ASM Climate & Net Zero policy statement

Scope

This policy covers all ASM Global operations, business units, and employees, as well as upstream and downstream value chain stakeholders.

Climate & Net Zero Policy

Climate change is a critical issue facing the entire planet. It increases global risk of extreme weather events, habitat and biodiversity loss, human displacement, rising oceans, and increased risk of disease, among other impacts. It also poses business risks to ASM and its stakeholders, including our supply chain. We recognize these risks and are taking action to do our part to mitigate them. At the forefront of our efforts is enhanced collaboration – this is a risk the whole planet faces together, and so we must work together to face the challenges head on.

To this end, ASM has established a Net Zero GHG target to be achieved by 2035. This target aligns with the Paris Agreement's goal of limiting global warming to 1.5°C. Our Net Zero target covers Scope 1, 2 and 3 categories and is validated by the Science Based Targets Initiative (SBTi).

Our SBTi validated targets include near-term, long-term, and net zero objectives:

- Near-term: Reduce absolute scope 1 and 2 GHG emissions 50.4% by 2032 from a 2021 base year; and reduce scope 3 GHG emissions 58.2% per EUR of value-added (gross profit) within the same timeframe
- Long-term: Reduce absolute scope 1 and 2 GHG emissions 90% by 2035 from a 2021 base year; and reduce scope 3 GHG emissions 97% per EUR of value-added (gross profit) within the same timeframe
- Net-zero: Reach net-zero GHG emissions across the value chain by 2035.

Our approach to achieve our SBTi validated net zero target is:

1. To reduce emissions as near to zero as possible through efficiency, innovation, abatement, and source reduction
2. To maximize the sourcing of electricity from renewable sources
3. To neutralize any remaining emissions (up to 10%)

As the climate crisis transcends the actions of any one company, industry, or country, we intend to collaborate across our value chain for collective positive impact. Further, ASM strives to embody high standards in the definition, scope, transparency, and realization of this target. By laying the framework early on how to proceed we can maintain an open and clear process throughout.

Actions to reduce emissions will be continuously refined and adapted on an ongoing basis. ASM's current decarbonization roadmap focuses on 3 priorities:

1. Decarbonize our supply chain:
    - Collect improved emissions data from suppliers.
    - Engage suppliers to develop emission reducing action plans.
    - Increase the use of renewable energy throughout the supply chain.
    - Develop and implement a low carbon procurement strategy.

2. Decarbonize our operations:
    - Implement energy efficiency and reduction measures across our owned and operated sites.
    - Electrify where possible and switch to low carbon/emissions fuels.
    - Procure 100% renewable energy for our global operations from 2024 onwards.
    - Reduce and/or replace fossil fuel energy sources or other GHG gasses within operations.

3. Decarbonize our product use:
    - Innovate products and enhance product energy and resource efficiency on a per wafer basis.
    - Innovate and implement solutions to reduce downstream life cycle impacts of our products and waste generation.
    - Analyze customer renewable adoption, engage, and encourage sourcing of renewable energy.

ASM is committed to aligning with the Corporate Sustainability Reporting Directive (CSRD), Task Force on Climate-related Financial Disclosures (TCFD), and related recommendations to identify and disclose key risks related to climate change. This helps to inform strategic investments to build mitigation approaches, business resiliency, and sustainable operations.

Revision History

This policy will be reviewed & updated in alignment with the latest ASM corporate business document review processes or every 3 years, whichever is sooner.

Approved by: Corporate Vice President Sustainability
Date: April 6, 2023
Revision: 1

Approved by: Corporate Vice President Sustainability
Date: July 19, 2024
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