



INDUSTRIAL FOOTPRINT

Adding value as always, **ŞİŞECAM** continues to invest in Italy

With its USD 50M investments in a new coated glass line in Northern Italy, ŞİŞECAM seeks now to effectively double its local capacity to 11.9 million square metres by 2025. Part of a larger USD 114M plan, the investment aims to meet rising global demand while enhancing the company's competitiveness.



A global player in the fields of glass and chemicals, Şişecam recently announced a USD 114M investment in three new coated glass lines. With their total capacity of almost 20 million square metres, the cutting-edge lines will be located in Turkey, Italy and Bulgaria. Through these investments the company seeks to address the rising demand for coated glass within the flat glass sector. Şişecam also aims to bolster its competitiveness by enhancing operational efficiency and diversifying its product range. Such strategic investments will elevate its existing coated glass capacity -currently at around 22 million square metres based upon an average product mix across four different lines- to approximately 42 million square metres. As part of its coated glass investments, which are planned to commence operations in 2025, the company will establish a coated glass line with an annual capacity of 6.5 million square metres at its flat glass facility in Northern Italy. Indeed Şişecam's journey in Italy, which began 19 years ago, will receive new momentum with this USD 50M investment. The new line will more than double the current production capacity of its coated glass production in Italy. Today, Şişecam produces 5.4 million square metres of coated glass at its Manfredonia plant. With its advantage of better insulation and energy efficiency performance,



coated glass is being increasingly requested by many sectors - including construction and automotive.

ITALY AS GATEWAY TO EUROPE

Şişecam enhances its ability to grow and progress with each strategic investment. The company's most recent decision is expected to elevate the share of high-value products within its total production volume - all while augmenting its product portfolio. These investments will also facilitate Şişecam's achievement of a more flexible management of its supply chain - leading to heightened operational efficiency. The global demand for energy-saving, low emissivity coated glass products is increasing rapidly. As such, the investment (which will more than double and so carry Şişecam's coated glass capacity in Italy to 11.9 million square metres) will make it easier to reach a wider customer network in the global market with higher competitive power. By expanding the product portfolio of its existing coating line

in Italy, the company will be able to reach a broader customer network in Western Europe. Thanks to the increased architectural coated glass capacities in Eastern and Western Europe, it will also improve its local service quality in the European market. With this latest project, Şişecam's investments in Italy will reach USD 280M, generating approximately USD 330M in trade volume. In Italy, Şişecam operates with four plants and employs over 600 people. Its annual production capacity in Italy is currently about 443,000 tons of flat glass, 5.4 million square metres of coated glass, 8.9 million square metres of laminated glass, 8,800 tons of chromium and 6,000 tons of refractory materials.

FACTS ABOUT ŞİŞECAM IN ITALY

- Şişecam is the largest Turkish investor in Italy.
- The company has a 19-year investment history in Italy, where it operates in three different business lines.
- In 2005, Şişecam entered the Italian market as a

manufacturer by acquiring a 50 percent stake in Cromital, a chromium compounds production facility in Ostellato/Ferrara.

- In 2011, it acquired the remaining 50 percent interest in Cromital to become its sole owner.
- Operating in chrome-based chemicals, Cromital today provides input to many industries in Europe, especially the Italian leather and metal coating sectors.
- In 2016, Şişecam purchased the Sangalli Vetro Porto Nogaro flat glass manufacturing facility for EUR 84.7M.
- With this major investment, the company became the largest flat glass manufacturer in Europe.
- This acquisition made a significant contribution to Şişecam's competitiveness in the Western Europe flat glass market. Italy became the company's gateway to Western Europe.
- In 2018, Şişecam made its second investment in Italy in the field of flat glass by purchasing the Sangalli Vetro Manfredonia plant.



- After purchasing the non-operating Manfredonia facility, the company renovated and reactivated it in the record time of just a year.
- Şişecam rebuilt the production site with a total investment of more than EUR 55M.
- Former workers of the plant were provided with new job opportunities, thereby boosting local employment.
- Today it employs 204 people at the facility.
- Şişecam is currently the largest producer of architectural glass in Italy. The company's Manfredonia plant uses the nearby Manfredonia Port for its raw material supply and glass transportation operations.
- The company also has major investments in glassware in Italy for its logistics and distribution network. It operates throughout Europe - offering exceptional quality glassware products and upholding high service standards.
- Most recently, in 2022, Şişecam purchased Italy-based Refel, the world's leading refractory manufacturer, for EUR 22M.
- Refractory materials manufacturer Refel has been operative in Northern Italy since 1986.
- Refel has an annual production capacity of over 6,000 tons. Excluding Chinese producers, Refel holds nearly 20 percent of the global AZS refractory capacity - a key component in furnaces within glass manufacturing facilities.
- The acquisition of Refel has also afforded Şişecam an opportunity to eliminate supply chain disruption risks in managing its internal refractory supply processes - all while implementing its new investments. Italy supports Şişecam in this arena as well.
- Operating in Italy for 19 years, Şişecam presently employs more than 600 people for its chrome, flat glass and refractory operations within the country.
- The company aims to develop its collaborations further while strengthening its presence in the Italian market.
- Şişecam also closely monitors emerging opportunities for new investments that will enable it to develop its value-added product portfolio in Italy.
- In its global growth story, Italy plays a strategic role. Thanks to its population totalling 60 million, its USD 2 trillion economy and its deep-rooted industrial history, Italy is a major market for Şişecam in terms of both investments and commercial operations.
- The company aims to further boost its effectiveness in the market with a strengthened presence in Italy.
- Currently, Şişecam's operations in Italy have an annual production capacity of 410,000 tons of flat glass, 5.4 million square metres of coated glass, 8.9



million square metres of laminated glass, 8,800 tons of chrome, and 6,000 tons of refractories.

- The company's service and raw material purchases from Italy exceed USD 60M.

AWARDS IN ITALY

The added value offered to Italy by Şişecam has received much recognition:

- Şişecam's former Chairman and Executive Member of The Board of Directors Ahmet Kirman was awarded the honour 'Cavaliere' of the Order of the Star of Italy for his valuable contribution to the strengthening of economic bilateral relations and mutual investments between Italy and Turkey.
- Kirman then received the 'Chairman of the Year' award at Le Fonti Awards,

the award platform of Le Fonti, one of Italy's leading economic publications.

- Kirman was also named 'Glass Person of the Year 2023' for long-term, significant and valuable contributions to the global glass industry. A most prestigious award, it is widely acclaimed as the 'Oscar' of the glass industry, and was presented to Kirman by the Phoenix Award Committee at a special ceremony held in Como, Italy.

ŞİŞECAM FLAT
GLASS ITALY



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