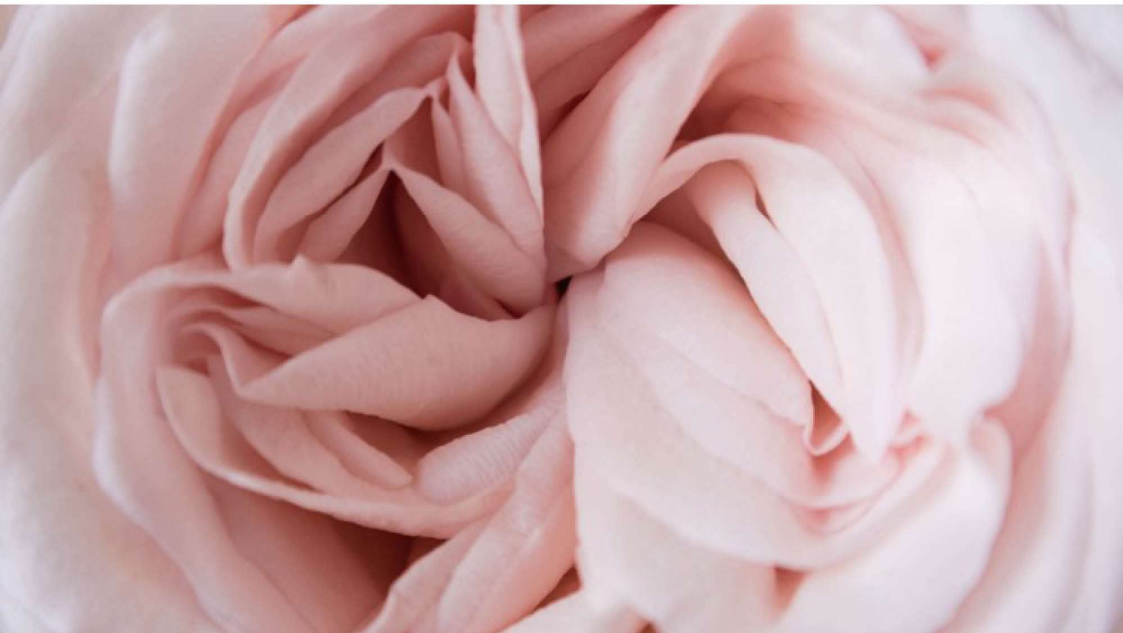


Aptar Italia S.p.A. Supply Chain Presentation @UniMC

November 2024



Nice to e-meet you!

Lorenzo Giacometti

Mechanical engineer graduated at UNIVPM in October 2017.

My career in Aptar:

Mar'17 – Aug'17	Planning&Procurement Intern
Sep'17 – Feb'21	Supply Chain Analyst
Mar'21 – Sep'24	Planning&Procurement Manager
Oct'24 – Today	Supply Chain Manager



AGENDA

Aptar Introduction

- Who we are...
- Where we are...
- What we produce...
- How we do it...
- How do we see the future of packaging...

Aptar Supply Chain

- Our Supply Chain Organization...
- Our Supply Chain flows and processes...
- How Supply Chain behave in this VUCA world...

AGENDA

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Who we are...

Derived from the Latin term

Aptare

which means

to adapt
and prepare

Adaptability
& flexibility

have always been the
key to Aptar's success

+75 Years of Experience in the Packaging Industry



Our entrepreneurial founding companies started in the **U.S, France and Germany**

Pittway Corporation acquires the **legacy companies** and grows the company

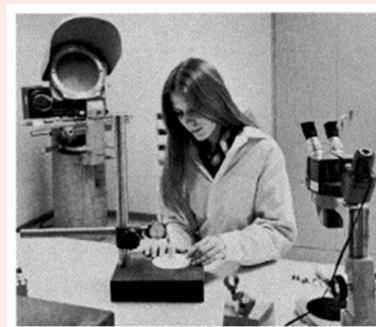
Debut of the name Aptar and continued **global expansion.** Group becomes publicly traded at the NYSE in **1993**

\$3.3 Billion in revenue with +13,500 employees in 20 different countries

1940
1960



1960
1980



1980
2000



2023



Aptar Group

3

BUSINESS
SEGMENTS

Aptar 
beauty

Aptar 
closures

Aptar 
pharma

Key Facts & Figures*



\$3.3Bn*

Net sales



20

Countries



13,500

Employees



49

Manufacturing
sites



3%

Revenue invested
in R&D



1,300+

Patent families

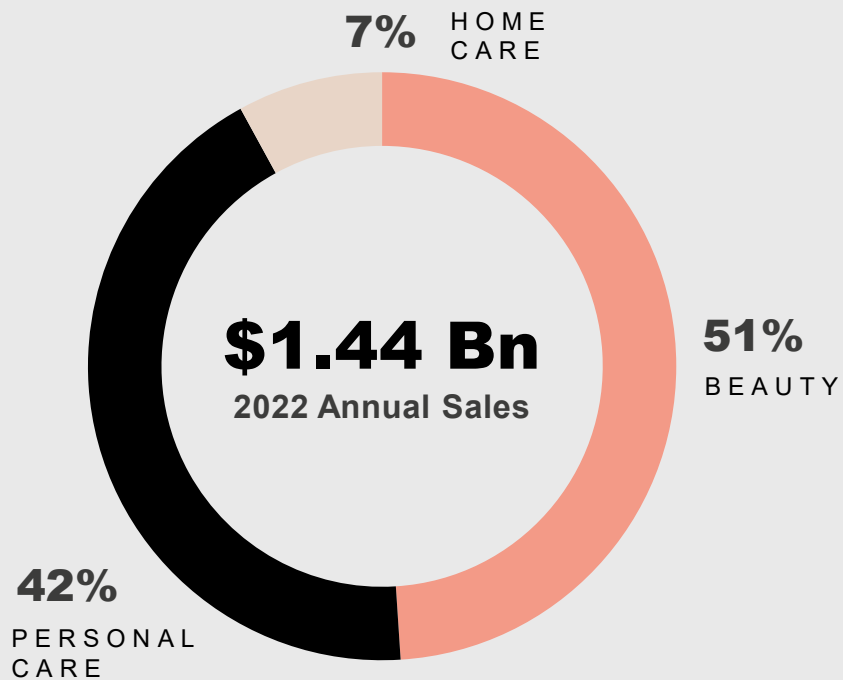
*FY 2022

Aptar Beauty Today

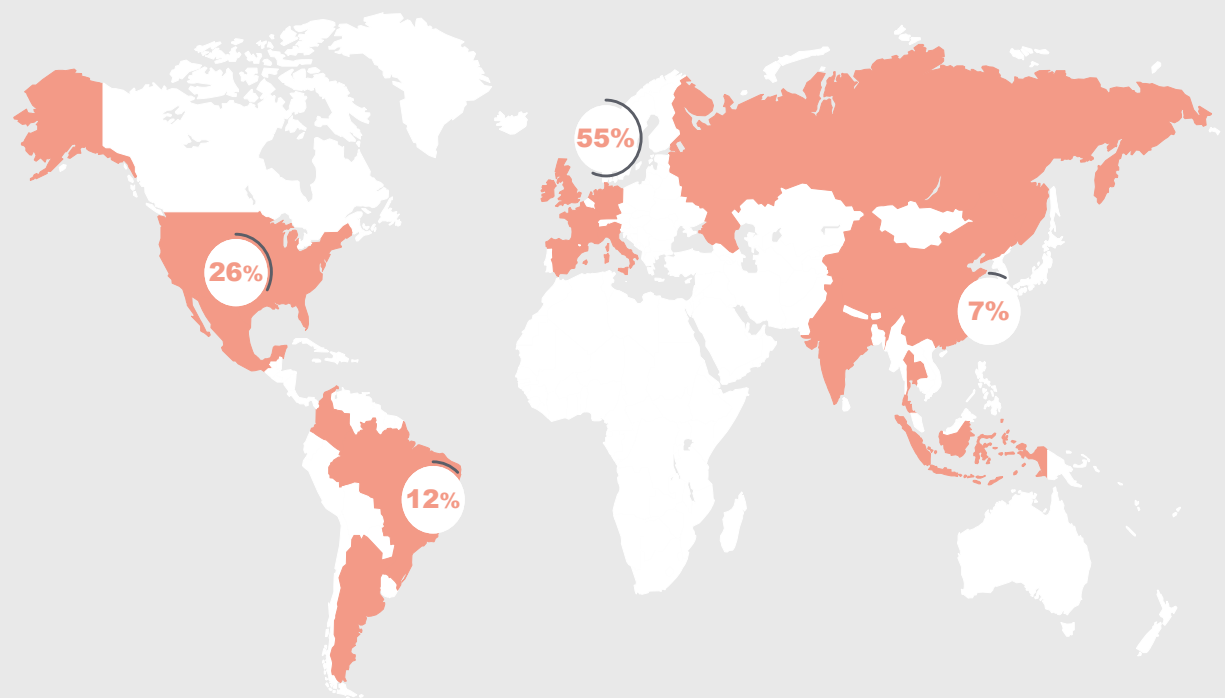
Business Update



Sales by market*
FY 2022



Sales by region*
FY 2022, by Aptar Shipping Destination



* Results from 2022 Aptar Beauty + Home; Results reflecting the new Aptar Beauty entity will be available in Q2.

100% DEDICATED
TO BEAUTY

197mio €
SALES

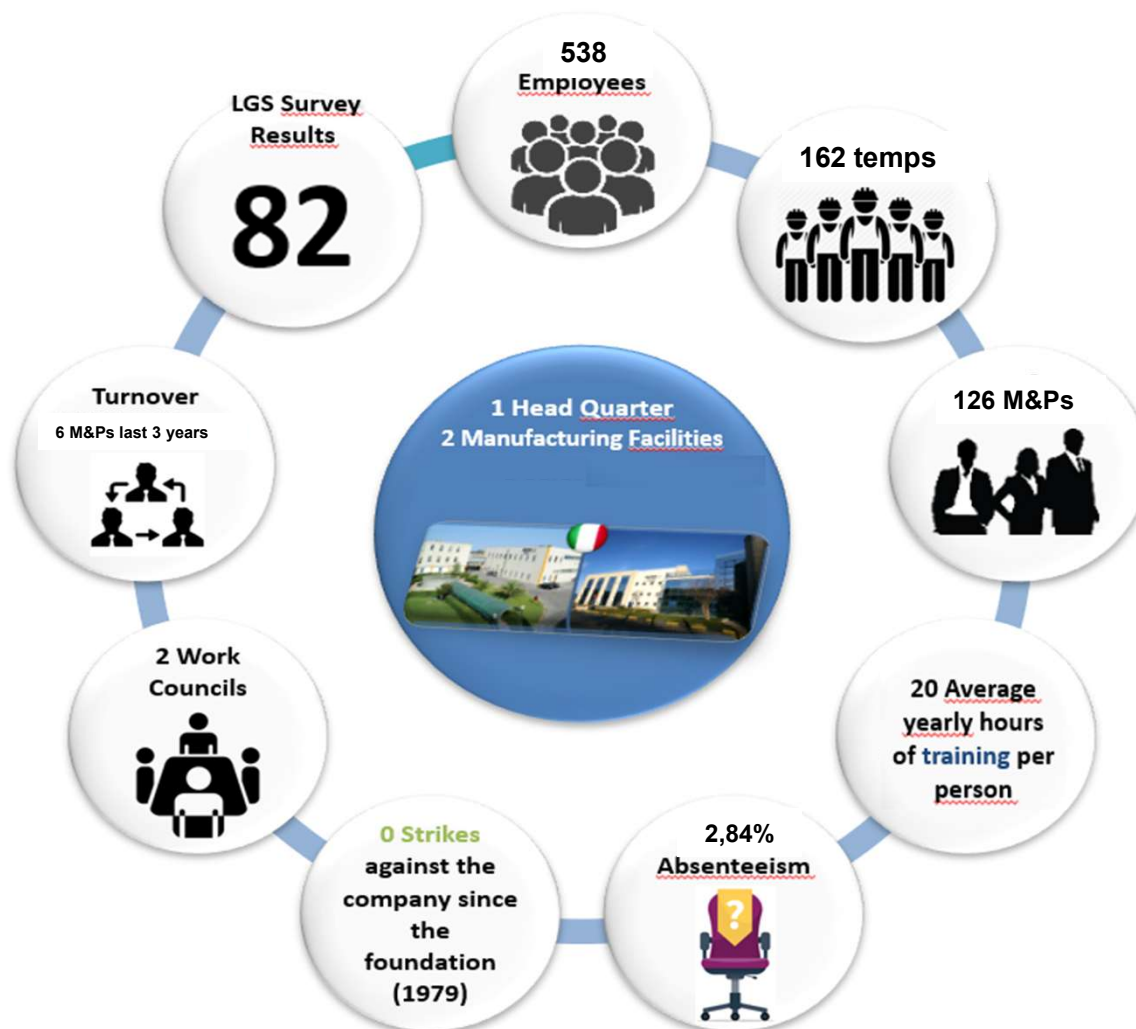
SALES TO **53**
COUNTRIES

706
EMPLOYEES

3% sales
invested in **R&D**



HR Italia KPIs

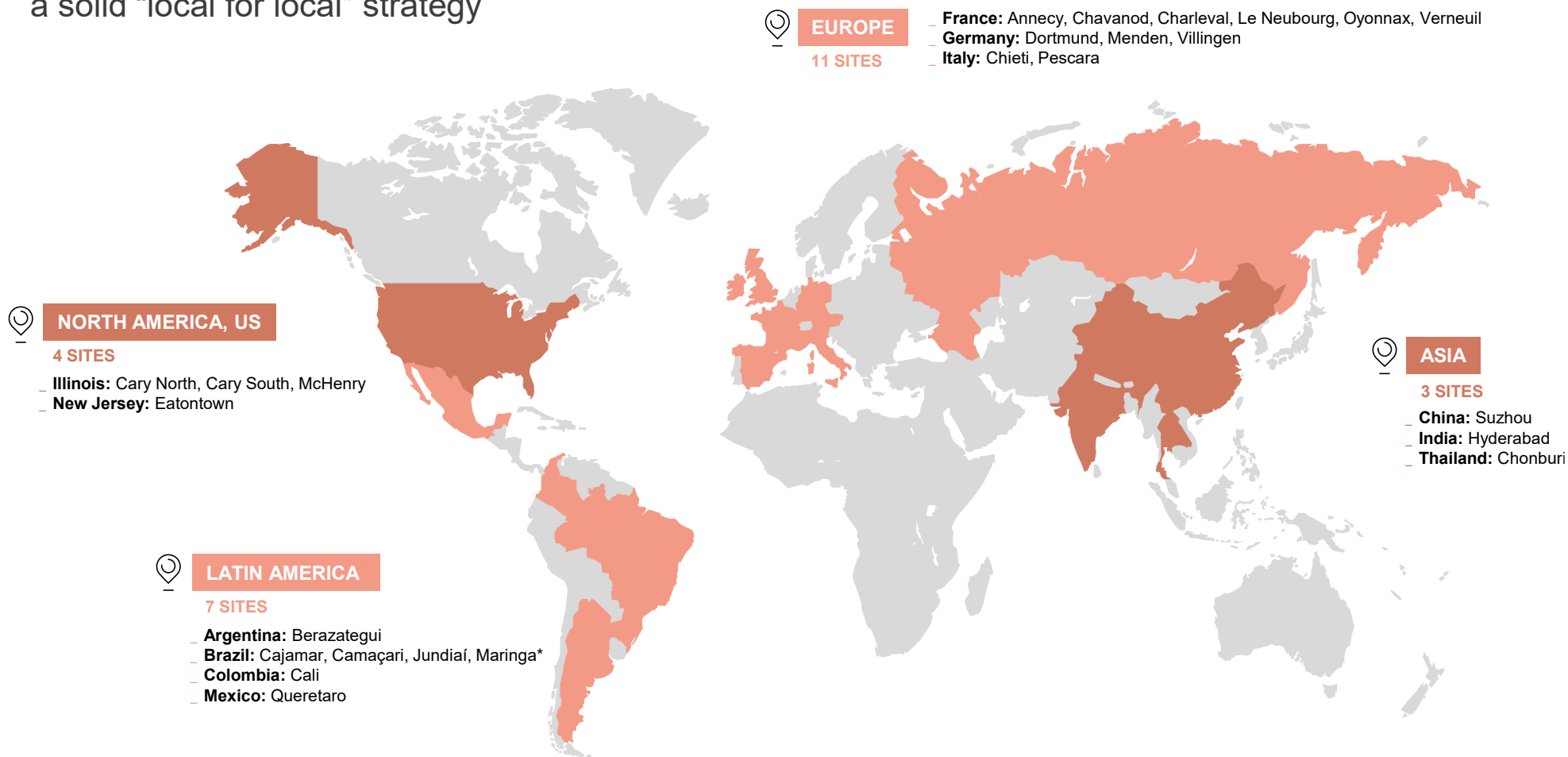


Aptar Italia	DIC_2022	
	Permanent	Temps
Total Local	410,0	145,0
Total Regional / Global	128,0	17,0
Total Aptar Italia	538,0	162,0

Where we are...

Global Industrial Footprint

25 regional R&D and manufacturing capabilities with a solid “local for local” strategy



* Aptar Closures site

Some of our Manufacturing Sites



Aptar Villingen, Germany



Aptar Chieti, Italy



Aptar Chavanod, France



Aptar Suzhou, China



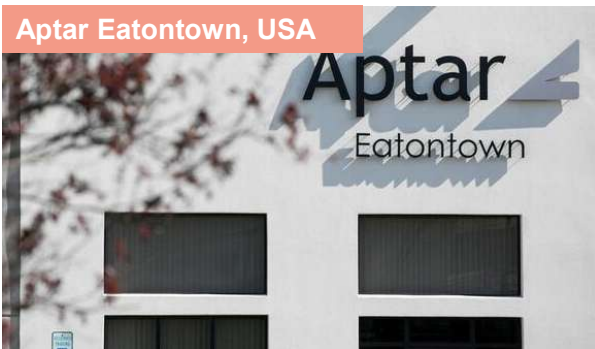
Aptar Oyonnax, France



Aptar Le Neubourg, France



Aptar Eatontown, USA



Aptar Queretaro, Mexico



Aptar Camaçari, Brazil



Aptar Italia – Local Presence

● Production Site



Aptar Italia – Chieti site

Manufacturing Site - Sales Office

Location:

San Giovanni Teatino (Ch), Italy, Z.I.
di Sambuceto Via Po nr. 49, 66020,
San Giovanni Teatino (Chieti)

Total Space(m²): 13.252

Production Area Space(m²): 7.892

B+H Production Types:

- Fragrance pumps
- Lotion pumps
- Skin Care pumps



Aptar
beauty
ITALIA



Aptar Italia – Pescara site

Manufacturing Site

Location:

Manoppello Scalo (PE), Italy, Viale
G.Matteotti N.59, Manoppello Scalo, 65025

Total Space(m²): 18.000

Production Area Space(m²): 13.000

B+H Production Types:

- Modules for Lotion pumps (GS, GSA, HiFlow, Seaflow, Euroflow)
- Modules for Fragrance and Fine Mist pumps (31MS, Essencia, PAV, ...)
- Modules for Skin care pumps (EVO)



What we produce...

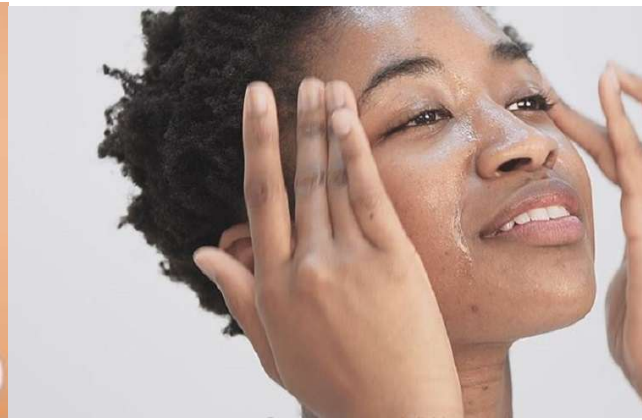
Absolute coverage of the Beauty Market



FRAGRANCE



HAIRCARE



CLEANSING



SKINCARE



SUNCARE



BODYCARE



BABYCARE 19

BROAD

ADDED SOLUTIONS

VALUE-



Fragrance Pumps*



Spray Pumps*



Dispensing Pumps



Cosmetic Pumps*



Airless Systems*



Precision Dispensing*



Aerosol Valves, BoV & Accessories*



Custom*



Lipsticks



Refill Devices*



Sampling & Trial Sizes



Turnkey Solutions*

* including Caps / Custom includes multi-component, complex assembly and premium decoration (e.g. metallization).

Aptar Chieti – Product Types

Complete finished pumps

Fragrance



Essencia

SLP



31MS

ColorCode

Skin Care



EvoClassic

ECNS

Personal Care



Future

PZ Lark

GS /GSA

EuroFlow

HiFlow

PAV

Aptar Pescara – Product Types

Cartridges for pumps

Fragrance



Essencia



La Petite



31 MS



PAL/C

Skin Care



ECNS



PAVU



EVO

Personal Care



EuroFlow



PAV



GS



GSA



HiFlow

Aptar Italy – Fragrance references



Essencia



31MS

Color Code

Aptar Italy – Personal Care references

Aptar
beauty
ITALIA



How we produce it...

Aptar Italia – Technology Production Effect

Aptar Pescara Phase

Aptar Pescara Cartridge



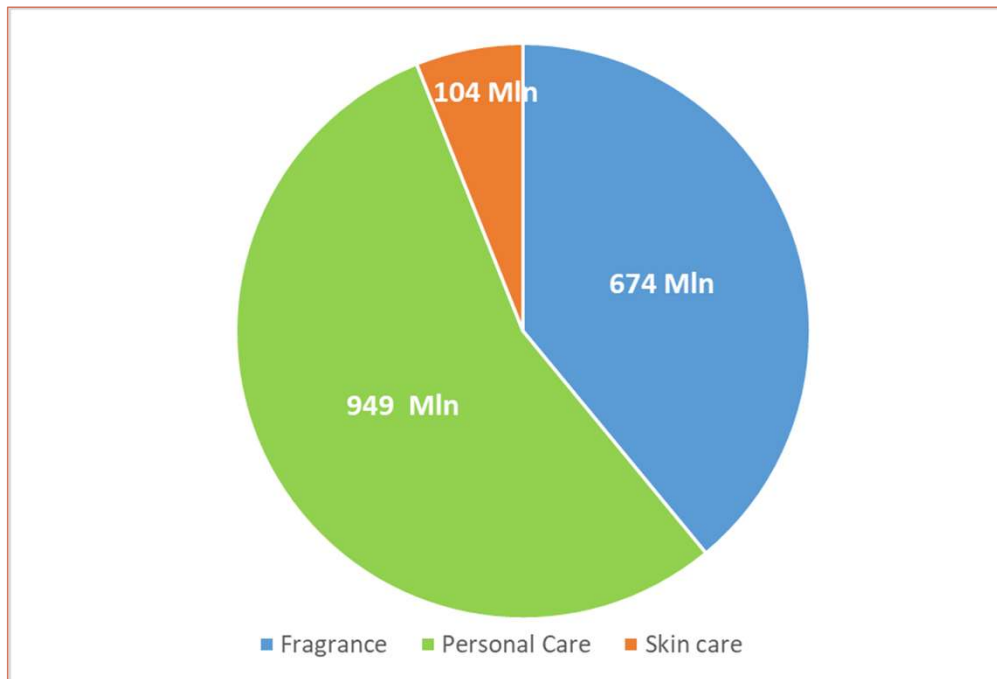
Aptar Chieti Phase

Aptar Chieti Final Pump

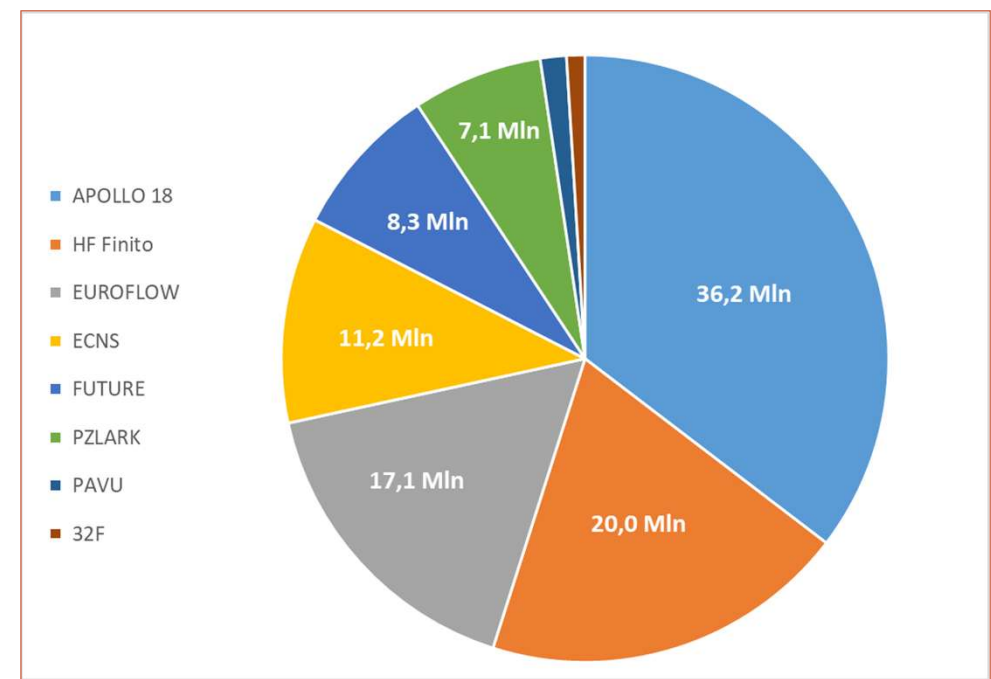


Aptar Pescara – Assembly Production

1,7 Billion cartridge / year



103 Mio pumps / year



Aptar Italia – Pescara site

Technology – Molding Organization



61 Presses from 50 to 350T

51 Hydraulic; 10 full electric
Engel – Krauss Maffei
Arburg – BMB - Haitian



More than 140 molds

From 16 to 128 cavities
3.600 daily working cavities
Output 12.800 pcs/h



Automatic handling system

- 6 Laser Guided Vehicles handle around 1.500 boxes/day
- Full boxes traceability

Working days: 3 shifts, 7 days/week

Aptar Italia – Pescara site

Technology – Production



60 Assembly Machines



- 45% high speed (from 400 to 600 pcs/min)
- 25% medium speed (from 200 – to 400 pcs/min)
- 30% low speed (from 50- to 200 pcs/min)

Daily
Capacity
9 Mpcs

Real time
monitoring
& reporting
systems

Leakage test
on 100% of
GS/GSA,
EVO

NEW

future.
by Aptar

Aptar Italia – Chieti site

Technology – Assembly



**Daily average
production
rate is
3,6MM pcs**

**Number of
machineries:
80**

**People
involved
165:**
115 machine op
32 maintenance op
15 quality op

Current shift turnover: 2/3 shift, up to 7 days/week
Final Product output: 5000 box/day

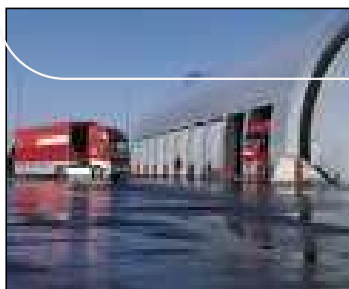
16/11/2024

PRODUCT LINE		REAL CAPACITY		
		per day (in millions)	per year (250 days, in millions)	per year (350 days, in millions)
Personal Care	GS/GSA	1,9	475	608
	PAV-PAVC	0,3	75	96
Skin Care	EVO Classic	0,15	38	48
Fragrance	31MS	1,2	300	384
	31MSP-ColorCode-MetalCode	0,4	100	128
	Essencia	0,9	225	288

“ON TIME IN FULL MENTALITY”

Quantities we move

- Over 48.000 Pallet shipped
- Over 29.000 Shipments
- 15 Trucks/Containers per Week
- 950 Final Destinations in 61 Countries



We export globally

- 51% Europe
- 21% North America
- 19% to Latam
- 9% to Asia

Global Forwarder Partners



SAVINO DEL BENE®
Global Logistics and Forwarding Company

In order to reduce our CO2 emissions we are introducing more and more:

- BioEthanol trucks
- Train Shipments



How do we see the future of packaging...

Aptar Beauty Sustainable Solutions

Recyclable and recycled materials



Mono-material

Future

Multi award-winning mono-material lotion pump that is fully recyclable when paired with a PE or PET bottle.



WORLDSTAR WINNER 2023

Post-Consumer Recycled (PCR)

Recycled resins in standard and new product launches through mechanical recycling: **PCR** and **PCR Plus** - a specific approach defined by Aptar as an alternative in EMEA when no PP Food Grade is available.



ISCC Certified Recycled Resin



Our new fully recyclable pump

future.
by Aptar



RECYCLABLE



E-COMMERCE



EASY TO USE



SHOWERPROOF



PREMIUM AESTHETIC

KEY
BENEFITS



Aptar Beauty Sustainable Solutions

Reusability



Refillable

INUNE Fragrance Pump

Refillable and recyclable in the glass stream if the spray is left on the glass bottle (subject to local capabilities)



ESSENCIA SCREW Fragrance Pump

A unique screw pump allows you to refill the fragrance multiple times.



Fragrance Refill dispensing spouts

A dispensing applicator on the aluminum bottle refill to ensure product is transferred to the reusable glass bottle cleanly and easily.



Reloadable

Gaïa

Reusable premium airless solution with fully recyclable cartridge.



Serumony Reload

Premium reloadable airless dropper



Iconic Woodacity

Reloadable lipstick in a case made of certified wood.



Private Refill

Reloadable lipstick mechanism customized for each brand,



E-Commerce Capable & Sustainable Solutions for all channels



Omnichannel approach =
unified packaging designs for
all distribution channels

+60 e-commerce capable
products using locking features,
built-in e-commerce
functionalities, robustness, and
sustainable materials

ISTA 6-Amazon certification
ensuring that our solutions:

- Offer a frustration-free "un-boxing" experience
- Withstand transport and distribution network pressures
- Reduce protective carton and paper packaging



ISTA 6-Amazon Certified Package Program

We are official participants in the Amazon Packaging Support and Supplier Network (APASS) program.

AGENDA

Aptar Introduction

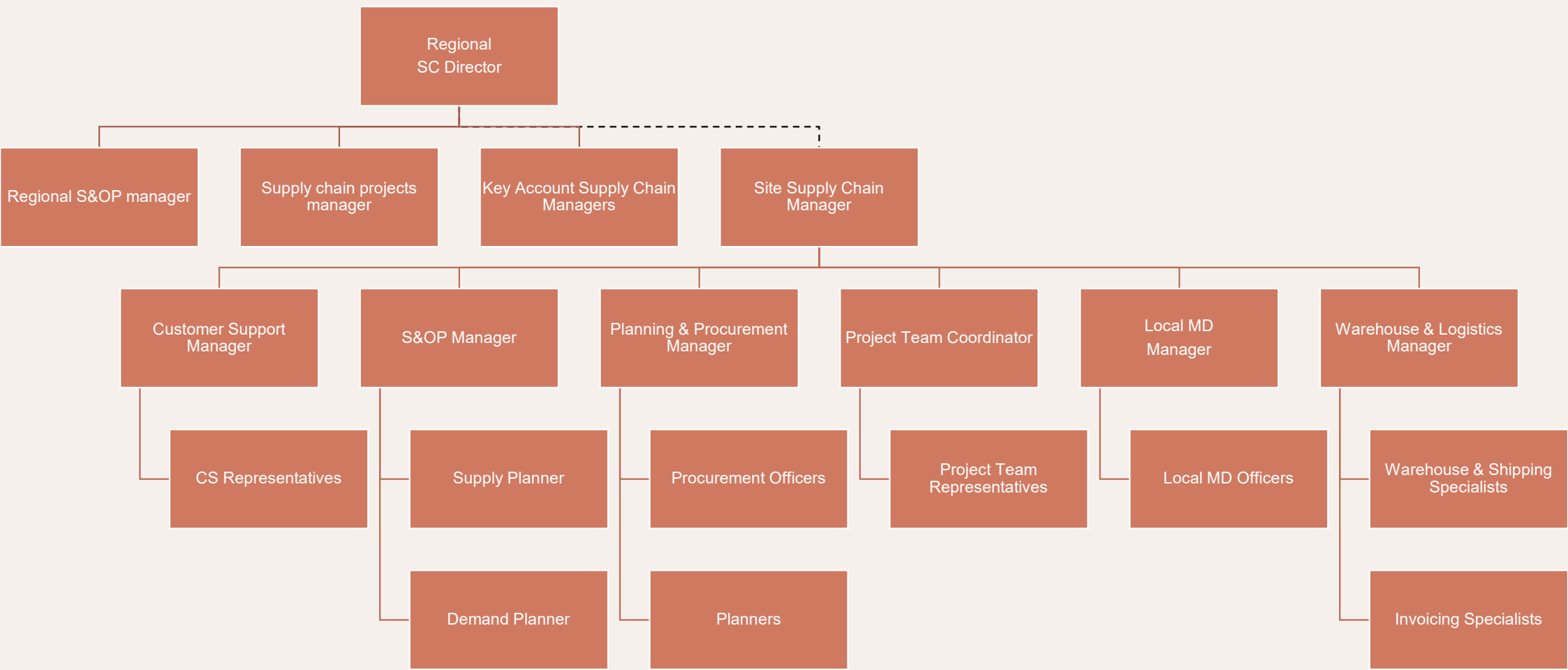
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- How we do it...
- How do we see the future of packaging...

Aptar Supply Chain

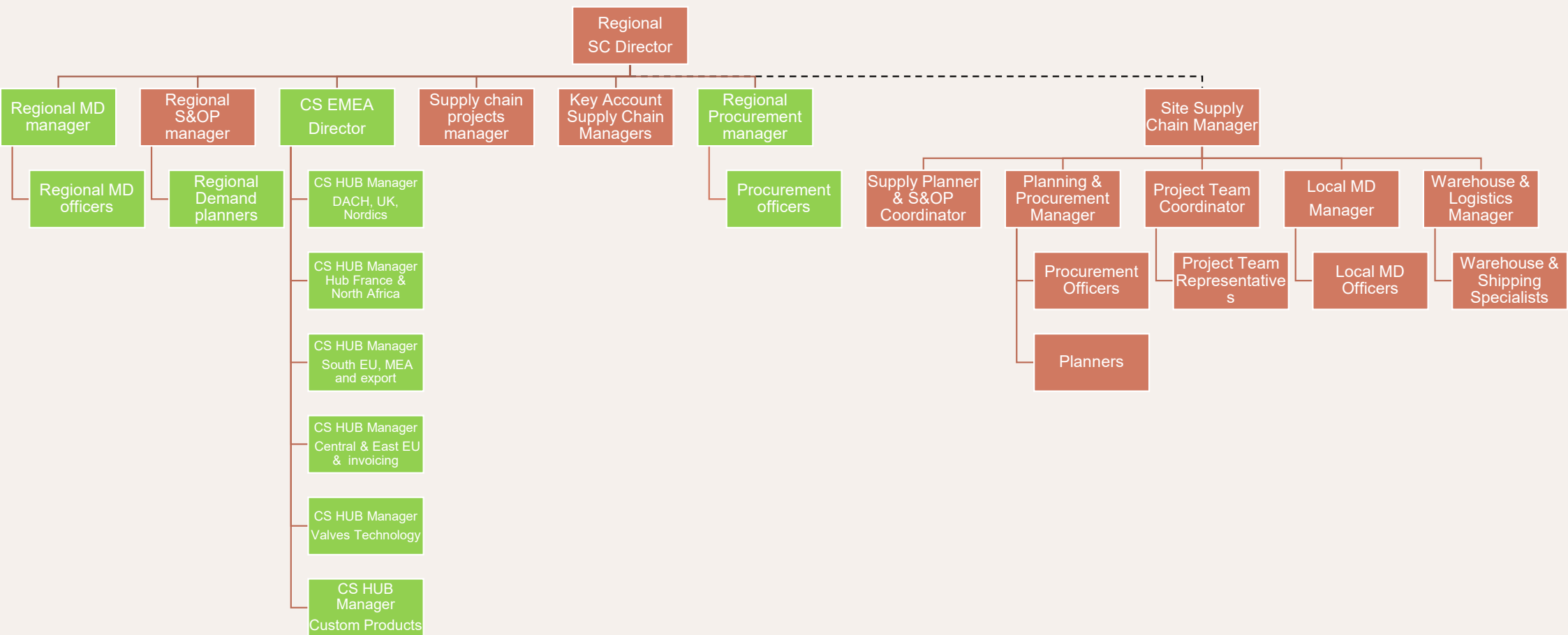
- Our Supply Chain Organization...
- Our Supply Chain flows and processes...
- How Supply Chain behave in this VUCA world...

Our Supply Chain organization...

PREVIOUS ORGANIZATION



CURRENT ORGANIZATION



Why we did it?

- ✓ SC organization moving to a more regional model: **leveraging best strengths of regional & local entities:**
 - **Maintain local empowerment** for functions / activities requiring proximity with sites and local supply base
 - **Regionalization and centralization** of activities when source of **internal & external efficiency**
- ✓ **Customer-centric model (language, geography & cultural proximity)**, aligned to new sales structure
- ✓ **More dedication** (ex: demand management, customer service vs. invoicing vs. project) = **more efficient**
- ✓ Enabler for **standardization & automation**
- ✓ **Leverage Global Business Service** infrastructure



*Improve Customers
Service / experience*



*Improve efficiency
/ leverage One-Aptar*



Procurement and Planning

*The goal is to plan properly resources and orders to suppliers creating a **competitive advantage** through purchasing, planning and distributing at the most effective cost keeping the highest possible level of flexibility for our customers*

Languages Spoken:



*We Manage over 80
suppliers between
plastic and metal parts*

6 People

*We process an average of
3.000 Purchase Orders and
2.000 Sales Orders planned
per month*

Aptar Italy – Customer Support



Customer Support

Our objective is to *take care* of **customers' sales orders** in a *quick* and *efficient way*, being a SPOC and maintaining fruitful business relationships with the customers.

Languages Spoken:



**We Manage 1000
Customers, 90 per
person**

15 People

**We process an average of
2000 sales orders line per
month**

Aptar Italy – Project Team



Project Team

*Our objective is to **support the customer** in the **development of new products** and pave the way to the successful delivery of the first orders (launches) coordinating also all the non-SC functions involved in the different Project Phases (R&D, Sampling, Engineering)*

Languages Spoken:



*We Manage **1000**
Customers, 250 per
person*

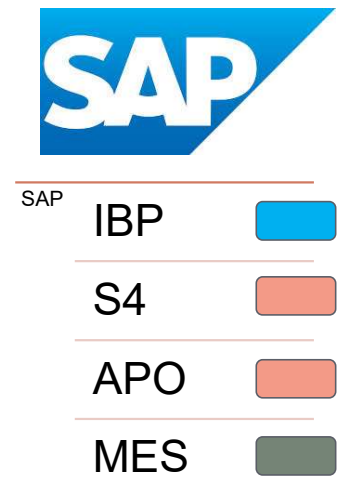
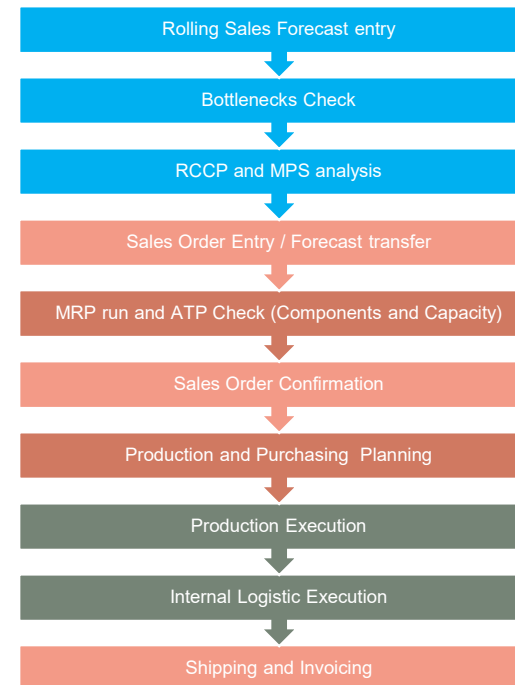
4 People

*We close an average of **40**
projects per month*

Our Supply Chain flows and processes...

Aptar Supply Chain Planning Process

- Supply Chain Planning Process starts with **Rolling Sales Forecast entry** in IBP, also new project new launches and Phase In/Out are considered. This is done by Demand Planners.
- After that, the Supply Planner runs a **Bottlenecks check** in the long term always in IBP. His analysis are the driver for CAP-EX requests.
- Always the Supply Planner is then preparing the **RCCP and the Master Production Schedule in IBP** together with SC Manager & Production Manager (This step is defining Opening shifts per each machine, staff needed, and allows to do the Snapshot of the Turnover expected).
- Forecasts for the mid-term are transferred in the ERP and gradually Sales Order are received from Customers
- MRP** is running on a daily basis to create Purchase Requisition and Planned Orders and when a SO is entered the **ATP check** is doing immediately the Explosion of BOM requirements and checking material availability plus Capacity Available.
- After the evaluation of a Planner (or automatically), sales order can be **confirmed** to the customer with a specific **delivery date**.
- Planners and Procurement Officers are converting PRs in Purchase Orders and Planned Orders in Production Orders.
- During **Production Execution**, quantity produced will be assigned to production order in SAP and **Internal Logistic Execution** tracks goods movements.
- At the end of production, Prod.Order is and products are shipped and invoiced to the customer.



Aptar Italy – Intercompany Process



Being a world-wide company in Aptar we have hundreds of cross-plant business relationships.

In Aptar Italy we have a huge export of semi-finished products to our sister companies in the world.

S&OP Process

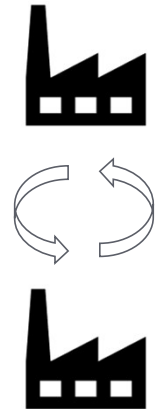
- Very often there is a global S&OP Process for each Product Line where, based on the world-wide demand, the capacity of the producing plants is allocated to the requesting plants in the most cost-efficient way.

Planning & Procurement Process

- Planners of each plant have a relation similar to the Customer/Supplier one.
- Needs can be shared or with a standard PO/SO Process or with an eSTO process (One Document Flow)

Pricing Process

- Price of the goods exchanged are defined by a global company policy that is be in line with all the SOX requirements (financial reporting compliance)
- Main pricing logics are Cost Plus for Semi-finished product or Re-Sale Minus for finished Goods



Aptar Italy – S&OP Process

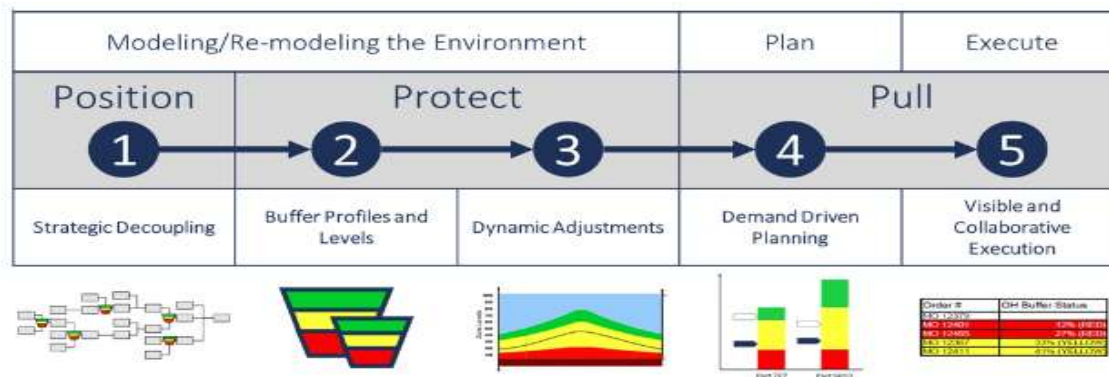
IBP – Demand Excellence

- Implementation and full utilization of the tool SAP IBP in the S&OP process
- All bottlenecks are identified and monitored in IBP .
- Full integration with Sales to combine portfolio and forecasts

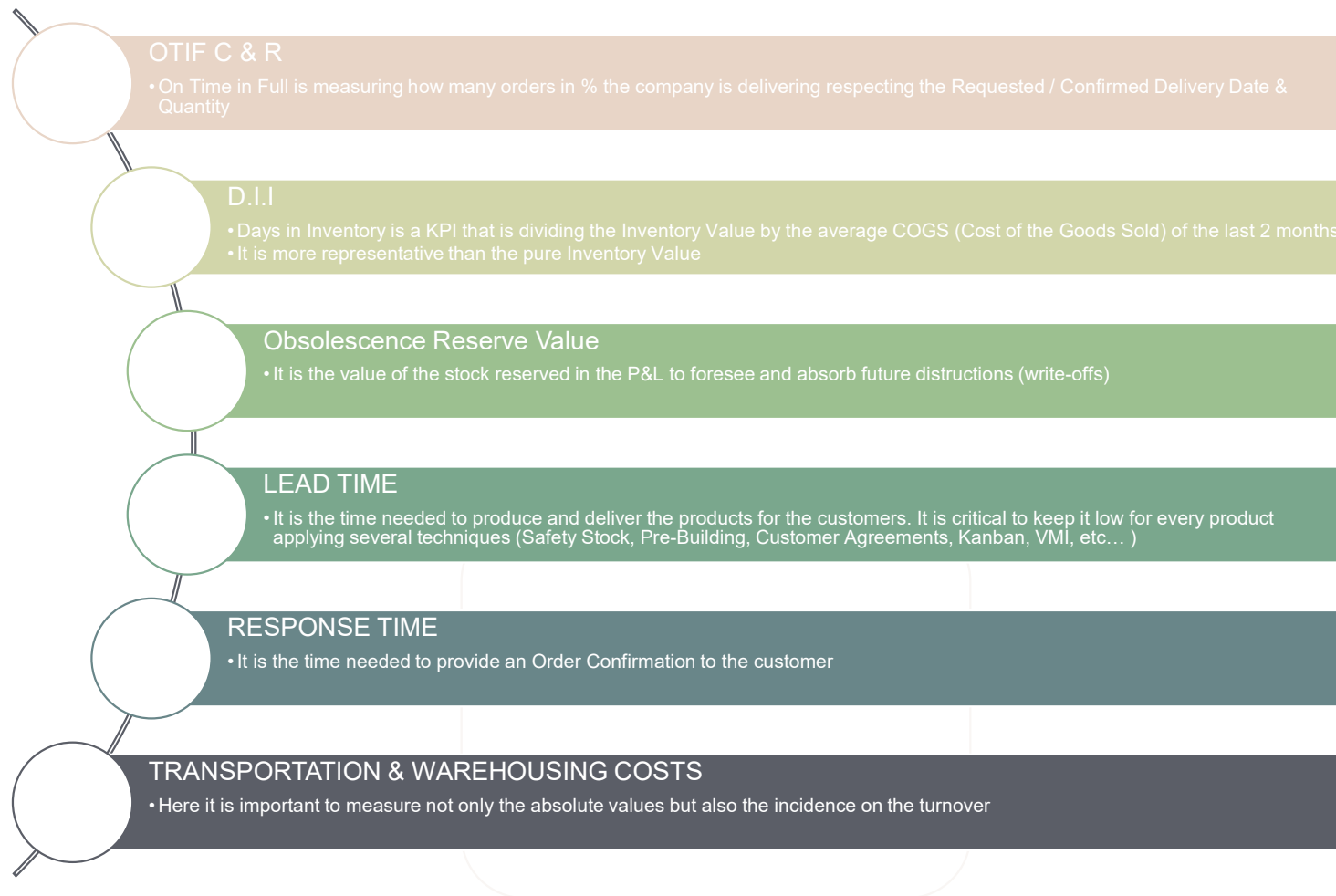


DDMRP – Demand Driven MRP – LT reduction

- Defined strategic decoupling points to buffer materials needed to shorten the LT
- Plan and execute daily actions to have decoupling points properly set and working



Aptar Italy – Supply Chain KPIs



How Supply Chain behave in this VUCA world...

VUCA World

The term VUCA stands for **Volatility, Uncertainty, Complexity, and Ambiguity**. It describes the challenging and unpredictable nature of the modern world. Here's a brief breakdown:

- **Volatility:** Rapid and unpredictable changes.
- **Uncertainty:** Lack of predictability and the difficulty of anticipating events.
- **Complexity:** Many interconnected factors and variables that make decision-making difficult.
- **Ambiguity:** Lack of clarity and potential for misinterpretation.

Some recent event: COVID, RU-UK war & Inflation Rate, Red Sea block,

How can SC face the VUCA world:

Adapting supply chains to a VUCA world involves several strategic approaches to handle volatility, uncertainty, complexity, and ambiguity effectively such as:

Embrace Technology:

Utilize advanced technologies like artificial intelligence (AI), machine learning (ML), and data analytics to make informed, data-driven decisions. These tools help predict trends, optimize operations, and improve responsiveness.

- Statistical Sales Forecasting
- Automatic Reporting for faster and data-based decision-making

Enhance Flexibility and Agility:

Develop flexible supply chain processes that can quickly adapt to changes. This includes having multiple suppliers, flexible contracts, and adaptable logistics networks.

- Dual Sourcing
- Localization vs Globalization

Improve Visibility:

Implement end-to-end supply chain visibility to monitor and manage operations in real-time. This helps in identifying potential disruptions early and responding promptly.

- Direct connection with Partners' ERP (Customers, suppliers, forwarders)
- Real-Time Internal Logistic visibility

How can SC face the VUCA world:

Build Resilience:

Focus on building a resilient supply chain by diversifying suppliers, increasing inventory buffers, and investing in risk management practices. This helps in mitigating the impact of unexpected disruptions.



- Business Continuity Plan
- DDMRP
- Dual Sourcing
- Cross-Functional Resources

Foster Collaboration:

Strengthen collaboration with suppliers, partners, and customers to improve communication and coordination. Collaborative planning and forecasting can help in aligning strategies and reducing uncertainties.



- Joint S&OP Processes
- ERP connection with EDI/API

Continuous Improvement: Regularly review and update supply chain strategies to adapt to new challenges and opportunities. This includes continuous learning and improvement to stay ahead in a VUCA environment.



- Yearly Processes Assessments and internal/external audits
- Yearly RoadMap review

