

For immediate release

Groundbreaking ceremony for EUR 70 million project: Koehler Group converts from coal-fired to environmentally friendly biomass power plant

- Investment of over EUR 70 million to convert the power plant from coal to biomass
- Savings of more than 150,000 metric tons of CO₂ per year at the Oberkirch site
- Conversion secures the production site and therefore over 1,000 jobs in Oberkirch

Oberkirch, Germany, 04/21/2023 – Construction work began on the Koehler Group’s combined heat and power plant in Oberkirch with a ceremonial groundbreaking on April 21, 2023. The existing power plant is expected to be expanded and converted by fall 2024 to ensure biomass is burnt in an environmentally friendly way in future. This conversion is part of the Koehler Group’s climate strategy.

Ceremonial groundbreaking signals the start of construction

Decarbonizing energy and steam generation is part of the Koehler Group’s climate strategy. The inaugural test run of the converted lignite power plant at Koehler Paper’s site in Greiz was launched at the end of March with a visit from Wolfgang Tiefensee, Thuringia’s Minister for the Economy, Science, and Digital Society. The site now uses fine wood fraction, a more environmentally friendly and sustainable fuel that will save 24,000 metric tons of CO₂ per year.

In the long term, both Germany and the EU are striving to become climate neutral. The EU is aiming to reach this milestone by 2050, while Germany is targeting 2045. The Koehler Group has set out even more ambitious targets and is aiming to generate more energy from renewable sources than is required for paper production by 2030.

To mark the official start of construction at the power plant in Oberkirch, the groundbreaking ceremony was attended by the mayor of Oberkirch, Christoph Lipps, external project partners, and members of the Koehler-Group project team, among others. Kai Furler, CEO of the Koehler Group, emphasized: “we don’t view sustainability as a trend, but as a necessity for society’s long term survival. By converting the power plant at our headquarters in Oberkirch, we have made a significant step towards climate neutrality.” Converting the power plant to biomass will save 150,000 metric tonnes of CO₂ per year at the Oberkirch site and is another step towards achieving the Koehler climate strategy.

Over EUR 70 million for sustainable investment

In order to generate the energy to produce various special papers from biomass going forwards, the Koehler Group has invested over EUR 70 million in the Oberkirch site. The existing power plant, which was built in 1986, is being adapted for the new fuel through various conversion measures. In addition, two collection points for unloading trucks and corresponding silos will be built. In future, Koehler will use wood chips,

Koehler Holding SE & Co. KG

Hauptstraße 2 · 77704 Oberkirch · Germany · Phone +49 7802 81-0 · Fax +49 7802 81-4330 · www.koehler.com
Sitz: D-77704 Oberkirch · Amtsgericht Freiburg i. Br. · HRA 490392

green waste, and mill residue as fuel. The advantage of using biomass as a fuel is not only is it carbon neutral, but it is also widely available as only natural wood from the region is used. The Koehler Group will continue to reduce it's carbon footprint through efficient processes, one step at a time.

Oberkirch site secured long term

The switch to biomass is also a vital step towards securing the Oberkirch site, where over 1,000 jobs depend on the company's sustainable approach. There are limits as to the size of the site due to its location, so as a result of this, upgrading the existing power plant was the best option to ensure production is environmentally friendly. Alongside the conversion of the power plant, the "cold reserve" is also being expanded, which can be activated in the event of a shutdown. Burning biomass requires significantly more maintenance work than previously, which causes stoppages. Biomass is also not as efficient as black coal. The larger cold reserve, which will be operated using natural gas instead of heating oil, will however ensure a smooth production process. In the long run, the Koehler Group will use biomass as an energy source at a lower cost than before. There are even plans for a mains parallel operation, whereby surplus green energy is then fed into the public grid.

Koehler Holding SE & Co. KG

Hauptstraße 2 · 77704 Oberkirch · Germany · Phone +49 7802 81-0 · Fax +49 7802 81-4330 · www.koehler.com
Sitz: D-77704 Oberkirch · Amtsgericht Freiburg i. Br. · HRA 490392



Caption: Groundbreaking ceremony for EUR 70 million project; from left: Michael Trautmann, Corporate Director Central Plant Engineering – Koehler Innovation & Technology, Hartmut Felsch – Mill Director Koehler Paper Oberkirch, Dr. Stefan Karrer – COO Koehler Group, Kai Furler – CEO Koehler Group, Christoph Lipps – Mayor of Oberkirch, Markus Huber – Rendler Bau GmbH, Björn Stuba – SPB Ingenieure, Andreas Bächle - Rendler Bau GmbH

Image rights: Koehler Group

Koehler Holding SE & Co. KG

Hauptstraße 2 · 77704 Oberkirch · Germany · Phone +49 7802 81-0 · Fax +49 7802 81-4330 · www.koehler.com
Sitz: D-77704 Oberkirch · Amtsgericht Freiburg i. Br. · HRA 490392

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>

Your contact person:

Alexander M. Stöckle

Koehler Group press contact

Phone: +49 7802 81-4749

E-mail: alexander.stoeckle@koehler.com

Koehler Holding SE & Co. KG

Hauptstraße 2 · 77704 Oberkirch · Germany · Phone +49 7802 81-0 · Fax +49 7802 81-4330 · www.koehler.com
Sitz: D-77704 Oberkirch · Amtsgericht Freiburg i. Br. · HRA 490392