts of Climate Change

Computation of Ratios on Social Data - Methodology

- Some ratios are automatically calculated based on the data reported by the portfolio companies. The formulas used are presented below. These formulas may differ from the formulas used internally by the portfolio companies but are used to standardize the computation rule in order to compare and consolidate the data.

Absenteeism rate

- ✓ - $100 * \text{Number of hours of absence} / \text{Number of theoretical annual hours worked}$

Turnover ratio

- ✓ - $100 * (\text{Number of hires} + \text{Number of departures}) / 2 / \text{Total employees}$

Accident frequency rate

- ✓ - $1,000,000 * \text{Number of work accidents with lost time} / \text{Number of theoretical annual hours worked}$

Accident severity rate

- ✓ - $1,000 * \text{Number of lost days due to a work accident} / \text{Number of theoretical annual hours worked}$

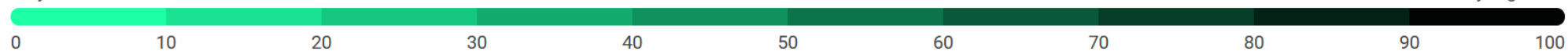
Unadjusted gender pay gap

- ✓ - $100 * (\text{Gross hourly earnings of men} - \text{Gross hourly earnings of women}) / \text{Gross hourly earnings of men}$

High Risk Countries - Human Rights

Very Low Risk

Very High Risk

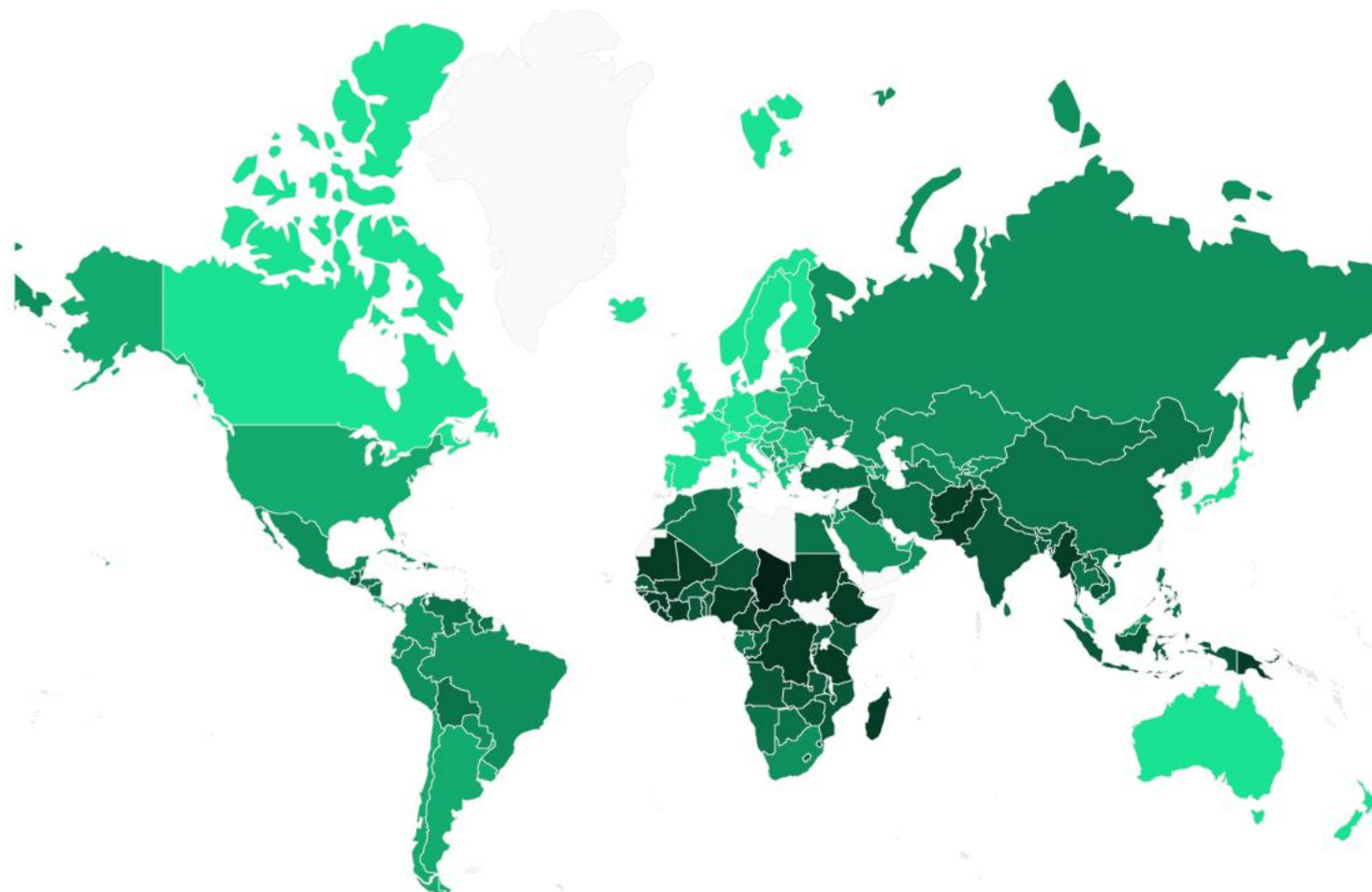


With a global coverage of 176 countries and territories the ESG Index (ESGI) is dedicated to measuring risks related to the environment, human rights and health & safety based on 44 variables.

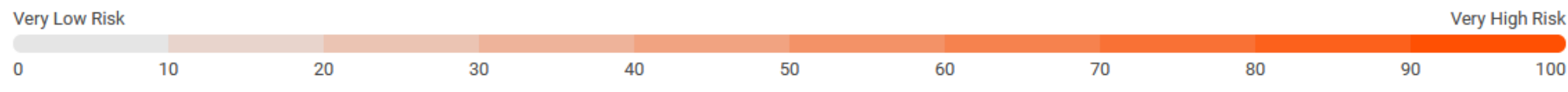
Country results are presented on a 0-100 scale, where 0 corresponds to the lowest risk and 100 corresponds to the highest risk.

Human rights risk assessment is notably measured according to the ratification status of 18 key conventions, social rights indicators (level of slavery, child labour, education, access to housing), civil and political rights indicators (freedom of the press, minority rights, etc.), and collective rights indicators (level of peace, right to self-determination of peoples, etc.).

Source: <https://risk-indexes.com/esg-index/>



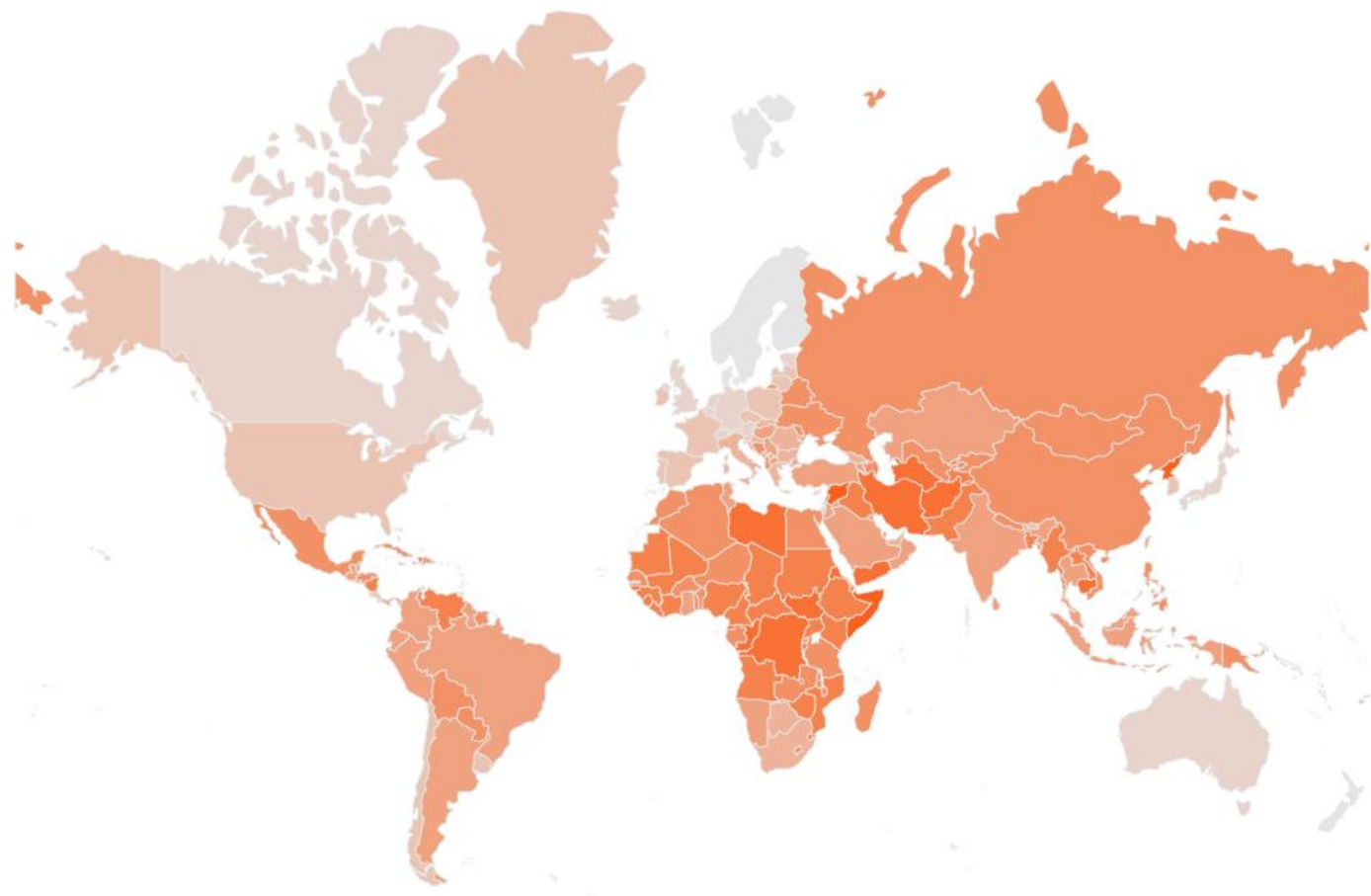
High Risk Countries - Corruption



Covering 198 countries and territories the Global Corruption Index (GCI) provides a comprehensive overview of the state of corruption around the world based on 28 variables.

Country results are presented on a 0-100 scale, where 0 corresponds to the lowest risk and 100 corresponds to the highest risk.

Source: <https://risk-indexes.com/global-corruption-index/>





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