

For immediate release

Gabriele Katzmarek (SPD) Visits Koehler Group: Discussions Focused on Wind Power Development and the Proposed Interim Energy Price

- **Koehler Group sees a need for leased land for wind energy in Murgtal and Ortenau in order to safeguard jobs**
- **High demand throughout Germany leads to unhealthy leasing price trend: Call for regulation of land allocation**
- **Interim energy price needed for the industry until the energy revolution is complete in Germany**

Oberkirch/Germany, 07/24/2023— Gabriele Katzmarek, Member of the German Bundestag and, since 2014, Member of the Committee on Economic and Monetary Affairs, recently visited Koehler Group HQ in Oberkirch to gain a better understanding of wind power development in the country and the impact high energy prices are having on the industry. The family business, which employs around 2,500 people worldwide, began investing heavily in renewable energy generation in 2012 when it set up Koehler Renewable Energy. Numerous projects in the fields of biomass cogeneration, onshore wind power, photovoltaics, and hydropower have already been implemented.

Interim Energy Price to Prevent Industry from Relocating Overseas

The first hydropower plant was commissioned at Koehler's paper production facility at the current HQ in Oberkirch when the company was founded in 1807. In 2012, the company set up Koehler Renewable Energy and thus laid the foundation for major investment in renewable energy generation, which, today, is the second mainstay of the Koehler Group. Koehler Renewable Energy is making a significant contribution to the Koehler Group's sustainability strategy, with the aim of offsetting all the energy required for paper production with renewable energy generated from its own installations by no later than 2030.

The paper industry is extremely energy-intensive, which has meant that the Koehler Group has faced huge challenges over the past two years due to current energy price trends, particularly on the international market. Dr. Stefan Karrer, Chief Operating Officer (COO) of the Koehler Group, states: "Until sufficient energy is available from renewable sources, we need urgent support in limiting energy costs in order to remain competitive internationally." From 2024 onward, the "tax capping" scheme—which helps take the pressure off the industry by capping energy costs—will also cease to apply, which will likely mean an increase in energy prices of over 6 million euros for Koehler Group. In light of this, the company welcomes the current discussion around an interim energy price to support the industry, and to prevent the relevant parts of the value chain from relocating overseas.

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Call for Price Restriction in the Allocation of Leased Land for Wind Power

After almost 10 years of planning and project planning, Koehler Renewable Energy began preparations at the end of 2022 for the construction of two wind turbines at the wind farm in Blasbach, Middle Hesse—Koehler’s first wind turbines in Germany. The wind farm is expected to be commissioned at the end of this year. Approval for five more turbines to the north of Waldeck in North Hesse, plus two further turbines in Lich in Middle Hesse, was granted at the start of the year after almost five years of planning.

By contrast, in Baden-Württemberg things are moving rather slowly in comparison. The Koehler Group is keen to invest in wind turbines in the immediate surrounding of its sites in Ortenau and Murgtal in order to generate green electricity on site. Until recently, Baden-Württemberg was bottom of the pile with the lowest number of approved wind turbines per year in Germany. The process of removing red tape around approval processes has begun in the interim.

In the meantime, an entirely different development has given Dr. Stefan Karrer pause for thought: “The population understands that only green electricity generated by onshore wind turbines makes sense for our environment in the long term.” This has noticeably taken a lot of the pressure off local politicians. Councilors and mayors are now often responsible for allocating land. “What we are experiencing at the moment, however, is that the industry no longer has any chance of being allocated land for wind power purposes. The leases currently being offered, given the current cost of turbines and financing interest rates, are making it impossible to operate the plants economically, not to mention providing affordable energy prices for regional industry. This contradicts the stated aims of the German Federal Government.” Local politicians and community representatives often choose the highest bidder, without taking into account the needs of the local industry. “We urgently need price regulation to safeguard jobs in Baden-Württemberg,” adds Karrer. Thomas Lampart, Chairman of the Works Council of the Koehler Group, believes that political support for regulation is necessary. This is the only way to ensure that industry can supply itself with green electricity in order to give jobs in Germany a long-term perspective.

The Koehler Group is thus aligning itself with the Bundesverband der Windenergie (BWE, German Wind Energy Association), which has been calling for such action to be taken for years.

Politicians See the Need for Action

During her visit, Gabriele Katzmarek welcomed Koehler’s wide-reaching corporate commitment. “The Koehler Group epitomizes Germany’s medium-sized companies who represent the engine of this country’s economy: run by the same family for generations, with deep ties to the local area, internationally active, and highly successful.” Mrs. Katzmarek added that the company’s bold decision to invest so heavily in renewable energy as early as 2012 demonstrated real foresight, and that this decision involved huge entrepreneurial risk at the time. She added that it now lies with politicians to ensure that leased land is available to all parties at reasonable prices in order to give companies in the industry the option of

generating their own energy at their sites. Katzmarek also showed an understanding that greater consideration should be paid to “soft” factors such as regional value creation when allocating land. She also stated that the interim energy price currently being discussed is only a temporary solution until sufficient green energy can be made available at competitive prices.



Figure: Discussing the needs of industry for self-generated green energy:

From right to left: Dr. Stefan Karrer (Chief Operating Officer, Koehler Group) Gabriele Katzmarek (SPD, Bundestag member for the Rastatt/Baden-Baden electoral district), Nicolas Christoph (Corporate Director Windpower Solar, Hydro & Business Development, Koehler Renewable Energy) and Thomas Lampart (Chairman of the Works Council of the Koehler Group)

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 around 75% in 2022, and brings in an annual turnover of around 1.3 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.

With its Koehler Innovative Solutions division, Koehler is collaborating with start-ups to promote innovations in the core business segments “paper” and “renewable energy”.

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

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