Brussels, 16 February 2021

The Glass container industry is working together to achieve climate-neutral glass packaging and helping European countries to meet CO₂ targets

To whom it may concern,

By 2050 the container glass industry aims to achieve a major revolution, starting now, in the way we produce glass that is fit for a circular and climate-neutral economy. This will secure the future of the glass packaging sector and the jobs that depend on the industry within important value chains. Companies within the European Glass Container industry are joining forces to fund and build a first-of-its-kind hybrid furnace that is unique in terms of scale, sectoral support, and geographical breadth, and has the potential to revolutionise industrial manufacturing throughout Europe.

More than 125,000 people work in the glass packaging value chain across Europe. The container glass industry is strategic to the European economy because it services the essential European food, beverage and pharmaceutical sectors as well as cosmetics and perfumery. The industry serves these sectors in domestic markets and is an enabler for the export of high-end products across the world, which in turn delivers wealth to our economies through trade.

We are proud to produce healthy, reusable and infinitely recyclable closed loop packaging. Glass is a permanent material, meaning it can be endlessly recycled without loss of its intrinsic properties; it is inert and always remains healthy and safe for food grade packaging no matter how many times it is recycled.

To support a major transition to a resource-efficient and low-carbon economy, a step change is needed at sector level, where the industry is joining forces to collaborate with stakeholders and the value chain. We can offer a fully climate-neutral packaging solution, in addition to being fully circular, by addressing:

- The 80% of our CO₂ emissions coming from the combustion of natural gas used to melt our glass. We will achieve this by changing our melting technology from natural gas to renewable electricity.
- The 20% of CO₂ emissions originating from the melting and decomposition of raw materials in the glassmaking process, releasing CO₂. Recycled glass, unlike raw materials, does not release CO₂ in the furnace. By closing the glass loop, we will recycle more and make our Circular Economy work better.

Our first priority is to work on the melting technologies we use. The use of renewable electricity in container glass production can, in theory, completely reduce the CO₂ emissions from the combustion in the furnace, but this technology is currently limited to small-scale furnaces for flint (clear) glass with limited recycled glass content. We plan to challenge this and pioneer innovative electric melting on a commercial scale and are seeking the support of the European Commission's EU Emissions Trading System (ETS) Innovation Fund Programme. Ardagh Group has volunteered to lead the coalition of 19 independent glass-producing companies that will fund and build a pilot hybrid furnace in Obernkirchen, Germany, to

evaluate the required technical and market criteria for large-scale electric melting of glass packaging. This project is ground-breaking and will be the first of its kind in the world.

It is a sectoral project The European Glass Container sector has joined together to champion it: supporting companies account for more than 90% of EU container glass production, producing more than 80 billion containers annually.

It has Europe-wide benefits The furnace will be built in Germany, but the technical knowledge gained will benefit companies operating in 23 European countries to ensure quick and smooth scalability.



The industry is committed to enabling the transition to a resource-efficient and low-carbon economy, ensuring the long-term sustainability of manufacturing. By doing so, we will ensure actions and business goals are in line with global commitments to the UN 2030 Sustainable Development Goals. The container glass industry is potentially one of the few energy intensive industries to have a clear pathway to decarbonisation through direct electrification. The hybrid furnace is one major step on our journey towards climate-neutral glass packaging, but we also continue to invest in recycling, improving existing technologies and exploring other solutions (biomass, hydrogen etc.).

We fully support the joint 'Furnace for the Future' pilot project, which represents a strategic milestone in securing not only the future of the European glass industry, but also of the entire glass packaging value chain (food & drinks, pharma, perfumes, glass recyclers) that depend on it. We call on policy-makers and stakeholders to support our industry to make this hugely important energy transition.

Yours sincerely,

Slovakia

Spain



Supporting National Glass Associations

