

For immediate release

Decarbonization at the Koehler Group: Lignite Power Plant Converted to Fine Wood Fraction

- **Decarbonization is part of the Koehler Group's climate strategy**
- **Savings of more than 24,000 metric tons of CO₂ per year at the Greiz site**
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Greiz/Germany, March 29, 2023 – The Koehler Group successfully converts its power plant at the Koehler Paper site in Greiz from lignite fuel to using fine wood fraction. The experts from Koehler Renewable Energy, which is part of the Koehler Group, have succeeded in developing a technique that makes it possible for a type of biomass to be used as fuel in the existing coal-fired power plant in a completely new way. This is a first in the market and opens up countless new opportunities for the decarbonization of combined heat and power plants. Wolfgang Tiefensee, Thuringia's Minister for the Economy, Science, and Digital Society, visited the site for the inaugural test run of the converted power plant.

Decarbonization is part of the Koehler Group's climate strategy

The conversion of the power plant at the Greiz site is part of the Koehler Group's climate strategy and an investment in the future. Koehler has set itself the goal of producing more energy with its own renewable energy facilities from renewable sources than is required for its paper production operations by 2030. To achieve this aim, the company continues to invest in biomass combined heat and power plants, wind farms, hydroelectric power and solar energy. Dr. Stefan Karrer, COO of the Koehler Group, states: "Replacing fossil fuels brings Koehler even closer to our objective of Group-wide decarbonization. The plan is to reduce the Koehler Group's scope 1 direct greenhouse gas emissions by 80 percent by 2030 in comparison to the levels from 2022. The Koehler Paper site in Greiz has already made a start towards this with its pilot system."

The conversion process for the Koehler power plant in Greiz has been given extensive support from the experts at Koehler Renewable Energy. The structural implementation was carried out by a project team from Koehler Innovation & Technology in cooperation with local experts on site at the Koehler Paper site in Greiz. Udo Hollbach, managing director of the Koehler Paper site in Greiz, is delighted about the conversion: "Switching from lignite to fine wood fraction will allow us to save more than 24,000 metric tons of CO₂ emissions per year at the Greiz plant." The Koehler Group has invested around EUR 8 million for the entire plant conversion project.

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Koehler Group sets its sights on energy independence

Investing in its own power generation projects is a strategic decision for the entire Koehler Group. As large volumes of energy are needed for paper processing and drying, the company started up its own combined heat and power plant at the Koehler Paper site in Greiz in 2010. The current dramatic fluctuations in energy prices highlight the importance of becoming increasingly independent of third-party utilities so as to keep the creation of value within the Koehler Group. The acquisition of the Zollikofer Group, a major provider of biomass, will ensure that Koehler has the required amount of fuel for its biomass power plants in the long term.

Celebration to mark the inaugural test run of the converted power plant

Numerous guests from the worlds of politics and business attended the celebration to mark the inaugural test run of the power plant in Greiz. Wolfgang Tiefensee, Thuringia's Minister for Economics, Science and Digital Society, met Dirk Bergner (Member of the Land Thuringia, FDP), Mario Suckert (President of Thuringia's State Office for the Environment, Mining and Nature Conservation), Alexander Schulze (Mayor of the City of Greiz), and Grit Booth (head of the office for the Thuringia Sustainability Agreement), at Koehler Paper's Greiz site, personally on-site to see the status of decarbonization. The preparatory work for the conversion was started back in fall 2021. In his speech at the inauguration ceremony of the trial operation, Wolfgang Tiefensee praised the Koehler Group's willingness to invest: "With the conversion of the power plant here in Greiz, Koehler has clearly demonstrated that the company is helping us here in Thuringia as a sustainable business location to strengthen. Koehler is a role model with its measures to achieve climate neutrality."



Figure: Patrick Haß (Koehler Paper, Power Plant Manager, Greiz site), Marco Haas (Koehler Innovation & Technology), Dr. Stefan Karrer (Koehler Group, COO), Udo Hollbach (Koehler Paper Greiz, Managing Director), Wolfgang Tiefensee (Minister for Economics, Science and Digital Society, Thuringia) and Marco Wolber (Koehler Innovation & Technology) press the start button for the start of trial operation of the converted power plant, which is now being operated with fine wood fraction as fuel | Source: Koehler Group

About the Koehler Group

The Koehler Group was founded in 1807 and has been family-run from that moment to the present day. The group's core business activity lies in the development and production of high-quality specialty paper. This includes—among others—thermal paper, playing card board, drinks coasters, fine paper, carbonless paper, recycled paper, decor paper, wood pulp board, sublimation papers, and also innovative specialty papers for the packaging industry since 2019. In Germany, the Koehler Group employs around 2,500 people across five production sites, with three additional sites in the USA. The group operates internationally, with an export share of 70% in 2021, and brings in an annual turnover of around 1 billion euros.

As an energy-intensive company, Koehler invests in renewable energy projects such as wind energy, hydropower, photovoltaics, and biomass with its Koehler Renewable Energy business unit. The Koehler Group has set a goal of producing more energy from renewable sources by 2030 than is required for its paper production operations.

In addition, with its Koehler Innovative Solutions business unit, Koehler is dedicated to developing new business areas outside of special paper production and energy production.

Find more information at: <https://www.koehler.com>

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