

PRESS RELEASE

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Progroup is developing Stryków into one of the world's largest corrugated board production sites

- **Progroup is starting the construction of a second corrugated sheetfeeder plant at its site in Stryków, Poland**
- **Progroup is creating more than 50 modern high-tech jobs**

Stryków, 15 February 2021 – Progroup is continuing its growth strategy by starting to construct the PW14 corrugated sheetfeeder plant in Poland. The company's twelfth production facility for corrugated board sheets and its third plant in Poland is being constructed on the site of the existing PW07 plant in Stryków. Over an area of around 27,900 square metres, Progroup will once again be setting new benchmarks for productivity and sustainability in the industry. The company is investing around 72 million euros in a production facility which is geared towards sustainability; among other things a combined cooling, heat and power (CCHP) plant will be used to generate power. The new plant is set to produce up to 200,000 tonnes of corrugated board sheets annually from the fourth quarter of 2022. With its production capacity of 825 million square metres per annum, Stryków will be one of the biggest corrugated board production sites anywhere in the world.

“With this new plant, Progroup will not only boost Stryków as a location, but at the same time it will expand its position in the market in Central & Eastern Europe,” says Jürgen Heindl, Chief Executive Officer of Progroup. “We are consistently following our growth strategy and this will allow us to continue to offer our customers the high reliability of supply and impressive quality of product that they are used to.”

Progroup is creating more than 50 new jobs in the region

The new plant will provide a job for more than 50 highly skilled employees and apprentices. Efficient filter systems will deliver a largely dust-free working environment and an innovative sound insulation system will ensure a pleasant atmosphere to work in.

PW14 will produce Next Board® corrugated board

PW14 will manufacture virtually all common grades of corrugated board. The production speed will be 400 m/min and the working width 3.35 metres. The production line is designed to produce single-wall and double-wall Next Board® corrugated board

sheets with B, C and E flutes and smaller grammages in all combinations. . Next Board® corrugated boards are renowned for much lower use of energy and raw materials and reduce CO₂ emissions per tonne of corrugated board by 26 per cent on average – coupled with better strength figures.

PW14 will lead the way in the industry on energy management

Progroup is striving to achieve carbon-neutral recycling and will rely on efficient combined cooling, heat and power at the PW14 plant, for example. This involves using waste heat from its own power generation, for example, either in an absorption chiller to “produce” cold, or feeding the heat into the heating circuit, as required. This saves fossil fuels and significantly reduces CO₂ emissions. The new plant will thus seamlessly continue Progroup’s Green Hightech strategy.

In the final expansion stage, production in Stryków will have one of the highest levels of automation in the industry. The employees will receive the operating data for the machine and work instructions live on wearables that resemble smartwatches or will receive the information via a headset.

A 32-metre-high, fully automated high-bay warehouse with more than 14,000 storage spaces and four automatic storage and retrieval machines will ensure smooth distribution. It will be able to store up to two days of corrugated sheetboard production and thus enable perfect JIT deliveries by decoupling the time between the manufacture of the corrugated board and the production of packaging by the customer.

Construction of PW14 is the next milestone in Progroup’s growth strategy

Progroup’s development as a company has a very long-term basis and is planned in strategic periods of ten years at a time. The aim for the current period is to double the size of the company by 2025 compared to 2015. This involves the construction of a total of 8 corrugated sheetfeeder plants, a CHP power plant and the PM3 paper factory. “Increasing our paper capacities with the addition of PM3 means that we can continue to offer the reliability of a stable raw material supply. We can thus remain a strong and reliable partner to our paper and corrugated board customers,” says Jürgen Heindl. Over the stated investment period more than 500 new jobs will be created overall. The total level of investment for these growth projects is around 1.35 billion euros.

About Progroup

Progroup AG, located in Landau in the German state of Rhineland-Palatinate, Germany, is one of the leading manufacturers of containerboard and corrugated board in Europe. Since it was founded in 1991 in Offenbach/Queich, the company has been pursuing a consistent growth strategy which, in addition to technological leadership, is also based on the use of innovative and environmentally friendly production technologies. Progroup operates production sites in six countries in Central Europe. These currently include three paper factories, eleven corrugated sheetfeeder plants, a logistics company and an RDF power station. With 1,293 employees, the company generated sales of around 887 million euros in 2019.

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