

# Entegris looks beyond geopolitical tensions, opens largest global manufacturing facility in Kaohsiung

Central News Agency, Jackson Chang, May 10, 2023



Leading global semiconductor materials manufacturer Entegris opens a new Kaohsiung facility on May 10th, investing approximately USD 500 million, which is expected to be Entegris' the largest manufacturing facility worldwide. (Provided by Entegris)

(CNA Reporter Jackson Chang reports on May 10) Under the backdrop of ever-growing geopolitical tensions, Entegris continues its expansion of investments in Taiwan, with its largest facility, a new Kaohsiung facility opening today. President, CEO and Chair of the Board of Directors, Bertrand Loy comments that this demonstrates their confidence in Taiwan's semiconductor industry.

Entegris, a leading American semiconductor materials supplier, and one of

TSMC's suppliers, has built its latest Kaohsiung facility in the Southern Taiwan Science Park, covering 54,000 square meters. Entegris has invested USD 500 million into the facility, around NTD 15 billion, to produce advanced liquid filters, high purity chemical drums and advanced deposition materials.

Entegris held a grand ceremony for the opening of its new Kaohsiung facility. Loy comments that while geopolitical tensions may generate some unease amongst people, the grand opening

ceremony today showcases the confidence that Entegris has for Taiwan's semiconductor industry and also its commitment to Taiwan customers and the local industry ecosystem.

Regarding geopolitical challenges, Loy comments that free trade and globalization are very important. Only by exercising free trade and globalization can the world strive for peace and prosperity. However, over the past few years, due to the pandemic and certain trade tensions, there have been some limitations on the development of globalization in general.

He states that during the process, the industry is learning new lessons and applying new methods. Under the new business model, regional industrial clusters have emerged which can both take into account global operations while enhancing supply chain resilience.

Loy adds that Entegris' concept of manufacturing is geared towards having different excellence centers located in different regions for different products or solutions, ensuring that there is not one single region that covers all solutions. Every important production line has at least two facilities of manufacturing to ensure stable supplies.

He comments that Entegris continues to strive to enhance customer experience, and always prepares in advance for the upcoming customer demand. Taiwan's semiconductor industry accounts for 25% of the world's semiconductor revenue, holding up to 65% of the world's semiconductor wafer manufacturing share. Taiwan's semiconductor industry has had a 16% CAGR over the past 30 years and Entegris is one of the most active partners within the local ecosystem.

Entegris' investment expansion in Taiwan, establishing its most advanced manufacturing facility in the Southern Taiwan Science Park, further expands its support to Taiwan's semiconductor ecosystem, and will provide greater supply security and shorter lead time to customers across Taiwan and Asia in general.

He points out that the new Kaohsiung facility utilizes the latest design, and it is equipped with automation and advanced manufacturing capabilities to deliver the highest quality solutions, all the while taking into account Entegris' 2030 Corporate Social Responsibility Sustainability Goals, allowing for over 85% of water usage from production to be recycled for daily operations.

By 2024, nearly 16% of the total electricity consumed by the facility shall be provided by solar panels installed on site. The goal is to reach 100% renewable energy supply by 2030. In addition, 50% of the clean resin material that is derived from extrusion type processes can be recycled and used in chemical drum production.

As to why Kaohsiung was chosen for the new facility, Alvin Hsieh, Taiwan Country President of Entegris, said that during the initial discussion of a new facility with the Ministry of Economic Affairs, the ministry provided many options. Kaohsiung was chosen after prudent consideration of the land size, the location of many customers in the Southern Taiwan Science Park and talent availability from well-known universities in Southern Taiwan.

In regards to the industry outlook, Loy comments that the overall semiconductor industry is expected to bottom out and recover during the second quarter, however it is necessary to observe the subsequent strength and pace of recovery.

He adds that over his 20 years of experience in the semiconductor industry, he has endured many market

ups and downs, and discovered that when there are heavy headwinds or recessions, the rebound will be as strong as or ever stronger than the downturn. "It is the best of times; it is the worst of times".

A successful enterprise is one that dares to invest during the days of heavy headwinds, Entegris' will continue to invest in research and development, maintain capital expenditures because it has great confidence in the long term future of the semiconductor industry. With the operation of the new Kaohsiung facility, production capacity of liquid filters and other products will be able to increase by 20%.

Alvin Hsieh comments that internal validation of the new Kaohsiung facility will be conducted in the 1st half of this year, and customer validation will begin in the 2nd half of the year. The goal is to begin mass production by 2024 and reach full production by 2025. By that time, it will contribute up to USD 500 million in annual revenue.