



## Entegris and Biden Administration Announce up to \$75 Million in Proposed Direct Funding Under CHIPS Act to Drive U.S. Semiconductor Manufacturing

June 26, 2024

*Funding would support the manufacture of products in Colorado Springs critical to the semiconductor industry.*

BILLERICA, Mass.--(BUSINESS WIRE)--Jun. 26, 2024-- Entegris (Nasdaq: ENTG), a global leader in advanced materials science, and the U.S. Department of Commerce have signed a non-binding Preliminary Memorandum of Terms (PMT) for up to \$75 million in proposed direct funding to Entegris under the CHIPS and Science Act. This funding would support the development of a state-of-the-art facility in Colorado Springs designed to create products critical to the future of semiconductor manufacturing in the U.S.

This press release features multimedia. View the full release here: <https://www.businesswire.com/news/home/20240625300130/en/>



Entegris' new Manufacturing Center of Excellence in Colorado Springs, CO, is expected to begin initial commercial operations in 2025 (Graphic: Entegris)

company's Advanced Materials Handling (AMH) and Microcontamination Control (MC) divisions. Upon completion, the facility will increase production capabilities for Front-Opening-Unified Pods (FOUPs), an essential product that transports and protects silicon wafers during the semiconductor manufacturing process, as well as advanced liquid filtration and purification products.

"Today marks an important moment in the effort to strengthen the U.S. semiconductor manufacturing infrastructure," said Bertrand Loy, president and chief executive officer at Entegris. "We have been a strategic partner to semiconductor companies for over 50 years and are proud to be among the first suppliers in the semiconductor industry to receive this important federal support. We made the decision to expand our presence in the U.S. and to help to create a stronger and more resilient domestic semiconductor ecosystem."

Entegris' new advanced manufacturing center will also bolster Colorado's position as a major technology hub and significantly contribute to the local economy and job market. The facility is expected to create approximately 600 new jobs in Colorado Springs over the next several years, spanning roles from entry-level manufacturing to engineering and operational leadership. Approximately 500 construction jobs are also expected to be created by 2030.

"Entegris has been operating in Colorado Springs for over three decades, and we look forward to growing our presence in this community," added Bill Shaner, SVP and president of the Advanced Materials Handling division at Entegris. "This state-of-the-art manufacturing facility demonstrates several of our key company priorities – commitment to innovation, sustainable practices, and community partnerships – and we are excited for what the future holds for Colorado, our industry, and Entegris."

The facility, which is targeted to begin initial commercial operations in 2025, will be built in multiple phases: the first to support production of FOUPs – which are currently entirely produced abroad – and liquid filter membranes. The second phase will support the production of advanced liquid filters, purifiers, and fluid handling solutions. The construction and operation of the facility will align with Entegris' comprehensive Corporate Social Responsibility framework, emphasizing environmental sustainability. By 2030, Entegris has established a sustainability goal to reduce its greenhouse gas emissions (both Scope 1 and Scope 2) by 42% from the 2020 baseline. The Colorado Springs facility will contribute to the achievement of this goal. Entegris also plans to include facility designs that prioritize water recovery and recycling measures to reduce dependency on freshwater and to recycle 80% of process water.

Entegris is partnering with Microchip Technology Inc., Pikes Peak State College, Pikes Peak Business and Education Alliance, various high school districts and universities to collaborate on workforce development and create a self-sustaining ecosystem in Colorado Springs and the Mountain West region. Entegris is continuing its support of STEM with current scholars at University of Colorado School System, School of Mines, and through the Denver Scholarship Fund, as well as opportunity for continued education through tuition reimbursement and grants with Colorado Technical University. Entegris' project will also be a Military Center of Excellence that aims to recruit 50% of its workforce from Veterans and military families through partnerships with Hiring our Heroes, Mt. Carmel Veterans Service Center, the SEMI Veteran Foundation and local military bases.

Comments from government officials:

"We passed the CHIPS & Science Act to bring cutting-edge manufacturing back to the United States and strengthen our critical supply chains. Today's announcement of \$75M in CHIPS funding will allow Entegris to expand their presence in Colorado Springs, create hundreds of new jobs in advanced manufacturing, and ensure Colorado continues to lead the way as we work to maintain our competitive edge in strategic technologies like semiconductors." U.S. Senator Michael Bennet

"Our bipartisan CHIPS + Science Act is bringing U.S. manufacturing back, including right here in Colorado Springs. Companies like Entegris are giving the country a front-row seat to technological innovation, all while shoring up our supply chains and boosting the job market. This is what investing in America looks like." U.S. Senator John Hickenlooper

Entegris is among the first suppliers in the semiconductor industry to enter into a PMT with the U.S. Department of Commerce under this federal initiative. Its new manufacturing center of excellence in Colorado Springs will support the

"I am pleased to learn of this grant award to Entegris. Entegris has become a critical part of Colorado Springs, contributing to employment, revenue generation, and vital industry supply chain security. With this award, Entegris will significantly expand its manufacturing capacity in Colorado and create approximately 600 new jobs over the next several years. This state-of-the-art manufacturing facility will support national and economic security by producing products essential to the domestic semiconductor industry. Entegris will also partner with Colorado educational institutions to train our students to fill meaningful and well-paying jobs in the future." Congressman Doug Lamborn

"Since expanding in Colorado Springs in 2022 Entegris has helped show that Colorado is the best state for innovative businesses to expand and create jobs. In Colorado, we are committed to growing the businesses of the future, like semiconductor manufacturing, and are thrilled with the Biden Administration's investment in this industry, including this most recent award to Colorado Springs' own Entegris. Congratulations Entegris!" Colorado Governor Jared Polis

"Congratulations to Entegris on securing this significant federal investment for semiconductor manufacturing here in Colorado Springs. This is a huge investment in both our community and the growth of the semiconductors industry in the United States—which is expected to grow globally to \$1 trillion by 2030. In addition to the nearly 600 jobs added to the region over the next several years and the more than \$600 million in private investment, the semiconductor production in Entegris' state-of-the-art manufacturing center of excellence is critical to global supply chains and our national security. CHIPS funding will directly support that important work and development in our region. Thank you to the CHIPS for America team, the Biden Administration and all our federal, state, and local partners for their diligence in working together to make this a reality. I applaud these efforts and am proud that our city is playing a leading role in the onshoring of the semiconductor and high-technology industries, many of which are thriving in Colorado Springs." Colorado Springs Mayor Yemi Mobolade

"The award of the CHIPS and Science Act funding to Entegris is a great milestone for our region. This investment will support innovation at their Colorado Springs Manufacturing Center of Excellence, accelerating the growth of the United States semiconductor industry, position Colorado Springs as a major technology hub, and create well-paying jobs for our region." Johnna Reeder Kleymeyer, President & CEO of Colorado Springs Chamber & EDC

### **About Entegris**

Entegris is a leading supplier of advanced materials and process solutions for the semiconductor and other high-tech industries. Entegris has approximately 8,000 employees throughout its global operations and is ISO 9001 certified. It has manufacturing, customer service and/or research facilities in the United States, Canada, China, Germany, Israel, Japan, Malaysia, Singapore, South Korea, and Taiwan. Additional information can be found at [www.entegris.com](http://www.entegris.com).

### **Cautions Regarding Forward Looking Statements**

This news release contains "forward-looking statements." The words "believe," "expect," "anticipate," "intend," "estimate," "forecast," "project," "should," "may," "will," "would" or the negative thereof and similar expressions are intended to identify such forward-looking statements. These forward-looking statements may include statements about future guidance or projections or other matters. These forward-looking statements may include statements about fluctuations in demand for semiconductors; global economic uncertainty and the risks inherent in operating a global business; supply chain matters; inflationary pressures; future period guidance or projections; the Company's performance relative to its markets, including the drivers of such performance; market and technology trends, including the duration and drivers of any growth trends; the development of new products and the success of their introductions; the focus of the Company's engineering, research and development projects; the Company's ability to obtain, protect and enforce intellectual property rights; information technology risks; the Company's ability to execute on our business strategies, including with respect to manufacturing delays and the Company's expansion of its manufacturing presence in Taiwan and in Colorado Springs; the Company's capital allocation strategy, which may be modified at any time for any reason, including with respect to share repurchases, dividends, debt repayments and potential acquisitions; the impact of the acquisitions and divestitures the Company has made and commercial partnerships the Company has established, including the acquisition of CMC Materials, Inc. (now known as CMC Materials LLC) ("CMC Materials"); the amount of goodwill we carry on our balance sheets; key employee retention; future capital and other expenditures, including estimates thereof; the Company's expected tax rate; the impact, financial or otherwise, of any organizational changes or changes in the legal and regulatory environment in which we operate; the impact of accounting pronouncements; quantitative and qualitative disclosures about market risk; climate change and our environmental, social and governance commitments; and other matters. These forward-looking statements are based on current management expectations and assumptions only as of the date of this news release, are not guarantees of future performance and involve substantial risks and uncertainties that are difficult to predict and that could cause actual results to differ materially from the results expressed in, or implied by, these forward-looking statements. These risks and uncertainties include, but are not limited to, weakening of global and/or regional economic conditions, generally or specifically in the semiconductor industry, which could decrease the demand for the Company's products and solutions; the level of, and obligations associated with, the Company's indebtedness, including the debts incurred in connection with the acquisition of CMC Materials; risks related to the acquisition and integration of CMC Materials, including unanticipated difficulties or expenditures relating thereto, the ability to achieve the anticipated synergies and value-creation contemplated by the acquisition of CMC Materials and the diversion of management time on transaction-related matters; raw material shortages, supply and labor constraints, price increases, inflationary pressures and rising interest rates; operational, political and legal risks of the Company's international operations; the Company's dependence on sole source and limited source suppliers; the Company's ability to meet rapid demand shifts; the Company's ability to continue technological innovation and introduce new products to meet customers' rapidly changing requirements; substantial competition; the Company's concentrated customer base; the Company's ability to identify, complete and integrate acquisitions, joint ventures, divestitures or other similar transactions; the Company's ability to effectively implement any organizational changes; the Company's ability to protect and enforce intellectual property rights; the impact of regional and global instabilities, hostilities and geopolitical uncertainty, including, but not limited to, the ongoing conflicts between Ukraine and Russia, between Israel and Hamas and other tensions in the Middle East, as well as the global responses thereto; the increasing complexity of certain manufacturing processes; changes in government regulations of the countries in which the Company operates, including the imposition of tariffs, export controls and other trade laws, restrictions and changes to national security and international trade policy, especially as they relate to China; fluctuation of currency exchange rates; fluctuations in the market price of the Company's stock; and other risk factors and additional information described in Entegris' filings with the U.S. Securities and Exchange Commission (the "SEC"), including under the heading "Risks Factors" in Item 1A of Entegris' Annual Report on Form 10-K for the fiscal year ended December 31, 2022, filed with the Securities and Exchange Commission on February 23, 2023, and in Entegris' other periodic filings. Except as required under the federal securities laws and the rules and regulations of the SEC, Entegris undertakes no obligation to update publicly any forward-looking statements or information contained herein, which speak as of their respective dates. Forward-looking statements are not guarantees of future results.

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