

TAKING RESPONSIBILITY, ACTING SUSTAINABLE

ESG-REPORT
2022



Foreword by the Management



Dear reader,

the keyword ESG, which stands for environment, social and governance, is not just a trend. ESG standardizes and summarizes all efforts in these three very important areas. It is about a company generating added value for all stakeholders (employees, customers, suppliers and society including the environment) and not just making profits.

As a specialist for high-performance materials, the MOESCHTER Group with its independent business units DOCERAM,

DOTHERM and ISOCOS develops, produces and supplies standard and customized parts based on technical plastics and technical ceramics. Everything we do has an impact on the surrounding area, and we aim to have a positive impact on employees, society and the environment. We have taken many actions in this direction in the past years.

The ESG principle is also reflected in the regulatory framework in which we operate: The European Commission's Green Deal is aimed entirely at environmental and climate protection and provides for Europe to become a climate-neutral continent by 2050. Around 15,000 companies in Germany are already obliged to create a sustainability report as a result of the new European CSRD directive. The German supply chain law is intended to prevent child labour, environmentally harmful working and production conditions and the payment of starvation wages.

Within the scope of our possibilities, we make our contribution today and take responsibility for preserving the world for tomorrow through sustainable acting.

Georgios Kabitoglou
Geschäftsführung

MOESCHTER Group at a glance



Founded in 1992 by the Möschter family, the MOESCHTER Group is engaged in the development, production and distribution of high-performance materials.

The Dortmund-based corporate group is made up of the independent business units: DOCERAM, DOTHERM and ISOCOS.

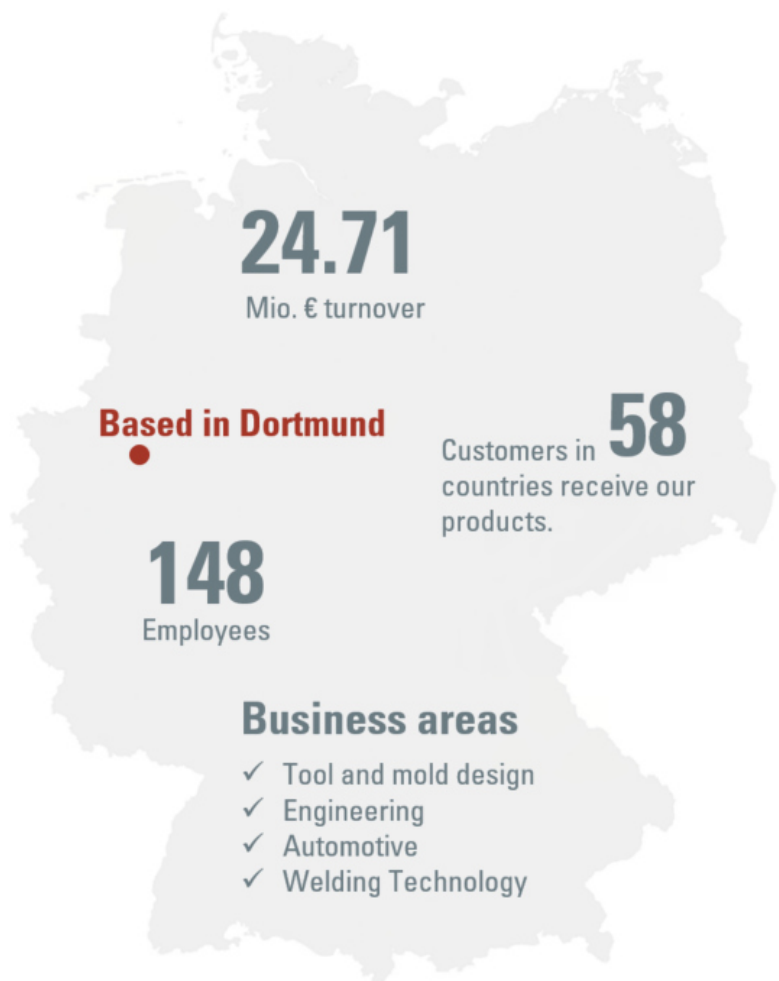
The MOESCHTER corporate group currently employs 148 people.

In 2016, HANNOVER Finanz came on board as a majority shareholder of the MOESCHTER Group.

Today, the company supplies products and solutions made from high-performance ceramics and engineering plastics to customers from a wide variety of industries all over the world.

The company is characterized by a high level of commitment in the field of technology and engineering and develops individual solutions for customers. This is an important part of the daily work.

**MOESCHTER
GROUP**
2022



ESG-Scoring of MOESCHTER Group



ESG is an integral part of MOESCHTER Group. We don't just talk about it; we live the principles of ESG.

In order to determine the degree of maturity of our organization and to be able to measure and compare ourselves with other players in our industry, we appointed EXCON Services GmbH to determine our ESG score. The results are shown below.

ESG ratings are typically given on a scale from 0 to 100. Ratings below 50 are

considered "poor" and ratings above 70 can be considered "excellent".

Our result of 77 % shows that we are active in all ESG areas and that there are no serious deviations. However, that is no reason for us to rest. We analyzed the result and identified areas where we want to improve.

The efforts made by MOESCHTER Group in the areas of environment, social and governance are described on the following pages.

Category	Maximum Score	Score obtained	Result
Environment	2,300	1,600	69 %
Social	5,100	4,000	78 %
Governance	3,300	2,700	81 %
Overall result	10,700	8,300	77 %

We obtained an **ESG-Score**
of **77 %**.

Environment



Visits to customers or suppliers strengthen the business relationship and help us to understand their expectations. In order to reduce the climate-damaging CO₂ emissions that occur when traveling by car, we are gradually converting our company cars to electrically powered vehicles. The ratio of electric and hybrid vehicles increased by 56.3%.

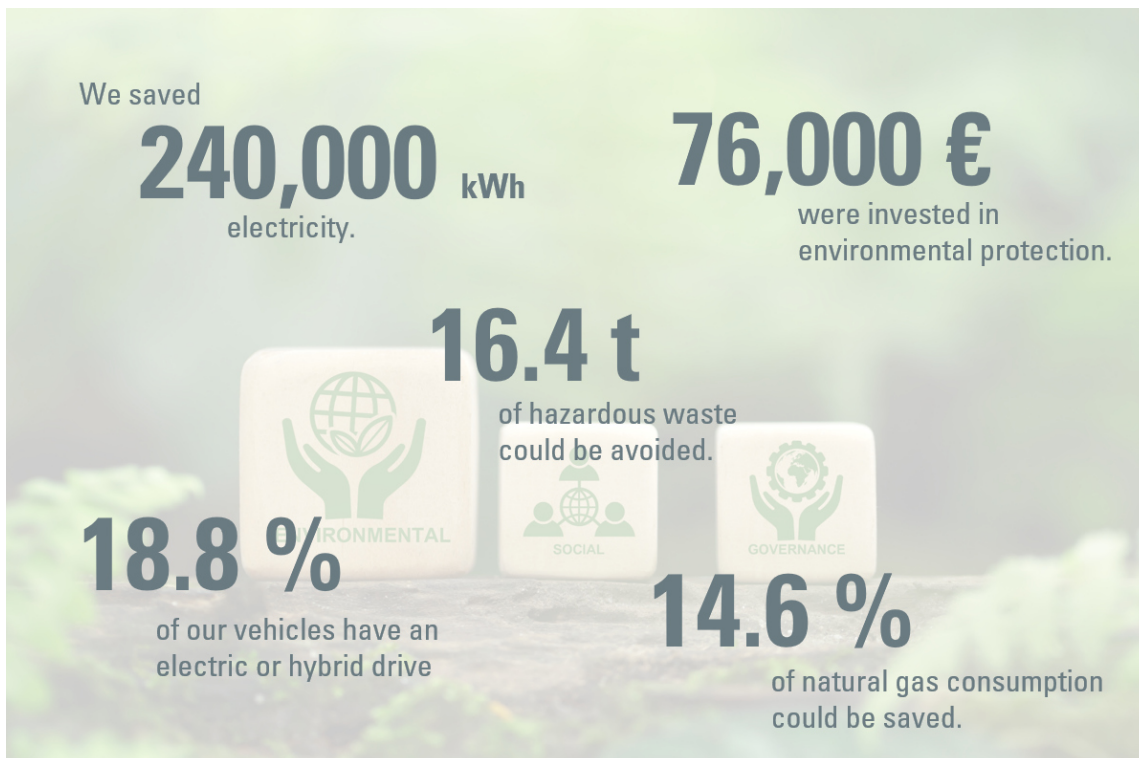
Responsible use of energy resources helps to protect the climate. Motion detectors for lights, transition to LED lighting, monitoring of temperature and humidity in the

offices, switching from desktop PCs to laptops help us to save energy, among other things.

However, emissions cannot be avoided completely. Therefore, we compensate the remaining CO₂ emissions by supporting international climate protection projects that have been accredited according to the Gold Standard and Verified Carbon Standard (VCS) and which support the Sustainable Development Goals (SDG) of the United Nations.

“Where there’s production, there is waste”. During our production, (partly hazardous) waste is generated and we keep the amount as low as possible.

Our investment in environmental protection amounts to almost 76 TEUR. By means of an environmental management system that we are currently preparing at MOESCHTER Group, we want to continue to improve our environmental performance.



Social



We aim to recruit the best employees for the MOESCHTER Group and bind them to the company in the long term, because they are the key to our common success.

The vast diversity of our employees is our strength. By signing the Diversity Charta, we stand for diversity in the working environment, and we create a tolerant atmosphere for innovative and creative solutions.

For us, the development of our personnel is an investment in the future. Employees

should be able to develop their skills – regardless of age, gender, origin, sexual orientation or religion. We create an environment from which our employees can draw strength and recharge their batteries. Whether playing darts or table football, in the cozy sofa corner or in the hammock - there is a nice retreat area for everyone.

Amongst other things, we use a digital learning platform for training and education. In addition to ready-made content, also the opportunity to create our own courses is given. This type of learning is firmly integrated into the onboarding of new employees and their further development. In the first nine months after implementation, a record 2,144 lessons were completed.

Flexible working time models, the possibility of working mobile/ from home, individual training opportunities, company pension schemes, bicycle leasing and company events make the MOESCHTER Group an attractive employer.



Governance

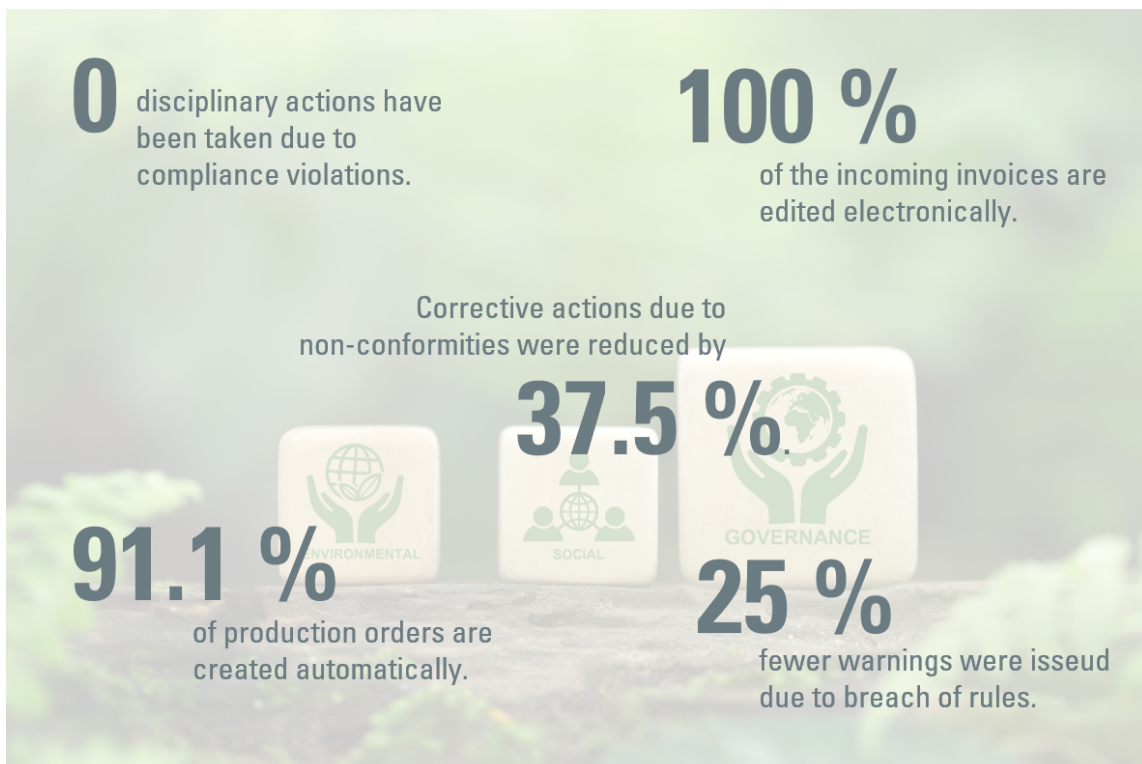


In addition to compliance with laws and official regulations, responsible and ethically correct action is fundamental to the success of the MOESCHTER Group. Fair competition, no corruption or bribery, respecting national and international market restrictions, protecting the health of our employees and respecting human rights are just a few of the points that we take for granted. And we expect the same from our suppliers.

In our Code of Conduct, we define the ethical and legal framework in which we operate. All employees are obliged to comply, and they confirm this with their acceptance of our Code of Conduct.

The assignment of responsibilities, clear rules and transparent processes support us in our daily work. At the same time, it is important that we can measure our performance in order to evaluate the achievement of goals. Reliable and comparable data are the basis for trustworthy reporting. To strengthen this basis, the use of digital solutions will be further expanded.

As part of an active risk management, we regularly evaluate our processes and take appropriate measures to reduce the occurrence or impact of risks or to seize opportunities that arise.



Overview of key figures

Key figure	Unit	Y 2021	Y 2022	+/-
Environment				
Investment in environmental protection	€	96,874	75,897	- 21.7 %
Electric power consumption	kWh	2,343,306	2,097,195	- 10.5%
Natural gas consumption	kWh	808,865	690,847	- 14.6%
Water consumption	m ³	1,682	1,275	- 24.2%
Hazardous processing emulsion and sludge	t	85.9	69.5	- 19.0%
Portion of electric and hybrid drives	%	12.0	18.8	+ 56.3 %
Social				
Employees in total	Quantity ¹	153	148	- 3.3 %
Thereof females	%	20.9	24.3	+ 12.5 %
Female Managers	% ²	11.8	31.6	+ 168.4 %
Part-time employees ³	%	11.1	8.1	- 27.0 %
Age structure of personnel				
≤ 29 Years		28.8	23.6	- 17.8%
30 – 39 Years		18.9	25.0	+ 31.9 %
40 – 49 Years	%	24.2	23.0	- 5.0 %
≥ 50 Years		28.1	28.4	+ 1.0 %
Cultural backgrounds	Quantity	N/A ⁴	16	
Investment for training and education	€	127,000	254,000	+ 100 %
Recovering areas for employees	m ²	40	151	+ 277.5 %
Completed lessons (digital learning platform)	Quantity	N/A ⁵	2,144	
Reportable accidents	Quantity	3	3	± 0
Sickness ratio	%	N/A ⁶	10.0	
Governance				
Reported compliance violations	Quantity	0	0	± 0
Warning	Quantity	4	3	- 25.0 %
Disciplinary actions due to compliance violations	Quantity	0	0	± 0
Automatically created production orders	%	92.1	91.1	- 1.1 %
Electronically edited invoices	%	N/A ⁷	100	
Corrective actions due to non-conformities	Quantity	32	20	- 37.5 %

¹ Per December 31 of respective year

² % of overall leadership positions

³ Incl. students

⁴ Implementation of human resources management tool end of 2021, therefore no valid, comparable data

⁵ Implementation of digital learning platform March 2022, therefore no data for 2021

⁶ Implementation of human resources management tool end of 2021, therefore no valid, comparable data

⁷ Implementation of invoice management tool end of 2021, therefore no data for 2021

About this report

This report is intended to inform customers, suppliers, employees and the public about how MOESCHTER Group deals with the topic of sustainability.

The report does not constitute a non-financial report within the meaning of paragraphs (§§) 315b, 315c in conjunction with 289b to 289e of the German Commercial Code (HGB) and the EU Taxonomy Regulation.

The collection of the key figures published does not follow any reporting standards

and the report was not checked by an independent external body. The data analysis is based on validated key performance indicators which we collect and evaluate on a regular basis. External service providers (e.g., electricity suppliers, waste disposal companies) have made further data available to us.

The survey period relates to the 2021 and 2022 financial years. The information shown in the graphics relates to the year 2022.

Contact

MOESCHTER Group GmbH

Hesslingsweg 65-67
44309 Dortmund (Germany)
Fon: +49 (0)231 9250 00 -0
info@moeschter-group.com
www.moeschter-group.com

Based: Dortmund
Amtsgericht Dortmund HRB 28945
CEO: Dipl.-Ing. Georgios Kabitoglou

Contact person:

Georgios Kabitoglou
CEO
g.kabitoglou@moeschter-group.com

Anja Schnettger
Representative for IMS
a.schnettger@moeschter-group.com