

# We Are Closing the Loop – for the Circular Economy of Tomorrow

**Dear Readers,  
dear Colleagues,**

2024 was an eventful year – one that truly showed just how far along we are on our journey toward sustainable development. As most of you know by now, sustainability is not just a buzzword for us – and certainly not a “necessary evil.” It is part of our DNA, and has been for generations: A look at our company’s history, which spans more than 215 years, is proof: While it is true that my forefathers didn’t actually use the term sustainability, everything they did reflected the concept.

Company founder Otto Koehler, for example, made use of hydropower from the millstream at our company headquarters in Oberkirch all the way back in 1807. Around a hundred years later, August Koehler Junior had the Lautenbach power plant built so that we would have decades of environmentally friendly power. Long-term decisions like these are something that keeps inspiring us and shaping our day-to-day actions to this day.

Paper, our core business besides renewable energy, is something we see as a circular loop. It should therefore come as no surprise that we took a closer look at this circularity last year and examined its possibilities by looking at the lifecycle of the packaging we provide to wafer manufacturer Loacker. The journey took us from Kehl, where we produce the flexible packaging paper, to Italy, where the paper is further processed, and on to Greiz, where we recycle the paper after it has been used. And we have an incredible video documenting the whole journey. You can learn more about this in the article starting on page 42. It also explains our conviction about one thing: Circular economy principles reflect a fundamental change in our world, and we are making sure that we help shape that change and, as a result, the future.

In related news, we have also made enormous progress in the area of climate action. 2024 saw us complete the conversion of our combined heat and power plant at our Oberkirch mill from coal to biomass, which will reduce direct CO<sub>2</sub> emissions from fossil fuels by an enormous 150,000 metric fossil tons per year. And 2025 will now come with another important project: our Langer Wald wind farm in the Waldeck district of North Hesse, which is expected to go online very soon. This takes us a huge step closer to the Koehler Promise: By 2030, we want to generate more energy from renewable sources with our own facilities than we need for our paper production operations.

As has been our longstanding tradition, we continue to assume our environmental and social responsibilities. Our training rate has stood at 4.8% since 2024, and that already exceeds our target for 2030. Moreover, we are building the Gretel-Furler daycare center, which is named after my grandmother and should make an important contribution to our employees' work-life balance and to the needs of our community. This sense of responsibility is also reflected in our business practices. We are using sustainable innovations and future-oriented investments to secure our competitive advantage while contributing to creating a more sustainable industry. Take the virgin fiber we use for our paper products, for example: All of it originates from sustainable forestry and controlled

sources. And our new Koehler NexPlus® Seal WVB flexible packaging paper with a vapor barrier shows that sustainable solutions do not require us to compromise on functionality.

Our company-wide efforts when it comes to sustainability are yielding fruit, as evidenced by the platinum medal we received from the internationally renowned assessment platform EcoVadis. Not only did we meet our target of achieving a score of 80 points by 2030 well ahead of schedule, we actually exceeded it, scoring 90 out of a possible 100 points. This places us among the top 1% of all rated companies in our industry across the globe. It is a vital milestone, and one that is due above all to the biggest success factor in the Koehler Group: our highly dedicated employees.

All this success needs constant work, and part of that work consists of us continuously improving our internal processes. As I write this, we have clear roadmaps, regular status checks, and a comprehensive overview of all our sustainability actions. This enables us to remain on course, render progress measurable, and make adjustments on time whenever necessary. That is why we are taking things one step farther than in previous years in this report: Not only are we disclosing our targets, we are also communicating our current progress and the challenges that we are encountering. To find out more about how far we have come with regard to our 2030 Sustainability Strategy, start reading on page 26.

Our successes over the past year are not just down to strategies on paper, but to people who show initiative, come up with and develop new ideas, and take on responsibilities day in, day out. It makes me tremendously proud to be on this journey together with everyone – with curiosity, courage, and the determination we need to shape our own future.



**Kai Furler**  
Koehler Group CEO