



ROTTNEROS

PRESS RELEASE

5 July 2023

Rottneros secures long-term renewable energy for its operations from EnBW

Rottneros has entered into a long-term Power Purchase Agreement (PPA) including Guarantees of Origin (GoOs) with the third largest German energy group Energie Baden-Württemberg (EnBW). The utility will supply Rottneros with just over 30 GWh/annum of clean energy delivered from the 116 MW Målarberget wind farm in Sweden over an 8.5-year period starting in 2025. The partnership marks an additional step in Rottneros' ambitions to reduce the environmental impact of its operations and its exposure to the volatile and uncertain electricity market.

Rottneros' goal is a fossil-free production according to GHG Scope 1 & 2 by 2030. The emissions from Rottneros' operations come mainly from its external purchase of electricity, which is also their third largest variable cost item. In addition to helping Rottneros meet its climate targets, long-term PPAs are part of the company's active work to reduce its long-term exposure to electricity price movements.

EnBW Trading is a pioneer in PPAs, having signed the first PPA of its kind in Germany with Energiekontor in 2019. PPAs have established themselves as a key instrument in the energy transition.

About Rottneros

Rottneros is an independent producer of market pulp. The group consists of the parent company Rottneros AB, listed on Nasdaq Stockholm, with the subsidiaries Rottneros Bruk AB and Vallviks Bruk AB, active in production and the sale of market pulp. Also part of the group is Rottneros Packaging AB which produces fibre trays, the raw material procurement company SIA Rottneros Baltic in Latvia, and the forest operator Nykvist Skogs AB. The Group had a turnover of around 3 billion SEK during the 2022 business year and some 306 employees.

About EnBW

EnBW is one of the largest energy supply companies in Germany and Europe. It supplies electricity, gas, water together with infrastructure and energy-related products and services to around 5.5 million customers. Installed renewable energy capacity will account for 50 percent of EnBW's generating portfolio by the end of 2025. This is already having a noticeable impact in terms of reducing CO2 emissions, which EnBW plans to halve by 2030. EnBW aims to attain climate neutrality by 2035. Further expanding renewables in Germany and selected foreign markets is a central element of EnBW's growth strategy. Since the





ROTTNEROS

beginning of its corporate transformation in 2013, EnBW has successfully invested nearly €5 billion in its Renewable Energy segment. Around another €4 billion is to be invested by 2025, primarily in further expanding wind and solar energy, meaning that around 50% of EnBW's generation portfolio will consist of renewables.

Newsec Infra has acted as exclusive PPA advisor to Rottneros.

For further information, please contact:

Lennart Eberleh, President and CEO, Rottneros AB, +46 (0) 270 622 65,
lennart.eberleh@rottneros.com

