

Merck and Siemens enter Strategic Partnership on Digital Transformation Technology

- **Memorandum of Understanding signed to drive digital transformation through strategic projects across all three business sectors of Merck**
- **Siemens named one of the global preferred suppliers for Merck's next-level automation, boosting global smart manufacturing with Siemens Xcelerator platform**
- **Merck's cutting-edge production, enabled by Siemens, sets new standards in modular manufacturing**

Merck, a leading science and technology company, and Siemens, a leading technology company deepened their mutual cooperation aimed at taking smart manufacturing to the next level today. Cedrik Neike, CEO Digital Industries and Member of the Managing Board of Siemens AG, and Kai Beckmann, CEO Electronics business and Member of the Executive Board of Merck, signed a Memorandum of Understanding (MoU) to expand cooperation in Smartfacturing (short for Smart Manufacturing) and outline the next steps for both companies. The MoU makes Siemens a preferred global supplier and strategic partner for Smartfacturing technologies, paving the way for transformative projects across Merck's three business sectors.

"Healthcare, Life Science, and Electronics are at the core of improving lives and creating a more sustainable future. By combining Merck's expertise in these vital sectors with Siemens' cutting-edge hardware and software we are transitioning from a concept of mass production to a modular approach, saving time and increasing flexibility. With the MoU, we now aim to set new global standards for future

production,” said Cedrik Neike. “Our collaboration, which spans over 145 years, is a powerful reminder that Merck and Siemens are more than just partners - we are longstanding allies in shaping the future.”

Kai Beckmann highlighted the importance of this partnership: “Our goal is to bring new products to market faster, more cost-effectively, and with a heightened focus on sustainability. Smartfacturing is essential to achieving this, and Siemens is the perfect partner for this journey. Their deep domain expertise and century-long familiarity with Merck uniquely positions them to rapidly implement and scale our vision.”

Merck drives an ambitious digital transformation agenda. At the core of this development is the digital transformation of manufacturing, Smartfacturing. The MoU introduces a centralized governance structure to streamline decision-making and a contractual framework to fast-track the partnership agreement, opening doors to new business opportunities and industry-leading advancements. Central to this partnership is the Siemens Xcelerator platform, which will provide Merck with cutting-edge software and hardware solutions, enhancing their digital transformation efforts. One key element is modular production based on the plug & produce principle. This approach allows individual process modules to be added, removed, or reconfigured with ease, significantly reducing the time to market, lowering investment costs, and cutting CO2 emissions. The collaboration seeks to drive innovation, reduce complexity, and create growth for both companies.

A recent example of successful collaboration is the modular manufacturing line for GMP (Good Manufacturing Practice) production at Merck, based on the new automation standard MTP (Module Type Package), which ensures that the facility meets the highest standards of quality and safety, guaranteeing that every product manufactured adheres to rigorous industry requirements, ultimately safeguarding patient health and reinforcing Merck's commitment to excellence. Currently, Merck is utilizing this new automation technology for pharmaceutical and chemical production, but it can be applied to various production processes and manufacturing industries.

This press release along with press photos and other materials can be found at:

<https://sie.ag/2s6zEA>

Contacts for journalists

Siemens AG

Jil Huber

Phone: +49 162 3474144; E-mail: jil-patricia.huber@siemens.com

Christoph Krösmann

Phone: +49 162 7436402; E-Mail: christoph.kroesmann@siemens.com

Adrian Woitzik

Phone: +49 151 1454-7499; E-mail: adrian.woitzik@merckgroup.com

Follow us at www.x.com/siemens_press

Siemens AG (Berlin and Munich) is a leading technology company focused on industry, infrastructure, mobility, and healthcare. The company's purpose is to create technology to transform the everyday, for everyone. By combining the real and the digital worlds, Siemens empowers customers to accelerate their digital and sustainability transformations, making factories more efficient, cities more livable, and transportation more sustainable. Siemens also owns a majority stake in the publicly listed company, Siemens Healthineers, a leading global medical technology provider shaping the future of healthcare.

In fiscal 2023, which ended on September 30, 2023, the Siemens Group generated revenue of €74.9 billion and net income of €8.5 billion. As of September 30, 2023, the company employed around 305,000 people worldwide on the basis of continuing operations. Further information is available on the Internet at www.siemens.com.

Merck, a leading science and technology company, operates across life science, healthcare and electronics. Around 63,000 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 2023, Merck generated sales of € 21 billion in 65 countries. Scientific exploration and responsible entrepreneurship have been key to Merck's technological and scientific advances. This is how Merck has thrived since its founding in 1668. The founding family remains the majority owner of the publicly listed company. Merck holds the global rights to the Merck name and brand. The only exceptions are the United States and Canada, where the business sectors of Merck operate as MilliporeSigma in life science, EMD Serono in healthcare, and EMD Electronics in electronics.