

Morphosis Capital

ESG Report
2025



Turning vision into impact

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Dear Morphosis Community,

2025 marks a pivotal year in the evolution of ESG at Morphosis Capital – a year in which we moved from intention to structured implementation. Over the past 12 months, we have taken significant steps to institutionalize ESG across our organization. We onboarded a dedicated ESG Manager, delivered a series of targeted workshops across the entire team and began the implementation of our Environmental and Social Management System (ESMS), alongside a formal Code of Conduct and a comprehensive set of E&S policies. These are not standalone initiatives, but the foundation of a more disciplined and scalable approach to responsible investing.

At portfolio level, our platform has continued to grow and diversify. We now support 8 companies across two active funds, employing over 3,100 people and generating impact across Romania and the broader Central and Eastern Europe region. During the year, we successfully exited DocProcess and expanded Fund II with two new investments – EnduroSat and ECHO Elderly Care – extending our footprint into satellite technology and senior care services. Importantly, ESG responsibility is now embedded at portfolio level, with dedicated ESG officers appointed across Fund II companies to ensure consistent implementation and accountability.

The social dimension remains central to our investment philosophy. Whether through improving access to healthcare, expanding access to quality education, supporting affordable and reliable access to food, or contributing to the development of high-quality senior care services, we continue to focus on sectors where capital can generate both financial returns and tangible societal value.

We are equally committed to building an inclusive and balanced organization. Today, 60% of our combined workforce is female, with 57% representation at C-suite level across the portfolio, well above international benchmarks. At the GP level, we maintain a balanced 50/50 gender split across both staff and partners. For us, diversity is not a target to be achieved, but a structural driver of better decision-making.

Our approach to ESG continues to evolve from framework to integration. Over the course of 2025, we have embedded ESG considerations more deeply across the entire investment lifecycle: from screening and due diligence to ownership and exit. At the same time, we are actively preparing Fund III with the ambition of achieving SFDR Article 8 classification, building on the foundations we are putting in place today.

We remain mindful that credibility in ESG is built over time. In a landscape where overstatement can easily erode trust, we continue to prioritize transparency and consistency – acknowledging both the progress we have made and the areas where further work is required.

- Simona Gemeneanu, Partner , Morphosis Capital

Morphosis Capital at a glance

Our journey, team and investment approach



About Morphosis Capital

Fostering growth and transformation in the CEE region

Morphosis Capital is a private equity firm established in 2018, dedicated to fostering the growth and transformation of small and medium-sized enterprises (SMEs) in Romania and Central and Eastern Europe (CEE). The Fund Manager of Morphosis Capital Fund II Coöperatief U.A. (“Morphosis” or the “Fund”) strategically invests in the lower mid-market segment, supporting SMEs through active organic growth and targeted mergers and acquisitions (M&A).

Building on the strong track record of Morphosis Capital Fund I, which was fully deployed into 6 successful investments in Romania, Morphosis Capital Fund II was launched in June 2024 with a committed capital of EUR 130 million.

With a Romania+ strategy, the fund aims to support the growth of SMEs in Romania and the CEE region (including Bulgaria, Croatia, Czechia, Poland and Slovenia), targeting between 9 and 10 investments.

ESG Commitment

Anchored by a comprehensive ESG strategy closely aligned with the United Nations Sustainable Development Goals (SDGs), Morphosis Capital emphasizes responsible investment practices, robust governance, employee wellbeing and diversity and inclusion.

Through active partnerships with founders and management teams, Morphosis Capital is committed to enabling rapid scaling of portfolio companies, thereby contributing sustainably to regional economic development and societal advancement.

KEY FACTS

Founded: 2018

Focus: Romania & CEE SMEs (RO, BG, HR, CZ, PL, SI)

Segment: Lower mid-market

Fund I (2019): 6 investments, 2 full exits

Fund II (2024): 4 investments, 1 full exit

ROPEA AWARDS



The **Most Active PE Fund Manager** in Romania

REAL DEALS PE AWARDS

Only CEE fund shortlisted for **Emerging Manager of the Year**

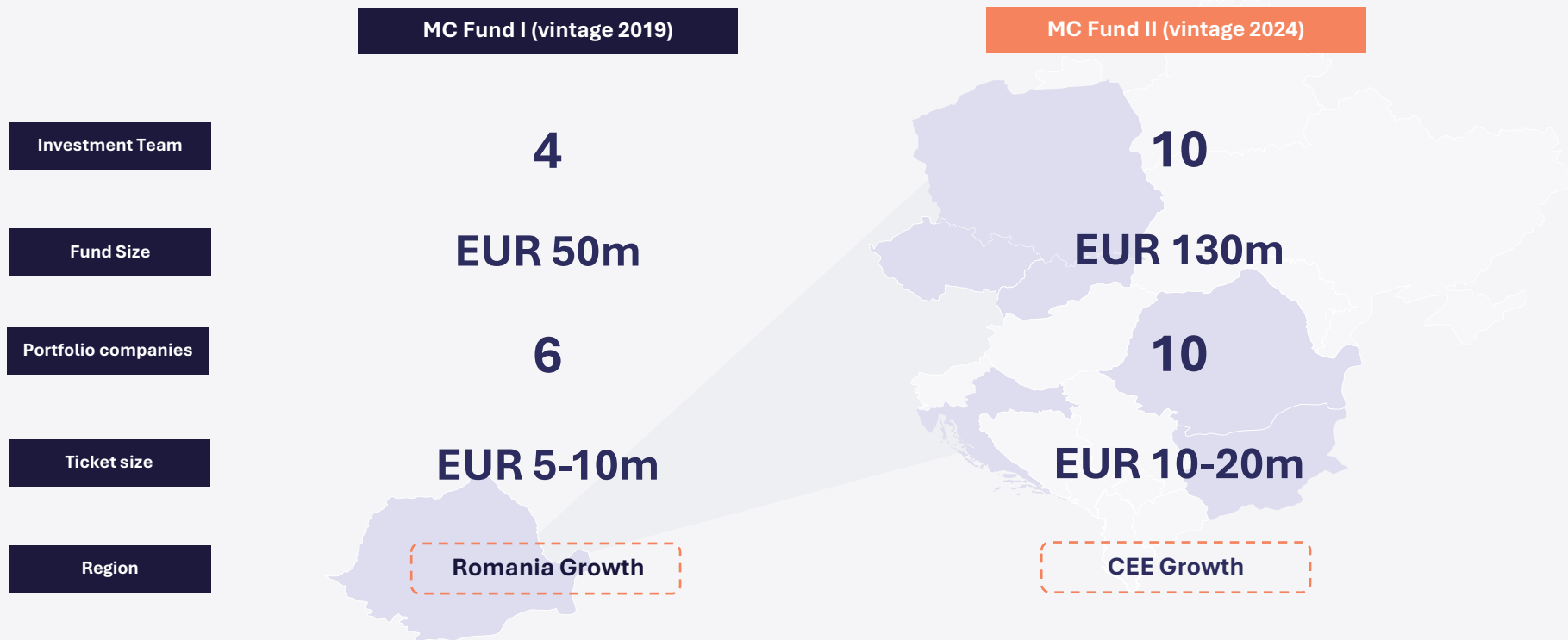
OUR AMBITION

Article 8

SFDR status targeted for Fund III

“Morphosis aims to become a recognized ESG leader in the regional private equity landscape.”

Morphosis Capital platform at a glance



7 years

on the market
(since 2018)

2

funds raised

EUR 180m

committed
capital
across two funds

10

investments
completed to-
date

2 years

of formal ESG
reporting

3,149

total FTE
employees

57%

women in
C-Suite

32%

women in
Boards

The Team

Morphosis Capital was founded by 4 seasoned professionals with over 40 years of international experience and complementary skills, including M&A, operations, strategy, and finance – critical skills for scaling up SMEs.

Committed to driving change and supporting local economic growth, the team nurtures the next generation of private equity professionals who will continue transforming entrepreneurial vision into lasting impact.

Partners & Investment Committee Members



Andrei Gemeneanu
Managing Partner
ex-Unilever Global VP



Gabriela Dumitru
Partner
ex-Innova Capital PE



Simona Gemeneanu
Partner & ESG Champion
ex-PwC, Thomson Reuters



Dragos Petre
Partner & CFO
ex-P&G, Beam Suntory

Team



Adrian Netea
Investment Director
*Joined 2019,
ex-E&Y*



David Masculic,
CFA
Investment Manager
*Joined 2021,
ex-Alphablock*



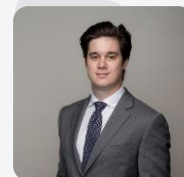
Dragalina Dragan
IR, ESG & Investment
Manager, *Joined 2020,
ex-E&Y*



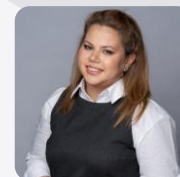
Bianca Boabes
Analyst
*Joined 2024,
ex-Deloitte*



Gheorghe Cojocaru,
CFA
Associate,
*Joined 2024,
ex-Citibank*



Cezar Visan
Associate
*Joined 2024,
ex-Kearney*



Maria Tanase
Financial Controller
Joined 2025



Andreea-Mihaela Nazare
Office Manager
Joined 2024

A highly complementary, gender-balanced and diverse team



Gender balanced at Partners and full team level



Entrepreneurial, results driven, hard driving, transparent, non-hierarchical culture



3 regional languages spoken, team prior experience in Romania, Poland, Slovakia, Hungary, Czech Republic



+40 years of international experience with blue chip multinationals



Operationally heavy team, with strong experience in M&A, strategy, finance, marketing, general management, all critical skills for scaling up SMEs



Stable, high performance, highly incentivized team

Experienced Team & Winning Culture

CULTURE & VALUES

A strong foundation for ESG Social

Culture and values lived by the Morphosis team were highlighted repeatedly by **investors, advisors and founders** – a genuine focus on valuing people.

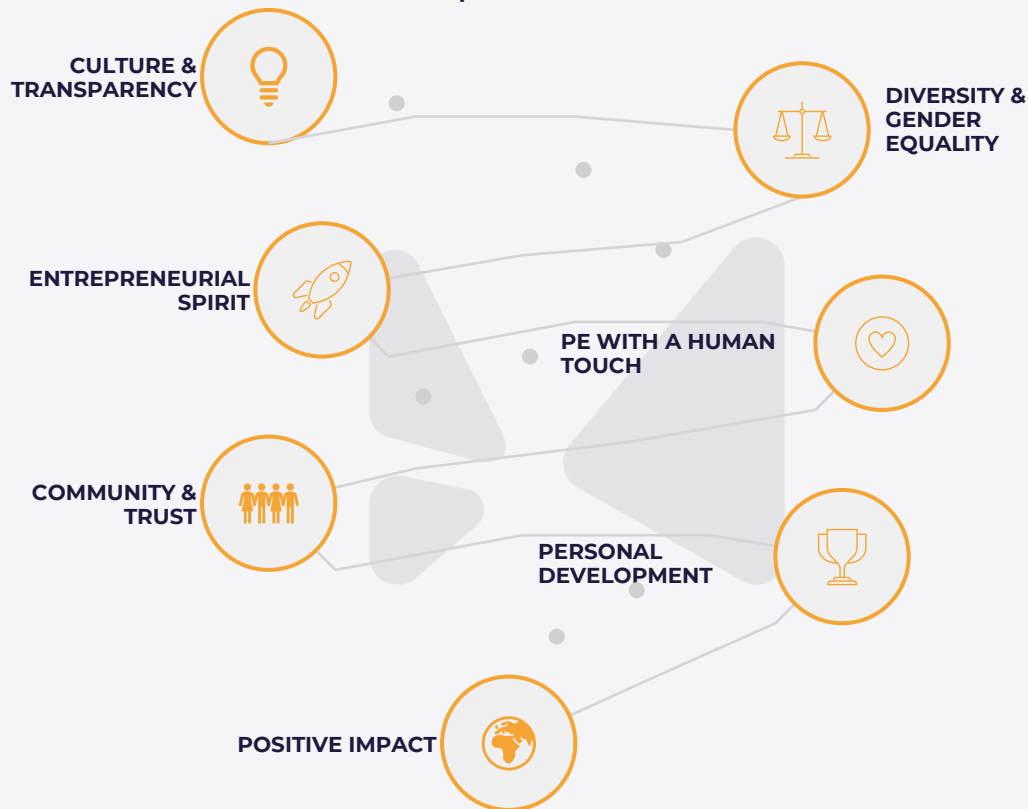
These values are a strong foundation for the **Social dimension of ESG** – culture is one of the most effective ways to embed sustainability.

2025 INVESTMENTS IN PEOPLE

Learning, development & cohesion

- Structured learning programme covering investment and leadership areas
- CFA and CAIA certifications sponsored
- First extended teambuilding in Italy – strengthening team collaboration

Morphosis' core values



Investment Approach

€130m

Morphosis Fund II size

9-10

No. of investments

€10-20m

Ticket size

€1-10m

Target EBITDA

STRATEGY OVERVIEW

Morphosis Capital strategically focuses on the lower mid-market in Romania and CEE, prioritizing industries with significant growth and consolidation potential. We prefer majority stake acquisitions with EUR 10-20m equity per company, holding for 3-5 years.

We leverage a hands-on approach supporting portfolio companies in organic growth and buy-and-build strategies, closely aligned with sustainability and ESG criteria.

GOVERNANCE

- Control stake as preference – or joint control with co-investors
- Strong veto rights in minority deals
- Incentivized founder and management

INDUSTRIES



Healthcare & Wellness



Consumer Products & Services



Niche Manufacturing



B2B Services

INVESTMENT STRATEGY

- Majority stake acquisitions, ensuring control and alignment with growth objectives
- Organic growth & buy-and-build strategies, driving expansion through M&A
- Focus on fragmented industries, consolidating markets to unlock synergies and efficiency gains

ESG Strategy & Responsible Investment

Strategic pillars, governance, policies and integration framework



ESG Strategic Pillars

Morphosis aspires to attain the status of an **Article 8 fund** with its third fund and to position itself as a prominent entity with a robust emphasis on ESG principles within the CEE region. To realize this ambition, three strategic pillars have been delineated:

Morphosis Capital as a Responsible Investor

Morphosis employs a comprehensive strategy to integrate E&S characteristics in investment decisions:

- Sustainability frameworks & KPI monitoring across the full investment lifecycle
- Supporting portfolio companies with ESG measurement & evaluation tools
- Pre-investment ESG screening & due diligence process
- Post-investment ESG action plans with annual KPI tracking
- Article 8 SFDR ambition for Fund III

Responsible Operations

Morphosis adopts a conscientious approach to managing impacts on employees & communities:

- 50/50 gender-balanced GP team at both partner & staff levels
- ESG-linked policies across all firm operations
- Team development & cultural cohesion programmes
- Diversity, equity & inclusion embedded in hiring & promotion
- Community engagement & employee wellbeing focus

Morphosis Capital as a Thought Leader

Morphosis is committed to shaping its ESG strategy within the industry & broader ecosystem:

- Active support for Level20 and Empowering Equity initiative promoting gender diversity & inclusion in PE
- Participating in ESG conferences and shaping best practices across Romania and the broader CEE region
- Active members of ROPEA, CVCA and PSIK associations
- Supporting the education of the next generation of private equity professionals through PE/VC Academy initiatives

Fund Key Stakeholders

INVESTORS

Investors expect Morphosis to implement pragmatic ESG policies that deliver measurable outcomes without compromising financial performance. While economic development remains a priority in Romania and CEE, investors are increasingly aligned with European ESG standards and demand transparent reporting practices through quarterly and annual reports and incident reporting.

EMPLOYEES

In a competitive talent market, particularly in Romania, Morphosis aims to position itself as an employer of choice by creating a purpose-driven and inclusive workplace that nurtures talent and supports career progression. Engagement initiatives include regular company-wide meetings, internal communications, employee feedback mechanisms and health and wellness programs.

PORTFOLIO COMPANIES

Founders and leadership teams expect Morphosis to provide hands-on support, tools, and frameworks to help them implement and measure ESG performance effectively. Monthly board meetings discuss environmental and social concerns, with E&S action plans devised as necessary.

COMMUNITIES

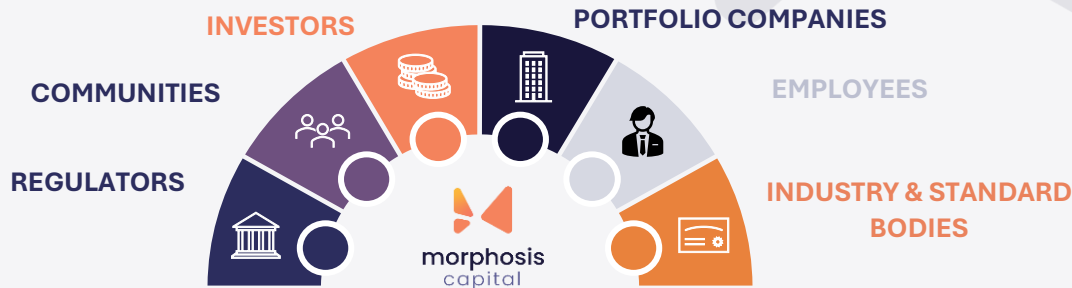
Community engagement is a key aspect of Morphosis' ESG strategy, particularly in Romania, where societal challenges such as gender equality, healthcare access, and economic development create opportunities for impact. Companies engage through community events and awareness campaigns, workshops, media collaboration and grievance mechanisms.

REGULATORS

Morphosis is committed to full compliance with all applicable Dutch and EU regulations. Ensuring regulatory compliance protects Morphosis and its stakeholders from potential risks while maintaining alignment with European best practices. Engagement initiatives include continuous monitoring and timely reporting.

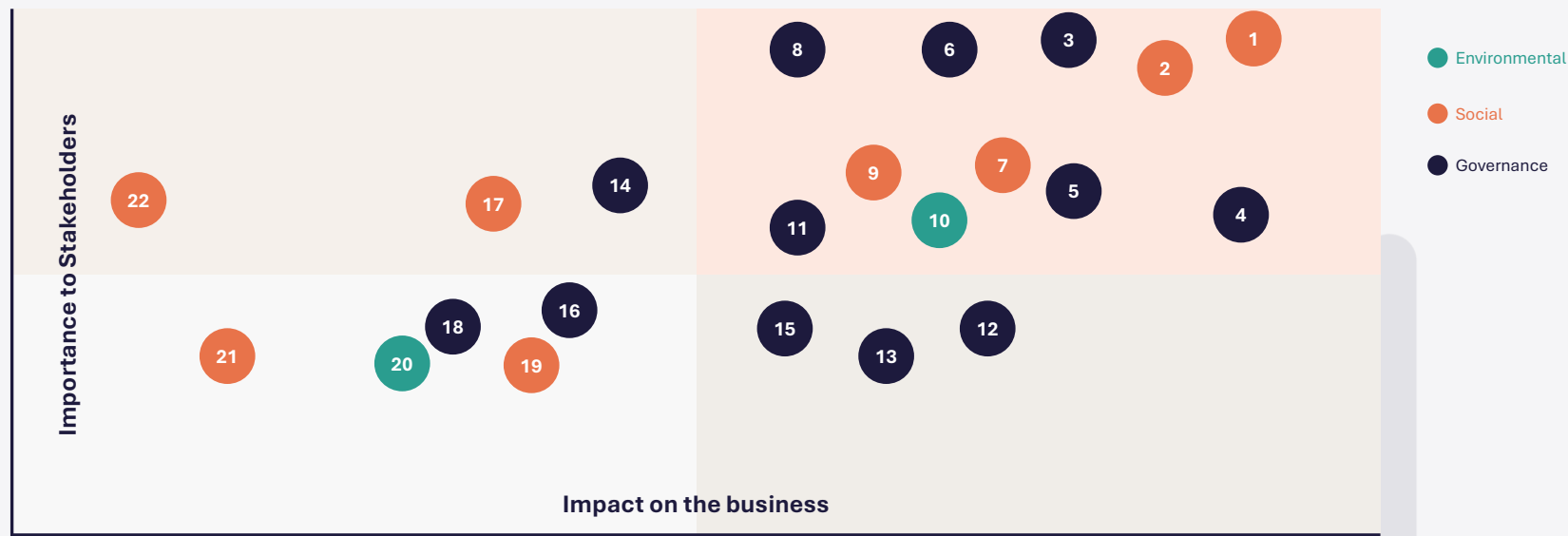
PE INDUSTRY & STANDARD BODIES

Morphosis recognizes the importance of leading by example within the private equity industry. Collaboration with standard-setting bodies and participation in industry forums help drive best practices and advance the ESG agenda at both regional and European levels. Morphosis actively participates in PE events, conferences, and seminars, contributing to industry standards through working groups.



ESG Materiality Assessment

Mapping the ESG topics most relevant to our business and stakeholders



- 1. Economic development
- 2. Employee wellbeing, human rights, labor
- 3. Sustainable investment
- 4. Legal, regulatory and tax compliance
- 5. DE&I, gender equality, empowerment
- 6. Anti-corruption and business ethics
- 7. Employee education and development
- 8. Risk management

- 9. Distribution of wealth, rewards and remuneration
- 10. GHG emissions
- 11. Board representation
- 12. Industry collaboration
- 13. Transparency
- 14. Industry innovation
- 15. Corporate governance
- 16. Supplier due diligence

- 17. Access to healthcare
- 18. Cyber-security and data protection
- 19. Community development
- 20. Resource management
- 21. Community education
- 22. Poverty and hunger

Our ESG Operating Model: Team, Activity & Policies

Our Team



	2024	2025	YoY
Number of team professionals	12	12	→
Share of women in the team	50%	50%	→
Share of women at Partner level	50%	50%	→

Number of active portfolio companies



7 8
2024 2025

Our Policies	2024	2025
Code of Conduct	✓	✓
E&S Policy	✗	✓
Anti-Discrimination & Equal Opp.	✗	✓
Diversity & Inclusion	✗	✓
Salary & Remuneration	✓	✓
Health & Safety	✓	✓
Human Rights & Child Protection	✗	✓
Anti-Corruption	✓	✓
Privacy (Employees & Customers)	✓	✓
Anti-Harassment Policy	✗	✓
Implementation of ESMS	✗	✓
Climate Change Policy	✗	✓
Responsible AI	✗	🕒

✓ = In Place ✗ = Not in Place 🕒 = Planned

Implementation and Monitoring of the ESMS

PURPOSE

Ensures all investments are environmentally sustainable and socially responsible, integrating E&S considerations into decision-making to enhance portfolio performance.



SCOPE

Applies to Fund II and future funds, adapting to meet their specific needs.

KEY OBJECTIVES

- Identify, assess, manage, and monitor E&S risks and impacts
- Ensure compliance with Exclusion List and E&S requirements
- Require each portfolio company to develop and implement its own ESMS aligned with Morphosis' commitments



GOVERNANCE & IMPLEMENTATION

Part of Morphosis Capital's overall management system, including policies, procedures, planning activities, and compliance mechanisms.



POLICY APPROVAL & REVIEW

Policies are approved by Morphosis' Board of Directors, reviewed annually by the E&S Manager and updated as needed to comply with legislation and industry standards.



COMPLIANCE

Morphosis invests only in companies that align with its E&S policies or can meet compliance within a reasonable timeframe, as determined by the ESAP.

E&S POLICIES

Policies guiding Morphosis' investment strategy:

- **Code of Conduct** – Ethical principles for all employees, partners and portfolio companies. Covers integrity, transparency, and accountability.
- **Environmental & Social Policy** – Commitment to integrate E&S aspects into investment decisions. Aligns all investments with Morphosis values and objectives.
- **Gender & Equal Opportunity** – Promotes gender equality and women empowerment across the organization and portfolio companies.
- **Anti-Harassment Policy** – Zero tolerance for any form of harassment in the workplace. All incidents investigated seriously and promptly.
- **Human Rights & Child Protection** – Zero tolerance to child abuse. Aligned with UN Guiding Principles on Business and Human Rights.
- **Climate Change Policy** – Commitment to reduce GHG emissions, enhance climate resilience, and report transparently on climate performance.

E&S Principles and Regulatory Framework

REGULATORY FRAMEWORK

- Morphosis operates within a framework of environmental and social (E&S) principles and regulatory requirements. These principles are aligned with international standards such as the **United Nations Principles for Responsible Investment (UNPRI)**, the **International Finance Corporation (IFC) Performance Standards**, **European Bank for Reconstruction and Development (EBRD) Performance Requirements**, the **EIF Guidelines**, the **Invest Europe Reporting Guidelines** and relevant local laws and regulations.
- Additionally, the fund's activities are guided by the **United Nations Sustainable Development Goals (UN SDGs)** which provide a universal framework for addressing global challenges such as poverty, inequality, climate change, environmental degradation, peace, and justice.
- As an investment fund manager domiciled in the EU, Morphosis is also obliged to comply with relevant EU legislation and has established arrangements to comply with the **Sustainable Financial Disclosure Regulation (SFDR)** (EU 2019/2088) and associated delegated Regulations.
- The **ESMS** has been designed in accordance with the IFC Performance Standard 1 (PS1) and EBRD Performance Requirements 1 (PR1) and it is intended to ensure compliance with the standards mentioned above and promotes best practices in environmental and social risk management, contributing to the achievement of the UN SDGs.

UN SUSTAINABLE DEVELOPMENT GOALS

The specific UN SDGs that Morphosis' funds are expected to contribute to:



SDG 3 – Good Health and Wellbeing



SDG 4 – Quality Education



SDG 5 – Gender Equality



SDG 8 – Decent Work and Economic Growth

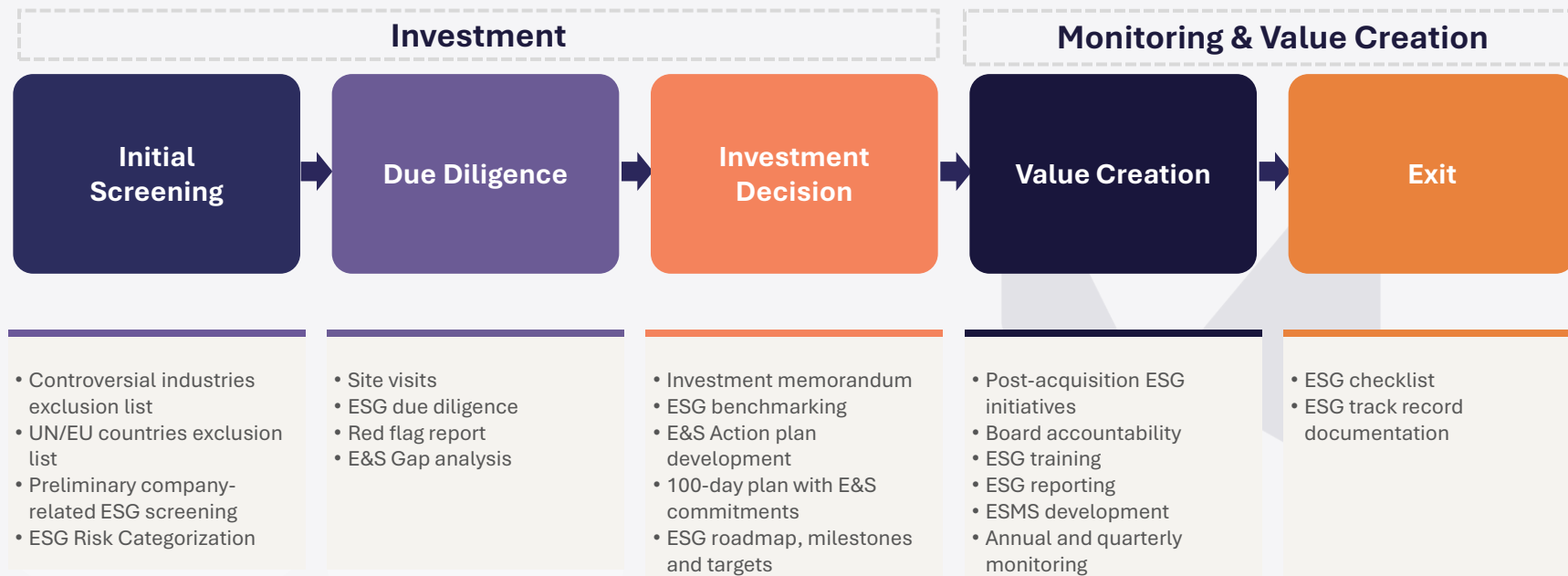


SDG 16 – Peace, Justice and Strong Institutions

All investment agreements with portfolio companies and partners (including co-investors) contain appropriate E&S covenants requiring investments to be in compliance with the Fund mandate including the requirements as described in the ESMS Manual.

ESG Integration into Morphosis Capital's Investment Framework

Morphosis' investment cycle integrates ESG throughout the full process from screening to exit. This process ensures that environmental and social risks and opportunities are identified, assessed and managed effectively with the aim of enhancing the value creation resulting from the identified environmental and social matters. Morphosis's investment approach is structured across five key steps:



Incident & Grievance Management

Incident Reporting



PORTFOLIO COMPANIES

Report significant incidents within **24 hours**. Includes fatalities, human rights violations, child abuse, severe environmental damage, and major regulatory breaches.

MORPHOSIS TO INVESTORS

Notify within **3 days** of becoming aware of any reportable incident.

Grievance Mechanisms



EXTERNAL

Online platform / website for stakeholders to report concerns and complaints anonymously:

<https://morphosis.liniaetyki.com/>

INTERNAL

Managed by E&S Manager per Code of Conduct. Each portfolio company must implement its own grievance mechanism.

SFDR Alignment & Roadmap

The EU Sustainable Finance Disclosure Regulation (SFDR), effective March 2021, requires the disclosure of sustainability-related information for financial products, by financial market participants and financial advisors. Additionally, it highlights the importance of transparency regarding the integration of sustainability risks into the financial decision-making processes. As an investment fund manager based in the European Union, Morphosis is required to adhere to applicable EU regulations in this context. Consequently, the firm has implemented measures to ensure compliance with the Sustainable Finance Disclosure Regulation (SFDR) (EU 2019/2088) and its related delegated acts.

Current Classification

- **Fund I** – SFDR Article 6 | Vintage 2019 | EUR 50m | 4 active companies, 2 full exits
- **Fund II** – SFDR Article 6 | Vintage 2024 | EUR 130m | 3 active companies, 1 full exit

Roadmap to Article 8

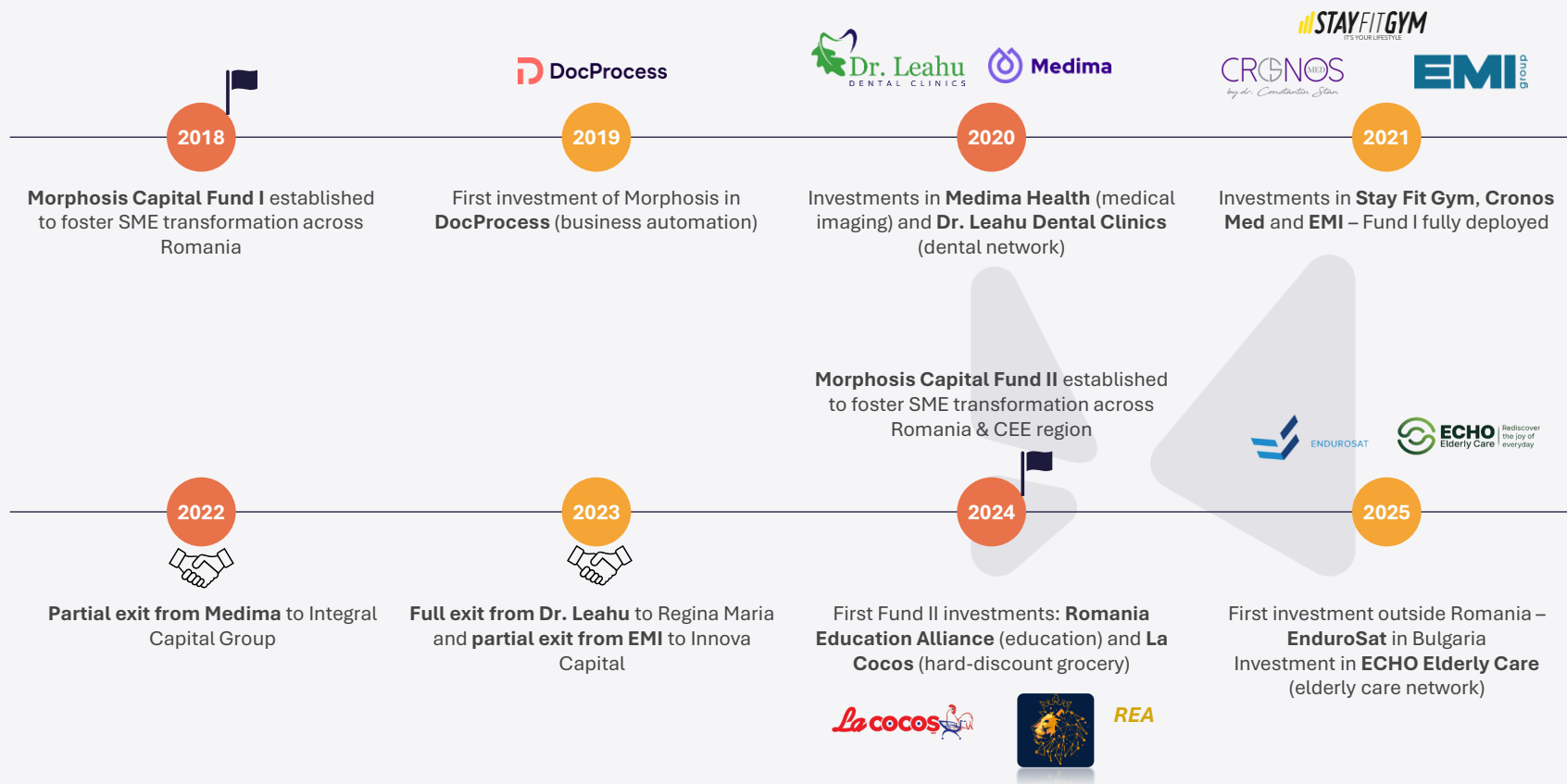
- Fund III targets SFDR Article 8 classification – promoting environmental or social characteristics
- Alignment with UNPRI, IFC Performance Standards, EBRD, EIF Guidelines and Invest Europe Reporting



Morphosis Capital Fund I Portfolio Companies



Fund Timeline



Company Overview

Medima is a leading radiology network in Romania, specializing in advanced medical imaging (MRI, CT, PET-CT). After Morphosis Capital's investment in August 2020, the company rapidly expanded from 1 to 31 clinics, becoming the fastest-growing imaging provider in CEE and one of the fastest-growing healthcare companies in Romania.

Sector: Healthcare, Diagnostic Imaging

Country: Romania

Website: <https://medima.ro/>

Entry: August 2020

FTEs : 348



ENVIRONMENT

- Utilizes energy-efficient imaging equipment to reduce energy consumption and greenhouse gas emissions. The Dicella workflow optimization project delivered efficiency gains through shorter MRI scan durations and optimized CT protocols that lower radiation exposure, contributing to both patient safety and reduced equipment energy consumption.
- Photovoltaic systems have been installed in 3 centers (Sibiu, Giurgiu, Calarasi) and Medima is further exploring the potential for installing solar panels in high-energy consumption centers to reduce energy consumption and greenhouse gas emissions.
- Adheres to proper disposal protocols for hazardous waste, including mercury-containing materials and X-ray solutions.

SOCIAL

- Medima delivered >230,000 imaging diagnostics to patients, ~20% were oncology-related.
- Medima's expansion prioritized underserved regions, with clinics opened in Vaslui, Tulcea, Botosani, Targoviste, Petrosani and other regional cities.
- Organized endometriosis events with free imaging investigations.
- Preparations completed for an Open MRI at Tg Mures, improving patient comfort for claustrophobic and bariatric patients while integrating AI-based post-processing for enhanced image quality.
- Annual initiative with local NGOs supporting vulnerable cases, children, elderly and patient associations.
- Created 331+ jobs post-investment, with an 82% female workforce.

GOVERNANCE

- Governance and oversight structures were further enhanced.
- Following the MFA rollout in August, a Web Application Firewall was deployed in October 2025, enhancing cybersecurity across all clinical systems. GDPR and NIS2 compliance workstreams are ongoing, with documentation and audit readiness targeted for early 2026.
- Implemented a comprehensive Code of Conduct and quality control measures
- KPI-based performance frameworks were strengthened for clinical, administrative and operations staff, linking performance measurement to quality, efficiency, and regulatory adherence across the entire network.

Corresponding
SDGs



Company Overview

Stay Fit is the leading chain of affordable fitness gyms in Romania. With a rapidly expanding network, Stay Fit has grown from 7 to 68 gyms in over 20 cities since Dec 2021, leveraging a highly scalable model and thus becoming the fastest-growing fitness gym operator in the CEE region.

Sector: Wellness, Fitness services

Country: Romania

Website: <https://stayfit.ro/>

Entry: December 2021

FTEs: 324



ENVIRONMENT

- Stay Fit implements energy-efficient lighting, programmable thermostats and motion sensor controls to reduce electricity consumption and emissions.
- The Group encourages low-carbon transportation options for members and staff, including biking, walking and public transport.
- Stay Fit optimizes the lifecycle, maintenance and reuse of fitness equipment to reduce waste and improve resource efficiency.
- Stay Fit promotes responsible water usage through efficient fixtures in showers and locker rooms, reducing overall consumption.
- Stay Fit implements recycling programs and reduces single-use materials, such as plastics, within its facilities.

SOCIAL

- Offers inclusive fitness programs and events for all ages and abilities, including specialized classes for children and teenagers since September 2022.
- Provides equal benefits and invests in the professional development of all employees.
- More than 4M training sessions are performed annually in Stay Fit Gyms, thus having a considerable impact on the well-being of the members.
- Created over 250 jobs since FY2021 (investment year), with 76% of the workforce being female.
- Improved the physical health and well-being of over 51.000 members in 2025.
- Promotes wellness education through active engagement on social media.

GOVERNANCE

- Stay Fit has further enhanced its governance and oversight framework.
- Implementation of a formal Code of Conduct and internal policies to ensure ethical behavior and compliance with applicable regulations.
- Adherence to fitness industry regulations, health and safety standards and regular monitoring of compliance across locations.
- Robust data privacy framework, including encryption, access controls and staff awareness measures, aligned with GDPR requirements.
- Structured collection of member feedback via the Stay Fit mobile app, supporting management oversight and continuous improvement.

Corresponding SDGs



Company Overview

Cronos is the leading Romanian provider of aesthetic and regenerative medicine, operating a national network of 8 surgical and non-surgical clinics, offering a one-stop shop solution for patients looking for a wide range of innovative and high-quality aesthetic procedures and life extension solutions.

Sector: Healthcare, Aesthetic and regenerative medicine

Country: Romania

Website: <https://www.cronosmed.ro/>

Entry: November 2021

FTEs : 130



ENVIRONMENT

- Cronos uses energy-efficient equipment and motion sensors to reduce electricity consumption and greenhouse gas emissions.
- The Group reduces paper usage and implements recycling practices to optimize resource consumption and minimize waste.
- Cronos Group ensures the safe collection, segregation and disposal of medical and hazardous waste through authorized providers, minimizing environmental and health risks and ensuring compliance with applicable regulations.
- Cronos applies circular economy principles by optimizing the lifecycle and reuse of equipment and materials, reducing waste generation.

SOCIAL

- Cronos implements standardized medical protocols, continuous training for medical staff and strict hygiene procedures to ensure high-quality and safe treatments.
- Ongoing professional training and upskilling programs for medical and non-medical staff to maintain high service quality and support career progression.
- Over 90% of Cronos employees are female and the structure has remained relatively constant over the last few years. Focus on a supportive work environment, work-life balance and retention initiatives in a predominantly female workforce.
- Over 11.400 patients treated in 2025. Systematic collection of patient feedback and monitoring of satisfaction to improve services and outcomes.

GOVERNANCE

- Oversight by experienced medical leadership to ensure consistency of care, compliance with medical standards and continuous improvement across clinics.
- The clinics operate in compliance with local and state regulations related to aesthetic medicine, including licensing requirements, safety standards and medical record keeping.
- Strong controls to protect patient / employee data, aligned with GDPR requirements.
- Cronos adheres to ethical marketing practices, including avoiding false or misleading claims about the effectiveness or safety of treatments.

*Corresponding
SDGs*



Company Overview

EMI Group is a leading provider of industrial access systems, delivering end-to-end solutions – from consulting and design to installation and maintenance – across multiple sectors.

The Group serves ~1,500 clients, manages over 5 million sqm of assets and completes ~2,000 projects annually, operating through 7 companies in 4 countries.

Sector: Industrial, B2B Services

Country: Romania, Belgium, Slovakia, Netherlands

Website: <https://emi-group.eu/emi-romania/>

Entry: September 2021

FTEs : 374



ENVIRONMENT

- EMI supports sustainability by extending the lifespan of access systems, reducing raw material consumption, transport emissions and overall carbon footprint, while also improving building energy efficiency and lowering total cost of ownership for clients.
- EMI measured Scope 1 and 2 carbon footprints: 1,275 tCO₂e (increase of approx. 5.3% vs. 2024) while maintaining the intensity of emissions year on year
- Continued structured environmental data collection and monitoring across Group companies

SOCIAL

- The Company strengthened its Health & Safety processes by launching a dedicated safety training platform in Belgium and Romania and standardizing incident reporting on a quarterly basis.
- EMI Group formalized its onboarding program for new technicians, with a focus on ethics, a culture of feedback, and strong workplace safety.
- Implemented a share option plan for several key managers in the company. Additionally, key management employees hold an ownership stake, having invested their own capital in the company.
- Approximately 18% of EMI's overall workforce are women. An imbalance between the male and female headcount is common for the industrial doors sector.

GOVERNANCE

- Conducted a Double Materiality analysis confirming the most material ESG topics
- The Company continues to enhance its governance framework through the introduction of a Group-wide Supplier Code of Conduct: by the end of 2025, 46% of key suppliers (by procurement value) had signed the Code.
- EMI Group standardized the Employee Handbook as part of the onboarding process
- The Group has established a secure and confidential whistleblowing system to promote transparency and accountability, accessible to all employees and stakeholders.
- Continued employee training in the Code of Conduct and whistleblowing procedures.

Corresponding
SDGs



Morphosis Capital Fund II Portfolio Companies





Company Overview

Romania Education Alliance (REA) is a platform consolidating private schools across major Romanian cities, combining integration with preservation of each school's identity to build a leading education group. Its first schools include Mark Twain International School (IB Full-Continuum accredited) and Little London International Academy (K-12 Romanian curriculum, IB PYP accredited), together serving over 1,100 students.

Country: Romania

Website: <https://reaschools.org/ro/>

Entry: January 2024

FTEs : 213



ENVIRONMENT

- Implementation of waste reduction, recycling and responsible disposal practices across school operations, including dedicated collection campaigns and awareness initiatives across campuses.
- Organization of clean-up campaigns in natural areas (Black Sea / Petricani Meadow).
- Tree planting activities, contributing to greener school environments and biodiversity awareness.
- Used oil collection campaigns conducted together with the Green Environment Association, supporting responsible waste management and pollution prevention.
- Promotion of circular economy principles through recyclable art projects and book swap campaigns.

SOCIAL

- The group maintains a 7:1 student-teacher ratio and strong gender diversity, with 83% female workforce.
- Mark Twain and Little London maintain tuition fees below EUR 1,000/month, providing high-quality bilingual education to over 1,000 students from 30+ nationalities.
- Organization of donation and community support campaigns in partnership with NGOs and social organizations, including school supplies donations, Easter campaigns, "Smile in a Box" initiatives for vulnerable children and support for abandoned animals.
- Organized visits and caroling initiatives for elderly residents at care centers.
- Anti-Bullying Week campaigns organized across campuses.

GOVERNANCE

- Appointed a dedicated E&S Officer responsible for overseeing environmental and social matters.
- Developed and implemented an ESMS manual, including E&S policies and a Code of Conduct, ensuring compliance with private education regulations, child protection and ethical standards.
- Established and maintains a legal register to monitor applicable laws and regulatory requirements.
- Conducted impact risk assessments with management and integrated findings into decision-making processes.
- Organized stakeholder engagement workshops and awareness sessions to strengthen transparency, accountability and alignment across the organization.

Corresponding
SDGs



Supermarket La Cocos



Company Overview

Founded in 2014, Supermarket La Cocos is a Romanian hard discounter hypermarket that operates 7 stores at national level, providing customers with a streamlined shopping experience and essential products at competitive prices.

Sector: Discount Retail

Country: Romania

Website: <https://la-cocos.com/>

Entry: December 2024

FTEs: 1,385



ENVIRONMENT

- Installed PV panels in 3 locations, with plans to expand solar integration to other locations.
- Implementation of energy efficiency measures including LED lighting and low consumption fridges across stores to reduce energy use.
- By offering a limited but high-quality assortment of leading international brands, the supermarket minimizes waste and ensures efficient inventory turnover.
- Equipped stores with deposit guarantee system infrastructure to facilitate recycling compliance.
- Collaborates with licensed organizations to meet national packaging waste recycling targets.
- Encourages bulk purchasing, lowering packaging waste.

SOCIAL

- Provides a cost-efficient, streamlined shopping experience tailored to budget-conscious consumers.
- Facilitates bulk purchasing for businesses and individuals, supporting cost savings and operational efficiency.
- Strategically selects store locations to balance accessibility and affordability, contributing to local economic development.
- Actively involved in local communities through social and sports events, fostering community well-being.
- Created over 700 jobs within one year post-investment, reaching a workforce of 1,385 employees, with 62% female representation and an inclusive environment supporting employment for people with disabilities.

GOVERNANCE

- Established a governance framework supported by independent oversight and defined accountability structures.
- Development of a Code of Conduct for employees, suppliers, partners, and stakeholders, ensuring compliance with retail industry regulations, ethical business practices, consumer protection standards and workplace safety protocols.
- Development of a secure and confidential whistleblowing system to promote transparency and accountability, accessible to all employees and stakeholders.

Corresponding
SDGs



Company Overview

EnduroSat specializes in engineering, integrating, and operating satellites and satellite-related services, serving a diversified client base across commercial, academic and government sectors.

Sector: Satellite market

Country: Bulgaria, Germany, France, Italy, Luxembourg, US

Website: <https://www.endurosat.com/>

Entry: February 2025

FTEs: 291



ENVIRONMENT

- All satellites are equipped with end-of-life de-orbiting capabilities, ensuring responsible disposal and reducing space debris risk.
- Modular, standardized satellite platforms optimize material usage, accelerate production, and lower overall environmental footprint.
- Use of electromagnetic propulsion systems eliminates the need for chemical fuels, significantly reducing emissions.
- Multi-client satellite architecture allows a single satellite and launch to serve multiple customers, reducing the number of launches and associated environmental impact.
- Continuous focus on low-impact space technologies supporting long-term orbital viability and responsible industry growth.

SOCIAL

- EnduroSat has scaled to 291 FTEs (+49% YoY), with 19% female representation, in line with sector benchmarks.
- Strong female representation at leadership level, with 33% of C-suite roles and 17% of board seats held by women, supporting diverse decision-making.
- Ensures safe, ethical and compliant working conditions, aligned with applicable labor laws and industry standards, including health and safety protocols for high-tech operations.
- Fosters a diverse and inclusive environment within a highly specialized, innovation-driven workforce, supporting equal opportunities and professional development across all levels.

GOVERNANCE

- Adopted and implemented E&S policies, a Code of Conduct and an Environmental and Social Action Plan (ESAP) to promote regulatory compliance and ethical business practices.
- Maintains a compliance monitoring process covering relevant legal and regulatory obligations.
- Performed ESG and impact risk evaluations together with management, integrating outcomes into operational and strategic decisions.
- Facilitated stakeholder dialogue and engagement sessions aimed at enhancing transparency and organizational alignment.

Corresponding
SDGs



Company Overview

Echo Elderly Care is a national platform focused on senior care and active aging services, established to develop a network of high-quality centers across Romania. It offers integrated services across all dependency levels – from active aging programs to complex medical care – aiming to address the shortage of senior services and set consistent quality standards nationwide.

Sector: Elderly Care

Country: Romania

Website: <https://echo-holding.ro/en>

Entry: December 2025

FTEs: 85



ENVIRONMENT

- Implementation of waste reduction, recycling and responsible disposal practices across operations.
- Full compliance with applicable environmental permits, licenses, and regulations.
- Integration of on-site renewable energy as both a sustainability and cost-efficiency lever, including planned rooftop solar installations at Otopeni and Sibiu, with solar solutions intended as a standard component of future greenfield developments.
- The Group ensures the safe collection, segregation and disposal of medical and hazardous waste through authorized providers, minimizing environmental and health risks and ensuring compliance with applicable regulations.

SOCIAL

- Echo Group targets a critical gap in Romania's elderly care system, driven by aging demographics and large-scale emigration, by providing standardized, accessible and high-quality long-term care services.
- Serves over 200 seniors, delivering high-quality, integrated care across all dependency levels – from independent living and prevention to complex medical support.
- 85 employees, with 87% female representation, reflecting strong participation of women in the care sector. Women hold 57% of C-suite roles and 60% of board seats, supporting balanced and diverse decision-making.
- Ensures safe, ethical, and compliant working conditions, aligned with labor laws and health & safety protocols.

GOVERNANCE

- Established a robust governance framework, supported by independent board members.
- Appointed a dedicated E&S Officer.
- Enhanced and further developed E&S policies and the Code of Conduct, while continuously monitoring the Environmental and Social Action Plan (ESAP) to maintain alignment with applicable regulations and ethical standards.
- Established and maintains a legal register to monitor applicable laws / regulatory requirements.
- Conducted impact risk assessments with management and integrated findings into decision-making processes.
- Organized stakeholder engagement workshops to strengthen transparency and alignment.

Corresponding
SDGs



ESG KPIs Overview

Key ESG metrics, D&I performance, SDG alignment and SFDR Disclosures



2025 ESG Highlights – Key indicators across our portfolio

8

Portfolio Companies

Across Fund I & Fund II

3,149

Employees

+66% YoY (prev. 1,898)

60%

Female Workforce

1,888 of 3,149 FTEs

32%

Women in Boards

11 of 34 senior leaders

57%

Women in C-Suite

51 of 90 senior leaders

50/50

GP Gender Split

12 FTEs, including 4 partners

0

ESG Incidents

Zero across all companies

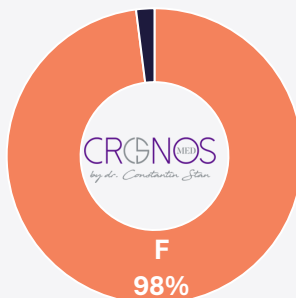
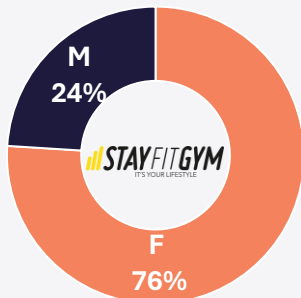
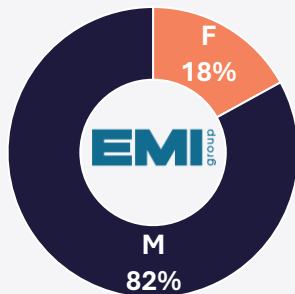
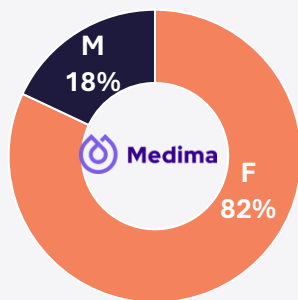
100%

Code of Conduct

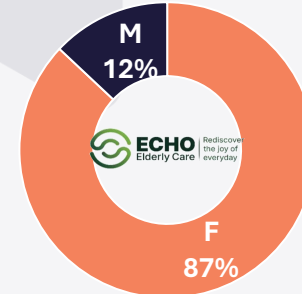
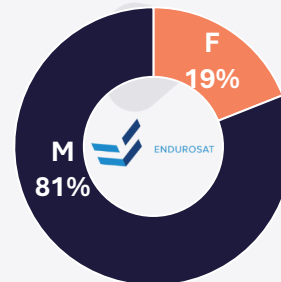
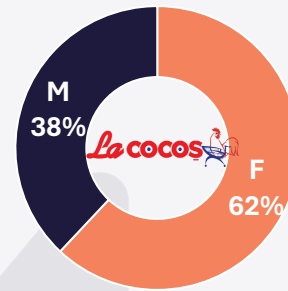
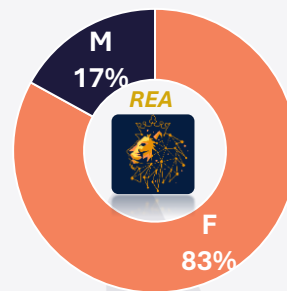
Across all companies

Gender Diversity across portfolio companies

FUND I • Total: 62% F / 38% M • 1,176 FTEs



FUND II • Total: 59% F / 41% M • 1,974 FTEs



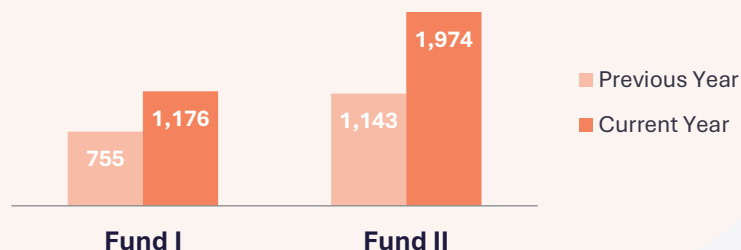
Diversity & Inclusion Metrics across portfolio companies

The **United Nations Economic and Social Council** has long advocated for a minimum threshold of **30% women in leadership positions**, recognizing this as the critical mass required to influence decision-making and drive meaningful inclusion.

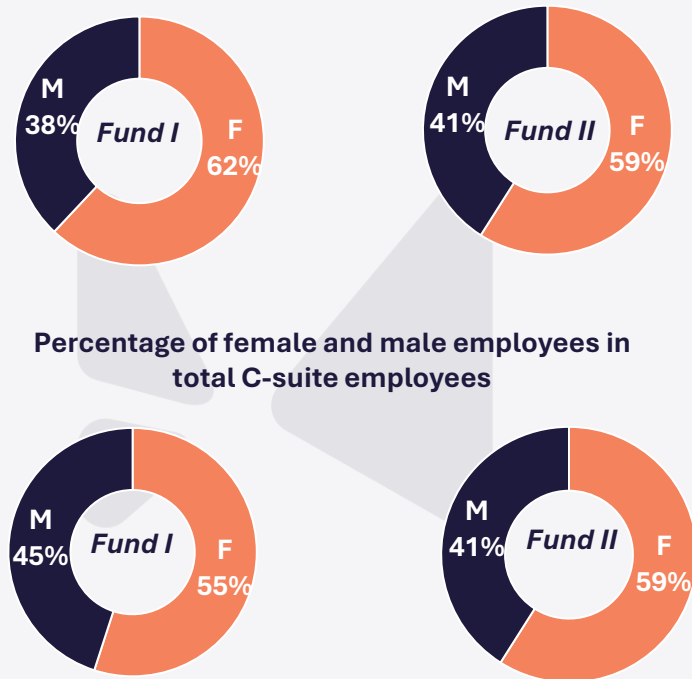
Against this backdrop, Morphosis Capital exceeds this benchmark across its portfolio, with **57% female representation at C-suite level** and **32% at Board level** across its portfolio. This reflects a structurally embedded approach to diversity, rather than a target-driven outcome.

At the investment team level, industry initiatives such as **Level 20** highlight that female representation in senior investment roles remains limited, at approximately 14-15% across Europe, against a stated target of **20%**. At Morphosis, women represent **over 30% of senior roles** within the investment team, exceeding the Level 20 target.

Portfolio FTE YoY Growth



Percentage of female and male employees in total workforce



E&S policies across portfolio companies

	Fund I				Fund II			
Policy	Medima	Stay Fit	EMI	Cronos	REA	La Cocos	EnduroSat	ECHO
Code of Conduct	✓	✓	✓	✓	✓	✓	✓	✓
E&S Policy	✗	✗	✓	✗	✓	✓	✓	✓
Anti-Discrimination & Equal Opp.	✓	✓	✓	✓	✓	✓	✓	✓
Diversity & Inclusion	✗	✗	✓	✗	✓	✓	✓	✓
Salary & Remuneration	✓	✓	✓	✓	✓	✓	✓	✓
Health & Safety	✓	✓	✓	✓	✓	✓	✓	✓
Human Rights & Child Protection	✓	⌚	✓	⌚	✓	✓	✓	✓
Anti-Corruption	✓	⌚	✓	⌚	⌚	✓	✓	✓
Privacy (Employees & Customers)	✓	✓	⌚	✓	✓	✓	✓	✓
Anti-Harassment Policy	⌚	⌚	⌚	⌚	✓	✓	✓	✓
Implementation of ESMS	✗	✗	✗	✗	✓	⌚	✓	⌚
Renewable Energy in the energy mix	✓	✓	✓	✗	✓	✓	✓	⌚
Responsible AI	⌚	⌚	⌚	⌚	⌚	⌚	⌚	⌚

✓ = In Place ✗ = Not in Place ⌚ = Planned

Summary view on the portfolio desired coverage and contribution to UN SDGs progress

SDG		2	3	4	5	8	9	10	11	12	13
Fund I	Medima Health		✓	✓	✓	✓		✓			✓
	EMI		✓			✓			✓	✓	✓
	Cronos Med		✓	✓	✓	✓					
	Stay Fit Gym		✓	✓	✓	✓		✓			
Fund II	REA		✓	✓	✓	✓		✓			
	La Cocos	✓			✓	✓	✓	✓		✓	✓
	EnduroSat			✓		✓	✓			✓	✓
	Echo Elderly Care		✓		✓	✓		✓			✓

Through our portfolio of companies, we are dedicated to creating a positive influence on both society and the environment. By adopting sustainable practices, conducting responsible business operations, and engaging in continuous initiatives, these companies aim to play an active role in advancing the United Nations Sustainable Development Goals (SDGs).

Even though at Morphosis we do not currently have a system which enables us to quantify the contribution to the progress made on UN SDGs, we focus on the identification of the UN SDGs which are being supported through our investment activities. The information aims to reflect which SDGs are being targeted through the investments in each of the portfolio companies.

ESG Roadmap Ahead

Responsible Investment

- Implement Responsible Investment Policy & ESG Monitoring Procedure across the full investment lifecycle
- Expand GHG measurement across all portfolio companies; develop decarbonisation strategies
- ESG knowledge enhancement program for team, aligned with ESG Governance Structure roles

Fund III – Article 8 Ambition

- Target SFDR Article 8 classification for Fund III, promoting environmental and social characteristics
- Strengthen ESG due diligence framework with pre-investment E&S risk assessments
- Develop sustainability KPI targets aligned with UNPRI, IFC and EBRD standards

Portfolio Companies

- Roll out ESG-linked policies to all portfolio companies.
- Continue supporting portfolio companies in establishing Environmental & Social Management Systems
- Continue advancing D&I across all portfolio companies, targeting 30%+ female leadership at all levels

Disclosures pursuant to Regulation (EU) 2019/2088 of 27 November 2019 on sustainability-related disclosures in the financial services sector (SFDR)

SFDR Disclosures — Morphosis Capital Partners B.V. & Morphosis Capital Fund II Coöperatief U.A. | 08.11.2023

Morphosis Capital Partners B.V. (the **AIFM**), a Dutch-based registered alternative investment fund manager within the meaning of article 3(2)(b) of Directive 2011/61/EU of 8 June 2011 on alternative investment fund managers (**AIFMD**), makes the following disclosures for the purposes of Regulation (EU) 2019/2088 of 27 November 2019 on sustainability-related disclosures in the financial services sector (**SFDR**) and Regulation (EU) 2020/852 of 18 June 2020 on the establishment of a framework to facilitate sustainable investment (the **Taxonomy Regulation**). As clarified by the European Commission in its Q&As on sustainability-related disclosures published on 14 July 2021, the AIFM must comply with certain SFDR requirements applicable to registered alternative investment fund managers.

The AIFM acts as registered alternative investment fund manager of Morphosis Capital Fund II Coöperatief U.A. (the **Fund**). The Fund qualifies under article 6 of the SFDR as it does not promote environmental or social characteristics (article 8 of the SFDR) nor does it have sustainable investments as its objective (article 9 of the SFDR).

AIFM-related Disclosures

Transparency of sustainability risk policies & integration of sustainability risks — art. 3(1) & art. 6 SFDR

A sustainability risk refers to an environmental, social or governance (ESG) event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of an investment. The AIFM does not integrate sustainability risks in its investment decision-making process for the following reasons:

- (i) the performance tools used by the AIFM to estimate returns of the Fund do not take into account such risks but mainly economic and financial risks;
- (ii) since the portfolio companies in which the Fund invests do not usually report on such risks, the AIFM is not in a position to assess and integrate such risks in its investment decision-making process; and
- (iii) in view of the AIFM size it is not intended to change the investment decision-making process of the AIFM to integrate such sustainability risks as this will be too costly and not relevant with respect to the Fund.

No consideration of adverse impacts on sustainability factors — art. 4(1)(b) SFDR

Article 4(1) of the SFDR requires fund managers such as the AIFM to provide a clear statement as to whether or not they consider the "principal adverse impacts" of investment decisions on sustainability factors, e.g. environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

Although ESG and sustainability risks are important to the AIFM, the latter does not consider the adverse impacts of investment decisions on sustainability factors in the manner prescribed by article 4(1) of the SFDR, in particular due to the fact that (i) no reliable and sufficiently available or accessible data is available to perform such impact measurement and provide the mandatory reporting imposed by the regulatory technical standards in a consistent manner; and (ii) the underlying investments are not generally required to report on such factors in the manner prescribed by SFDR.

The AIFM does not intend to consider principal adverse impacts of investment decisions on sustainability factors in the near future as a mandatory investment decision criteria, but it intends to consider such principal adverse impacts for all investments for which the ESG data is either readily available or can be accessed within the same time-frame as the rest of the data on which the investment decision is based (financial, legal, tax, commercial etc.).

Transparency of remuneration policies — art. 5(1) SFDR

For the purposes of article 5(1) of the SFDR, the AIFM declares that it does not incorporate sustainability risk in the remuneration of employees because this is not part of the investment policy and therefore it is not part of any remuneration criteria or policy.

Funds-related Disclosures

Transparency in pre-contractual disclosures and periodic reports — art. 7 Taxonomy Regulation

The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.



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