

## News Release

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### **EMD Electronics Celebrates Opening of New Arizona Factory, Contributing to the State's Growing Semiconductor Industry**

- **\$39-million investment is the largest investment the company has made in its semiconductor equipment and services business**
- **Opening of new factory is part of the company's strategy to expand its global manufacturing capacity and further support the growing presence of key industry players in the state of Arizona**
- **EMD Electronics implements a strategic workforce plan that includes working with key educational institutions and veteran recruitment efforts**

Chandler, Arizona, October 11, 2023 – EMD Electronics, the Electronics business of Merck KGaA, Darmstadt, Germany in the U.S. and Canada, celebrated the grand opening of its newest factory in Chandler, Arizona today. The opening of the site is part of the "Level Up" growth program announced in late 2021. The factory features a 75,000-square-foot building that doubles the company's manufacturing capacity in the U.S. to produce equipment for its Delivery Systems & Services (DS&S) business which provides high-quality delivery and storage of specialty chemicals and gases. The \$39-million investment in the new site is the largest investment the company has made in its semiconductor equipment and services business, which has become a key growth driver thanks to a strong business pipeline. With this investment, EMD Electronics will further support the growing presence of key semiconductor players in the thriving semiconductor ecosystem in the state of Arizona.



## News Release

"The global semiconductor market's long-term outlook is strong and so is our commitment to purposefully expand our capacities and services in the immediate vicinity of our customers," said Kai Beckmann, Member of the Executive Board of Merck KGaA, Darmstadt, Germany, and CEO Electronics. "We're excited about the growth trajectory of our Delivery Systems & Services business, and proud to open a new site in Arizona and strengthen our presence in this premier destination for semiconductor production. Today's opening symbolizes our confidence in the future of our industry and our promise to take our business and our people to new heights."

Katherine Dei Cas, Head of the Delivery Systems & Services business unit within the Electronics business sector of Merck KGaA, Darmstadt, Germany, added: "Our equipment, delivery services, and technical expertise are fundamental to enabling the operational excellence required in semiconductor manufacturing. By increasing our manufacturing capacities and advancing our workforce strategy, we're keeping up with our customers as the semiconductor ecosystem continues to expand. It's an honor to be part of the collaborative effort by leaders and advocates from the public and private sectors to contribute to the momentum of our industry."

The grand opening celebration was attended by the Governor of Arizona, Katie Hobbs, and the Mayor of Chandler, Kevin Hartke. Senator Mark Kelly delivered a video speech. Industry leaders and representatives from the City of Chandler, the Chandler Chamber of Commerce, as well as the Arizona Commerce Authority, and the Greater Phoenix Economic Council (GPEC), convened at the event that took place at the new facility's production area.

"The grand opening of EMD Electronics is yet another example of Arizona's new era as a hub for innovation and technology," said the Governor of Arizona, Katie Hobbs. "I'm happy to welcome another great company that will further grow our state's semiconductor ecosystem. Historic semiconductor investments are rippling across our state, supporting the establishment and growth of new businesses, like EMD Electronics here today."

"We are excited to welcome EMD Electronics to our business community," said Chandler Mayor Kevin Hartke. "It is industry leaders like EMD Electronics that have made Chandler a community of innovation and thriving hub for the semiconductor

## News Release

industry."

"EMD Electronics' new facility bolsters Arizona's reputation as an epicenter for advanced semiconductor operations," said Sandra Watson, President and CEO of the Arizona Commerce Authority. "EMD Electronics is a valued addition to Chandler's rapidly-growing semiconductor ecosystem, expanding the state's semiconductor supply chain while contributing to the continued growth of Arizona's semiconductor industry."

"Since starting operations in June, EMD Electronics has made an immediate impact on the burgeoning Chandler semiconductor ecosystem," said Greater Phoenix Economic Council President & CEO Chris Camacho. "The company joins a deep industry around the region, and as Greater Phoenix has become semiconductor central in the United States, it has also grown into a home for a number of international companies taking advantage of the business environment and workforce."

### **Expansion activities highlight the company's commitment to strengthening supply chain resilience and supporting talent pipeline**

As the industry ramps up semiconductor production to keep pace with forecasted demand, the investment in the new site will supplement the company's ability to support customers' expansion plans and secure supply resilience and reliability.

With an efficient manufacturing design for optimal product throughput, the new factory doubles EMD Electronics' manufacturing capacity to produce its GASGUARD® and CHEMGUARD® systems in the U.S. The site also features a 75,000-square-foot building, a 6,000-square-foot clean room, and a 2,000-square-foot training center. The training center is designed to support manufacturing and services onboarding.

Manufacturing operations in the new site started in June 2023. Since then, staffing levels have grown to greater than 100 total employees. As part of its workforce strategy, EMD Electronics has robust university relations and a veterans program in place to nurture the industry's and its own talent pipeline. The company continues to actively engage in a concerted effort to advance emerging talent in collaboration

## News Release

with key stakeholders – such as the SEMI Foundation, Arizona State University (ASU), the Maricopa County Community College District, the Tempe Chamber of Commerce Military Affairs Committee, among others.

In April 2023, the company announced a roughly \$300 million investment in its semiconductor manufacturing site in Hometown, Pennsylvania, now the world's largest integrated Specialty Gases facility.

## News Release

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### **About EMD Electronics**

EMD Electronics is the North American electronics business of Merck KGaA, Darmstadt, Germany. EMD Electronics' portfolio covers a broad range of products and solutions, including high-tech materials and solutions for the semiconductor industry as well as liquid crystals and OLED materials for displays and effect pigments for coatings and cosmetics. Today, EMD Electronics has approximately 2,000 employees around the country, with regional offices in Tempe (AZ) and Philadelphia (PA). For more information, please visit [www.emd-electronics.com](http://www.emd-electronics.com).

### **About Merck KGaA, Darmstadt, Germany**

Merck KGaA, Darmstadt, Germany, a leading science and technology company, operates across life science, healthcare and electronics. More than 64,000 employees work to make a positive difference to millions of people's lives every day by creating more joyful and sustainable ways to live. From providing products and services that accelerate drug development and manufacturing as well as discovering unique ways to treat the most challenging diseases to enabling the intelligence of devices – the company is everywhere. In 2022, Merck KGaA, Darmstadt, Germany, generated sales of € 22.2 billion in 66 countries.

The company holds the global rights to the name and trademark "Merck" internationally. The only exceptions are the United States and Canada, where the business sectors of Merck KGaA, Darmstadt, Germany, operate as MilliporeSigma in life science, EMD Serono in healthcare and EMD Electronics in electronics. Since its founding in 1668, scientific exploration and responsible entrepreneurship have been key to the company's technological and scientific advances. To this day, the founding family remains the majority owner of the publicly listed company.