

July 21, 2017

Merck Opens New Application Laboratory in Shanghai

- **Application technology services and development of new formulations with pigments and functional materials**
- **Continuation of the now 20-year commitment in China**
- **Cooperation with best-known and most popular brand manufacturers**

Darmstadt, Germany, July 21, 2017 – Merck, a leading science and technology company, today opened its new application laboratory for the Performance Materials business sector in Shanghai, China. The expanded Technology Application Network China (TANC) underscores the company's leading position in pigments and functional materials. It marks the continuation of a 20-year commitment of supplying materials and application technology services to China and Southeast Asia for products that make people's lives better and more beautiful.

The new, expanded application laboratory at the Jinqiao site in Shanghai's Pudong district is the first application laboratory in China that Merck launched to deliver comprehensive, customized services for its quality products and to seek and foster creative collaboration with customers for new applications and formulations. This collaboration began in 1998 with the opening of the first site at Fudan University in Shanghai, based on the example of the Merck Customer Support Center. The TANC initially focused on print applications, with three expansions over the years leading to additional application fields – ranging from plastics, coating, and cosmetic applications, to dispersion paints and powder coating technologies, to quality control and cosmetic testing. China is one of the fastest-growing markets for Merck's pigments and cosmetics businesses. Many of China's most popular and best-known



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brand manufacturers rely on pigments and functional materials from Merck and tap into the TANC when developing new products.

Growing customer demand for advisory services and collaboration

The underlying TAN (Technology Application Network) is a global unit with more than 100 employees in central competence centers who provide the market regions with technical consultation and access to application technology laboratories. Within a split of a second, information can be transmitted from one site to another via a global network, allowing the sites to benefit from each other.

Thanks to expansion of the TANC in Shanghai, Merck can meet the growing number of customer requests for close collaboration and technical consultation on the entire product portfolio of pigments and functional materials and especially on how to integrate these products in new technologies. This includes the use of pigments in high-temperature ceramics, RGB printing, and waterborne coatings or the application of polysilazanes. In addition, more and more customers are expressing a wish for local training. It thus made sense to establish a customer experience center for workshops in a creative environment and with good connections to a lab.

The TANC's core tasks are to evaluate R&D materials according to customer specification, develop demo tools and steer their production, scientifically support products with lectures and publications, provide training for employees and customers, and perform supportive work for quality control and production. "The new TANC boosts our capabilities for supporting China and the surrounding region," said Friedhelm Felten, Executive Vice President and Head of Pigments & Functional Materials, about the latest visible signs of continuous investments by Merck in China over many years. "We're pleased that we can now offer our Chinese customers even more capacities to make their customers' color dreams come true – from automotive coatings to printing, architecture, and cosmetics. Furthermore, we're expanding their possibilities by providing technical services for functional materials, such as for laser marking or security applications." This reflects Merck's customer-centric approach of not only developing high-quality raw materials for innovative products in line with market requirements and making them available to its partners, but also delivering the related innovative technologies and applications.

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About effect pigments and functional materials:

Merck is one of the world's leading suppliers of effect pigments for the coating, plastics, printing, cosmetics, food, and pharmaceutical industries. Effect pigments underscore the emotional impact of color and are an important design element when surfaces with special impressions or qualities are created. Application possibilities range from cars to packaging and high-tech products up to building facades. In addition to decorative effect pigments, Merck offers functional pigments and additives that offer practical advantages and specific additional benefits for coating manufacturers and those active in the plastics and printing industries. With inventiveness, expertise, and specialty chemicals, Merck develops valuable functional future-oriented solutions – from perfect surfaces and control of conductivity to authentication of products. Besides this, Merck also offers cosmetics manufacturers functional solutions for skin care and protection.

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About Merck

Merck is a leading science and technology company in healthcare, life science and performance materials. Around 50,000 employees work to further develop technologies that improve and enhance life – from biopharmaceutical therapies to treat cancer or multiple sclerosis, cutting-edge systems for scientific research and production, to liquid crystals for smartphones and LCD televisions. In 2016, Merck generated sales of € 15 billion in 66 countries.

Founded in 1668, Merck is the world's oldest pharmaceutical and chemical company. The founding family remains the majority owner of the publicly listed corporate group. Merck holds the global rights to the Merck name and brand. The only exceptions are the United States and Canada, where the company operates as EMD Serono, MilliporeSigma and EMD Performance Materials.