

2024 Tax report

Introduction

ASM supplies semiconductor wafer-processing equipment and process solutions for its customers and is an innovation leader in the semiconductor industry. Our purpose is to improve people's lives by advancing technologies that unlock new potential. It is embedded in the company's core values to care for societies in which ASM operates. This includes complying with tax legislation, and making sure we pay the correct amount of tax in the jurisdictions where we operate, in line with the added value of the business operations in that jurisdiction.

ASM sees tax not only as a cost factor, but as a way to contribute to the societies and jurisdictions in which we operate.

In 2022, the Dutch Tax Governance Code was published by the Confederation of Netherlands Industry and Employers (VNO-NCW). The reason for the introduction of the Dutch Tax Governance Code is to build trust and to serve as a meaningful response to the public demand for companies – specifically multinational enterprises – to increase transparency and accountability on their global tax position. This Dutch Tax Governance Code aims to provide stakeholders more transparency and understanding of the tax positions of Dutch listed and non-listed multinational enterprises.

ASM embraces the Dutch Tax Governance Code. This tax report among others reflects ASM's commitment to the code, shows how we are meeting most elements and objectives, and provides an explanation for requirements that are not either partially or fully met.

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1. ASM's approach to tax: tax principles, governance, and strategy

This section contains more information on ASM's tax principles, tax governance and tax strategy.

1.1 ASM tax principles and governance

ASM sees tax not only as a cost factor but as a way to contribute to the societies and jurisdictions in which we operate. We believe our tax position should reflect our business operational footprint. We do not make use of artificial constructions, including the use of tax havens¹. ASM's tax strategy and tax principles apply to all ASM group entities, including interactions with employees, customers and contractors.

We do not use artificial tax structures aimed at tax avoidance. We are committed to complying with the letter, intent, and spirit of the tax legislation in the countries where we operate. This includes making sure we pay the correct amount of tax in line with the added value of the business operations in that jurisdiction. The company's tax planning is based on a reasonable interpretation of applicable tax laws and is aligned with the substance of the economic and commercial activity of the operational business.

We apply the 'at-arm's-length' principle to determine transfer prices. This conforms with domestic and international rules and standards, such as the OECD guidelines for multinational enterprises. Our disclosures are made in line with the relevant local and/or

international regulations and guidance, based on all the relevant facts and circumstances.

ASM has a tax control framework in place to mitigate tax risks, and we periodically test our tax control processes and procedures. ASM's tax department is responsible for tax management. The Management Board reviews and signs off on the tax strategy and tax principles, at a minimum on an annual basis. The tax team is supervised by the Management Board (which is ultimately responsible for tax-related matters) via the CFO, who discusses the adherence to the tax strategy and principles, together with the Head of Tax, with the Supervisory Board's Audit Committee.

We have a Code of Business Conduct in place that has been adopted by the Management Board and applies to all ASM employees. The code formulates standards of ethical behavior, which also apply to tax affairs. ASM has a procedure (SpeakUp!, which is the company's whistleblower policy) for reporting issues with respect to the Code of Business Conduct, which includes complaints of a financial and tax-related nature.

1.2 ASM tax strategy

ASM has global operations, with legal presence in multiple jurisdictions. Each of these jurisdictions has its own tax legislation. ASM has a tax-efficient business model in place. The tax strategy aims to mitigate tax risks, double tax exposure and unnecessary tax costs,

provided this is in line with ASM's tax principles. The timely and correct filing of tax returns is an important element of the tax strategy (see also paragraph 2.1). ASM would make use of tax incentives, provided that such incentives are generally available (see also paragraph 4.5).

As part of our tax strategy, the tax department recommends a balanced approach in the interests of all stakeholders when executing the tax strategy, while adhering to ASM's tax principles and complying with all relevant tax laws and regulations. The execution of our tax strategy is tested as part of our tax control framework.

We see tax as an integrated part of doing business and believe that tax should follow business. This resonates with our core value 'We Care' and contributes to the development of the societies in which we operate. As a result, the tax strategy is aligned with ASM's organizational values and business strategy. The respective taxes are determined and paid in the countries where the respective value is created, in accordance with all relevant domestic and international standards (e.g. OECD) and regulations. Periodically, the tax team monitors its tax strategy with the organizational values and business strategy based on relevant developments.

ASM proactively engages with tax authorities, and seeks to establish and develop an open and transparent

working relationship to manage all tax obligations in a constructive and efficient way (see also paragraph 2.3).

¹ ASM considers the countries as published on the EU 'blacklist' for non-cooperative jurisdictions for tax purposes as an indication for a tax haven.

2. Tax compliance and relationship with tax authorities and other stakeholders

2.1 Tax compliance

We are dedicated to filing our tax returns and accompanying disclosures and making the respective tax payments in a timely, accurate, and correct manner. The company engages external tax consultants to fulfill its compliance requirements, where needed.

2.2 Tax function

ASM has a globally organized tax function, which is responsible for all tax related matters and the monitoring and deployment of the tax strategy and principles within the company. We have tax specialists located in countries where we have most of our business activities and headquarters. The tax function advises the Management Board and business operations on tax-related matters. The tax function is also responsible for ASM's worldwide tax compliance and tax reporting. Furthermore, the tax function is responsible for maintaining the relationship with the tax authorities. ASM's tax function complies with the ASM Code of Business Conduct, which also applies to tax affairs. The employees working in the tax function have completed training in the ASM Code of Business Conduct.

2.3 Relationship with tax authorities and other stakeholders

ASM proactively engages with tax authorities. We seek to establish and develop an open and transparent working relationship, with early engagement in advance of transactions and filing tax returns, where applicable. For specific transactions and/or a specific approach, for example with respect to the application of the 'at-arm's-length' principle in transfer pricing matters, we may seek certainty upfront by requesting a tax ruling from the respective tax authority. We believe such certainty is valuable for our stakeholders, including the respective tax authority. If we seek such certainty upfront, the company provides full disclosure of all relevant facts and circumstances.

In the Netherlands, the Dutch tax authorities introduced a cooperative compliance program for corporate entities. ASM is identified as part of the 'Top 100' of the largest Dutch tax taxpayers. We have regular meetings with the Dutch tax authorities, based on the principles set out above.

We engage constructively in national and international dialogue with governments, business groups, and tax associations to support the development of new tax legislation and administration. This resonates with our tax strategy, where we want to create an open and transparent dialogue, considering the interests of all

stakeholders. We also participate in meetings of business groups and peer companies to learn and improve, and to provide our view on tax developments.

3. Tax control framework and tax risk management

3.1 Tax control framework and tax risk management

ASM has a low tax risk appetite. We aim to be clear and transparent about all aspects of our tax position when dealing with external stakeholders, including tax authorities. Where needed, we make use of the advice and support of external tax consultants. This risk appetite is based on ASM's financial risk appetite being minimalist to averse. While we believe ASM is fully compliant with the letter and the spirit of the law in all material respects, we are, as a multinational company with business operations across the globe, inherently exposed to tax risks. We aim to minimize these risks in accordance with our risk appetite. Non-compliance with respect to tax could result in a reputational and financial impact in the jurisdictions where we operate.

ASM has a tax control framework in place to mitigate risks. The testing of our tax control processes and procedures takes place periodically by way of self-assessment. The tax controls are part of the finance control framework. Our tax control framework is updated from time to time considering, for example, new tax (legislative) developments, changes in ASM business, and other external developments.

The finance and tax team periodically review the tax controls, and the tax positions are part of the financial audit performed by our external auditor. Our controls are continuously improved, because of, for example, new tax developments or the identification of deficiencies. Tax risks are discussed periodically with the CFO, representing the Management Board. The tax policy,

including tax risk management, is included in the annual reporting to the Audit Committee of ASM's Supervisory Board.

Our potential key tax risks are summarized below, including the risk response from ASM mitigating the risk.

Risk	Risk mitigation response
Global tax compliance – not meeting tax compliance obligations	<ul style="list-style-type: none"> • Central monitoring of all compliance obligations • Proper internal review of tax filings • In-house tax specialist for key countries • Make use of certain tax technology that ensures correct data for tax purposes • Make use of external consultants in case of no in-house resources / knowledge • Periodical testing of compliance status as part of finance controls
Transfer pricing – intercompany prices applied are not in line with ASM's TP-policy or, therefore, the arm's length principle	<ul style="list-style-type: none"> • Make use of (third-party) software to monitor intercompany prices applied. • In-house TP expert overseeing Global TP processes, methodology as well as TP documentation. • Procedure in place to regularly test and update the intercompany pricing, the process which is tested as part of our finance controls.

4. Tax transparency reporting

4.1 Countries and subsidiaries

ASM operates via 29 subsidiaries or branches, located where ASM has business operations. In Germany and the United Kingdom, our business activity is carried out via a branch (include 'P.E.' in the entity name)². ASM International N.V. is the ultimate parent entity of the ASM Group. The company holds - directly or indirectly - 100% of the shares of the entities listed in the table, which are consolidated on a line-by-line basis. Below is an overview of the ASM group entities, including their main activities.

Country	Entity name	Research and development	Holding of managing intellectual property	Manufacturing or production	Sales, marketing or distribution	Administrative, management or support services	Provision of services to unrelated parties	Other*
Belgium	ASM Belgium NV	●						
China	ASM China Ltd				●		●	
China	LPE Shanghai International Trading Co. Ltd						●	
Czech Republic	ASM Czech s.r.o.						●	
Finland	ASM Microchemistry Oy	●						
France	ASM France S.A.R.L.						●	
Germany (the Netherlands P.E.)	ASM Germany Sales BV (P.E.)						●	
India	ASM Semiconductor Equipment India Private Limited							●
Ireland	ASM Services and Support Ireland Ltd						●	
Israel	ASM Services and Support Israel Ltd				●		●	
Italy	ASM Italia S.r.l.						●	
Italy	LPE S.p.A.	●	●	●	●	●		●
Italy	Pilegrowth Tech S.r.l.							●
Japan	ASM Japan KK	●			●	●	●	
Malaysia	ASM Services & Support Malaysia Sdn. Bhd						●	
Singapore	ASM Front-End Manufacturing Singapore Pte Ltd			●		●		
Singapore	ASM Wafer Process Equipment Singapore Pte Ltd				●			
South Korea	ASM Korea Ltd	●		●	●	●	●	
Taiwan	ASM Front-End Sales and Services Taiwan Co Ltd				●		●	
the Netherlands	ASM International NV					●		●
the Netherlands	ASM Europe BV	●			●		●	
the Netherlands	ASM Netherlands Holding BV						●	●
the Netherlands	ASM IP Holding BV	●	●					
the Netherlands	ASM Germany Sales BV							●
the Netherlands	ASM United Kingdom Sales BV							●
the Netherlands	ASM Pacific Holding BV							●
United Kingdom (the Netherlands P.E.)	ASM United Kingdom Sales BV (P.E.)						●	
United States	ASM America Inc	●			●	●	●	
United States	ASM NuTool Inc					●		

* 'Other' column comprises the holding shares or other equity instruments, group financing, procurement and dormant entities.

² P.E. is the abbreviation of Permanent Establishment.

4.2 Effective tax rate

The P&L income tax expense reported by ASM was €182.2 million for FY 2024, on a group consolidated income of €867.9 million. This corresponds to an effective tax rate of 21% on our consolidated profit (in 2023 the ETR was 13.2%).

A reconciliation of the provisions for income taxes and the amounts that would be computed using the Dutch statutory tax rate can be found in the table.

The consolidated group effective tax rate for 2024 is higher compared to previous year mainly due to an incidental non-taxable impairment reversal on ASMPT reported in 2023 and the impact of Pillar II Global Minimum Tax in 2024. The adjusted effective tax rate, excluding the impairment reversal on, and net income of our investment in ASMPT, for 2024 is 21.2% (2023: 18.1%).

	Year ended December 31,			
	2023		2024	
Result before income taxes from continuing operations	866,521	100.0 %	867,902	100.0 %
Income tax provision based on Dutch statutory income tax rate	(223,562)	25.8 %	(223,919)	25.8 %
Non-deductible expenses	(12,584)	1.5 %	(6,342)	0.7 %
Foreign taxes at a rate other than the Dutch statutory rate	17,752	(2.0) %	24,967	(2.9) %
Tax incentives and non-taxable income	33,532	(3.9) %	35,873	(4.1) %
Prior year tax adjustments	15,531	(1.8) %	1,086	(0.1) %
Non-taxable income / impairment reversal on investments in associates	58,054	(6.7) %	2,624	(0.3) %
Pillar Two Global Minimum Tax	0	— %	(18,835)	(2.2) %
Other	(3,172)	0.4 %	2,378	(0.3) %
Tax income (expense)	(114,449)	13.2 %	(182,168)	21.0 %

4.3 Income tax accrued and paid per region

Below is an overview of the income tax accrued and paid per region. For the definitions used, reference is made to paragraph 5.

ASM deviates from the country-by-country reporting requirement of the VNO-NCW Tax Governance Code for income taxes accrued and paid (providing this data on a jurisdictional level) for business competition reasons. While ASM embraces the Dutch Tax Governance Code and adheres to its objectives in terms of transparency on tax matters, this objective will be balanced with other objectives and considerations, like avoiding competitive disadvantages of providing confidential customer data. The amounts reported under America are related to the United States.

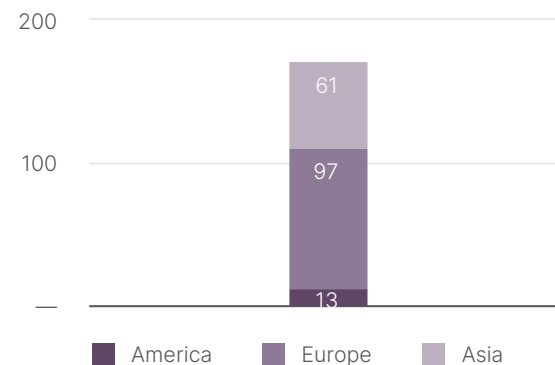
Most of the income tax accrued and paid for in Europe is related to the Netherlands, where ASM's headquarter is located.

The difference between income tax paid and accrued for 2024 is primarily driven by timing differences between the accrual of the income tax expense, and the moment of the actual payment to the tax authorities.

The amount of income tax accrued for 2024 for America is related to the United States. This amount is reduced by utilizing R&D tax credits. For the United States, a prior year federal overpayment of income tax is offset against the 2024 tax liability and the remainder is partially refunded. This is the main reason the United States shows a refund position (income cash inflow), while also reporting an accrued income tax expense.

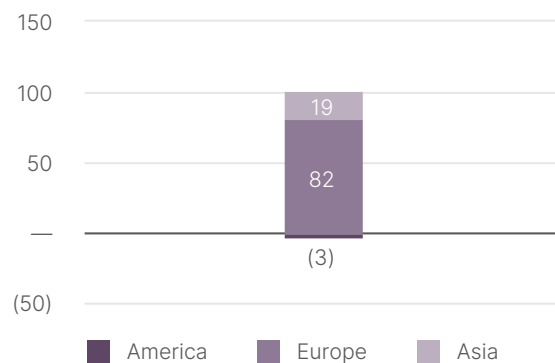
Income taxes accrued by region

Total: 171 million (EUR)



Income taxes paid by region

Total: 98 million (EUR)



4.4 ASM's total global tax contribution

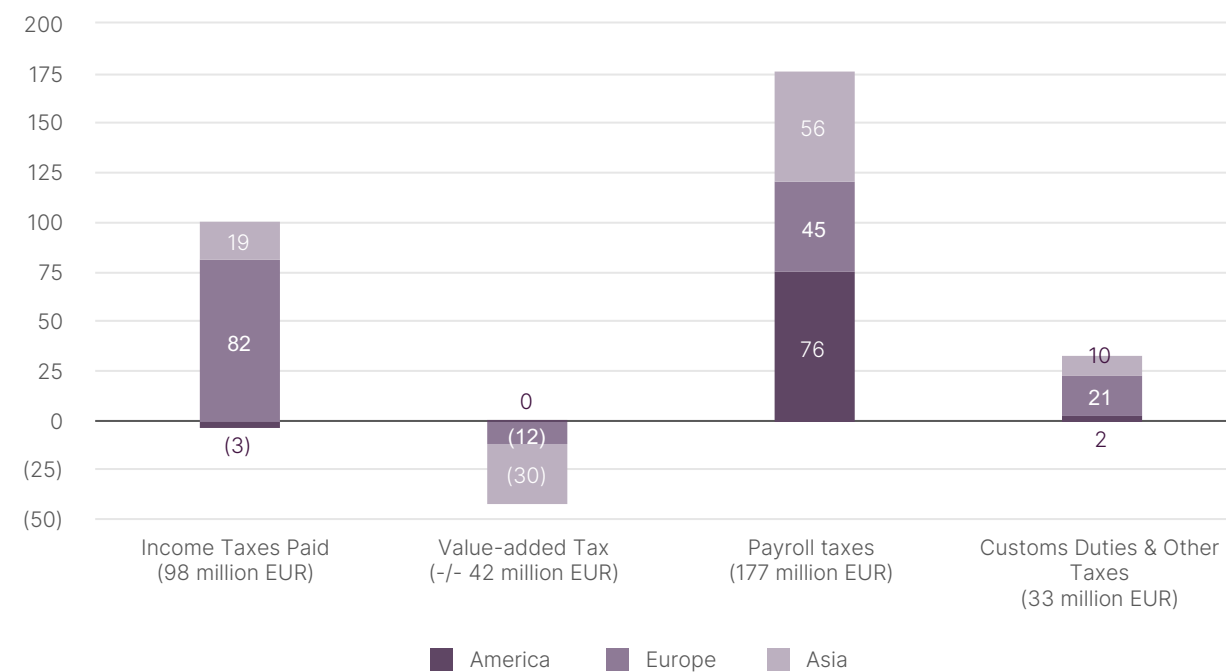
On top of the amount of income taxes paid, ASM also fulfills its responsibility to society by paying other types of taxes. Our tax contribution can be segmented into taxes borne by ASM (ASM is the taxpayer) and taxes collected or withheld by ASM (ASM is an intermediate) for other stakeholders like employees, customers, and shareholders. For the definitions used, reference is made to paragraph 5.

Value-added tax refers to the net amounts paid to/ refunded by tax authorities based on tax returns filed. ASM is in a net VAT-refundable position because of VAT charged to us by our suppliers, while our (export) sales are generally exempt from VAT.

The column Customs Duties & Other Taxes primarily consist of the dividend withholding tax paid due on the dividend distribution made to our shareholders.

Total tax contributed per tax type and region

In EUR million



4.5 Tax incentives and other tax benefits

Innovation and technological development is essential for ASM's business. To this end, ASM has a global R&D and engineering organization. Many countries seek to attract, maintain, and support businesses with activities that boost technical innovation. To do so, they offer tax incentives for qualifying activities. ASM makes use of such tax incentives in line with the policy intents of such tax incentives, provided that such incentives are generally available. Tax and the availability of tax incentives is one of the many factors considered when doing business in a country.

In 2024, ASM was eligible for multiple tax incentives, like R&D tax credits in the United States (both federal and state), the FIZ tax regime in South Korea and the DEI incentive in Singapore. The tax incentives in South Korea and Singapore result in a beneficial rate compared to the statutory tax rate, only for qualifying activities. Please note that given the Pillar Two Global Minimum Taxation rules, the effective benefit of such incentives is reduced to a minimum tax rate of 15%.

ASM also benefits from wage tax-related incentives, like WBSO in the Netherlands regarding R&D activities.

Definitions used in this report

Custom duties

Custom duties comprise taxes imposed on imports and exports of goods paid by ASM.

Income tax accrued

Income tax accrued comprises the amount of income tax accrued for the current year (2024), including Global Minimum Taxes (Pillar Two). This does not include deferred taxes and adjustments related to the prior year.

Income tax paid

Income tax paid comprises corporate income tax, but also other income taxes paid in addition to corporate income tax like state taxes in the United States, local income tax in South Korea and regional governmental taxes in Japan. The amount of income tax paid is reported on a cash basis.

Other taxes

Other taxes comprise all other contributions to governments which are due as a tax. This includes property taxes and the dividend withholding tax withheld and paid on behalf of ASM's shareholders.

Payroll taxes

Payroll taxes include all employee taxes and social security contributions paid by ASM. This includes taxes and social security contributions borne by ASM, as withheld and paid on behalf of its employees. Social security contributions include mandatory payments made to governmental provident funds.

Value-added tax

Value-added tax (VAT) comprises the net amounts paid to or refunded by the tax authorities based on tax filings made by ASM. This includes similar indirect taxes like Goods and Service tax and Sales tax.

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