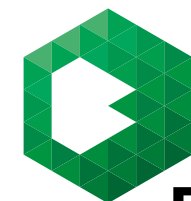


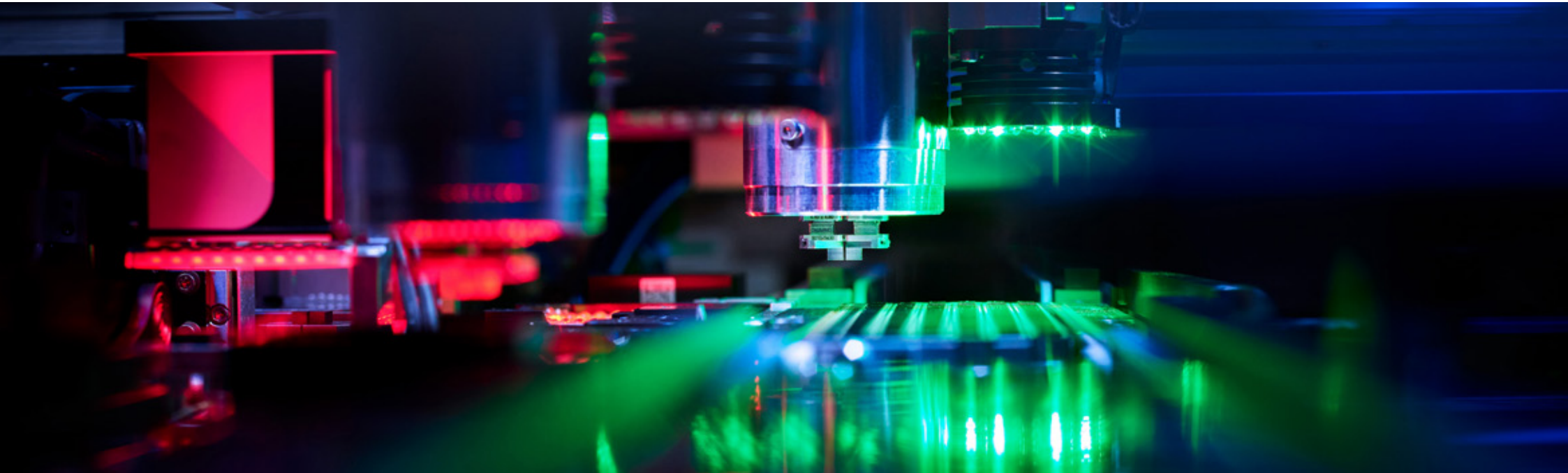
A futuristic server room with green lighting and a robotic arm reaching out. The room is filled with server racks, and the floor is made of green diamond-shaped tiles. A large, white and blue robotic arm is reaching out from the right side of the frame, its hand open as if holding something. The background shows a long, brightly lit corridor of server racks.

**People Create Innovation**

**Annual Report 2024**



**Besi**



## MISSION STATEMENT

Besi's mission is to become the world's leading supplier of semiconductor assembly equipment for advanced packaging applications and to exceed industry average benchmarks of financial performance.

We also strive to create long-term sustainable value for stakeholders and operate our business in a responsible way, respecting both the environment and society.



# Besi

## CORE VALUES

Our core values are the essence of Besi's corporate attitude and provide us guidance in decision making:

- **Respect:** We value the richness and diversity of cultures within our organization. We promote an open culture in which we respect each other's opinion, freely discuss our concerns and give and receive feedback. We respect the promises made to each other, to our business partners and to our customers.
- **Unity:** Performing in unity gives us a competitive advantage. We optimally utilize the benefits of our collaborative activities when working together and sharing knowledge.
- **Customer focused:** We provide innovative and relevant product solutions and services to the marketplace that meet our customers' needs and exceed their expectations.

## INVESTMENT CONSIDERATIONS

- Assembly market ever more critical in semiconductor value chain.
- Disciplined strategic focus has created an assembly industry leader.
- Long-term secular trends drive advanced packaging growth.
- Wafer level assembly is a promising new growth opportunity.
- Market presence has grown via key IDMs, supply chains and partners.
- Technology leadership and scalability result in significant financial returns.
- Commitment to sustainable growth and fighting climate change.
- Attractive capital allocation policy.

## Highlights 2024

### Finance



**Revenue**  
(€ millions)

**607.5**  
**+4.9%**  
2023: 578.9

**Orders**  
(€ millions)

**586.7**  
**+7.0%**  
2023: 548.3

**Gross margin**  
(%)

**65.2%**  
**+0.3 points**  
2023: 64.9%

**R&D**  
(€ millions)

**74.3**  
**+31.7%**  
2023: 56.4

**Net income**  
(€ millions)

**182.0**  
**+2.8%**  
2023: 177.1

**Net cash**  
(€ millions)

**143.8**  
**+27.3%**  
2023: 113.0

### Environment



**Scope 1 & 2 emissions  
intensity ratio**  
(tCO<sub>2</sub>eq/revenue)

**0.6**  
**- 8.3 points**  
2023: 8.9

**Scope 3 emissions  
intensity ratio**  
(tCO<sub>2</sub>eq/revenue)

**12.2**  
**- 4.8 points**  
2023: 17.0

### People



**Fixed headcount**

**1,812**  
**+4.4%**  
2023: 1,736

**Female employees**  
(% of total employees)

**17%**  
**-**  
2023: 17%

### Stock



**Year end  
share price**  
(€)

**132.30**  
**-3.0%**  
2023: 136.45

**Market  
capitalization**  
(€ billions)

**10.5**  
**-**  
2023: 10.5

### Capital Allocation



**Total distributions**  
(€ millions)

**251.3**  
**-42.3%**  
2023: 435.5

**Proposed 2024  
dividend**  
(€)

**2.18**  
**+1.4%**  
2023: 2.15

**Dividend  
pay-out ratio**

**95%**  
2023: 97%

**Total shareholder  
return**

**-1.4%**  
2023: 149.7%

**Return on  
average equity**

**39.4%**  
**+5.7 points**  
2023: 33.7%

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## PDF/printed version

This document is the PDF/printed version of the 2024 Annual Report of BE Semiconductor Industries N.V. and has been prepared for ease of use. The 2024 Annual Report was made publicly available pursuant to section 5:25c of the Dutch Financial Supervision Act (*“Wet op het financieel toezicht”*), and was filed with Netherlands Authority for the Financial Markets in European single electronic reporting format (the ESEF package). The ESEF package is available on the Company’s website at <https://www.besi.com/investor-relations/financial-reports-and-publications/> and includes a human readable XHTML version of the 2024 Annual Report. In any case of discrepancies between this PDF version and the ESEF package, the latter prevails.

## Caution concerning forward-looking statements

This Annual Report contains statements about management’s future expectations, plans and prospects of our business that constitute forward-looking statements, which are found in various places throughout this report, including, but not limited to, statements relating to expectations of orders, net sales, product shipments, expenses, timing of purchases of assembly equipment by customers, gross margins, operating results and capital expenditures. The use of words such as “anticipate”, “estimate”, “expect”, “can”, “intend”, “believes”, “may”, “plan”, “predict”, “project”, “forecast”, “will”, “would”, and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. While these forward-looking statements represent our judgements and expectations concerning the development of our business, a number of risks, uncertainties and other important factors could cause actual developments and results to differ materially from those contained in forward-looking statements. Please refer to the section Risk Management for a detailed description of the risk factors affecting Besi’s business. We expressly disclaim any obligation to update or alter our forward-looking statements whether as a result of new information, future events or otherwise.



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## Company Profile

BE Semiconductor Industries N.V. ("Besi" or the "Company") is engaged in one line of business: the development, manufacturing, marketing, sales and service of a broad portfolio of advanced packaging solutions to the semiconductor and electronics industries with a focus on next generation assembly solutions for wafer level AI applications.

### Our market

The semiconductor manufacturing process involves two distinct phases: wafer processing, commonly referred to as the front-end and assembly and test, commonly referred to as the back-end. Once the semiconductor chip (also referred to as a "die") has been created in the front-end wafer fabrication process, Besi's assembly equipment is used by customers to produce advanced semiconductor assemblies or "packages" incorporating a number of process steps such as (i) die sorting or "pick and place" of good versus bad dies, (ii) die bonding to leadframes, substrates, wafers and other chips to facilitate an electrical interconnection, (iii) die molding to encapsulate the assembled die and protect it from external contamination, (iv) chemical plating to provide different physical properties at various stages of the assembly process and (v) trimming and forming of leadframe carriers housing chips and/or singulation (cutting) of substrate and wafer level devices prior to their placement on a printed circuit board and ultimately, final testing. In addition, new 2.5D and 3D and chiplet-based semiconductor device architectures used in generative AI applications now require assembly processes such as hybrid bonding and thermo compression bonding ("TCB") to be used in front-end semiconductor manufacturing.

TechInsights, a leading independent industry research firm, estimated that the size of the assembly equipment market was approximately \$ 4.4 billion in 2024, or approximately 4% of the total semiconductor manufacturing equipment market. Annual growth rates can fluctuate greatly based on global economic cycles and the capital investment programs of semiconductor and industrial customers. The die attach segment of the assembly equipment market represents our largest addressable market and source of revenue and the most rapidly growing area of the assembly equipment market.

### FROM PROCESSED WAFER TO ASSEMBLED CHIP

Total Semiconductor Manufacturing Equipment 2024 (E): \$ 114B*		
Front-end: \$ 102.5B (90%)	Assembly: \$ 4.4B (4%)	Test: \$ 7.2B (6%)

Besi focus

### Assembly Manufacturing Process

Dicing	Die Attach	Wire Bond	Packaging	Plating	
	✓		✓	✓	<b>Leadframe</b> Wire Bond
	✓		✓		<b>Substrate</b> Wire Bond
	✓		✓		<b>Substrate</b> Flip Chip/TCB
	✓		✓		<b>Wafer Level</b> Hybrid, EMIB, TCB, Flip Chip, FOWLP

\* Source: TechInsights, December 2024

### Our assembly process technologies

Semiconductor assembly involves three primary process technologies depending on the product application required. Leadframe assembly, the most traditional approach, involves the electrical connection of the chip via a wire bonding process to a metal leadframe. Substrate assembly is used most frequently in product applications that require relatively high degrees of miniaturization and chip density such as smartphones, servers, tablets and laptops as well as wireless, automotive and cloud-based internet applications. In a typical substrate assembly, no metal leadframes are utilized and the electrical connection of the chip is made directly either through (i) a wire bonding process to a multi-layer substrate or (ii) the creation of direct connections to the multi-layer substrate via a flip chip or thermo compression die bonding process.

Wafer level assembly is the most advanced and rapidly growing assembly technology and the area in which we have invested significant development resources for future growth. It is our most important area of focus today as customers seek assembly solutions for next generation generative AI applications in the areas of data centers, PCs, tablets, servers and smartphones and large language learning and inferencing models and related software. Wafer level assembly involves placing single or multiple dies or chiplets onto high I/O density wafers to form integrated subsystems. In wafer level packaging, the electrical interconnections are facilitated without the need for a leadframe carrier or substrate interposer for assembly applications <7 nanometers and placement accuracy <3 microns.

Hybrid bonding represents the most important evolution of die interconnect technology in wafer level assembly. It replaces traditional reflow flip chip bumps with a direct copper-to-copper connection between a chip and a wafer. Versus flip chip assembly, it facilitates significantly higher data transfer speeds and chip density while lowering energy consumption, heat dissipation and cost of ownership. Hybrid bonding also facilitates the development of 3D chip architectures as well as increased performance, features, complexity and functionality in both logic and memory applications. Further, wafer level assembly can also be achieved through a TCB chip to wafer technology, a 2.5D assembly process whereby the electrical connection is formed during the bonding process applying heat and pressure. These two technologies are compatible and complementary for wafer level die bonding whose applications will vary depending on the size, accuracy, density, complexity and throughput required as well as the cost of ownership involved in production environments.

### Our products and services

Besi is a leading manufacturer of assembly equipment supplying a broad portfolio of advanced packaging solutions to the semiconductor and electronics industries. We offer customers high levels of accuracy, reliability and throughput at a lower cost of ownership with a principal focus on wafer level and substrate assembly solutions. We define advanced packaging as the assembly of semiconductor devices using advanced interconnect processes including flip chip, system-in-package ("SiP"), hybrid, TCB and other wafer level technologies as well as all molding technologies related thereto. We estimate that approximately 70% of our revenue in 2024 was for advanced packaging applications and that 50% of revenue was for the most leading edge devices with placement accuracy <7 microns. We also believe that approximately 50% of our orders in 2024 were represented by assembly solutions for AI applications, the most rapidly growing segment of the assembly equipment market. We also supply after-sales service and spares to customers which is a less cyclical and growing part of Besi's revenue mix.

Our principal product and service offerings are set forth below.

### BESI'S PRODUCTS AND SERVICES

<b>Die Attach</b>	Single chip, multi chip, multi module, flip chip, epoxy and soft solder die bonding systems, hybrid, TCB and embedded bridge die bonding, die lid attach and fan out wafer level packaging systems.
<b>Packaging</b>	Conventional, ultra thin and wafer level molding, trim and form and singulation systems.
<b>Plating</b>	Tin, copper, precious metal and solar plating systems and related process chemicals.
<b>Spares/Services</b>	Tooling, conversion kits, spare parts and other services for our installed base of customers.

In 2024, our Die Attach group revenue represented approximately 81% of our total revenue followed by Packaging which represented approximately 16% and Plating which represented approximately 3%.

### Our customers

Our customers are primarily leading multinational chip manufacturers, foundries, assembly subcontractors and electronics and industrial companies and include Amkor, ASE, Foxconn, Infineon, InnoLight, Intel, LG Innotek, Micron, Nvidia, NXP, STMicroelectronics, Texas Instruments and TSMC. Customers are either independent device manufacturers ("IDMs") which purchase our equipment for internal use at their production facilities or foundries/subcontractors which purchase our equipment to assemble packages for third parties on a contract basis. Our equipment performs critical functions in our customers' assembly operations and in many cases represents a significant percentage of their installed base of assembly equipment.



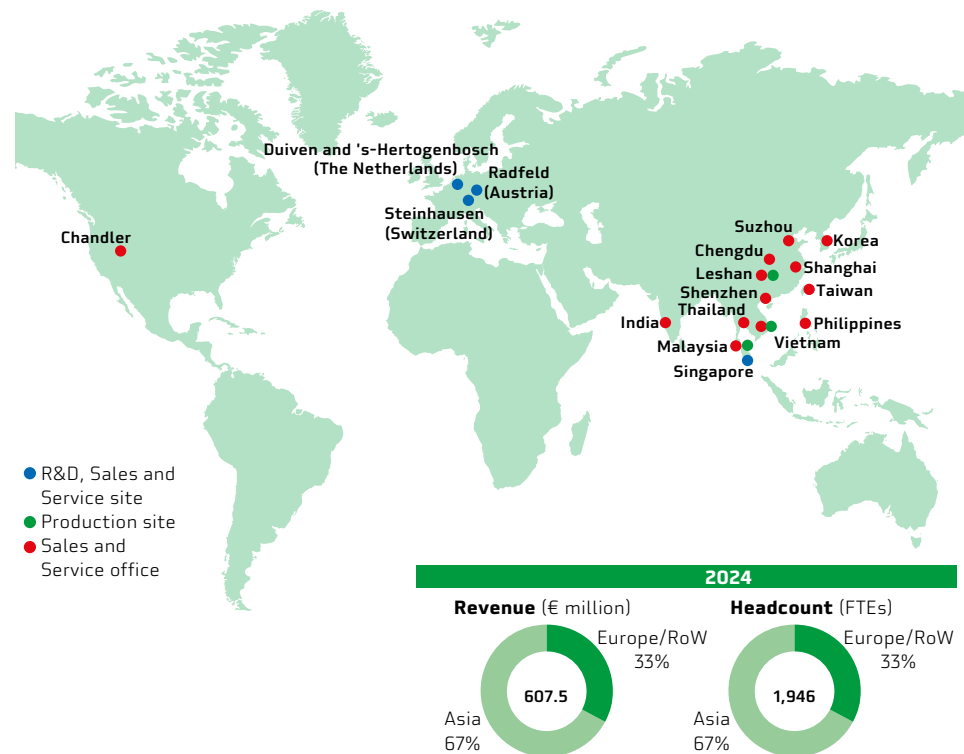
### Our commitment to sustainability

Our objective is to promote Besi's business and financial interests in a socially responsible manner for the benefit of all stakeholders, employees, partners, the environment and the local communities in which we operate. We are committed to running our operations in accordance with internationally recognized standards and best practices and to promote sustainability with stakeholders on such topics as climate change mitigation, energy and renewable energy, human rights, working conditions, health and safety, diversity and inclusion, anti-corruption and bribery and corporate culture. Our sustainability strategy has three pillars: Environmental Factors, Social Factors and Governance Factors. Within these pillars, we identify and manage the material impacts of Besi on society and the environment and the material risks and opportunities related to sustainability issues on our business. For more information, please refer to our [Sustainability Statement](#).

### Our global presence

We are a global company with headquarters in Duiven, the Netherlands. We operate eight facilities in Asia and Europe for development and production activities as well as 13 sales and service offices across Europe, Asia and North America. We employed a total staff (in FTEs) of 1,812 fixed and 134 temporary personnel at December 31, 2024, of whom approximately 67% were based in Asia and 33% were based in Europe and North America.

### OPERATIONAL PROFILE



### Our listings

Besi was incorporated under the laws of the Netherlands in May 1995 and had an initial public offering in December 1995. Our ordinary shares are listed on Euronext Amsterdam (symbol: BESI) and are included in the Euronext AEX Index. Our level 1 ADRs trade on the OTC markets (symbol: BESIY). We also have two issues of Senior Unsecured Convertible Notes outstanding which are listed on the Deutsche Börse's Freiverkehr market. In 2024, we issued € 350 million of 4.500% Senior Notes due 2031 which are listed on The International Stock Exchange ("TISE") (see [Shareholder Information](#)).

More detailed information about Besi can be found on our website: [www.besi.com](http://www.besi.com).



## Key Highlights

(€ millions, except share and non-financial data)	Year ended December 31,				
	2024	2023	2022	2021	2020
<b>Operating data</b>					
Revenue	607.5	578.9	722.9	749.3	433.6
Orders	586.7	548.3	663.7	939.1	472.1
Operating income	195.6	213.4	294.1	317.6	149.9
EBITDA <sup>1</sup>	224.2	239.1	317.1	335.1	169.0
R&D expenses	74.3	56.4	53.9	36.4	32.9
Net income	182.0	177.1	240.6	282.4	132.3
Net income per share (€)					
Basic	2.31	2.28	3.03	3.70	1.82
Diluted	2.30	2.23	2.90	3.39	1.67
Dividend per share (€) <sup>2</sup>	2.18	2.15	2.85	3.33	1.70
Shares outstanding (in thousands) <sup>3</sup>	79,312	77,016	78,488	77,97	72,866
<b>Balance sheet data</b>					
Cash, cash equivalents and deposits	672.3	413.5	671.7	672.2	598.7
Total debt	528.5	300.5	325.2	301.8	400.0
Net cash <sup>4</sup>	143.8	113.0	346.5	370.4	198.7
Total equity	501.3	421.4	628.5	619.3	371.2
<b>Financial ratios</b>					
Gross profit as % of revenue	65.2	64.9	61.3	59.6	59.6
Operating income as % of revenue	32.2	36.9	40.7	42.4	34.6
Net income as % of revenue	30.0	30.6	33.3	37.7	30.5
Return on average equity (%) <sup>5</sup>	39.4	33.7	38.6	57.0	39.5
<b>Headcount data<sup>6</sup></b>					
Headcount fixed	1,812	1,736	1,675	1,645	1,523
Headcount temporary	134	134	144	496	95
Total headcount	1,946	1,870	1,819	2,141	1,618
<b>Geographic data</b>					
Revenue from Asia as % of total revenue	67.0	73.1	75.9	77.8	83.3
Headcount in Asia as % of total headcount	66.8	66.5	67.2	73.1	67.7
<b>Sustainability data</b>					
Scope 1 & 2 emissions intensity ratio (tCO <sub>2</sub> eq/€ million revenue)	0.6	8.9	5.2	14.4	19.8
Scope 3 emissions intensity ratio (tCO <sub>2</sub> eq/€ million revenue)	12.2	17.0	13.6	15.9	16.5
Renewable energy (% of total energy consumed)	99	71	76	20	20
Female employees (% of headcount)	17	17	17	17	17

<sup>1</sup> EBITDA is defined as operating income (€ 195.6) plus depreciation and amortization (€ 28.6).

<sup>2</sup> Proposed 2024 dividend for approval at Besi's AGM to be held on April 23, 2025.

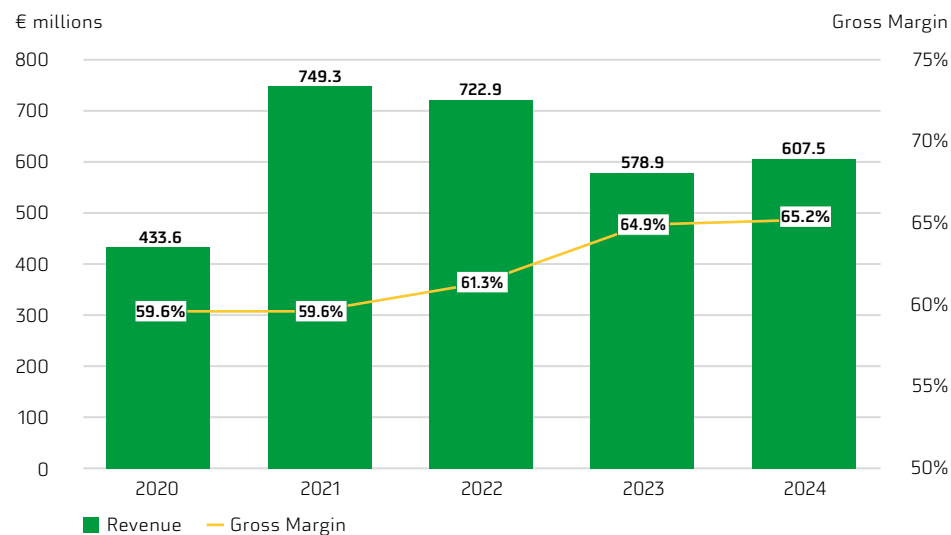
<sup>3</sup> Net of shares held in treasury.

<sup>4</sup> Net cash is defined as cash, cash equivalents and deposits (€ 672.3) less total debt (€ 528.5).

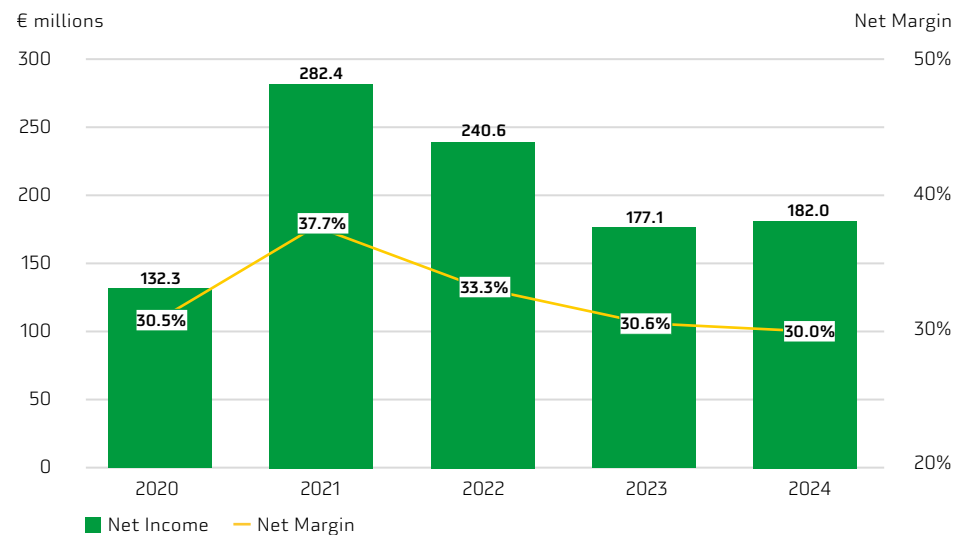
<sup>5</sup> Return on average equity is defined as net income (€ 182.0) divided by the average of the shareholders' equity at January 1, 2024 (€ 421.4) and at December 31, 2024 (€ 501.3).

<sup>6</sup> Headcount data in full-time equivalents ("FTEs").

## REVENUE AND GROSS MARGIN TRENDS



## NET INCOME TRENDS



## Key Highlights 2024

### Strong financial metrics in extended market downturn

- Revenue and orders of € 607.5 million and € 586.7 million grew 4.9% and 7.0%, respectively versus 2023
- Strong growth in computing markets for AI related hybrid bonding and photonics applications
- Gross margins rose to 65.2%
- Net income of € 182.0 million increased 2.8% versus 2023.
- Return on average equity increased to 39.4% versus 33.7% in 2023

### Expanded R&D for next generation AI applications

- R&D spending, equal to 12.2% of revenue, increased by 31.7% versus 2023
- Focused on next generation AI applications and assembly market upcycle
- Complete wafer level assembly portfolio now available to customers

### Progress on hybrid bonding agenda

- Revenue approximately tripled versus 2023
- Orders more than doubled versus 2023
- Cumulative orders exceeded 100 systems since 2021
- Customer adoption increased to fifteen
- Production ramp confirmed for second logic customer
- First 100 nm accuracy hybrid bonding systems shipped

### Introduction of new advanced packaging systems for 2.5D and 3D architectures

- First fluxless TCB Next system shipped to leading research institute
- First in-line flip chip systems shipped for CoWos applications
- First shipments of high cleanliness multi module systems for image sensing and photonics assembly
- 50 nm accuracy hybrid bonding system scheduled for year end 2025

### Operating initiatives aid advanced packaging growth and profitability

- Planned expansion of operations in 2025 to support anticipated hybrid bonding and TCB Next growth
- Planned expansion of Vietnam assembly capabilities
- Execution of strategic cost initiatives helps maintain peer leading profitability in extended downturn
- Technology Advisory Board expanded to further support Besi's AI strategy

### Progress on sustainability agenda

- Exceeded substantially all relative 2024 targets set in 2022
- Successfully prepared for European Sustainability Reporting Standards ("ESRS")
- Developed Climate Transition Plan highlighting key emission reduction initiatives
- Improved ratings with Sustainalytics, ISS ESG and S&P Global

### Significant carbon emissions reductions

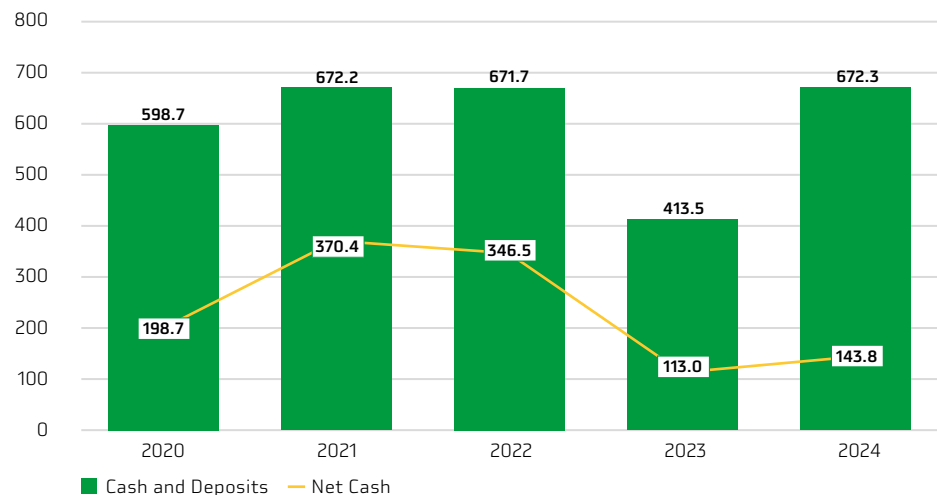
- Reduced Scope 1 & 2 intensity ratio by 8.3 points versus 2023
- Reduced Scope 3 emissions intensity ratio by 4.8 points versus 2023
- Increased energy from renewable sources to 99% in 2024 versus 71% in 2023 and 18% in 2019
- Implemented initiatives to reduce die attach energy consumption by 10%

### Strong cash flow generation supports attractive capital allocation program

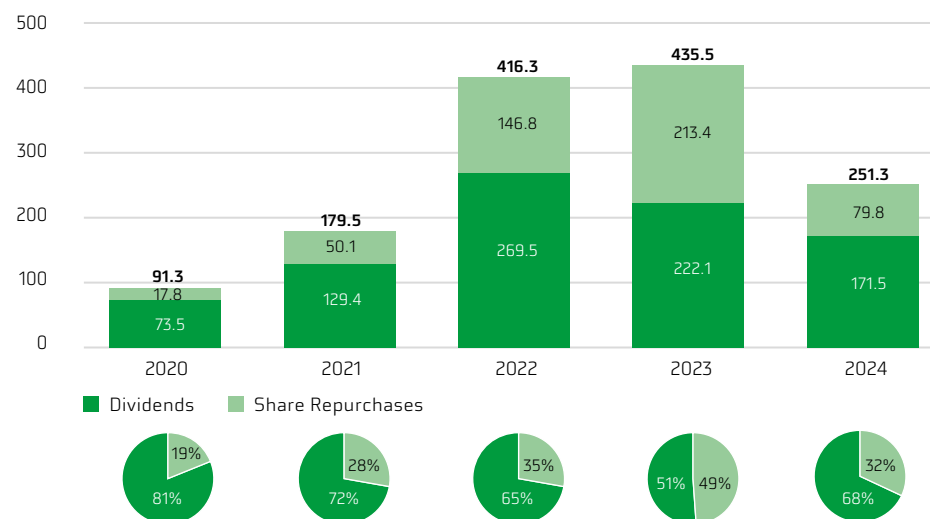
- Cash flow from operations of € 201.1 million, or 33.1% of revenue
- Solid liquidity position with cash of € 672.3 million and net cash of € 143.8 million, up 62.6% and 27.3%, respectively, versus year end 2023
- Capital allocation of € 251.3 million
- New € 100 million share buyback program initiated
- Proposed 2024 dividend of € 2.18 per share. Pay-out ratio of 95%

**LIQUIDITY TRENDS**

€ millions

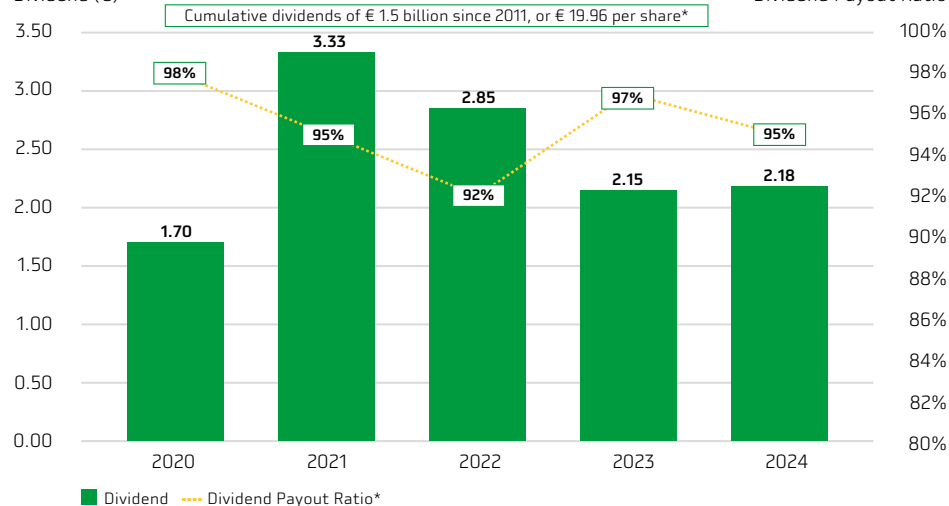
**CAPITAL ALLOCATION TRENDS**

€ millions

**DIVIDEND TRENDS**

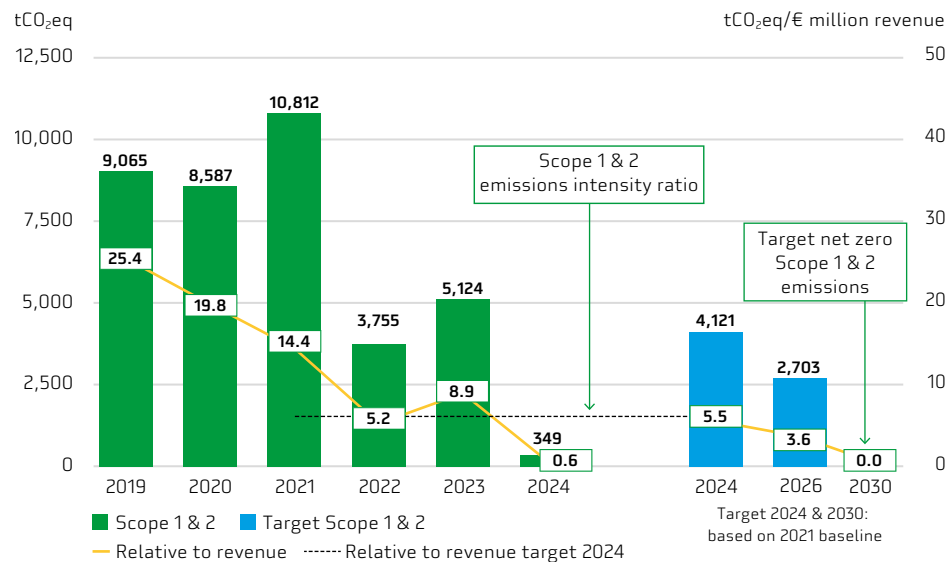
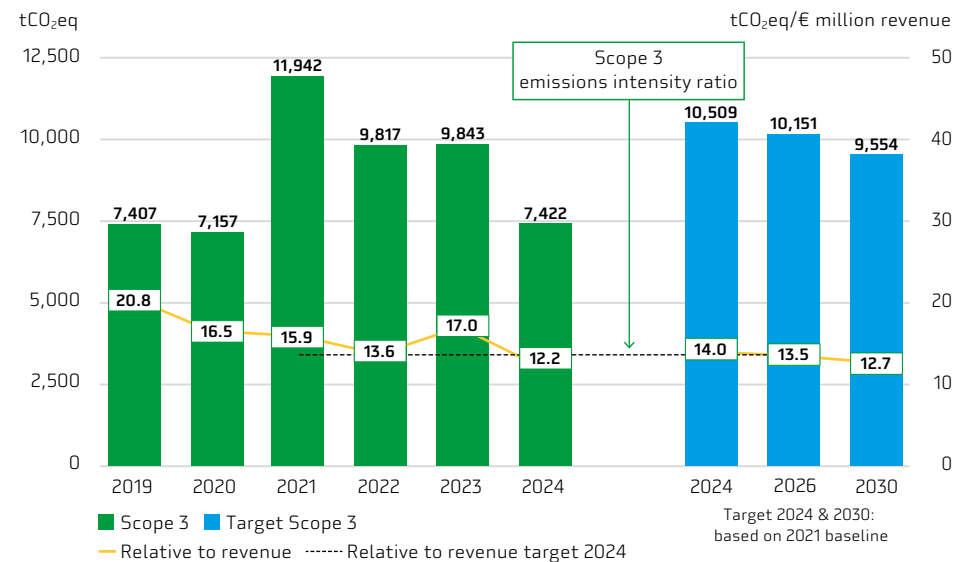
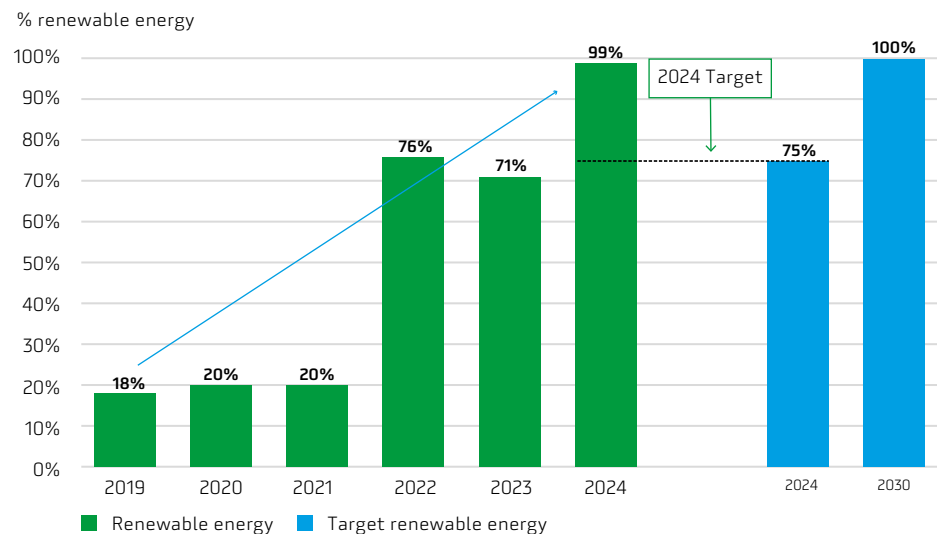
Dividend (€)

Dividend Payout Ratio



\* Calculated on Basic EPS. Includes value of both cash and stock dividends. Includes proposed dividend for approval at 2025 AGM.



**SCOPE 1 & 2 GHG EMISSIONS TRENDS****SCOPE 3 GHG EMISSIONS TRENDS\*****RENEWABLE ENERGY TRENDS**

\* Besi expanded the categories included in its Scope 3 emissions measurement since 2022. Therefore, Scope 3 emissions data for the years 2019–2021 are not fully comparable.

# Letter to Stakeholders



## Letter to Stakeholders

Dear Stakeholders,

Besi enhanced its position this year as one of the industry's leading suppliers of advanced packaging solutions for AI and other leading edge assembly applications. We significantly increased research and development spending to offer customers a complete portfolio of leading edge assembly applications for next generation 2.5D and 3D architectures. In addition, progress continued on our hybrid bonding agenda as revenue approximately tripled versus 2023 and orders more than doubled. In addition, adoption increased to fifteen customers representing a variety of North American, European, Korean, Taiwanese and Japanese IDMs, foundries, subcontractors and research institutes. Further, cumulative orders for hybrid bonders exceeded 100 systems at year end highlighting the traction gained since 2021 for this emerging process technology. We also made inroads with leading logic and memory players for our fluxless TCB Next system with two units shipped during the year. This product offers industry leading accuracy and throughput for next generation 2.5D assembly structures in advanced Chip on Wafer on substrate ("CoWos") and high bandwidth memory ("HBM") applications. We also successfully introduced a variety of other next generation die bonding and packaging systems for each of our traditional mobile, computing and automotive markets as we prepare for the next market upturn and expanded our Technology Advisory Board to further advance our AI product strategy.

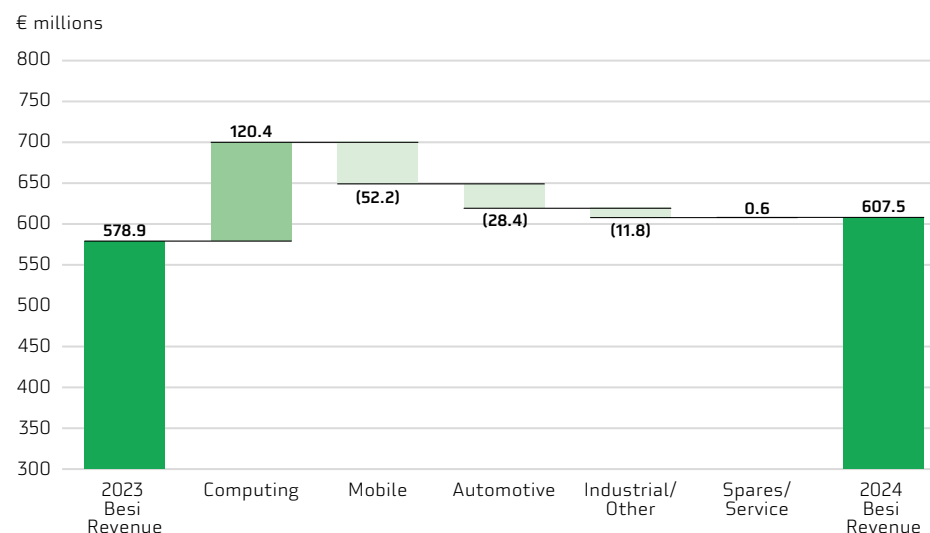
### Business Highlights

- Navigated extended industry downturn at high profitability levels
- Significant growth in AI related revenue for hybrid bonding and photonics applications
- Cumulative hybrid bonding orders exceeded 100 units. Adoption expanded to 15 customers
- Successful new product introductions. Complete wafer level assembly portfolio available
- Expanding cleanroom capacity and Asian support capabilities in anticipation of advanced packaging growth in 2025
- Substantially all 2024 sustainability targets met or exceeded
- Successfully prepared for ESR5

Besi continues to formulate and execute strategic initiatives to help capitalize on a variety of market opportunities over the next decade in alignment with our sustainability objectives. This year, we began the expansion of our Malaysian cleanroom production capacity and Singaporean advanced packaging support capabilities to accommodate increased customer demand for hybrid bonding and TCB Next systems expected in the

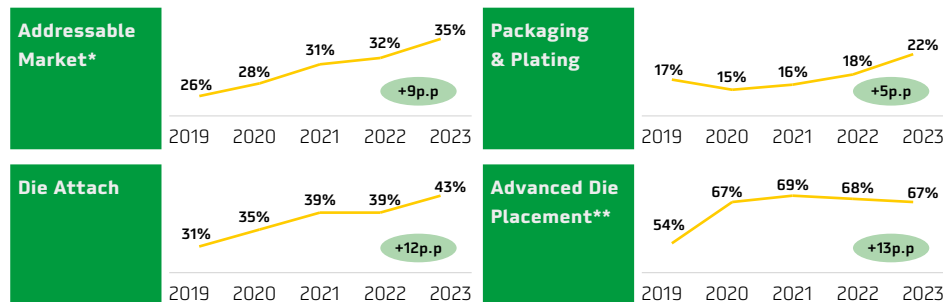
second half of 2025. We also began an expansion of our Vietnam production facility as customers continue their migration to Southeast Asia from China. Significant progress also was achieved on our sustainability agenda as we met or exceeded substantially all 2024 target ratios set in 2022, successfully prepared for reporting under the European Sustainability Reporting Standards ("ESRS"), significantly reduced our emissions intensity ratios, increased Besi's energy derived from renewable sources, developed a Climate Transition Plan and improved our sustainability ratings.

### END-USER MARKET TRENDS



Our business development in 2024 reflected contrasting growth trends for AI and mainstream assembly equipment markets. For the year, revenue grew by 4.9% to reach € 607.5 million due to significantly higher demand by computing end-user markets, particularly for AI-related hybrid bonding and photonics applications. Orders of € 586.7 million increased by 7.0% versus 2023 due to strength in AI-related applications. Growth was partly offset by unfavorable market conditions associated with an industry downturn more than two years in duration, less innovation by smartphone producers in this year's models compared to 2021 which limited mobile demand growth and ongoing weakness in automotive, industrial and Chinese end-user markets. As a result, orders for AI applications grew to represent approximately 50% of our total orders in 2024. Besi's revenue development in recent years has also benefited from an increased market share of its addressable market and key die attach, packaging/plating and advanced die placement markets as highlighted in the following charts.

## INCREASING SHARE IN KEY MARKET SEGMENTS



\* Excludes wire bonding, dicing and other.

\*\* Advanced die placement defined as <7 micron accuracy per TechInsights.

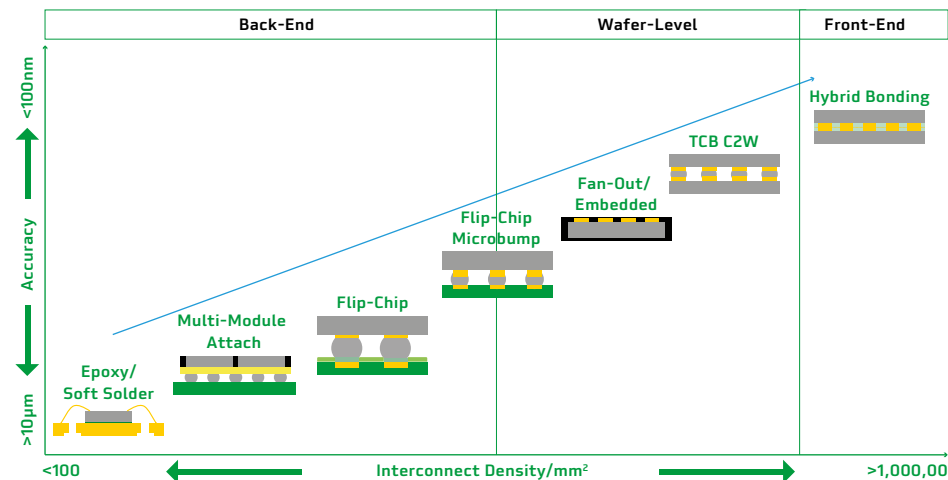
Source: TechInsights, May 2024

We continued to navigate an extended downturn at industry leading levels of profitability. Besi achieved peer leading gross, operating and net margins of 65.2%, 32.2% and 30.0%, respectively, in 2024. Gross margins increased slightly versus 2023 due to a more favorable advanced packaging product mix which were partially offset by adverse forex effects, particularly in the second half of the year, from unfavorable forex movements by the Malaysian ringgit versus the euro. Attractive operating and net margins were maintained as we continue to closely align our operating model with lower mainstream order demand and realized the benefits of strategic cost reduction initiatives. We achieved net income of € 182.0 million in 2024, an increase of 2.8% versus last year due primarily to € 18.2 million of net tax benefits, partially offset by a 31.7% increase in development spending in support of future growth opportunities and higher share-based compensation expense.

### Successful R&D investment in next generation advanced packaging solutions

Our long-term development strategy focuses on providing customers with a complete portfolio of leading edge die attach, packaging and plating systems for both back-end and front-end assembly processes. Over the past five years, Besi has developed one of the industry's most technologically advanced product portfolios with a particular emphasis on enhancements to our core technology and the expansion of our advanced interconnect capabilities for sub-micron accuracy die attach systems. Development efforts have centered on requirements for (i) increased accuracy, performance, chip density, throughput and complexity, (ii) thinner devices, (iii) smaller form factors, (iv) new 2.5D and 3D heterogeneous device architectures, (v) lower power consumption and heat dissipation and (vi) shorter lead times, all offering a lower overall cost of ownership to customers.

## BESI'S TECHNOLOGY ROADMAP



We continually re-engineer our existing product platforms to achieve more standardized design and manufacturing processes and have collaborated with leading European universities to optimize the sustainable product design and cost of our systems. In addition, we have incorporated common parts and common platforms for each successive generation of die bonding and packaging systems. This is another way we can enhance their sustainable design and lower production costs by reducing engineering time and material consumption while reducing lead times for delivery. In addition, we design enhanced versions of each product platform every one to two years to ensure that Besi's systems maintain their technological leadership.



### R&D Highlights

- Expanded R&D investment continues. Up 31.7% versus 2023
- Focus on next generation AI applications and next assembly market upcycle
- First 100 nm accuracy hybrid bonding systems shipped
- First fluxless TCB Next system shipped to leading research institute
- First shipments of new in-line flip chip systems for 2.5D applications
- First shipments of high cleanliness MMA system for image sensor and photonics assembly
- First flip chip die bonding orders for CMOS image sensor ("CIS") advanced cameras
- First order for diffusion bonding system for SiC die attach in automotive power devices

We have increased gross R&D spending by 90% since 2020 to develop a complete wafer level assembly portfolio for AI-related logic and memory applications. In 2024, gross R&D spending reached € 78.7 million equal to 13.0% of total revenue. Besi made significant investments this year to (i) ship next generation 100 nm accuracy hybrid bonding systems to multiple customers, (ii) develop a 50 nm accuracy hybrid bonding system for introduction in 2025, (iii) ship a production ready TCB chip to wafer system to a leading European research institute, (iv) increase shipments of our in-line flip chip system for the placement of HBM and logic devices in 2.5D architectures, (v) ship new multi module and flip chip systems for advanced image sensing, photonics and advanced camera applications and (vi) launch a next generation diffusion bonding system for the die bonding of silicon carbide ("SiC") devices in automotive power devices. We believe we are very well positioned for anticipated advanced packaging growth over the next five years with these successful new product introductions.

### Peer leading capital allocation. Strong liquidity base to finance future growth

Shareholders were rewarded for their investment in Besi as we distributed a total of € 251.3 million in the form of dividends and share repurchases in 2024 that represented approximately 41% of our total revenue. During the year, we paid a cash dividend of € 171.5 million and initiated a new € 100 million share repurchase program in September 2024 upon completion of the prior € 60 million program in August. In total, we repurchased € 79.8 million of our shares in 2024 which increased our total shares held in treasury to 1.8 million shares, or 2.3% of shares outstanding.

Besi ended the year with a solid liquidity base consisting of cash, cash equivalents and deposits aggregating € 672.3 million and net cash of € 143.8 million, increases of 62.6% and 27.3%, respectively, versus year end 2023. Our net cash position benefited from the

conversion into equity of € 129.1 million of Besi's 2017 and 2020 Convertible Notes during the year. In July, we strengthened our liquidity position further via the offering of € 350 million of 4.500% Senior Notes due 2031 which was rated BB+ by S&P and Fitch Ratings. The successful execution of our first public debt financing on highly attractive terms expands our sources of capital for future financing.

Given profits earned in 2024 and Besi's solid financial position, we will propose a cash dividend of € 2.18 per share for approval at Besi's AGM to be held on April 23, 2025. The proposed distribution is Besi's fifteenth consecutive annual dividend paid.

### Long-term sustainable value creation continues

Over the past decade, Besi has delivered strong growth and value creation for stakeholders while conducting its business in a responsible and sustainable manner. Besi's dedicated focus on advanced packaging, technological leadership and the disciplined execution of strategic initiatives has created a leader in the assembly equipment market with superior through-cycle performance and strong financial metrics. Since 2011, we have returned approximately € 2.2 billion to shareholders in the form of dividends and share repurchases (including the dividend proposed for 2024) representing approximately 33% of Besi's cumulative revenue. The profitability of our business has also increased significantly during this period with gross margins increasing from 40% to 65%, net income growing more than five-fold and return on average equity increasing from 11.2% to 39.4%. In addition, our share price has increased by 5,192% and our market capitalization has grown from € 188 million to approximately € 10.5 billion at year end.

Besi's total shareholder return in 2024 of -1.4% outperformed the -7.2% decrease for direct peers but lagged the 20.4% increase in the Philadelphia Semiconductor Index ("SOX"). However, over the past three, five and ten years, an investment in Besi's shares has produced cumulative total returns of 97%, 353% and 2,145%, respectively, significantly outpacing the total returns of SOX and direct peers.

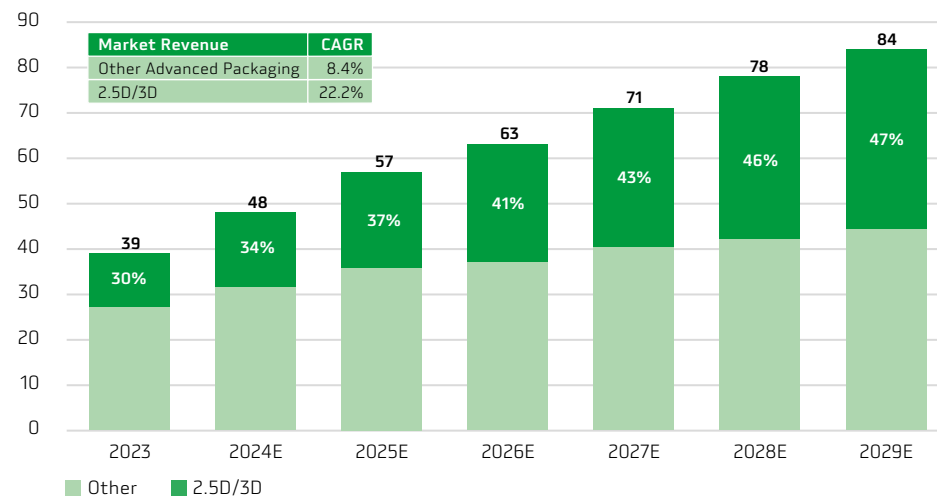
### Besi's advanced packaging systems critical for next generation AI devices

We are in the early stages of a transition to an AI-enabled digital society accompanied by a new generation of sustainable and more environmentally friendly electronics applications. In such a society, intelligence and electronic content will increase in all facets of our life including medical care, homes, factories, municipalities and transportation. We see evidence daily of new productivity enhancing technologies such as cloud computing, advanced 5G networks, Chat GPT, Gemini, Microsoft 365 Co-Pilot and other artificial intelligence software, data mining and predictive analysis, autonomous driving, robotics and blockchain software. In response, new leading edge semiconductor devices are being developed which will play a critical role in furthering the use of many such applications. In fact, the adoption of generative AI is estimated by analysts to have a faster adoption rate in our society than any other 21<sup>st</sup> century technology, including the smartphone.

Consistent with these trends, a new technology cycle is underway wherein customers increasingly demand more complex advanced packaging solutions containing ever more functionality in ever smaller form factors and sub-micron die placement accuracy. Advanced packaging is recognized as a critical part of the semiconductor value chain and a gating item to produce next generation AI-related logic and memory devices. Besi is well positioned with advanced packaging revenue representing approximately 70% of our total system revenue in 2024 and revenue from the most leading edge applications (<7 micron die placement accuracy) representing approximately 50% of total revenue. Within advanced packaging, customer investment in the most leading edge 2.5D and 3D assembly architectures is the fastest growing segment as seen in the chart below.

### ADVANCED PACKAGING REVENUE GROWING RAPIDLY. 2.5D/3D FASTEST GROWING SEGMENT

Revenue \$ billions



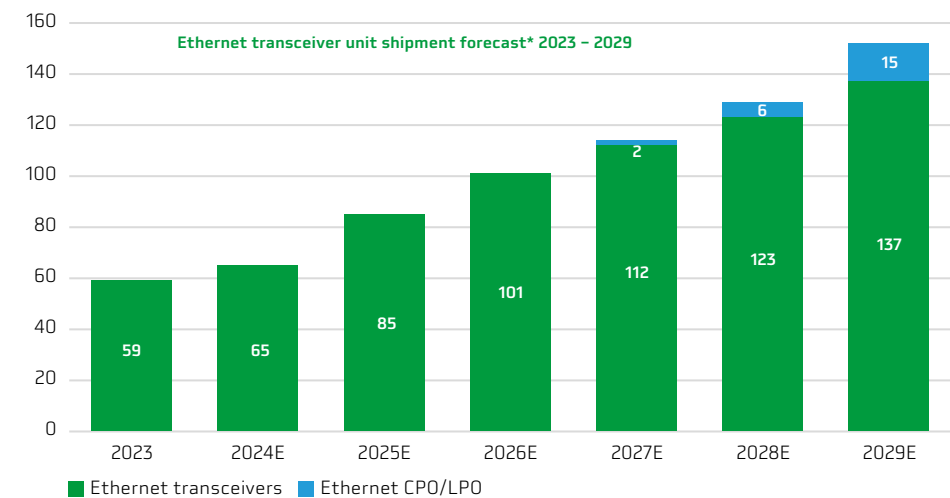
Source: Yole, December 2024

One of the most powerful forces driving growth in Besi's addressable market today is the rapid adoption of AI and virtual and augmented reality in our daily business and personal interactions. End-user customers are highly focused on incorporating generative AI software capabilities in data centers, personal computers, tablets, smartphones and industrial manufacturing, among others. Some analysts expect that the AI chip market could grow more than tenfold over the next decade with a compound annual growth rate of 30%.

In addition, we see the increased usage of photonics, particularly in pluggable optical transceivers and ultimately in co-packaged optics, as a means to significantly improve the performance and speed of application processors and GPUs in data center, cloud infrastructure and consumer applications while reducing power consumption, heat dissipation and latency. This is another important future driver of growth.

### SILICON PHOTONICS ANOTHER DRIVER OF 2.5D/3D ASSEMBLY GROWTH

Units (millions)



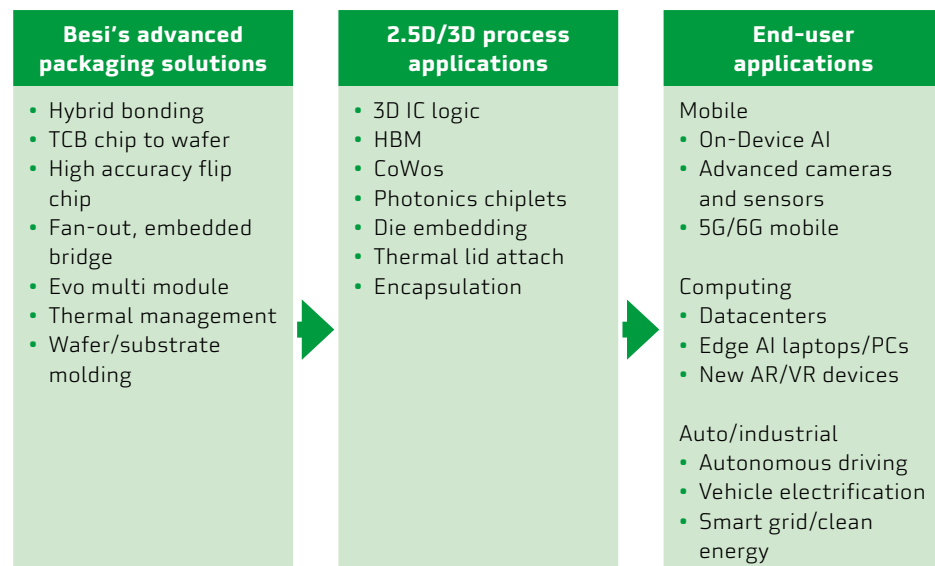
\* Includes external pluggable optical transceivers and co-packaged optics.

Source: LightCounting, October 2024

The powerful drivers of high-performance computing growth over the next decade will require new technologies to extend Moore's law on a cost-efficient basis via new logic and memory devices incorporating 2.5D/3D chiplet architectures. As Moore's Law scales more slowly approaching 2 nm node sizes, the cost per transistor increases more rapidly resulting in escalating wafer fab costs for producers. Currently, the only means of extending Moore's law on a cost-efficient basis is the adoption of 2.5D and 3D device structures utilizing new advanced packaging solutions.

Besi's product strategy is focused on providing customers the most cutting-edge, advanced packaging solutions for the AI era as seen below.

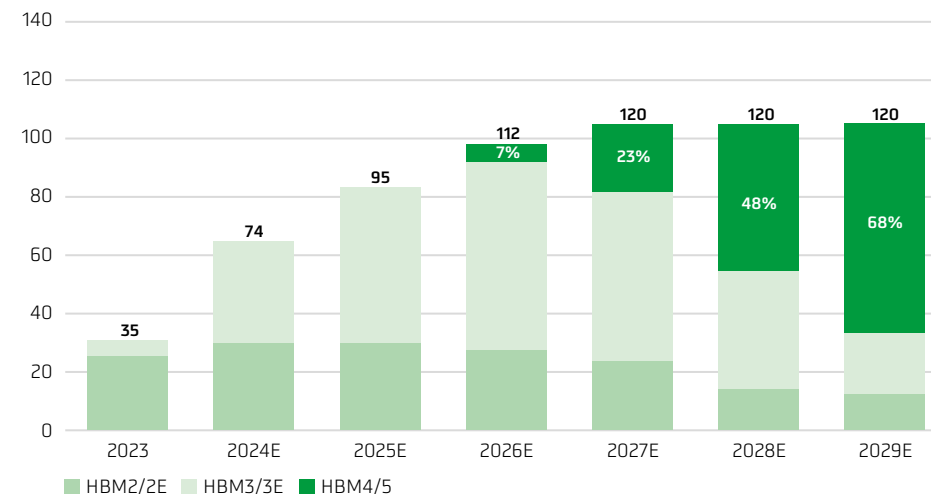
### BESI'S ADVANCED PACKAGING SOLUTIONS CRITICAL FOR NEXT GEN AI APPLICATIONS



Semiconductor producers have expanded their investments in new logic devices for data center and supercomputer applications utilizing hybrid bonding, TCB, advanced flip chip and multi module die bonding assembly processes. The significant increase in the performance, functionality and speed of logic devices has also required new memory solutions such as HBM in vertical 3D stacks of chips and chiplets to match such performance improvements, all of which require lower power consumption and heat dissipation to reduce their cost of ownership and enhance their sustainability.

### HBM 4/5 EXPECTED TO ACCELERATE IN 2026

Units (millions)



Source: Yole, December 2024

Future HBM4 and HBM5 architectures in development today are expected to drive substantial growth in advanced packaging requirements over the next decade, particularly in light of ever shorter new product cycles for CPU and GPU devices. Besi's hybrid bonding and TCB Next systems are well positioned to benefit from growth in HBM 4 and 5 memory stacks at or above 12 devices with hybrid bonding uniquely qualified to assemble memory stacks at or above 16 devices.

### Progress achieved in expanding hybrid bonding adoption globally

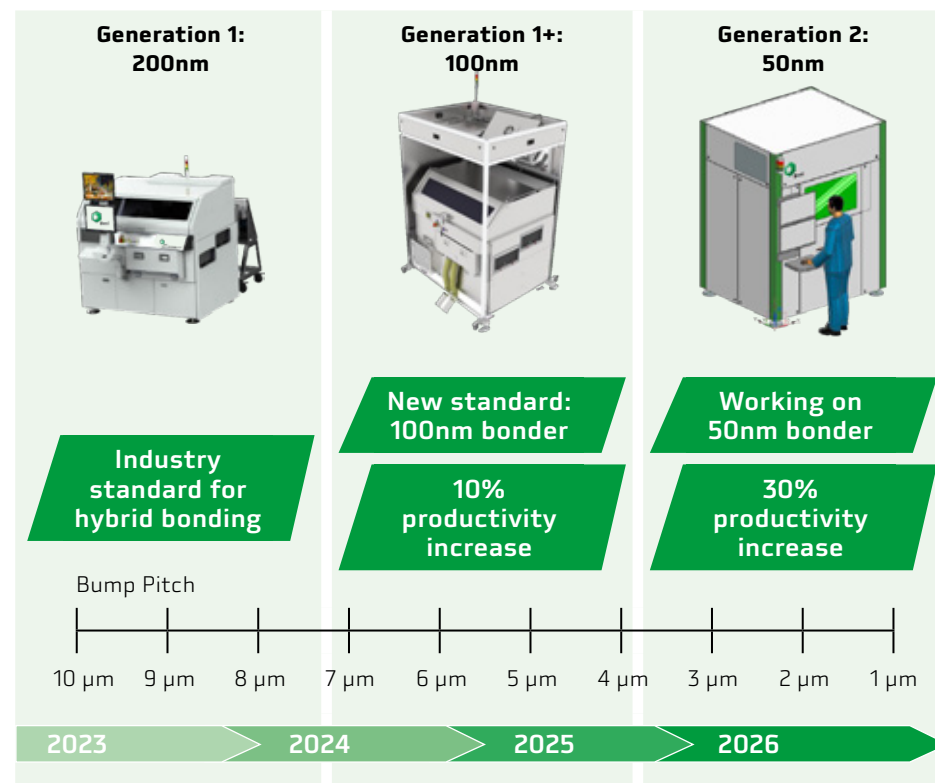
Hybrid bonding is one of the most important process technologies for the assembly of generative AI devices as it permits the connection of multiple, heterogeneous chiplets in die form using direct copper interconnects. Chiplet adoption has also been increasing rapidly in recent years as one of the primary methods to cost-effectively increase the power, performance, functionality and density of new chip architectures in AI and high-performance computing applications for Besi's principal end-user markets. The use of chiplets in new device architectures will also encourage hybrid bonding adoption.

Hybrid bonding has the potential to become the leading assembly solution for device geometries <3 nanometers requiring sub-micron die placement accuracy. It is anticipated that hybrid bonding adoption should help drive growth for the assembly equipment market

and Besi's addressable market at rates higher than those experienced historically given its importance in extending Moore's law for semiconductor producers. Its utilization will also expand demand for Besi's other leading edge assembly technologies, further increasing the potential size of our addressable market.

We continue to execute our hybrid bonding development roadmap according to plan. First shipments of our 100 nm placement accuracy systems to multiple customers occurred in 2024 with excellent market acceptance and an estimated 10% improvement in productivity. In addition, we are actively engaged to deliver the first 50 nm placement accuracy system to customers in the second half of 2025.

### BESI'S HYBRID BONDING ROADMAP



In 2024, hybrid bonding revenue, orders and adoption increased significantly. Revenue approximately tripled versus 2023 and orders more than doubled. Cumulative orders exceeded 100 systems highlighting the traction gained since 2021 for this emerging process technology. In addition, adoption increased to fifteen customers versus nine at year end 2023. A second leading logic customer was confirmed this year with shipments for production environments beginning in the fourth quarter of 2024. Of note, we received a first order in the fourth quarter from a Japanese semiconductor producer focused on the production of 2 nm advanced logic semiconductors by 2027. In addition, further progress was made in our collaboration with Applied Materials. A good example is our integrated hybrid bonding interconnect solution that combines six technologies, including one module from a partner into a single integrated system. In the past quarter, we successfully completed important qualification milestones and received volume orders from multiple leading edge customers. Our integrated hybrid bonding system is one of our next-generation solutions that is allowing us to extend our leadership in advanced packaging. We aim to significantly expand Besi's hybrid bonding revenue potential and market share over the next decade given our leadership position, technology roadmap, adoption trends and collaboration with Applied Materials.

### Progress achieved in advancing Besi's sustainability strategy

Besi has significantly increased its sustainability-related activities and reporting over the past five years including the development of various short- and long-term targets through 2050. We made significant progress on our sustainability agenda in 2024 including improvements in the areas of Scope 1 & 2 and 3 emissions, fuel consumption, renewable energy usage, sustainable product design and supply chain as well as personnel topics such as local management hiring and training. In fact, since 2019, we have reduced the Scope 1 & 2 emissions intensity ratio by 24.8 points, the fuel consumption intensity ratio by 3.5 points and increased our energy usage from renewable sources from 18% in 2019 to 99% in 2024. Our favorable performance with respect to intensity target ratios in 2024 versus 2023 was also due to the successful execution of several initiatives including a new heating system in Austria, the installation of energy management software at Besi Netherlands and the procurement of renewable energy at Besi's operations in Malaysia, China and Vietnam. As a result, the Scope 1 & 2 and 3 emissions intensity ratio improved further in 2024 and our energy provided by renewable sources increased by 28 points versus 2023. In addition, all of our energy and emissions related targets set in 2022 were met or exceeded in 2024. As a result, we developed new enhanced milestones for 2026 in alignment with 2030 target achievement.

## PROGRESS ON KEY SUSTAINABILITY METRICS

2021	2024
Scope 1 & 2 emissions: 14.4 tCO <sub>2</sub> eq/€ million revenue	Scope 1 & 2 emissions: 0.6 tCO <sub>2</sub> eq/€ million revenue
Renewable energy: 20% of electricity consumption	Renewable energy: 99% of electricity consumption
Scope 3 emissions: 15.9 tCO <sub>2</sub> eq/€ million revenue	Scope 3 emissions: 12.2 tCO <sub>2</sub> eq/€ million revenue
Purchasing Volume audited: 59%	Purchasing Volume audited: 64%

Besi successfully reported in accordance with the European Sustainability Reporting Standards ("ESRS") for the first time this year and applied the Corporate Sustainability Reporting Directive ("CSRD"). We took a number of preparatory steps in advance of ESRS and CSRD including the significant expansion of the scale and scope of our reporting activities since 2019 relative to leading external frameworks such as SASB, GRI, SDG, NFRD, TCFD and the EU Taxonomy. In addition, we pro-actively responded to external questionnaires such as the CDP Climate Change and the S&P Global Corporate Sustainability Assessment with a focus on materiality, clarity and transparency. We also conducted a double materiality assessment in 2023 which assessed the impact of Besi on people and the environment as well as the environmental and social-related risks and opportunities to which we are exposed. In order to validate the results of the analysis, we conducted an engagement roadshow in 2024 with key stakeholders, specifically investors, customers, suppliers, employees and Works Councils and Work Unions representing Besi employees.

We also completed several initiatives in 2024 to further support the mitigation of several sustainability-related impacts, risks and opportunities in alignment with our long-term, sustainable value creation strategy. For instance, Besi Austria invested in flood defenses for its facility to increase its resilience to the physical impacts of climate change. Progress was also achieved with employee engagement at Besi APac with a Diversity, Equity and Inclusion workshop. Besi published and updated several sustainability-related policies on its website this year having completed an assessment in 2023 of our most material impacts, risks and opportunities. We also further enhanced our climate-related reporting

including detailed reporting on the size and sources of our Scope 1 & 2 and 3 GHG emissions. In addition, we created a Climate Transition Plan which outlined our climate targets, planned emission reduction actions and a roadmap of activities across short-, medium- and long-term time periods. To this end, Besi expanded the number of metrics collected and published in the [Sustainability Statement](#). Further, we created and began implementing a Grievance procedure which helps provide a transparent, fair and efficient process for addressing grievances from employees, customers, suppliers and other stakeholders. Moreover, EY Accountants B.V. provided limited assurance on the [Sustainability Statement](#) included in this Annual Report.

2024 Sustainability Highlights
<ul style="list-style-type: none"> <li>Met or exceeded substantially all 2024 target ratios set in 2022</li> <li>Successfully prepared for ESRS</li> <li>Scope 1 &amp; 2 emissions intensity ratio declined by 8.3 points versus 2023; Scope 3 emissions intensity ratio declined by 4.8 points versus 2023</li> <li>Increased energy from renewable sources to 99% versus 71% in 2023</li> <li>Implemented Design-to-X initiative to reduce die attach platform energy consumption by 10%</li> <li>Developed Climate Transition Plan highlighting key emission reduction levers</li> <li>Expanded framework to include public policies on Human Rights and Anti-Corruption and Bribery</li> <li>Improved ratings with MSCI, Sustainalytics, ISS ESG and S&amp;P Global</li> </ul>

Besi received external recognition for its sustainability efforts this year. Our ratings with the major publicly recognized agencies such as Sustainalytics, S&P Global, ISS ESG and MSCI have improved significantly since 2019. We achieved a rating of "AA" in the updated 2024 MSCI ESG Ratings Assessment, up from "A" in 2022 and "BBB" in 2021. In addition, in September 2024, Besi's ESG Risk Rating improved to 12.9 versus 17.8 in 2021 as per Sustainalytics placing us ninth out of 366 companies in the Semiconductor Industry Group. Our scores with ISS ESG, Sustainalytics and S&P Global also improved in 2024 relative to 2023. We also continue to be a component of the AEX Sustainability Index.

Progress was also achieved this year to advance Besi's sustainable product design whose objective is to apply our intellectual capital to design leading edge assembly solutions with high levels of reliability, yield of defect free devices and throughput with a lower total

cost of ownership including efficiencies in energy and material consumption. Over the course of 2024, Besi conducted a resource consumption analysis of its Generation 1 hybrid bonding system and created a roadmap to achieve up to 10% potential energy savings for four die attach product lines. In fact, we already succeeded in achieving a 6.9% reduction in the energy consumption of one product platform this year. Energy reduction opportunities for the four product lines have been integrated into our strategic planning for 2025. Growth in Besi’s installed base of hybrid bonding and other wafer level systems in 2024 also contributed to sustainable product design and the benefits thereof via an improvement in the overall performance, speed, efficiency, cost of ownership and energy efficiency of such systems versus those using leadframe and substrate assembly process technologies.

In addition, we made considerable progress with employee and supplier engagement this year in alignment with our sustainability-related goals and objectives. Several initiatives were introduced to further enhance employee engagement including the introduction of supplementary forms of communication between Besi’s senior management team and employees which included, among others, in-person sessions at Besi Austria covering topics such as work-life balance, business outlook and technical priorities. In addition, an assessment was conducted across the organization which found that Besi employees receive an adequate wage versus applicable local benchmarks. Further, our employee engagement was encouraged by a 50% increase in training hours per employee versus 2019.

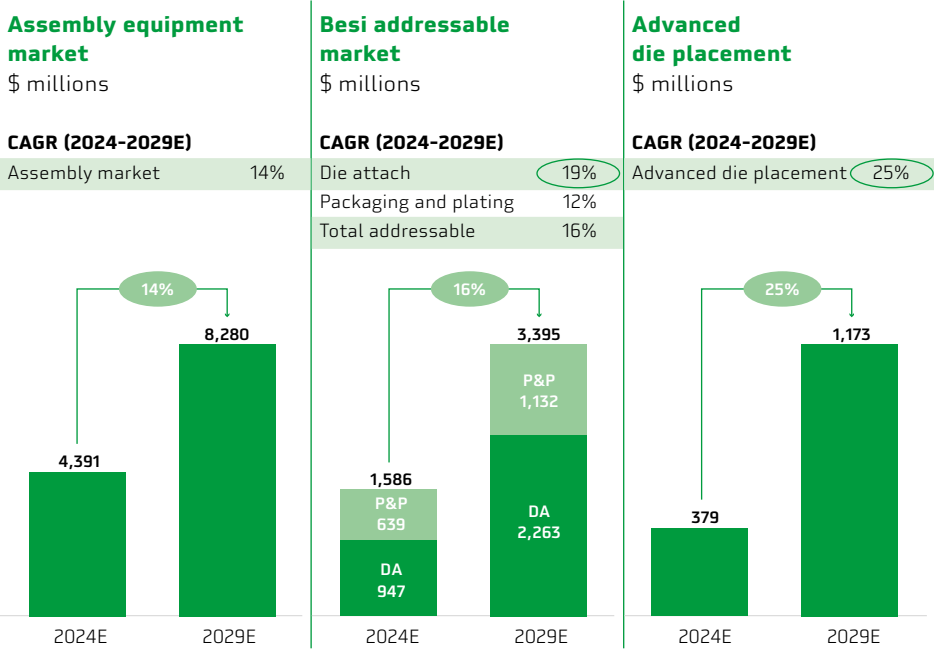
Besi also experienced increased supply chain participation and engagement on sustainability topics in 2024 as a result of enhancements to our annual supplier survey first introduced in 2023. We conducted site visits and stakeholder interviews and circulated questionnaires at Besi’s principal Asian production facilities to ensure that temporary and contracted third party workers adhered to the standards outlined in our Supplier Code of Conduct. We also engaged with our supply chain through a sustainability briefing roadshow, training sessions and the sharing of sustainability-related knowledge with key suppliers as well as a sustainability assessment survey focused on Besi’s Environmental, Social and Governance factors pillars. Further, the percentage of purchasing volume audited and which answered the RBA Code of Conduct Self-Assessment increased from 63% in 2021 to 68% in 2024, as a result of which Besi achieved silver status with the RBA.

Technology Advisory Board expanded

Besi formed a Technology Advisory Board in 2023 to advance our knowledge of those topics of greatest importance to our core technology, competitive position and growth prospects. The Board currently consists of Marvin Liao, formerly VP Operations/Advanced Packaging Technology and Service of TSMC, Frits van Hout, formerly Executive Vice President and Chief Strategy Officer of ASML and Vincent DiCaprio, currently Vice President at Applied Materials and Head of Business and Corporate Development for its Heterogeneous

Integration and ICAPS. The Board composition also includes Besi’s CEO, Richard W. Blickman and Chris Scanlan, Besi’s SVP Technology. We are pleased to welcome Mostafa Aghazadeh to the Besi advisory team effective January 1, 2025. Mr Aghazadeh was formerly Vice President of the Technology and Manufacturing Group and Director of the Chandler Assembly Technology Development Group at Intel Corporation, responsible for the development and deployment of CPU packaging and assembly technologies and the development of packaging material suppliers. Mr Aghazadeh held a variety of technical and management positions at Intel during his forty-year career and holds six patents in electronic packaging.

ASSEMBLY GROWTH EXPECTED TO FAVOR BESI’S ADVANCED PACKAGING PORTFOLIO



Source: TechInsights, December 2024



## Outlook 2025

We enter the year 2025 with cautious optimism based on strong momentum in our advanced die placement solutions for AI applications partially offset by ongoing weakness in mainstream automotive, industrial and Chinese end-user markets. There are a number of factors which support our cautious optimism. We believe that the pace of innovation is increasing as the pandemic and generative AI have accelerated society's move to a digital world with AI technology adoption increasing significantly in our daily lives. Innovation is an important driver of our business. We believe that the commercial viability of hybrid bonding process technology has now been confirmed by some of the industry's leading players and research institutes. Significant incremental adoption is anticipated to occur over the next three years as the technology is increasingly used in HBM 4/5 memory stacks, ASIC logic devices, silicon photonics, co-packaged optics and consumer mobile/computing applications by both IDMs, foundries and subcontractors. As such, we estimate that hybrid bonding adoption and deployment is still in its very early stages. We are actively engaged in plans to expand our capacity and support capabilities for growth anticipated in the second half of 2025.

The timing and trajectory of a new mainstream assembly upturn is more difficult to predict at present. Leading analysts such as TechInsights expect a strong rebound in 2025 and 2026 of 21% and 31%, respectively. However, the assembly market still suffers from post-pandemic excess capacity which has taken more than two years to approach equilibrium. Semiconductor unit growth and capacity utilization rates have improved significantly since 2022 but at a less rapid rate than previously anticipated by analysts. In addition, assembly revenue growth in recent years has significantly trailed that of front-end suppliers given excess assembly capacity in China and many fewer restrictions on the sale of assembly equipment to Chinese end-user markets which has lessened the urgency to accelerate order growth. Further, the exact timing of a rebound in smartphone, automotive and industrial markets is difficult to assess given overcapacity at key European automotive suppliers as well as less product innovation from leading smartphone manufacturers in recent years. That being said, we believe it likely that a mainstream assembly recovery will begin in the second half of 2025 after a downturn of almost three years. Its trajectory will depend on demand trends in each of our computing, mobile and automotive/industrial markets and the ultimate course of global trade restrictions.

We believe that the long-term growth prospects for Besi's addressable market are very positive, driven by a variety of secular trends including:

- Increased spending for wafer level assembly as producers seek to further extend Moore's law through new chiplet-based, 3D logic and memory architectures with lower power consumption and heat dissipation.
- Continued investment in cloud and digital infrastructure, datacenters and high-performance computing to support the digital society, broad based generative AI adoption and the Internet of Everything.
- Expansion of 5G/6G networks, infotainment, gaming and online financial services which will drive new consumer oriented, AI enabled product introductions and software applications related thereto.
- The mass adoption of electric and autonomous driving vehicles requiring advanced sensors and power devices in more complex assemblies.
- Additional capacity investment for new HBM solutions to support the projected growth in CPU and GPU-processing power.
- Construction of new wafer fabrication facilities due to increased demand from leading governments globally to secure adequate access to semiconductor IP development and production.

The development of these secular trends should particularly benefit Besi's advanced packaging product portfolio and addressable market share over the next decade. Besi's leading position in advanced packaging, engagement with the leaders of the semiconductor industry as an important, value-added partner and demonstrated production scalability favorably position us to capitalize on an exciting new era of industry applications and opportunities in the fastest growing segments of the assembly equipment industry.

In closing, we want to thank our employees, customers, suppliers and other stakeholders for their contributions this year as Besi continues to deliver impressive results in an extended industry downturn and as we prepare to capitalize on the promising growth opportunities available in the artificial intelligence revolution.

Board of Management  
Richard W. Blickman

February 19, 2025

## Market Overview



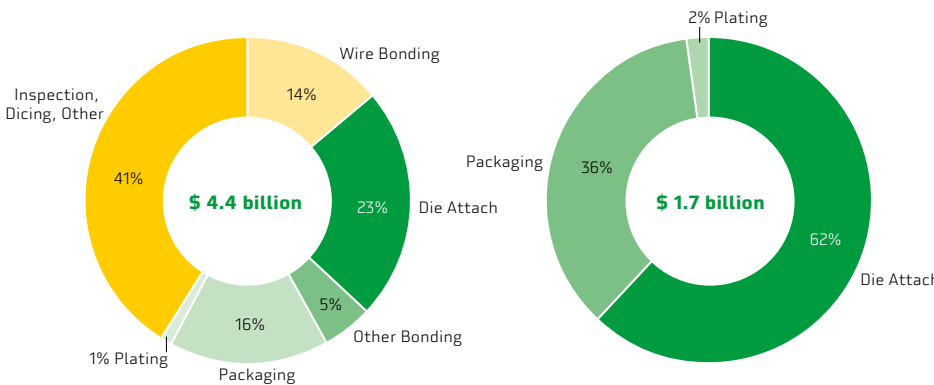
# Market Overview

## Assembly equipment market

The semiconductor manufacturing process involves two distinct phases: wafer processing, commonly referred to as the front-end, and assembly and test, commonly referred to as the back-end. Once the semiconductor chip (also referred to as a “die”) has been created in the front-end wafer fabrication process, Besi’s assembly equipment is used by customers to produce advanced semiconductor assemblies or “packages” incorporating a number of process steps such as (i) die sorting or “pick and place” of good versus bad dies, (ii) die bonding to leadframes, substrates, wafers, chips and chiplets to facilitate an electrical interconnection, (iii) die molding to encapsulate the assembled die with an epoxy compound and protect it from external contamination, (iv) chemical plating to provide different physical properties to the package at various stages of the assembly process and (v) trimming and forming of leadframe carriers housing chips and/or singulation (cutting) of substrate and wafer level devices prior to placement on a printed circuit board and ultimately, final testing. In addition, new 3D, chiplet-based semiconductor device architectures used in generative AI applications now require assembly processes such as hybrid bonding and/or TCB chip to wafer to be used in front-end semiconductor manufacturing.

Besi’s product strategy focuses primarily on providing advanced packaging solutions to customers which incorporate both substrate and wafer level packaging processes in their semiconductor assembly operations. This represents the most technologically challenging and rapidly growing area of the assembly equipment industry. Our product group offerings for the assembly equipment market include Die Attach and Packaging & Plating which represented approximately 81% and 19%, respectively, of our revenue in 2024.

### ASSEMBLY EQUIPMENT MARKET (2024E)    BESI ADDRESSABLE MARKET (2024E)



Source: TechInsights, December 2024

TechInsights, a leading independent industry research firm, estimated that the size of the assembly equipment market was approximately \$ 4.4 billion in 2024, or approximately 4% of the total semiconductor manufacturing equipment market. The market is estimated to have grown 6.1% versus 2023. As per their estimates, die attach systems represented 23% of the assembly equipment market in 2024. Based on such data, we estimate that Besi’s addressable market was approximately \$1.7 billion in 2024 which represented approximately 38% of the total assembly equipment market. Our estimated addressable market grew by 12.7% versus 2023 reflecting particular strength in AI computing applications partially offset by ongoing weakness in more mainstream smartphone, automotive and industrial applications. Besi has a leadership position in the die attach and advanced die placement markets which are expected to be the most rapidly growing segments of the assembly equipment market over the next five years.

CAGR (2024-2029E)	
Die Attach	19.9%
Packaging & Plating	12.7%
Other Assembly	10.8%
Total	13.5%



First complete VCM mold shipment from Vietnam, December 2024.

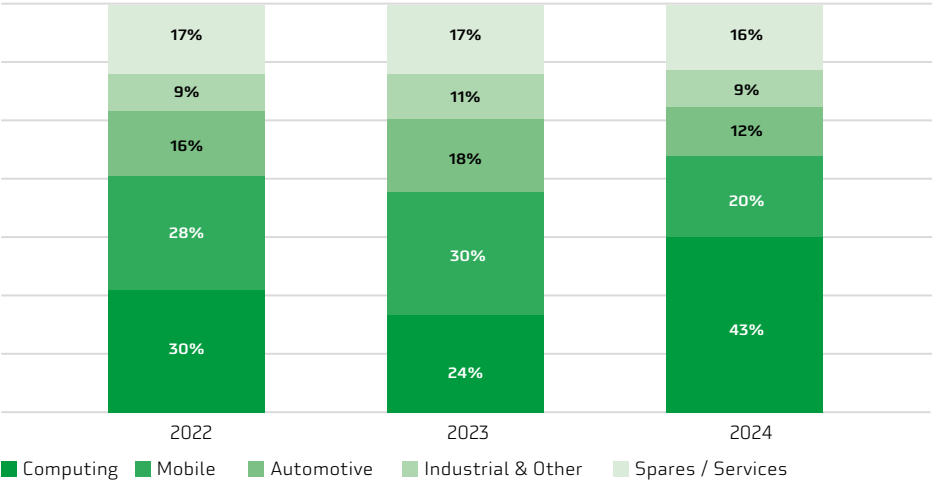


Besi's key end-user markets

Besi has three principal end-user markets: computing, mobile and automotive. They represented in the aggregate an estimated 75% of Besi's total revenue in 2024 (2023: 72%). In addition, we serve industrial and other markets (9% and 11% of revenue in 2024 and 2023, respectively) and provide spares and service to our installed base of customers (16% and 17% of revenue in 2024 and 2023, respectively).





BESI END-USER MARKETS TRENDS

% of total revenue



Source: Besi estimates

PRINCIPAL GROWTH DRIVERS IN BESI'S END-USER MARKETS

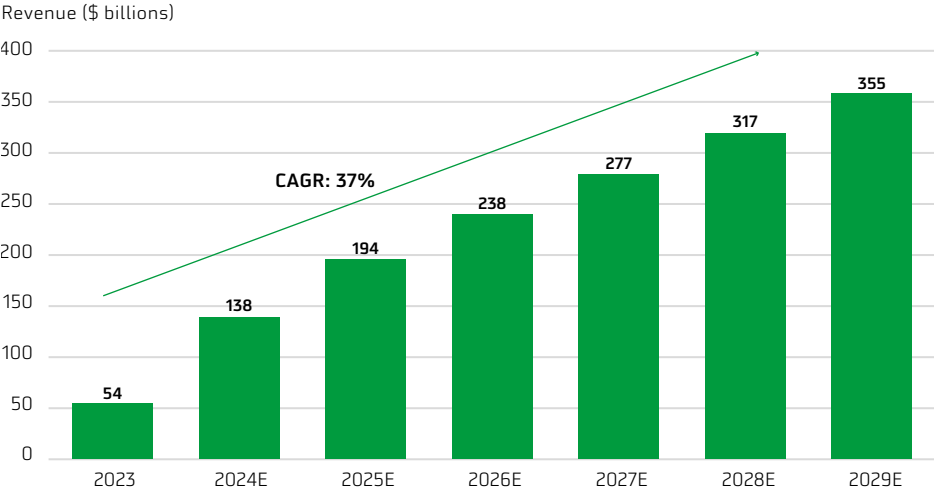
Computing	Mobile	Automotive	Industrial/Other
			
Generative AI	On Device AI	Autonomous Driving	Factory Automation
<ul style="list-style-type: none"><li>• Datacenters</li><li>• Edge AI tablets/PC/laptops</li><li>• Gaming</li></ul>	<ul style="list-style-type: none"><li>• Advanced cameras and 3D imaging</li><li>• 5G advanced → 6G</li><li>• Under display biometric ID</li><li>• New AR/VR devices</li></ul>	<ul style="list-style-type: none"><li>• Advanced cameras/sensors</li><li>• Vehicle electrification</li><li>• SiC and GaN power devices</li><li>• Connectivity/infotainment</li></ul>	<ul style="list-style-type: none"><li>• Smart grid</li><li>• Industrial IoT</li><li>• Clean energy</li></ul>

Computing

Computing has become Besi's largest and most-rapidly growing end-user market. It includes sales of die bonding, hybrid bonding, TCB and packaging systems for high-end logic and memory devices used in supercomputers, data center servers, PCs, tablets, flat panel displays and many consumer internet applications such as gaming, entertainment and financial services. Demand for computing power has been growing rapidly over the past decade with the explosion of data volumes and memory needed to power the IT needs of the largest sectors of the global economy. The outbreak of the global pandemic in 2020 served to further increase computing demand, growth rates and the pace of innovation as governments and corporations moved to build out the digital infrastructure necessary to support decentralized workplace environments and help lessen chip shortages affecting the global economy. The introduction of generative AI computing starting in 2022 has further accelerated demand growth, particularly for advanced GPUs, CPUs and related devices critical to the build out of data centers training large language and inferencing models.

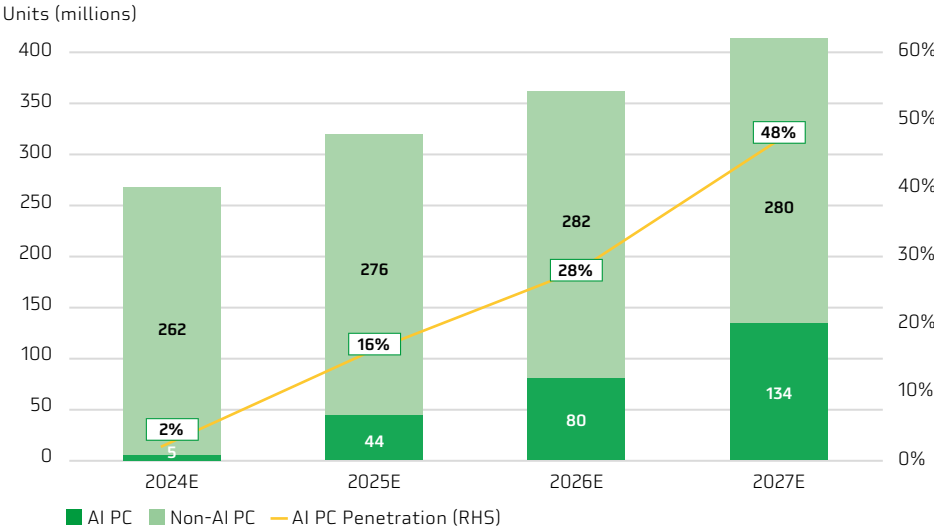
GENERATIVE AI PRIMARY DRIVER OF DATA CENTER COMPUTING GROWTH

Total datacenter AI chip and accelerator market 2023-2029E



Source: TechInsights, December 2024

AI PC/TABLETS ANOTHER MAJOR DRIVER OF COMPUTING GROWTH



Source: Morgan Stanley Research, May 2024

One of the most powerful forces driving growth in Besi’s computing end-user market today is the rapid adoption of AI and virtual and augmented reality in our daily business and personal interactions. End-user customers are highly focused on incorporating generative AI software capabilities in data centers, personal computers, tablets, smartphones and industrial manufacturing, to name just a few applications. TechInsights expects that the datacenter AI chip market could grow to reach \$ 355 billion by 2029, or at a compound annual rate of 37% between 2023 and 2029. In addition, the AI PC market is expected to grow by a compound annual rate of 42% between 2023 and 2029. We also see the increased usage of photonics, particularly in (i) pluggable optical transceivers or (ii) as co-packaged optics within high-performance data center servers to further extend performance and reduce power consumption and heat dissipation for AI applications. Silicon photonics semiconductor shipments (including co-packaged optics) are expected to reach 152 million units by 2029 and to grow at a compound annual rate of 17% between 2023 and 2029.

Other computing growth opportunities include the expansion of cloud-based infrastructure and applications necessary to support the new digital society, the usage of software to mine, organize and analyze the massive quantities of data being generated and the proliferation of the Internet of Everything including the smart management of residential, industrial and municipal equipment and functions.

The powerful drivers for high-end computing growth over the next decade will require not only new means of extending Moore’s law on a cost-efficient basis through next generation logic and memory architectures incorporating 2.5D/3D chiplet architectures but also new wafer level assembly solutions. At present, the most significant investment by semiconductor producers is for next generation logic devices in data center and supercomputer applications utilizing hybrid bonding, TCB, advanced flip chip and multi module die bonding assembly processes. The significant increase in power, performance, functionality and speed of logic devices has also required new memory solutions such as HBM in vertical 2.5D/3D stacks of chips and chiplets to match such performance improvements for next generation devices. In fact, HBM4+ units are expected to grow from 0% currently to 68% of the total HBM market by 2029. The current generation of HBM3 memory devices and HBM4 and HBM5 architectures in development utilizing new process technologies such as hybrid bonding and TCB for memory die stacking are expected to drive substantial growth in advanced packaging requirements over the next decade.

Besi has developed the industry’s leading portfolio of advanced packaging solutions to support customer logic and memory roadmaps for the next decade no matter which assembly process is utilized.

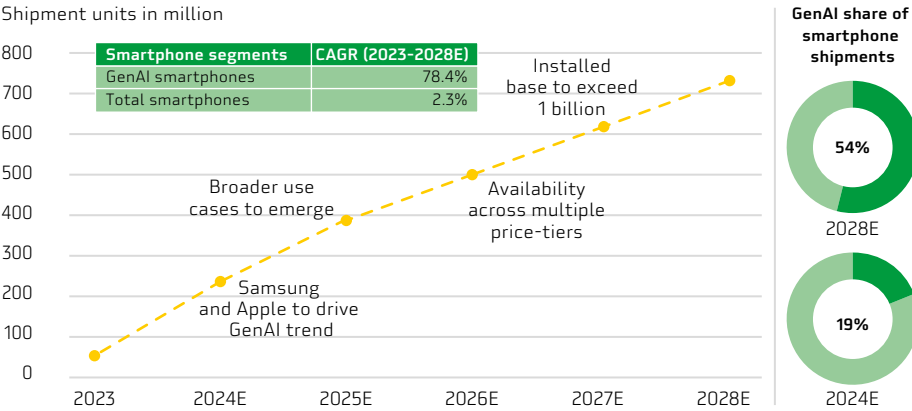


Mobile internet

Mobile internet applications now represent Besi’s second largest end-user market. For this market, we sell die bonding, packaging and plating systems to support high-end and mainstream smartphones, wearable internet devices such as wireless watches, headphones, virtual headsets and other related wireless devices and logistical systems. Besi’s end-user customers include the largest mobile handset manufacturers and their global supply chains worldwide. Revenue from this end-user market can fluctuate significantly per annum depending on the pace of innovation and the timing of new product introductions. Through its assembly solutions, Besi helps manufacturers develop next generation mobile device features and functionality such as generative AI, 5G/6G antennas, front-back facing and periscope cameras, advanced camera modules and lenses and enhanced 3D sensing and facial recognition capabilities.

A significant customer focus currently is the development of die bonding and packaging solutions for (i) edge computing/AI enabled smartphones, smart watches, virtual reality headsets and AI-enabled glasses requiring even more sophisticated camera modules, lenses and imaging technologies, (ii) enhanced 3D video, gaming and infotainment applications, (iii) the development of 6G network capacity and (iv) improved security for online payment and banking applications. As such, the market share represented by premium smartphones is expected to grow rapidly over the next decade. Such growth opportunities will require new device architectures incorporating higher data transfer speeds and computing capabilities, lower power consumption and heat dissipation and the use of chiplets to increase the power, performance, density and complexity of next generation devices in ever smaller form factors. Such next generation device architectures will require advanced assembly solutions utilizing Besi’s most advanced multi module die bonding, flip chip, TCB, hybrid bonding, molding and singulation systems.

GEN AI SMARTPHONES TO GROW RAPIDLY

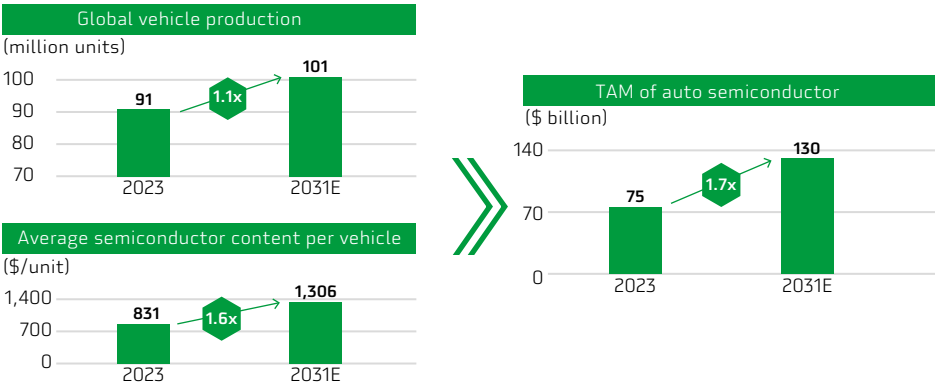


Source: Counterpoint Research AI 360, October 2024

Automotive

Besi’s automotive end-user market consists principally of the sale of die bonding, packaging and plating systems for intelligent automotive components, sensors and subsystems to leading European, North American and Japanese automotive suppliers. Besi’s system solutions address critical automotive requirements such as power, safety, reliability, intelligence and autonomous driving capabilities. Our addressable automotive market has grown significantly in recent years due to the increased use of semiconductors and electronics to deliver increased power, performance, functionality and safety to consumers.

FAVORABLE AUTOMOTIVE MARKET OUTLOOK



Source: TechInsights, December 2024

Projected growth in this end-user market reflects (i) the ever-increasing electronic content and AI necessary to deliver increased computing power and functionality for autonomous driving and infotainment capabilities and (ii) the usage of more dense, integrated and complex power and SiC devices as the industry moves to electric and computer driven vehicles in response to environmental and climate change concerns. Growth in such applications will also increase the semiconductor content and the cost of semiconductor content per car in the future.

Industrial and other

In industrial and other end-user markets, Besi sells its full range of systems for a variety of applications including advanced power, industrial Internet of Things (“IoT”), robotics, medical, high-end lighting and LED devices, solar cell technology, lithium-ion battery and renewable energy. In addition, the move to an AI powered Industry 4.0 is creating additional demand for semiconductors used for sensing, actuation and control in a wide range of industrial applications. For example, industrial IoT systems are being developed to

integrate wireless communication modules with sensors to provide remote, centralized control of industrial equipment. Besi's equipment is also used in the production of industrial power conversion systems that employ advanced power switching devices to increase their efficiency and reduce their electrical power consumption. Such new applications require the increased use of Silicon IGBTs, SiC and Gallium Nitride ("GaN") devices which can significantly increase efficiency and performance but will require a new range of assembly equipment solutions.

### Spares and service

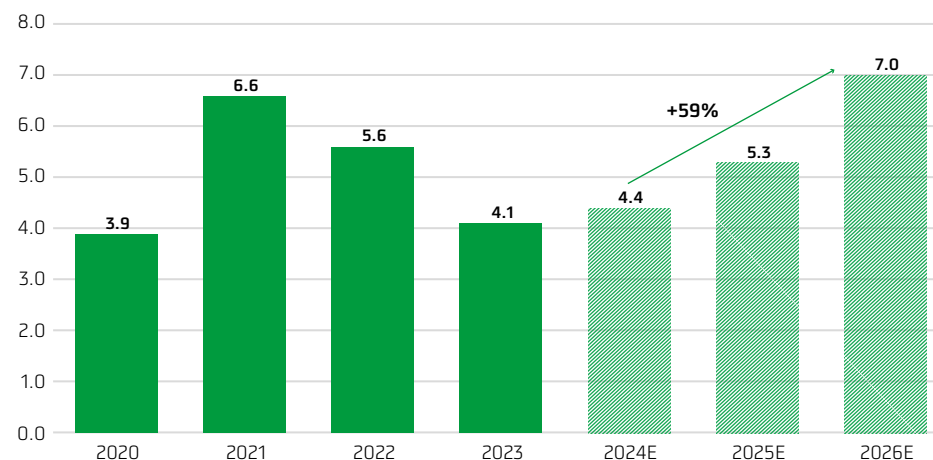
Revenue from Besi's spares and service activities represented 16% and 17% of total revenue in 2024 and 2023, respectively. In general, revenue from these activities has grown significantly over the past decade reflecting the increase in our installed base of systems and increased customer requirements for onsite production assistance associated with our most advanced packaging systems. Revenue from spares and service activities is typically less cyclical than from our equipment sales.

### Assembly equipment market trends

TechInsights currently estimates that the semiconductor assembly equipment market increased by 6.1% versus 2023 but has decreased by 33.8% from the last cyclical peak in 2021. The current downcycle has been driven primarily by lower demand in mainstream consumer applications such as mobile handsets, PCs, laptops, wearables and gaming consoles post large capacity builds in 2020 and 2021. It also reflected an inventory correction by semiconductor producers from elevated levels during the COVID-19 pandemic. Market growth was further adversely affected by a significant decline in automotive and industrial demand post a substantial capacity build during 2021-2022 and from an extended downturn experienced by Chinese subcontractors due to assembly overcapacity and decelerating economic growth in that country. Decreased demand in Besi's principal end-user markets in 2024 was more than offset by substantial growth for generative AI applications which favorably benefited demand for our hybrid bonding, flip chip and multi module die attach systems used primarily in high-end computing and data center applications.

### ASSEMBLY EQUIPMENT MARKET TRENDS 2020 – 2026E

\$ billions

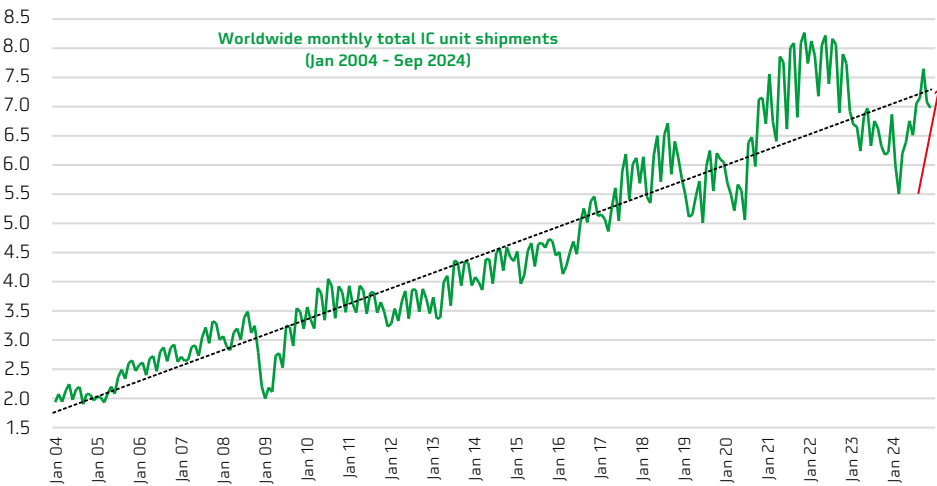


Source: TechInsights, December 2024. Assembly equipment revenue excludes service revenue.

Looking forward, TechInsights estimates that the assembly equipment market will increase by 21% in 2025 following an extended industry downturn that has lasted more than two years. They believe that a new industry upturn has begun which will result in growth of 59% between 2024 and 2026 as semiconductor unit production increases, excess inventory is consumed, capacity utilization rates rise and demand for new AI-related advanced packaging solutions continues to increase. However, there are a number of variables currently which could alter the trajectory of any upturn including the path of GDP growth in 2025, inflation and global trade restrictions.

WORLDWIDE IC UNIT GROWTH TRENDS

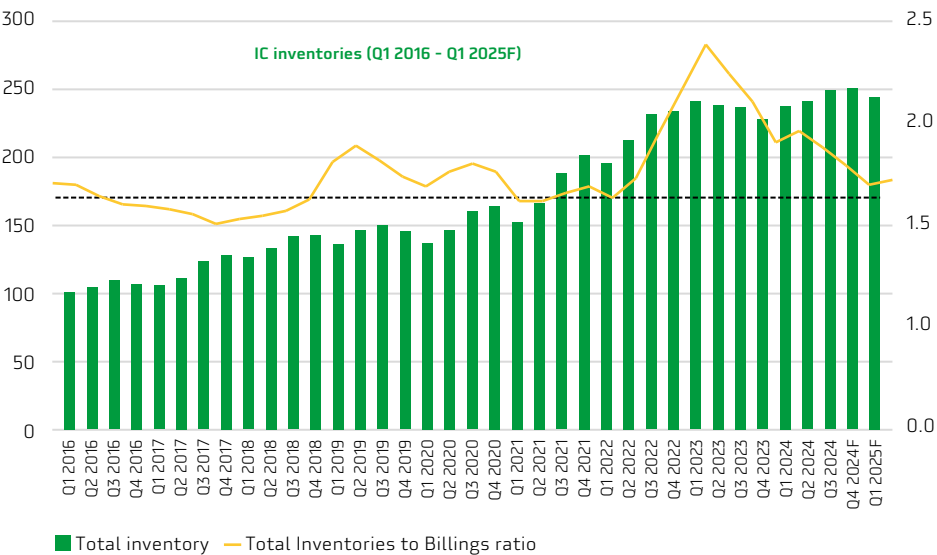
IC unit run rate (billions/week)



Source: WSTS, Future Horizons, January 2025

SEMICONDUCTOR INVENTORY TRENDS

\$ billions



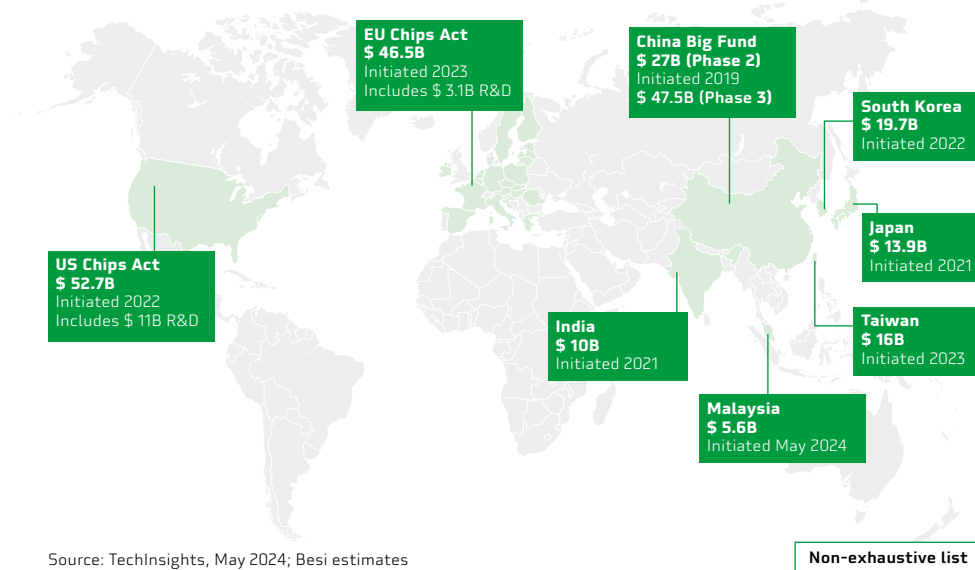
Source: TechInsights, December 2024

We believe that the long-term prospects of the assembly equipment market are very favorable, driven by a variety of secular trends including:

- The slowing of Moore’s law which will require producers to increase the productivity and performance per unit of silicon utilizing new wafer level assembly solutions.
- Increased spending for wafer level assembly technologies such as hybrid bonding and TCB chip to wafer bonding as semiconductor producers seek to extend Moore’s law through new chiplet-based, 2.5D and 3D logic and memory architectures primarily for new AI applications.
- Continued investment in cloud and digital infrastructure and high-performance computing to support the digital society, broad based generative AI adoption and the Internet of Everything.
- Expansion of AI enabled smartphones, infotainment, gaming and online financial services which will drive new product introductions and software applications related thereto.
- The mass adoption of electric and autonomous driving vehicles requiring advanced sensors and power devices in more complex assemblies.
- Additional capacity investment for new HBM solutions to support the projected growth in CPU and GPU processing power.
- Construction of new wafer fabrication facilities due to increased demand from leading governments globally to secure adequate access to semiconductor IP development and production.

The development of these secular trends should particularly benefit Besi’s advanced packaging product portfolio and increase our addressable market and market share over the next decade.

## GOVERNMENT FUNDING HELPS DRIVE NEW FAB CAPACITY GLOBALLY



### Strategically well positioned for next generation of electronics applications

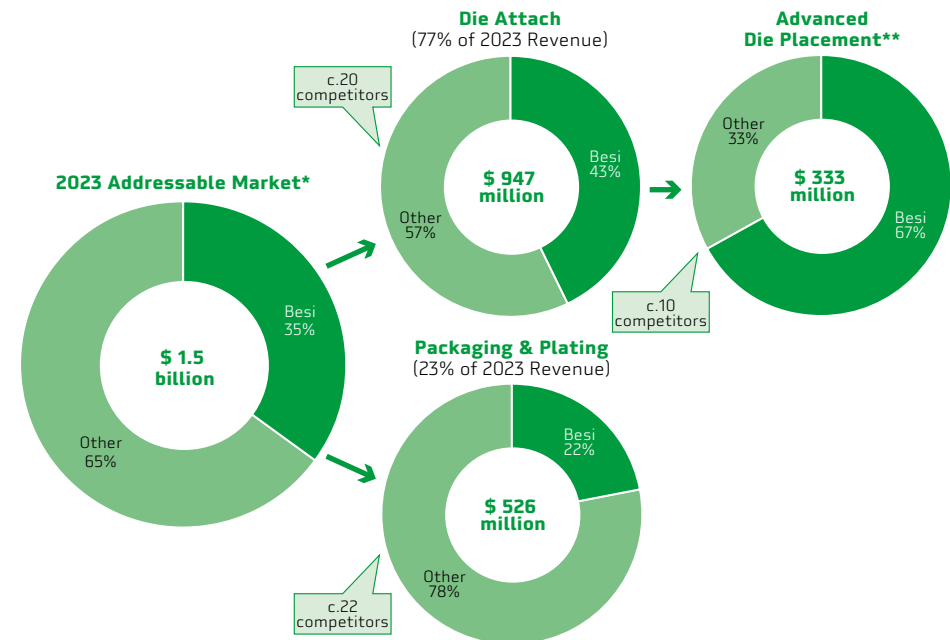
We are in the early stages of a transition to an AI enabled, digital society accompanied by a new generation of sustainable and more environmentally friendly electronics applications. In such a society, intelligence and electronic content will increase in all facets of our life including medical care, homes, factories, municipalities and transportation. We see evidence daily of new productivity enhancing technologies such as cloud computing, 5G networks, Chat GPT, Gemini, Microsoft 365 Co-Pilot and other artificial intelligence software, data mining and predictive analysis, autonomous driving, robotics and blockchain software. In response, new leading edge semiconductor devices are being developed which will play a critical role in furthering the use of many such applications. In fact, the adoption of generative AI is estimated by analysts to have a faster adoption rate in our society than any other 21<sup>st</sup> century technology, including the smartphone.

Consistent with these trends, a new technology cycle is underway wherein customers increasingly demand more complex advanced packaging solutions containing ever more functionality in ever smaller form factors and sub-micron die placement accuracy. Advanced packaging is now recognized by customers as a critical part of the semiconductor value chain and a gating item to produce next generation AI-related logic and memory devices. As such, Besi is actively involved with the leading semiconductor producers and

supply chains at an early stage in the design process to help them achieve their future device roadmaps. We are well positioned with advanced packaging revenue representing approximately 70% of our total revenue in 2024 and revenue from the most leading edge applications (<7 micron die placement accuracy) representing approximately 50% of total revenue. In addition, we have developed the industry's leading advanced packaging system portfolio to deliver next generation assembly solutions to our customers as generative AI adoption expands broadly.

Besi's leading position in advanced packaging, engagement with the leaders of the semiconductor industry as an important, value-added partner with demonstrated production scalability favorably positions us to capitalize on an exciting new era of industry applications and growth. We also believe that our product portfolio is well positioned to capitalize on opportunities in the fastest growing segments of the assembly equipment industry, particularly in leading edge, advanced die placement.

## LEADING MARKET SHARES ACROSS KEY DIE ATTACH MARKETS



\* Excludes wire bonding, dicing, services and other.

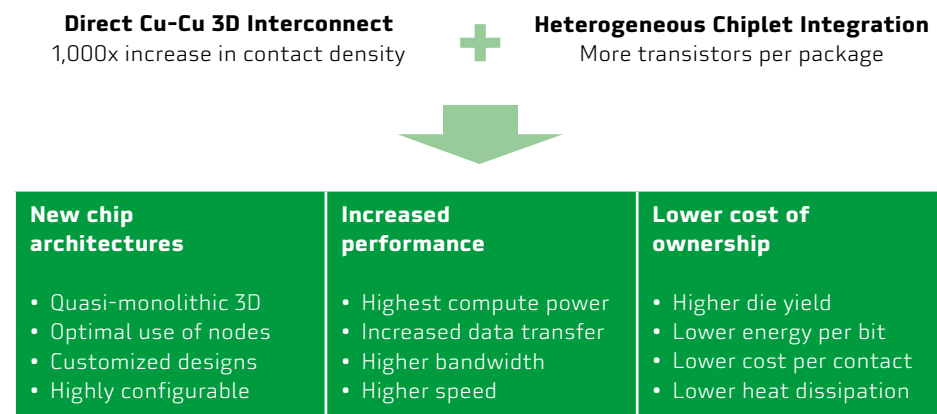
\*\* Advanced die placement defined as <7 micron accuracy.

Source: TechInsights, May 2024

### Hybrid bonding adoption has potential to significantly increase size of assembly equipment market, Besi's addressable market and our market share

A key strategic focus currently is the expansion of Besi's penetration of both logic and memory markets accompanying the infrastructure growth necessary to power the AI revolution in our digital society of which advanced packaging plays a critical role. We signed a joint development agreement with Applied Materials in October 2020 to develop the industry's first integrated equipment solution for die-based hybrid bonding. Applied Materials leads the wafer fab equipment industry in the materials and systems used to create on-chip interconnects with products spanning etch, CVD, PVD, copper electroplating, CMP and process control. Hybrid bonding represents the next evolution of die bonding technology as the semiconductor market moves from substrate to wafer level assembly. It enables a direct, copper-to-copper connection between chips, chiplets and wafers with much higher interconnect density than previously possible.

### HYBRID BONDING ENABLES FASTER, MORE COMPLEX DEVICES WITH SUBMICRON PLACEMENT ACCURACY



Hybrid bonding offers many advantages to customers in terms of form factor, power, energy efficiency, contact density, data transmission speed and cost of ownership. It can greatly expand data transmission speeds with substantially higher contact density than prior assembly process technologies while reducing heat dissipation and consuming less energy per bit. As such, it also represents an important advancement in sustainability for semiconductor manufacturing technology. In addition, the use of chip scale, wafer level packaging integrating a variety of heterogeneous chip functions and architectures enables customers to create ever smaller, more dense, complex and powerful devices in new 3D architectures with significantly increased features and functionality versus current

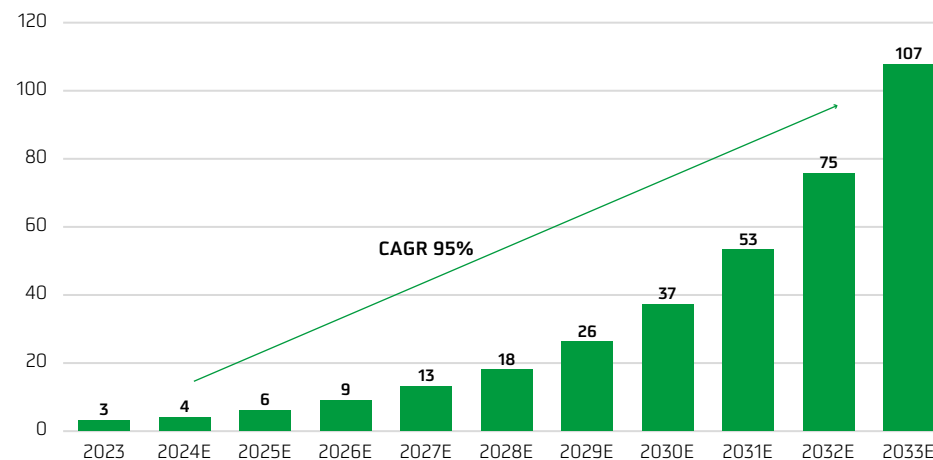
substrate-based process technologies. Given demanding specifications, it is more like a front-end process technology in that it requires a front-end cleanroom production environment to eliminate particulate contamination. Equally important, it enables the integration of heterogeneous functions such as logic, memory and specific feature components in chiplet-based architectures. Using hybrid bonded chiplets, customers can create the smallest, most complex and powerful devices in the semiconductor market at a placement accuracy ten times more accurate than the most advanced assembly technology currently. As such, customers benefit from increased circuitry speed, density and performance while significantly reducing their overall cost of ownership.

The use of disaggregated chips, or chiplets, in next generation architectures also helps producers lower their cost of ownership significantly as they scale down Moore's Law curve <5 nm geometries in the face of rapidly escalating wafer fabrication costs. The use of chiplet technology in wafer level assembly can also drive increased capital intensity for hybrid bonding and TCB chip to wafer systems given the increased number of process steps required to achieve heterogeneous integration of disparate semiconductor functions.

### CHIPLET USAGE TO GROW RAPIDLY OVER NEXT DECADE

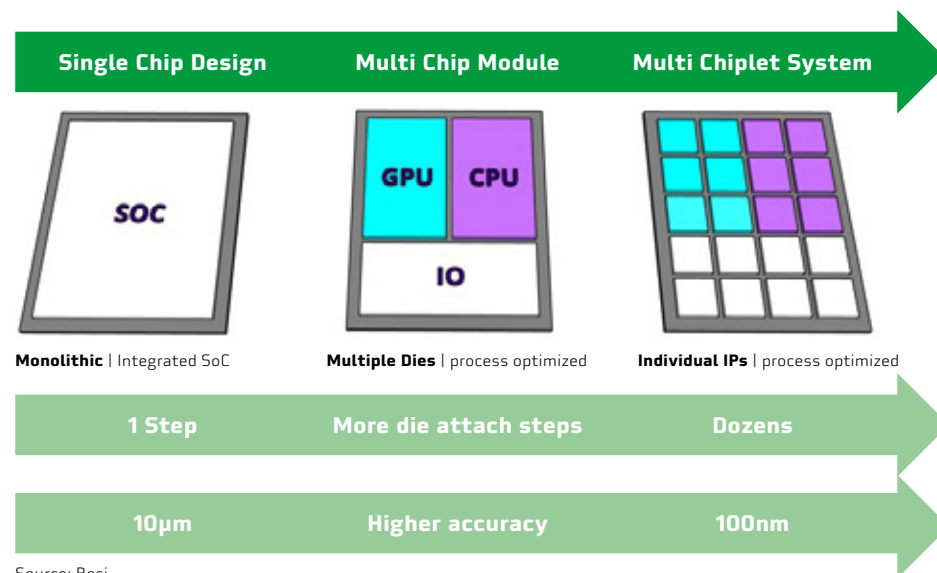
#### Global chiplets market

\$ billions



Source: Nomura/MarketUS, August 2024



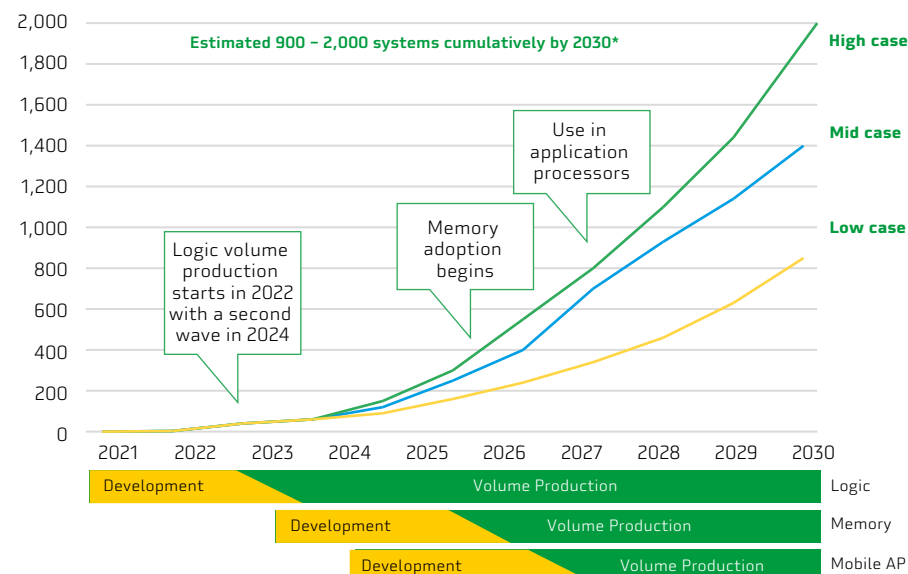
**CHIPLET ADOPTION DRIVES HIGHER CAPITAL INTENSITY**

Hybrid bonding process technology has the potential to become the leading assembly solution for device geometries <3 nanometers over the next decade. Each of the largest global semiconductor producers is currently evaluating its adoption in their future device roadmaps for both logic and HBM applications. Currently, hybrid bonding has been successfully utilized for the commercial production of high-end logic devices for data centers and other high-performance computing applications with total cumulative orders in excess of 100 systems received since 2021. Potential applications are numerous including supercomputers, high-end servers, artificial intelligence software, silicon photonics and co-packaged optics, high-end smartphones, PCs, laptops, wearables, gaming, entertainment, autonomous driving and medical. Such applications also have the potential to significantly increase the capital intensity and size of the assembly equipment market over the next decade. Adoption has expanded annually with a total of 15 customers at year end 2024. Significant incremental adoption is anticipated to occur over the next three years as the technology is increasingly used in HBM 4/5 memory stacks, ASIC logic devices, co-packaged optics and consumer mobile/computing applications by IDMs, foundries and subcontractors.

The market potential for hybrid bonding process technology is significant as indicated in the graph below:

**HYBRID BONDING MARKET POTENTIAL**

Total # installed hybrid bonding systems



Source: Besi estimates, June 2024

\* Excludes co-packaged optics and complex CMOS sensor applications.

We believe that the hybrid bonding market is tracking at the mid-point of our estimated market trajectory. Its increased acceptance should help drive growth both for the assembly equipment market and our addressable market at rates higher than those experienced historically. In addition, hybrid bonding adoption will also expand demand for other advanced packaging assembly technologies such as TCB chip to wafer, embedded bridge die attach, advanced flip chip and multi module die attach systems in new device architectures, all of which can further increase the potential growth of our addressable market. Given our initial leadership position in this segment, we hope to expand both Besi's revenue potential and market share over the next decade.

### Increased focus on sustainability and climate change in production of next generation devices

Society and customers in each of our end-user markets are increasingly interested in sustainability as they seek to operate in a safer, more environmentally efficient manner. In fact, the semiconductor industry will contribute significantly to the long-term energy transition away from fossil fuels by the development of AI chips to reduce energy consumption, optimize energy efficiency and facilitate the usage of renewable energy technologies.



Collecting waste (Besi Leshan).

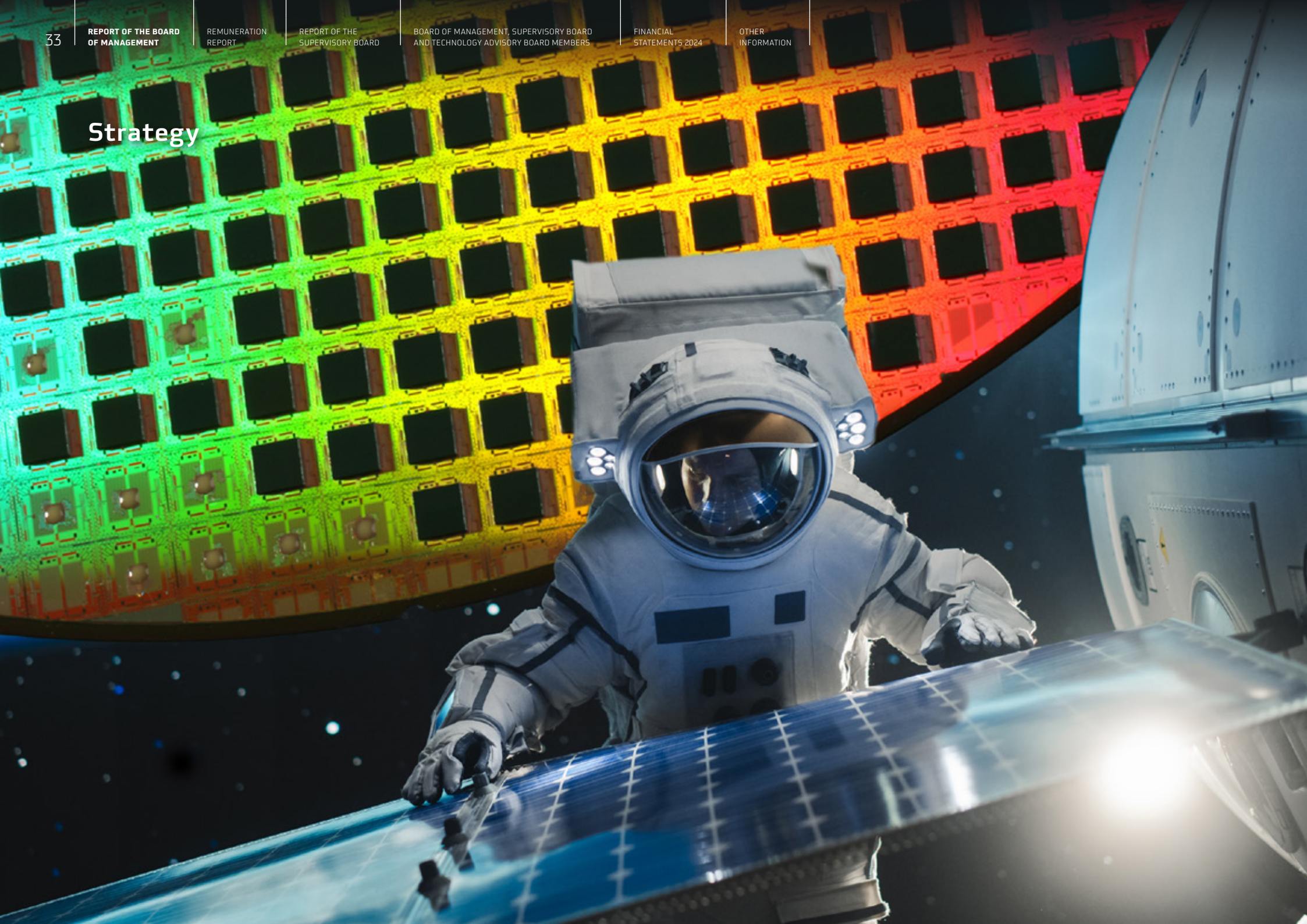
Many of Besi's assembly systems are used to assemble more efficient semiconductor devices and reduce material and energy consumption. During the COVID-19 pandemic, our systems helped facilitate a more decentralized working environment which contributed to reductions in corporate and personal travel and congestion in urban environments. In addition, our ability to rapidly scale production during the pandemic played an important role in helping not only satisfy increased customer demand but also in reducing supply chain shortages globally, particularly for consumer devices such as smartphones, automobiles and various computing equipment and software related thereto.

Besi's advanced packaging technologies have assisted in the development of the digital society with our systems performing an important role in the development of artificial intelligence, 5G networks, high-performance data centers and blockchain software. They also have aided in the development of smart cities, smart manufacturing, smart mobility and self-driving electric cars with artificial intelligence. Hybrid bonding and TCB chip to wafer process technologies will further contribute to the development of a digital society with its promise of significantly increased data transmission speeds and increased power and functionality in ever-smaller form factors. The use of hybrid bonding systems can also contribute positively to sustainability as it promises significantly lower resource and energy consumption in the assembly manufacturing process. Our systems also contribute to a more efficient and cleaner world by means of longer battery life for electronic devices, more efficient solar cells and lower power consumption and heat dissipation in smartphones, logic devices and high bandwidth memory. Additionally, increased automotive electronic content and intelligence can help foster the development of next generation electric and autonomous vehicles without fossil fuel generated internal combustion engines.

Resource consumption is another important trend which affects our business and end-user markets. Customer preferences are now fully focused on the reduction of the energy, heat and carbon footprint of assembly systems over their product lifetimes. In response, Besi designs high quality, flexible systems which have long useful lives and can be repurposed by customers or by us for other production requirements to extend their useful lives. In addition, Besi is actively developing more energy efficient equipment with reduced material and energy consumption as well as lower failure rates, all of which can help improve resource efficiency. For more information, please refer to the [Sustainability Statement](#).



# Strategy



# Strategy

## Mission

Besi's mission is to become the world's leading supplier of semiconductor assembly equipment for advanced packaging applications and to exceed industry average benchmarks of financial performance. We also strive to create long-term sustainable value for stakeholders and operate our business in a responsible way respecting both the environment and society.

## Summary strategy and long-term sustainable value creation model

Long-term success in the assembly equipment industry requires technological leadership, customer alignment, system reliability and high levels of accuracy in 24/7, high volume production environments. Other key factors include production flexibility and scalability in response to volatile shifts in demand for an industry whose cycle times have become ever shorter. We also recognize the importance of sustainability considerations in the development of our strategy such as our carbon footprint, the sustainable performance of

our systems and the development of a business culture which is diverse, respects the rights of our employees and promotes the skills and talents of our personnel. Besi's business strategy has been developed with these considerations in mind. Please see the [Sustainability Statement](#) in this Annual Report for more detailed information as to Besi's sustainability strategies.

One of our top priorities is the maintenance of technological leadership in the advanced packaging segment of the industry. This is the most rapidly growing part of our business with the greatest potential for future growth. We aim to leverage Besi's technological leadership position to generate ever higher levels of through-cycle revenue, profitability and cash flow via a highly scalable and flexible production model. Weekly analyses of order development and the supply chain combined with disciplined cost control efforts have enabled us to respond rapidly to changing market conditions, retain superior margins and generate high levels of cash flow to support a shareholder friendly capital allocation policy.

## BESI'S LONG-TERM SUSTAINABLE VALUE CREATION MODEL

CAPITALS	INPUT	OUTPUT	IMPACT	STAKEHOLDERS
<b>Intellectual</b>	<ul style="list-style-type: none"> <li>Significant investment in research and development</li> <li>Know-how of our people</li> <li>Our intellectual property</li> </ul>	<ul style="list-style-type: none"> <li>Leading edge assembly solutions</li> <li>Sustainably designed systems</li> <li>Partnership with industry leaders</li> </ul>	<p><b>Environmental footprint</b></p> <ul style="list-style-type: none"> <li>Promote cleaner environment. Mitigate climate change</li> <li>Longer battery life in electronics</li> <li>Lower power consumption and heat dissipation in smartphones</li> <li>Lead free content in PCBs</li> <li>Reduced waste, water, energy, packaging and hazardous materials</li> <li>More efficient solar cells</li> <li>Electric vehicle usage</li> <li>Reduced greenhouse gas emissions</li> </ul> <p><b>Digital society</b></p> <ul style="list-style-type: none"> <li>Promote new applications in digital society</li> <li>Smart infrastructure, manufacturing and homes</li> <li>Better communication, mobility, medical care and security</li> </ul> <p><b>Employees and workers in the value chain</b></p> <ul style="list-style-type: none"> <li>Provide safe and healthy working environment</li> <li>Invest in well-being of employees</li> <li>Promote training, local sponsorship, investments, diversity and inclusion and human rights</li> </ul> <p><b>Shareholders</b></p> <ul style="list-style-type: none"> <li>Offer attractive total long-term returns</li> </ul>	<b>Customers</b>
<b>Human</b>	<ul style="list-style-type: none"> <li>1,878 worldwide fixed employees</li> <li>Flexible workforce</li> <li>Responsible ethics, labor and tax practices</li> </ul>	<ul style="list-style-type: none"> <li>Committed and engaged employees</li> <li>Long-term customer relationships</li> <li>Increased customer satisfaction</li> <li>Expand addressable market</li> </ul>		<b>Employees</b>
<b>Natural</b>	<ul style="list-style-type: none"> <li>Minerals, metals and other raw materials</li> <li>Natural and renewable energy sources</li> </ul>	<ul style="list-style-type: none"> <li>Recyclable materials</li> <li>Lower carbon footprint</li> <li>Higher % of renewable energy</li> <li>Conservation of natural resources</li> </ul>		<b>Society</b>
<b>Industrial</b>	<ul style="list-style-type: none"> <li>Our global production and supply chain</li> <li>Components, modules and semi-finished products we purchase</li> </ul>	<ul style="list-style-type: none"> <li>Value-added assembly</li> <li>Scalable, sustainable and responsible supply chain</li> <li>Flexible production model</li> </ul>		<b>Suppliers</b>
<b>Financial</b>	<ul style="list-style-type: none"> <li>Strategic planning</li> <li>Capital allocation</li> <li>Capital markets funding</li> <li>Acquisitions</li> </ul>	<ul style="list-style-type: none"> <li>Peer-leading financial metrics</li> <li>€ 1.4 billion returned to shareholders (5 years)</li> <li>Average ROAE of 41.6% (5 years)</li> <li>Total shareholder return 353% (5 years)</li> </ul>		<b>Shareholders</b>



Strategic objectives

Besi’s Board of Management reviews its strategy on a regular basis and sets new initiatives each year to help achieve our business objectives. We engaged an independent consulting firm in 2016, 2019, 2021 and 2023 to help assess our strategic plan and long-term sustainable value creation model and formulate specific market, product, revenue, sustainability and cost initiatives. The most recent plan assessment encompassed the period 2023-2027 and involved the participation of, and feedback from, various stakeholders such as extended management, employees, customers, the Supervisory Board and shareholders to help define key issues and initiatives. Besi’s development and successful execution of strategic initiatives have favorably influenced our organizational development, competitive position and financial performance in recent years.

Our key objectives to realize long-term sustainable value creation can be summarized as follows:



Through the realization of these strategic objectives, Besi seeks to:

- Increase revenue at rates exceeding the growth rate of the assembly equipment market.
- Reduce revenue volatility.
- Become a more efficient and profitable company with increased market share in those segments of the assembly equipment market with the greatest long-term growth potential.
- Enhance production scalability and flexibility to better serve customers and improve our performance during semiconductor cycles.
- Achieve our strategic objectives responsibly for the benefit of all stakeholders, partners, the environment and the local communities in which we operate.
- Be a good employer, focused on employee wellbeing and fostering a workplace culture that encourages employees to grow and excel in their careers.

In addition, Besi wants to be a meaningful partner in the AI revolution and to further advance information and communication technologies which can benefit sustainability themes in the future.

The key financial and non-financial metrics of our business model for the next five-year period are set forth in the chart below:

KEY BUSINESS MODEL OBJECTIVES

Business Model		
Revenue		€ 1 billion+++
Addressable market share		40%+
Gross margin		62-66%
Operating margin		35-50%
Headcount split		75% Asia/25% Europe/NA
Scope 1 & 2 emissions		Net Zero GHG by 2030
Global energy needs		100% from renewable sources



### Maintain best in class technology leadership

Besi aims to provide global semiconductor manufacturers, foundries and subcontractors with a compelling value proposition consistent with market requirements and new product development roadmaps. We seek to differentiate ourselves in the marketplace by means of a technology-led product strategy that capitalizes on revenue opportunities in both premium and mainstream assembly equipment markets. Besi enters such markets with leading edge technology and products appealing to the first movers of the industry, typically leading global semiconductor manufacturers and other advanced industrial end-users. Upon commercial acceptance, we then attempt to maximize the return on product investment through continued system cost of ownership reduction so that they appeal to a broader, more mainstream customer base and extend their product life cycle. Mainstream customers are often Asian assembly subcontractors. Besi exits product markets when its technology becomes commoditized and returns on investment become unattractive. In pursuing its product strategy, Besi uses its core competency to (i) enhance the sustainable design of its systems, (ii) increase its revenue, addressable market and market share and (iii) maximize the return on its technology investment.

Over the past five years, Besi has developed next generation die attach and packaging systems with a particular emphasis on a new portfolio of wafer level assembly systems facilitating heterogeneous 2.5D and 3D device architectures for AI applications. Efforts have focused on customer requirements for (i) increased accuracy, performance, chip density and complexity, (ii) lower power consumption and heat dissipation, (iii) thinner devices and higher levels of miniaturization, (iv) sustainable design to reduce material consumption and increase energy efficiency and (v) shorter lead times, all at a lower overall cost of ownership. In addition, we design enhanced versions of each product line every one to two years to ensure that Besi's systems maintain their technological leadership in the areas of form factor, placement accuracy, reliability, throughput and sustainability.

Key highlights in recent years include the development for production environments of:

- Hybrid bonding systems capable of integrating multiple heterogeneous chips, chiplet functions and wafers via a high-density copper interconnect.
- Next generation TCB chip to wafer and embedded bridge die attach systems for use in wafer level, 2.5D and 3D assembly applications.
- Next generation multi module die bonding systems capable of assembling multiple, complex devices for advanced features such as 3D image sensing, facial recognition and silicon photonics using 2.5D architectures.
- An in-line flip chip system for the placement of HBM and logic devices in 2.5D architectures at industry leading throughput and flexibility.
- Assembly solutions for advanced 5G smartphones, watches, headphones, virtual headsets, AR glasses, electric vehicles and autonomous driving.
- Fan out wafer level die bonding systems and wafer level molding systems for 2.5D and 3D device architectures.
- Next generation solder and diffusion die bonding systems for use in assembling power semiconductor devices for automotive and industrial applications.

In addition, Besi is re-engineering several of its existing product platforms to enhance their sustainability and reduce their overall cost and manufacturing cycle time through more standardized design and manufacturing processes. As part of the streamlining process, we have incorporated common parts and common platforms for each successive, next generation die bonding and packaging system with the objective of decreasing the number of platforms for such products. This initiative will enable Besi to (i) enhance sustainability via a reduced number of components and machine parts utilized per system, (ii) decrease average component costs, (iii) greatly simplify design engineering, (iv) shorten cycle times and (v) lower warranty expense. In addition, we implemented a Design-to-X initiative to further promote sustainable design across our product portfolio. The objective is to reduce our customer's total cost of ownership while optimizing material consumption and energy efficiency. In such ways, we expect to achieve enhanced labor, supply chain and working capital efficiencies and lessen our products' environmental impact.

### Expand presence in wafer level assembly applications

A key strategic focus is the expansion of Besi's penetration of both logic and memory markets in the era of cloud and high-performance computing, artificial intelligence and the Internet of Everything of which advanced packaging plays a critical role. Toward this end, we collaborate with Applied Materials, the leader in front-end wafer fabrication tools and processes, to help promote the adoption of integrated hybrid bonding production lines incorporating our hybrid bonding systems. Hybrid bonding represents the next evolution in interconnect technology as the semiconductor market moves from substrate to sub-micron accuracy wafer level assembly. Its adoption will also expand demand for other Besi advanced packaging solutions such as TCB chip to wafer, multi module attach, embedded bridge die attach and advanced flip chip die bonding systems further increasing the potential growth of our addressable market.

At present, Besi has a leadership position in the development and sale of hybrid bonding systems to the industry's leading producers with more than 100 orders received since its launch in 2021. An important focus of our strategic planning has involved refinements to Besi's organization and management structure in order to realize the potential of this new revenue stream and other sub-micron placement accuracy die bonding solutions while maintaining the exciting growth opportunities of our existing advanced packaging portfolio. We significantly increased development staff in Austria and Singapore and added service support in Taiwan and North America for new advanced packaging and hybrid bonding production lines. We established cleanroom facilities in Austria, Malaysia and

Singapore over the past three years to accommodate future hybrid bonding production and customer process support. In addition, Besi opened a new 125,000 square foot Malaysian facility in 2023 and established a new assembly facility in Vietnam to expand our capabilities in alignment with customer roadmaps. We intend to significantly expand cleanroom capacity and support capabilities for the production of hybrid bonding and TCB Next systems in 2025 in both Malaysia and Singapore and to further grow our Vietnamese assembly capabilities. We intend to dedicate additional management, development and production resources to help ensure the success of such promising growth opportunities.

**Increase market presence in addressable markets**

Key to increasing our market presence and addressable market is the development of close, strategic relationships with customers at the forefront of semiconductor technology deemed critical to our technological leadership and growth. Besi’s customer relationships, many of which exceed 50 years, provide us with valuable knowledge about semiconductor assembly requirements as well as new opportunities to jointly develop assembly systems. As such, they provide us with important insights into future market trends and opportunities to broaden the range of products sold to customers.

In order to sustain close relationships with customers and generate new product sales, Besi believes it is critical to maintain a significant presence in after-sales and service in each of its principal markets. As such, Besi currently has 13 regional sales and service offices in the Asia Pacific region, Europe and North America and a direct sales force and customer service staff of almost 250 people at year end. Consistent with the migration of customers to Asia, we have strengthened our sales and customer service activities in this region and have shifted a significant portion of our resources to countries such as Singapore, China, Malaysia, Thailand, Taiwan, Korea and Vietnam. Further, we centralized all global spare parts activities in one business unit based in Singapore to increase customer satisfaction and efficiency. We plan to expand our Asian process support, order fulfillment and field service capabilities over the next five years to better serve a rapidly growing installed base of customers in the region.

We seek to increase long-term, sustainable revenue growth by expanding Besi’s addressable markets and market presence via the following initiatives:

- Pick the Winners: leverage our leadership position in substrate and wafer level assembly technology to engage with customers at the forefront of leading edge applications.
- Expand market position profitably in wafer level assembly via our first mover advantage in hybrid bonding as well as advanced packaging systems for 2.5D architectures.
- Provide new assembly solutions for next generation mobile, computing and automotive applications in the areas of cloud and high-performance computing, generative AI, edge computing, high bandwidth memory, silicon photonics, 5G/6G advanced network compatibility, autonomous and electric vehicles and virtual and augmented reality.

- Create new assembly solutions for industrial IoT and industrial power conversion applications requiring the increased use of SiC and GaN devices.
- Achieve net zero greenhouse gas emissions in our operations by 2030 with respect to Besi’s Scope 1 & 2 emissions and for all Scopes of GHG emissions by 2050.

**KEY STRATEGIC INITIATIVES**

Organize Besi for € 1 billion+++ revenue model	Partner with the Winners 2.0	Accelerate cost savings	Next level supply chain and service excellence
Expand leading hybrid bonding position	Capture opportunities in 2.5D assembly	Expand share of next generation TCB	Grow silicon photonics market share
	Exceed sustainability targets for 2030	Net Zero GHG emissions by 2050	

Actions taken in 2024 to better position Besi for future, sustainable growth included the following:

- Successful introduction of new advanced packaging systems:
  - First 100 nm accuracy hybrid bonding systems shipped.
  - First fluxless TCB Next order for leading European research institute.
  - First shipments of in-line flip chip system for 2.5D applications.
  - First order of diffusion bonding system for SiC die attach in automotive power devices.
  - Introduction of high cleanliness multi module die attach system for image sensing and photonics assembly.
  - First flip chip orders received for CIS advanced camera assembly.
- Planned expansion of operations in 2025:
  - To double cleanroom capacity in Malaysia and advanced packaging support capabilities in Singapore for hybrid bonding and TCB Next production.
  - To expand Vietnam assembly capabilities in alignment with customer migration from China to Southeast Asia.
- Realization of important sustainability initiatives:
  - Exceeded substantially all 2024 target ratios set in 2022.
  - Successfully prepared for ESRS.
  - Reduced Scope 1 & 2 and 3 emissions intensity ratios by 8.3 and 4.8 points versus 2023.
  - Increased energy from renewable sources to 99% in 2024 versus 71% in 2023 and 18% in 2019.

- Implemented new initiatives to reduce die attach energy consumption by 10%.
- Developed Climate Transition Plan highlighting key emissions reduction initiatives.
- Improved ratings with Sustainalytics, ISS ESG and S&P Global.

The expansion of Besi's addressable markets and revenue potential will also be aided by ongoing efforts to further improve our competitive cost position via strategic cost reduction initiatives.

### Enhance scalability and reduce structural costs

The semiconductor equipment market has become increasingly more volatile in recent years due to heightened global economic uncertainty, trade tensions, changing end market applications, more seasonal purchasing patterns and shorter lead times for delivery. In response, Besi fundamentally reorganized its global operations and management structure to streamline operations, transfer production and supply chain activities to its Asian operations, improve returns from its product portfolio, reduce break-even revenue levels and increase through cycle profitability. European and North American headcount was significantly reduced, inefficient operations closed and substantially all European production and all tooling capacity transferred to our Malaysian and Chinese facilities. In addition, Besi made strategic capital investments over the past two decades to expand production, development and administrative activities in Asia including Singapore and Vietnam to better service a customer base that migrated from Europe and North America to Asia and more recently, from China to Southeast Asia. In 2024, approximately 67% of revenue was derived from sales to Asian customer locations. We have also funded expansions over the past decade of our Malaysian and Chinese production facilities and Singapore development/sales and service center to expand capacity and better service our Asian customer base.

In the Besi operating model, all system production, sourcing, product applications engineering, process and software support and tooling/spares operations take place at our Asian locations. All product ownership and new product development remain at our European operations. Only highly customized systems are produced in Europe. In recent years, Besi has diversified its Asian manufacturing and engineering capabilities to further drive cost reduction, increase capacity, technical and field service support and enhance our local presence.

We have also actively developed and qualified local supply chains for each of our Malaysian and Chinese operations which produce substantially all modules and subassemblies used in our assembly and plating system production. The successful development of a flexible Asian supply chain is an important factor in our profitable navigation of volatile

semiconductor equipment markets, high gross margins and low capital intensity. Strategic initiatives were also implemented to (i) increase the scalability and flexibility of Besi's production model via the use of temporary Asian production personnel and the establishment of high-quality Asian supply chain networks, (ii) further reduce European facility space and fixed headcount and (iii) simplify and harmonize diverse manufacturing and IT processes.

As a result, Besi has significantly reduced labor, material and overhead costs, improved delivery times and inventory turnover and enhanced its local presence. We have also scaled our operations on a timely basis in response to volatile industry trends over the past five years while consistently improving gross margins. Increased scalability combined with tight inventory control have also greatly expanded Besi's cash generation capabilities and market share potential.

### Exceed challenging sustainability metrics for 2025 and 2030

Besi has engaged in a new, more robust approach to managing and reporting on sustainability impacts, risks and opportunities in recent years. We have also actively promoted the integration of such topics into our long-term value creation model. In 2020, we defined near and long-term goals, ambitions and activities for the next decade whose adoption and acceptance have been well received by our organization and stakeholders. In 2023, we initiated our CSRD compliance activities and implemented various initiatives to ensure readiness on a timely basis including a Double Materiality Assessment which was validated during a stakeholder engagement roadshow in 2024. The assessment analyzed the impact of Besi on people and the environment as well as the environmental and social-related risks and opportunities to which we are exposed. In addition, we significantly expanded the scale and scope of our initiatives and reporting activities. We also updated and published several policies on our website with a particular focus on Human Rights and Anti-Corruption and Bribery, as well as the introduction of a Grievance procedure intended to provide a transparent, fair and efficient process for addressing grievances from employees, customers, suppliers and other stakeholders.

**BESI'S SUSTAINABILITY STRATEGIC FRAMEWORK**

Our pillars	What we do	Impacts, risks and opportunities	Mitigating actions
<b>Environmental Factors</b>	We build sustainability into our products and operations to reduce Besi's environmental footprint and those of our suppliers and customers	<ul style="list-style-type: none"> <li>Climate change mitigation</li> <li>Energy and renewable energy</li> </ul>	<ul style="list-style-type: none"> <li>Renewable electricity procurement</li> <li>Sustainable design</li> <li>Supply chain engagement</li> <li>Low carbon transportation</li> </ul>
<b>Social Factors</b>	We foster a diverse and inclusive culture and support the safety, development and wellbeing of our employees, and seek to prevent negative impacts in our supply chain	<ul style="list-style-type: none"> <li>Human rights</li> <li>Working conditions</li> <li>Health and safety</li> <li>Diversity and inclusion</li> </ul>	<ul style="list-style-type: none"> <li>Enforcement of company-wide and supplier-focused policies</li> <li>Health and safety risk management</li> <li>Supply chain engagement and audit</li> </ul>
<b>Governance Factors</b>	We act responsibly and ethically across our value chain	<ul style="list-style-type: none"> <li>Anti-corruption and bribery</li> <li>Corporate culture</li> </ul>	<ul style="list-style-type: none"> <li>Implementation of Whistleblower procedure and Grievance procedure</li> </ul>

The Environmental Factors pillar of our sustainability strategy is focused on the impact of our products, operations and supply chain on the environment and the risks and opportunities related to climate change mitigation as well as energy and renewable energy. In recent years, we have reduced the environmental impact of our production operations through programs designed to:

- Reduce our carbon emissions via the purchase and production of renewable energy to satisfy Besi's electricity needs.
- Develop and adopt heating and cooling solutions reliant on renewable energy sources.
- Encourage the use of renewable energy by our customers and suppliers.
- Reduce energy consumption through the procurement of low-carbon products and services.
- Emphasize sustainable design in new product development.

Our Social Factors pillar is based on the impacts, risks and opportunities related to four priorities: (i) working conditions, (ii) health and safety, (iii) diversity and inclusion and (iv) human rights. In addition, Besi strives to employ high social and ethical standards with competitive employment terms and pay scale. A high level of employee satisfaction is a basic precondition to achieve our revenue and profit growth objectives.

Our Governance Factors pillar consists of two main impacts, risks and opportunities: (i) anti-corruption and bribery and (ii) corporate culture. We are committed to the UN Universal Declaration of Human Rights, adhere to ethical standards and expect the same commitment from key stakeholders, particularly across Besi's supply chain. To this end, we strive to have a positive impact on the communities and countries in which we operate via charitable activities, responsible tax practices and active engagement with our employees and suppliers.

Since 2019, Besi has significantly enhanced its sustainability activities including the development of various short- and long-term targets through 2050. Over the past five years, we have reduced Scope 1 & 2 emissions intensity by 24.8 points, fuel consumption intensity by 3.5 points and increased our energy from renewable sources from 18% in 2019 to 99% in 2024. In addition, Besi met or exceeded substantially all its sustainability target ratios set in 2022 for achievement in 2024. In addition, we set a new objective to reach net zero greenhouse gas emissions in our operations by 2030, incorporating Scope 1 & 2 emissions. Moreover, our sustainability ratings with the major publicly recognized agencies such as Sustainalytics, S&P Global, ISS ESG and MSCI have improved significantly since 2019 further underscoring our long-term progress towards best practice metrics.

ENHANCED SUSTAINABILITY OBJECTIVES



The scale of the climate change crisis and energy transition related thereto have also increased our focus on potential sustainability impacts and our role in limiting their adverse effects on our business, employees and communities. We adjusted our long-term sustainable value creation model to incorporate Besi's impact on the environment and communities as well as intellectual, industrial and financial capital. In addition, Besi has made significant investments to enhance its resilience as the world transitions to an environmentally sustainable economy including enhancements to our Malaysian facilities in 2022 and Austrian facilities in 2024 to help reduce the impact of climate change related events such as flooding.

Further, we have launched several sustainable design initiatives focused on design-to-cost, quality and sustainability via the utilization of our intellectual capital. Such initiatives have been focused on upgraded versions of Besi's mainstream die bonding product lines as well as new wafer level assembly platforms such as hybrid bonding and next generation TCB systems. We expect these activities to bring value to our customers in terms of better yield, throughput, energy conservation and efficiency, lower material consumption and total cost of ownership. In addition, we have invested in the development of more environmentally friendly products and services to help customers operate more efficiently both in terms of environmental impact and cost savings. Toward this end, we developed an

initiative named "Design-to-X" in 2023 as part of our strategic plan review. This initiative combines Design-to-Cost and Design-to-Sustainability concepts to identify sustainability improvement opportunities in all product groups while reducing the cost of many mature die attach and packaging platforms. In 2024, Besi conducted a resource consumption analysis for its generation 1/1+ hybrid bonding system and created a roadmap to achieve up to 10% potential energy reduction savings for four die attach product lines. In fact, we succeeded in achieving a 6.9% reduction in energy consumption this year for one product line. Energy reduction opportunities for the three product lines have been integrated into Besi's strategic planning for 2025.

For more information on Besi's sustainability priorities, performance and targets, please refer to the [Sustainability Statement](#) in this Annual Report.

**Acquire companies with complementary technologies and products**

It is critically important to identify and incorporate new technologies on a timely and continuous basis in order to provide customers with leading edge process solutions. As a result, Besi actively identifies and evaluates acquisition candidates that can assist us in (i) increasing process technology leadership, (ii) profitably increasing our market presence in those assembly markets with the greatest long-term potential such as wafer level packaging, (iii) enhancing the productivity and efficiency of our Asian manufacturing operations and (iv) growing less cyclical, non-system related revenues from tooling, spares and service.

Besi has made four important acquisitions over the past three decades which have significantly expanded our advanced packaging strategy:

- RD Automation (USA) was acquired to advance Besi's product strategy into the front-end of the assembly process with the addition of flip chip capabilities.
- Laurier (USA) was acquired to add intelligent die sorting capabilities into our product range.
- Datacon (Austria) was acquired to further extend our presence in the flip chip and die bonding equipment markets and increase our customer market presence.
- Esec (Switzerland) was acquired to expand Besi's position in the mainstream die bonding market.

The successful execution and integration of such acquisitions have helped create a leader in the die bonding segment of the assembly equipment market.



### Reward shareholders via capital allocation policy

The successful execution of Besi's strategic plan and long-term sustainable value creation model has significantly benefited shareholders. Peer-leading financial metrics have been achieved in gross, operating and net margins. Our addressable market share has also increased. In addition, Besi's capital allocation plan has resulted in the return to shareholders of € 2.2 billion since 2011 in the form of dividends and share repurchases (including the dividend proposed for 2024). Such distributions represented approximately 33% of our aggregate revenue during such period of which € 251.3 million was distributed in 2024. Profit generation and capital allocation also resulted in a peer leading return on average equity of 39.4% in 2024 even despite a significant industry downturn. Finally, shareholders have benefited from an investment in Besi by an increase of 97%, 353% and 2,145%, respectively, over the past three, five and ten years in their total stock market return (share price appreciation plus dividends). This total return significantly exceeded total returns during such periods from an investment in Besi's direct peer group of assembly equipment companies and the SOX index.



*Team building day Besi Korea.*

## Financial Review





## Financial Review

### General

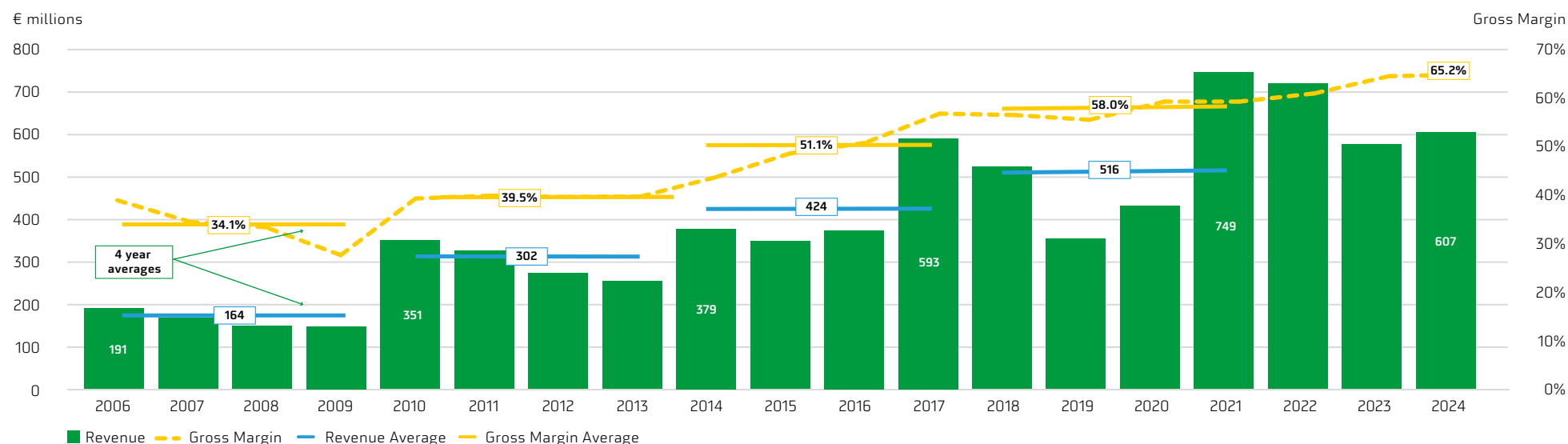
BE Semiconductor Industries N.V. ("Besi" or the "Company") is engaged in one line of business, the development, manufacturing, marketing, sales and service of semiconductor assembly equipment for the global semiconductor and electronics industries. Since we operate in one segment and in one group of similar products and services, all financial segment and product line information can be found in the [Consolidated Financial Statements](#).

Besi's revenue and results of operations depend in significant part on the level of capital expenditures by semiconductor manufacturers, which in turn depends on the current and anticipated market demand for semiconductors and for products utilizing semiconductors. Demand for semiconductor devices and expenditures for the equipment required to assemble semiconductors is highly cyclical, depending in large part on levels of demand worldwide for mobile internet, computing, automotive and industrial end-user markets as well as the production capacity of global semiconductor manufacturers. Furthermore, a rise or fall in the sales levels of semiconductor equipment typically lags any downturn or recovery in the semiconductor market due to the lead times associated with the production of semiconductor equipment.

In recent years, Besi has experienced significant upward and downward movements in quarterly order rates due to global macroeconomic concerns, trade tensions and the COVID-19 pandemic. Customer order patterns and end-user application revenue have become increasingly more seasonal due to the growing influence of more retail-oriented electronics applications in the overall demand for semiconductor devices such as smartphones, tablets, wearable devices, gaming consoles and automotive electronics. Order patterns have been characterized typically by an upward ramp in the first half of the year to build capacity for anticipated year end demand followed by a subsequent decline in the second half of the year as capacity additions are digested by customers. Volatile global macroeconomic conditions and seasonal influences have also contributed to the significant upward and downward movements in our quarterly and semi-annual revenue and net income.

Besi's revenue is generated primarily by shipments to the Asian manufacturing operations of leading European, North American and Asian independent device manufacturers ("IDMs") and Taiwanese, Chinese, Korean, Japanese and other Asian foundries and subcontractors. Sales to individual customers tend to vary significantly from year to year depending on global economic conditions generally and the specific capital expenditure budgets, new

### THROUGH CYCLE REVENUE AND GROSS MARGIN TRENDS



product introductions, production capacity and packaging requirements of its customers. For the year ended December 31, 2024, one customer represented 14.7% of our revenue and the largest ten customers accounted for approximately 52% of revenue. In addition, we derive a substantial portion of our revenue from products that have an average selling price in excess of € 400,000 and that have lead times of approximately 4-12 weeks between the initial order and delivery of the product. Besi only recognizes orders upon receipt and acceptance of a firm purchase order. The timing and recognition of revenue from customer orders can cause significant fluctuations in operating results from quarter to quarter.

### Corporate and financial structure

Besi's corporate organization consists of a Dutch holding company in which shareholders own ordinary shares and a network of wholly owned subsidiaries located globally which incorporate its product group business activities and operating facilities. To get a better overview of our largest shareholders, please refer to [Shareholder Information](#) in this Annual Report.

In general, Besi funds its operations through available cash on hand, cash generated from operations and, in some instances, funds the operations of its subsidiaries through intercompany loans, borrowings under its bank lines of credit and financing from external markets. The working capital requirements of its subsidiaries are affected by the receipt of periodic payments on orders from its customers. Although its subsidiaries occasionally receive partial payments prior to final installation, initial payments generally do not cover a significant portion of the costs incurred in the manufacturing of such systems which requires Besi to finance its system production with internal resources and, in certain instances, via bank financing.

### Currency exposure

Besi's reporting currency is the euro. In 2024 and 2023, our euro-denominated revenue represented 29% and 25% of total revenue, respectively, while euro-denominated costs and expenses represented 37% and 32%, respectively. As seen in the following table, the substantial majority of Besi's revenue is denominated in US dollars while in 2024, its costs were denominated in a variety of European and Asian currencies. In 2024, 59% of our costs and expenses were denominated in Malaysian ringgit and euro. The remainder of our costs were primarily represented by the Chinese renminbi, Singapore dollar, US dollar and Swiss franc. Besi seeks to manage its exposure to currency fluctuations in part by hedging firmly committed orders denominated in US dollars and, in part, by hedging net exposures in its principal transaction currencies. Costs for hedging sales contracts and any ineffectiveness therefrom are recorded in the line item financial income (expense), net in Besi's Consolidated Statement of Operations.

	2024	2023	Revenue 2022
US dollar	71%	75%	72%
Euro	29%	25%	28%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

	2024	2023	Costs and Expenses 2022
Euro	37%	32%	27%
Malaysian ringgit	22%	23%	30%
Chinese renminbi	12%	15%	14%
Singapore dollar	10%	10%	8%
Swiss franc	9%	8%	8%
US dollar	8%	8%	10%
Other	2%	4%	3%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

Given changes in the foreign currency composition of its revenue, costs and expenses, Besi's results of operations can be affected by fluctuations in the value of, and relationships between, the euro, the US dollar, Malaysian ringgit, Swiss franc, Chinese renminbi and Singapore dollar. In 2024, our results of operations were unfavorably influenced primarily by an appreciation of the Malaysian ringgit versus the euro. Besi's costs denominated in Malaysian ringgit and Chinese renminbi can vary on an annual basis depending on the number of units produced at each location.

### Tax

Besi's global tax policy views taxation, including the payment and collection of taxes, as an integral part of its business and an important part of its social responsibility and contribution to society. Besi's tax policy follows the principle of responsible tax practices whereby Besi's legitimate interests, reputation and corporate social responsibility are taken into consideration. In this respect, the interests of all stakeholders are taken into consideration including customers, shareholders, local governments and the communities and countries in which Besi operates. Besi's global tax policy is annually updated and signed off by the Board of Management.

Besi's tax policy consists of the following principles:

- We commit to paying taxes on time and in accordance with all applicable laws and regulations.
- Our tax policy follows Besi's business. As such, our profits are allocated to the countries in which business value is created, taxes are paid and where factual economic activities are executed. In addition, all transactions must have a business rationale.
- Intra-group transactions are entered into on an arm's length basis and adhere to the guidelines issued by the Organization for Economic Co-operation and Development ("OECD").
- We strive to comply with the letter and spirit of applicable tax laws and regulations and are guided by relevant international standards.
- We seek a competitive, stable, sustainable and explainable effective corporate tax rate whereby tax incentives and subsidies are used. Any tax optimization must be based on opportunities provided by law or case law and must be aligned with our business and objectives.
- Besi does not undertake transactions whose sole purpose is to create an abusive tax result. In addition, Besi does not use artificial tax structures in tax haven jurisdictions as defined by the OECD.
- We seek to establish and maintain an open and constructive dialogue with tax authorities and other government bodies in all jurisdictions where we operate based on the disclosure of all relevant facts and circumstances. We discuss important fiscal aspects upfront with the relevant tax authorities if questions arise as to proper taxation policy. We also seek rulings from tax authorities to confirm the applicable treatment. In the Netherlands and Switzerland, jurisdictions where Besi has substantial operations, we engage with the Tax Authorities through regular meetings, telephone calls and other correspondence.

### Quarterly results of operations

(€ millions) <sup>1</sup>	2024				2023
	Q1	Q2	Q3	Q4	Total
Revenue	146.3	151.2	156.6	153.4	607.5
Orders	127.7	185.2	151.8	121.9	586.7
Net income	34.0	41.9	46.8	59.3	182.0

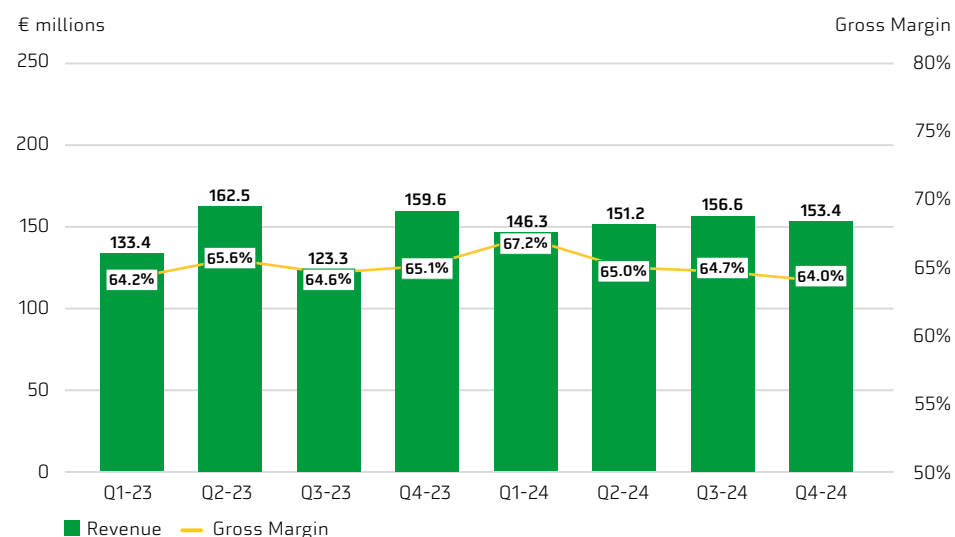
<sup>1</sup> Numbers may not reconcile due to rounding.

Besi's financial development in 2024 reflected contrasting growth trends for both its AI and mainstream assembly equipment markets. For the year, revenue and orders grew by 4.9% and 7.0%, respectively, due to significantly higher demand for computing end-user markets, particularly AI-related hybrid bonding and photonics applications, partially offset

by unfavorable market conditions associated with an industry downturn more than two years in duration, less innovation this year by smartphone producers which limited mobile demand growth and ongoing weakness in automotive, industrial and Chinese end-user markets.

We continued to navigate this extended downturn at high levels of profitability. Besi achieved peer leading gross, operating and net margins of 65.2%, 32.2% and 30.0%, respectively, in 2024. Our profitability benefited from a favorable advanced packaging product mix, the close alignment of our operating model with lower mainstream assembly market demand and the benefits of strategic cost initiatives. We achieved net income of € 182.0 million, an increase of 2.8% versus 2023, primarily due to higher revenue and gross margins realized and € 18.2 million of net tax benefits, all of which more than offset a 31.7% increase in development spending in support of future wafer level assembly opportunities and an € 11.0 million increase in share-based payment expense. Increased share-based payment expense reflected the last tranche of additional performance share awards related to the expiration of Besi's 2020 Remuneration Policy and fixed and variable compensation associated with the new 2024 Remuneration Policy.

### QUARTERLY REVENUE AND GROSS MARGIN TRENDS





## 2024 compared to 2023

Set forth below is a summary of our key income statement highlights for 2024 versus 2023:

(€ millions, except %) <sup>1</sup>	Year ended December 31,				Change
	2024		2023		2024/2023
	% revenue		% revenue		% points
Revenue	607.5	100.0%	578.9	100.0%	-
Cost of sales	211.6	34.8%	203.1	35.1%	(0.3)
<b>Gross profit</b>	<b>395.9</b>	<b>65.2%</b>	<b>375.8</b>	<b>64.9%</b>	<b>0.3</b>
SG&A expenses	126.0	20.7%	106.0	18.3%	2.4
R&D expenses	74.3	12.2%	56.4	9.7%	2.5
<b>Total operating expenses</b>	<b>200.4</b>	<b>33.0%</b>	<b>162.4</b>	<b>28.1%</b>	<b>4.9</b>
<b>Operating income</b>	<b>195.6</b>	<b>32.2%</b>	<b>213.4</b>	<b>36.9%</b>	<b>(4.7)</b>
Financial expense, net	7.1	1.2%	5.7	1.0%	0.2
<b>Income before income taxes</b>	<b>188.5</b>	<b>31.0%</b>	<b>207.7</b>	<b>35.9%</b>	<b>(4.9)</b>
Income taxes	6.5	1.0%	30.6	5.3%	(4.3)
<b>Net income</b>	<b>182.0</b>	<b>30.0%</b>	<b>177.1</b>	<b>30.6%</b>	<b>(0.6)</b>
Effective tax rate	3.5% <sup>2</sup>		14.7% <sup>2</sup>		

<sup>1</sup> Numbers may not reconcile due to rounding.

<sup>2</sup> Effective tax rate in 2024 was 13.1%, excluding € 18.2 million of net tax benefits. Effective tax rate in 2023 was 13.6%, excluding € 2.3 million downward valuation of deferred tax assets.

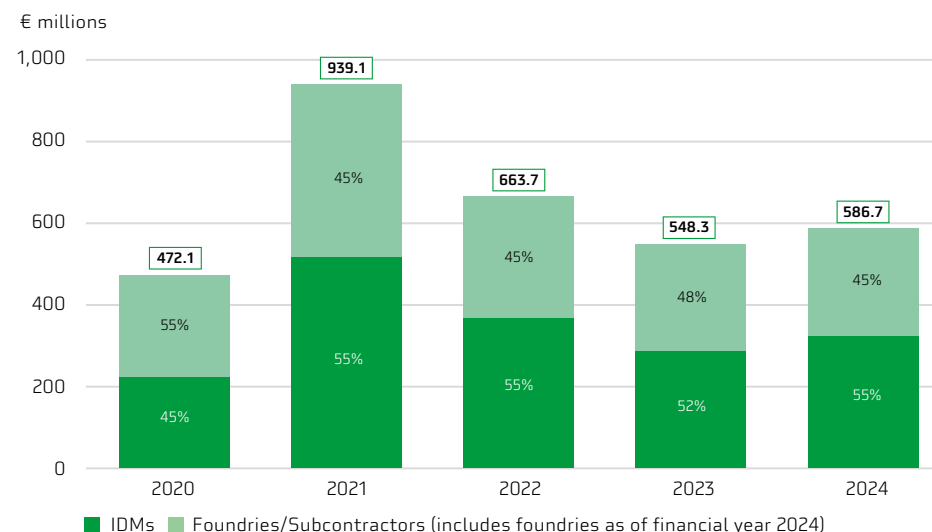
## Revenue/Orders

(€ millions)	Year ended December 31,		% Change 2024/2023
	2024	2023	
Revenue	607.5	578.9	4.9%
Orders	586.7	548.3	7.0%
IDM	321.6	286.5	-
Foundries/Subcontractors <sup>1</sup>	265.1	261.8	-

<sup>1</sup> Includes foundries as of financial year 2024.

Besi's revenue of € 607.5 million in 2024 increased by € 28.6 million, or 4.9 %, versus 2023 principally due to significantly higher demand by computing end-user markets, particularly for hybrid bonding and photonics applications, partially offset by ongoing weakness in mobile, automotive and industrial markets. Similarly, Besi's orders of € 586.7 million increased by 7.0 % versus 2023 due to strength in computing applications partially offset by significantly lower bookings for mobile and automotive applications associated with unfavorable market conditions, less innovation this year by smartphone producers which limited mobile demand growth and ongoing weakness in Chinese end-user markets. Of note, significant progress on our hybrid bonding agenda was achieved as revenue approximately tripled and orders more than doubled versus 2023 due to expanded customer adoption and the confirmation of a production ramp by a second leading logic customer. Bookings by IDMs and foundries/subcontractors represented approximately 55% and 45%, respectively, of total orders in 2024. Revenue and orders in each of the past two years were not adversely affected by trade restrictions and regulations resulting from geo-political tensions.

## ORDER TRENDS



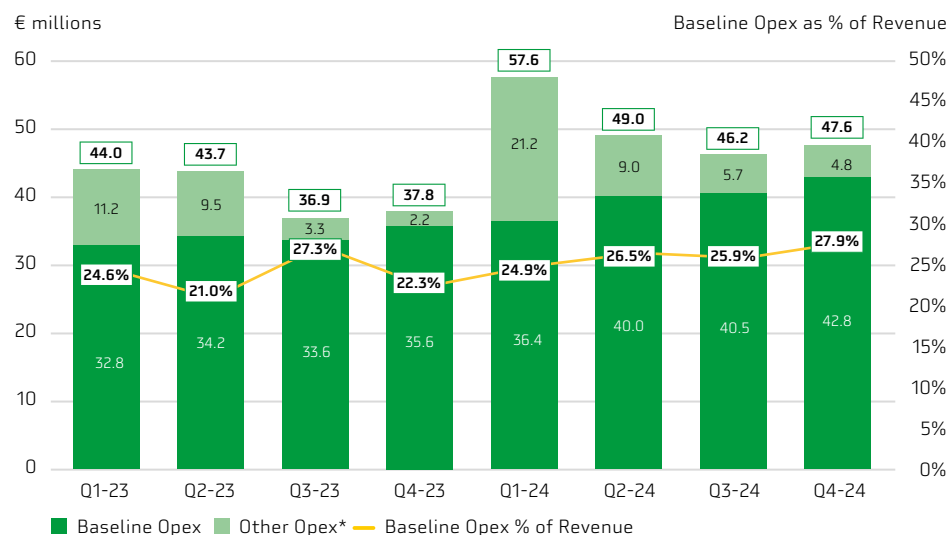
### Gross profit

Besi's gross profit increased by € 20.1 million, or 5.3 %, versus 2023 due to higher revenues and a slightly improved gross margin. Besi's gross margin increased by 0.3 points versus 2023 to reach 65.2% due primarily to a favorable advanced packaging product mix, partially offset by adverse forex effects, particularly in the second half of the year, from unfavorable forex movements in the Malaysian ringgit versus the euro.

### Selling, general and administrative expenses

Total SG&A expenses increased by € 20.1 million, or 19.0 %, versus 2023. The increase was due primarily to (i) an € 11.0 million increase in share-based payment expense which reflected the last tranche of additional performance share awards related to the expiration of Besi's 2020 Remuneration Policy and fixed and variable compensation associated with the new 2024 Remuneration Policy, as well as (ii) additional marketing, technical support and personnel necessary to support the growth of Besi's wafer level assembly portfolio. As a percentage of revenue, SG&A expenses increased from 18.3% in 2023 to 20.7% in 2024.

### QUARTERLY OPERATING EXPENSE TRENDS



\* Other Opex include both short-term and long-term incentive compensation, net R&D capitalization/amortization and certain one-time items including strategic consulting costs.

### Research and development expenses

Besi's R&D spending is primarily focused on advancing its leadership position in advanced packaging and wafer level assembly and upgrades to its existing product portfolio on a regular basis. Spending can vary from year to year depending on specific customer roadmaps and the timing of new device introductions. The components of research and development expenses for the years ended December 31, 2024 and 2023, were as follows:

(€ millions)	Year ended December 31,	
	2024	2023
Research and development expenses, gross	78.7	63.9
Amortization of capitalized development expenses	15.0	13.6
Capitalization of development expenses	(19.4)	(21.1)
<b>Research and development expenses as reported</b>	<b>74.3</b>	<b>56.4</b>

In 2024, R&D expenses of € 74.3 million increased by € 17.9 million, or 31.7%, versus 2023, due primarily to increased development costs primarily related to a variety of new product introductions in Besi's Die Attach product group. As a percentage of revenue, R&D expenses increased to 12.2% in 2024 versus 9.7% in 2023. Similarly, gross R&D expenses (excluding the impact of R&D capitalization and amortization) of € 78.7 million increased by 23.2% versus 2023 and represented 13.0% of revenue.

### Operating income

Our operating income in 2024 of € 195.6 million decreased by 8.3% versus 2023 principally due to a 23.4% increase in operating expenses resulting from significantly higher R&D spending and share-based payment expense, partially offset by Besi's 4.9% revenue increase and a slight improvement in gross margin of 0.3 points. As a result, Besi's operating margin declined from 36.9% to 32.2%.

### Financial expense, net

The components of financial expense, net, for the years ended December 31, 2024 and 2023, were as follows:

(€ millions)	Year ended December 31,	
	2024	2023
Interest income	17.3	12.3
Interest expense	(16.7)	(11.7)
<b>Interest income (expense), net</b>	<b>0.6</b>	<b>0.6</b>
Net cost of hedging	(6.9)	(7.1)
Net foreign exchange effects	(0.8)	0.8
<b>Financial income (expense), net</b>	<b>(7.1)</b>	<b>(5.7)</b>

Net financial expense of € 7.1 million increased by € 1.4 million versus 2023 primarily due to increased interest expense related to the issuance of Besi's € 350 million of 4.500% Senior Notes due 2031 in July 2024 partially offset by higher interest income earned on higher average cash balances outstanding during the year. Besi's exposure to upward interest rate movements on our external funding is limited given the fixed interest rates on our Convertible and Senior Notes outstanding which represent substantially all of Besi's current debt outstanding.

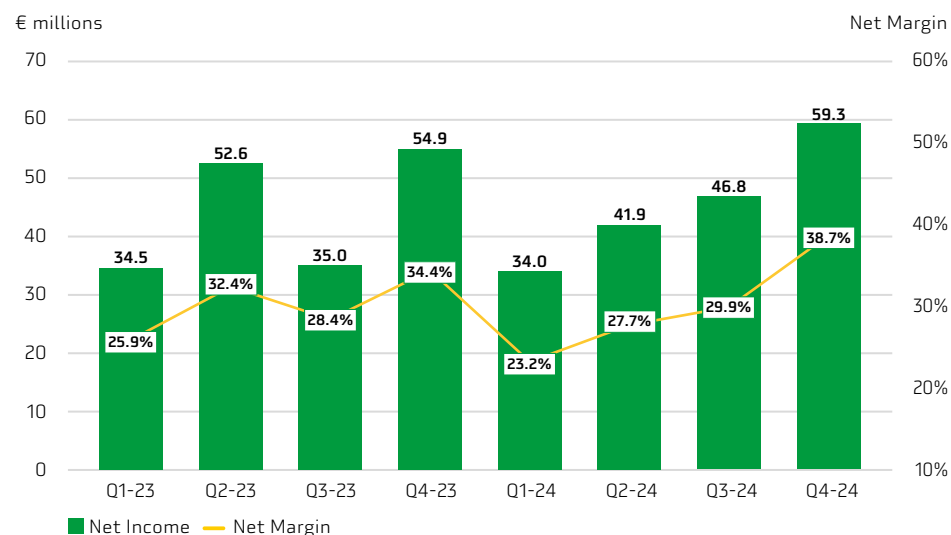
### Income taxes

Besi recorded income tax expense of € 6.5 million in 2024 versus € 30.6 million in 2023. The effective tax rate decreased to 3.5% versus 14.7% in 2023 primarily due to € 18.2 million of net tax benefits in 2024. In 2023, we recorded a € 2.3 million downward valuation of deferred tax assets. Excluding such adjustments, Besi's effective tax rate for 2024 would have been 13.1% versus 13.6% in 2023.

### Net income

Besi's net income of € 182.0 million in 2024 increased by 2.8% versus 2023 and its net margin decreased from 30.6% to 30.0% primarily due to higher operating expenses, partially offset by higher revenue, improved gross margins and a lower effective tax rate.

### QUARTERLY NET INCOME TRENDS



### Balance sheet, cash flow development and financing

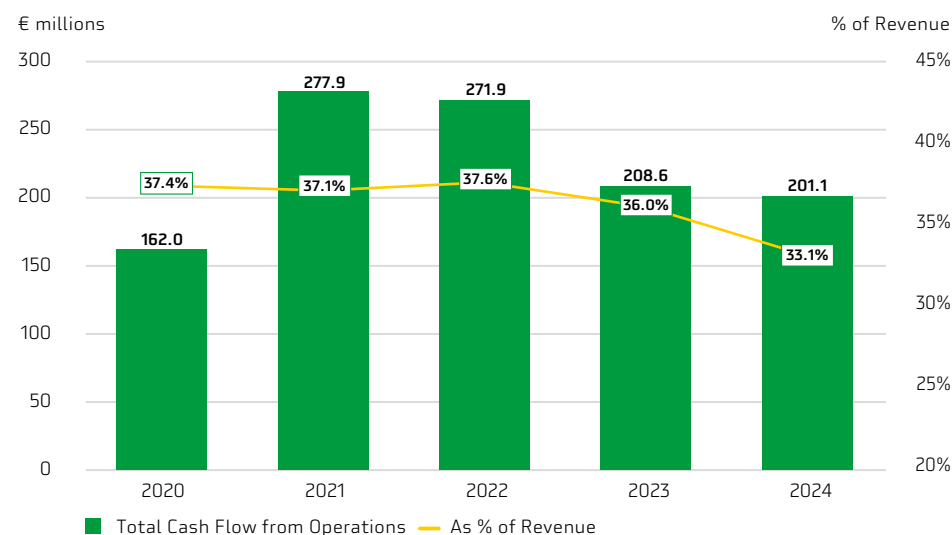
#### Cash flow

In 2024, Besi generated cash flow from operations of € 201.1 million which along with cash, cash equivalents and deposits outstanding, was utilized for the following principal purposes

- € 171.5 million of cash dividends were paid to shareholders.
- € 79.8 million of ordinary shares were repurchased and held in treasury.
- € 19.4 million of development expenses were capitalized.
- € 12.0 million of capital expenditures were made.

In addition, cash and deposits reached € 672.3 million at December 31, 2024, an increase of 62.6% versus year end 2023, primarily due to Besi's issuance of € 350 million Senior Notes in July 2024. Year end cash balances also reflected a total capital allocation of € 251.3 million in 2024 in the form of dividends and share repurchases. Similarly, our year end net cash position of € 143.8 million (defined as cash, cash equivalents and deposits less total debt) increased by € 30.8 million, or 27.3%, versus year end 2023 which also included the conversion into equity of € 129.1 million of Besi's 2017 and 2020 Convertible Notes.

### CASH FLOW GENERATION TRENDS



### Working capital

Besi's working capital (excluding cash and debt) increased by € 21.2 million, or 15.1%, to reach € 161.9 million at December 31, 2024, due primarily to an increase in trade receivables and inventories related mainly to higher order levels for advanced die placement systems, partially offset by an increase in trade and other payables. As a percentage of revenue, working capital increased to 26.7% at year end 2024 versus 24.3% at year end 2023.

### Capital expenditures

Capital expenditures of € 12.0 million increased by € 5.1 million as compared to 2023 levels. Capital spending in 2024 primarily related to the completion of Besi's Singapore cleanroom facility and the establishment of a new assembly facility in Vietnam. We anticipate that capital expenditures will range between € 8 and € 12 million in 2025 primarily related to a doubling of cleanroom facilities in Malaysia and Singapore and an expansion of assembly production capacity at our Vietnamese operations.

### Financing

At December 31, 2024, Besi had € 528.5 million of total indebtedness of which € 181.7 million related to two issues of Convertible Notes outstanding with a face value of € 199.1 million, € 343.9 million related to the issuance of € 350.0 million principal amount of 4.500% Senior Notes in July 2024, € 2.0 million was represented by government loans and € 0.8 million related to a bank overdraft. No other indebtedness was outstanding at such date including amounts owed under Besi's bank lines of credit.

### Bank lines of credit

At December 31, 2024, Besi and its subsidiaries had available bank lines of credit aggregating € 97.9 million. At such date, utilization under the lines aggregated € 0.6 million related to bank guarantees. In general, interest is charged at the banks' base lending rates or ESTR/SOFR plus an increment. Most of our credit facility agreements include covenants requiring Besi and/or its subsidiaries to maintain certain financial levels or financial ratios. Besi and all its applicable subsidiaries were in compliance with all loan covenants at December 31, 2024.

The lines of credit include an € 80 million revolving credit facility with a consortium of European banks (the "Facility") which matures in 2026 and can be expanded to € 136 million. Interest rates on borrowings vary per currency and the level of cash balances outstanding and borrowings utilized. It ranks pari passu with the Convertible Notes and Senior Notes and is secured by guarantees from certain operating subsidiaries. Borrowings can be used for working capital and other corporate purposes and repaid at any time at 100% of principal amount. The principal covenants associated with the Facility include a maintenance test of consolidated debt to equity and a limitation on the incurrence of additional permitted indebtedness.

### Issuance of Convertible Notes and Senior Notes

On December 6, 2017, Besi issued € 175 million principal amount of 0.5% Senior Unsecured Convertible Notes due December 2024 (the "2017 Convertible Notes"). During 2024, the remaining € 32.5 million outstanding principal balance was converted into approximately 70,000 shares.

On August 5, 2020, Besi issued € 150 million principal amount of 0.75% Senior Unsecured Convertible Notes due August 2027 (the "2020 Convertible Notes"). The 2020 Convertible Notes will be repaid at maturity at 100% of their principal amount plus accrued and unpaid interest or, if converted, into approximately 3.1 million ordinary shares at a conversion price of € 48.95 (subject to adjustment). The original exercise price of € 51.56 has been adjusted for dividends paid subsequent to the date of issuance in accordance with the terms and conditions related thereto. During 2024, € 125.9 million outstanding principal balance of the 2020 Convertible Notes were converted into approximately 2,572,000 shares. As of December 31, 2024, € 24.1 million of the 2020 Convertible Notes were outstanding which if converted would result in the issuance of approximately 492,000 shares.

On April 6, 2022, Besi issued € 175 million principal amount of 1.875% Senior Unsecured Convertible Notes due April 2029 (the "2022 Convertible Notes"). The 2022 Convertible Notes will be repaid at maturity at 100% of their principal amount plus accrued and unpaid interest or, if converted, into approximately 1.5 million ordinary shares at a conversion price of € 115.50 (subject to adjustment).

Besi may redeem each of the outstanding 2020 and 2022 Convertible Notes at 100% of their principal amount after August 26, 2024 (2020 Convertible Notes) and April 27, 2026 (2022 Convertible Notes), respectively, provided that the market value of our ordinary shares exceeds 130% of the then effective conversion price for a specified period of time. In the event of a change of control (as defined), each noteholder will have the right to require Besi to redeem all (but not less than all) of its Convertible Notes at 100% of their principal amount together with accrued and unpaid interest thereon. In addition, the 2020 and 2023 Convertible Notes may be redeemed at the option of the holder on August 5, 2025 and April 6, 2027, respectively, at their principal amount plus accrued interest.

The terms and conditions governing each of the Convertible Notes contain no incurrence tests nor maintenance covenants which could materially limit Besi's ability to conduct its operations in the normal course. The Convertible Notes were privately offered to institutional investors and are listed on the Deutsche Börse's Freiverkehr market.

On July 17, 2024, Besi issued € 350.0 million principal amount of 4.500% Senior Notes due 2031 (the “2024 Senior Notes”). The 2024 Senior Notes are senior, unsecured obligations of the Company, rank pari passu with the 2020 and 2023 Senior Unsecured Convertible Notes and will be repaid at maturity at 100% of their principal amount plus accrued and unpaid interest. Besi may redeem the outstanding 2024 Senior Notes on or after January 15, 2031 at 100% of their principal amount plus accrued and unpaid interest, or prior to this date at 100% of their principal amount plus a “make-whole” premium plus accrued and unpaid interest subject to giving a minimum of 10 days’ and a maximum of 60 days’ prior notice to Bondholders. In the event of a change of control (as defined), each noteholder will have the right to require Besi to redeem all or any part of its 2024 Senior Notes at 101% of their principal amount together with accrued and unpaid interest thereon.

The terms and conditions governing the Senior Notes contain no incurrence tests nor maintenance covenants which could materially limit Besi’s ability to conduct its operations in the normal course. The Senior Notes were privately offered to institutional investors and are listed on The International Stock Exchange market.

### Capital allocation

Besi’s capital allocation policy seeks to provide a current return to shareholders in the form of cash dividends and share repurchases while retaining a capital base sufficient to fund future growth opportunities.

### Dividends

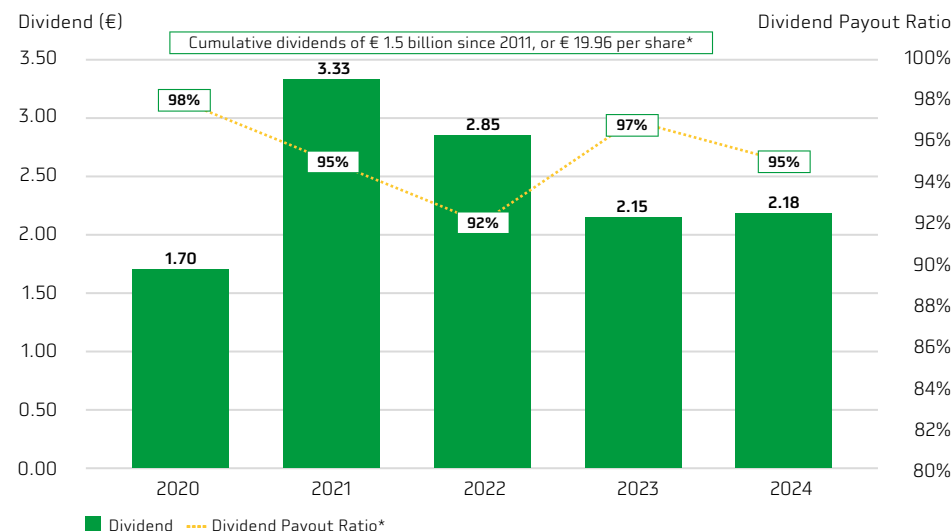
Besi’s dividend policy considers the payment of dividends on an annual basis based upon (i) a review of its annual and prospective financial performance, liquidity and financing needs, the prevailing market outlook and Besi’s strategy, market position and acquisition strategy and/or (ii) a dividend payout ratio in the range of 40-100% relative to net income to be adjusted accordingly if the factors referred to under (i) so require.

Due to Besi’s earnings and cash flow generation in 2023, the Board of Management proposed and Besi paid a cash dividend to shareholders of € 2.15 per share which resulted in cash payments to shareholders of € 171.5 million in 2024.

Due to Besi’s earnings and cash flow generation in 2024, the Board of Management will propose a cash dividend to shareholders of € 2.18 per share for approval at Besi’s Annual General Meeting of Shareholders to be held on April 23, 2025.

The payments for the year 2023 and proposed for the year 2024 represent a dividend payout ratio relative to net income of 97% and 95%, respectively.

### DIVIDEND TRENDS



\* Calculated on Basic EPS. Includes value of both cash and stock dividends. Includes proposed dividend for approval at 2025 AGM.

### Share repurchase program

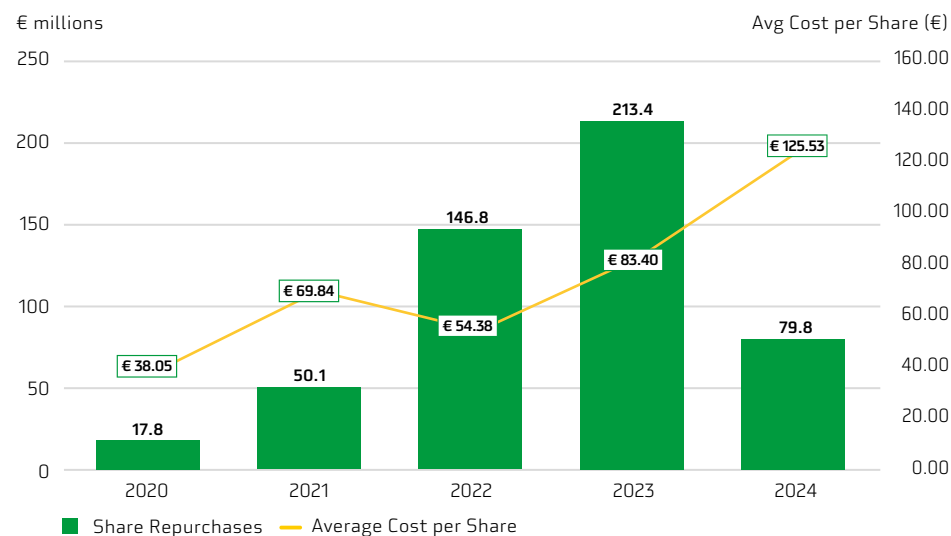
On October 26, 2023, Besi announced a € 60 million share repurchase program effective November 1, 2023. Under the program, Besi repurchased a total of 451,356 of its ordinary shares between November 1, 2023 (inception) and August 31, 2024 (completion) at an average price of € 132.93.

On August 31, 2024, Besi announced a new € 100 million share repurchase program effective September 1, 2024. The program is aimed at general capital reduction purposes and to help offset dilution related to Besi’s Convertible Notes and shares issued under employee stock plans. It is funded using Besi’s available cash resources and expected to be completed by October 2025. In 2024, Besi repurchased a total of approximately 0.3 million of its ordinary shares between September 1, 2024 (inception) and December 31, 2024 at an average price of € 112.28, representing an aggregate amount of € 29.4 million.



At present, Besi has shareholder authorization to repurchase up to 10% of its issued share capital (approximately 8.1 million shares) until October 25, 2025. At December 31, 2024, Besi held approximately 1.8 million shares in treasury equal to approximately 2.3% of its ordinary shares outstanding.

### SHARE REPURCHASE ACTIVITY



Besi believes that its cash position, internally generated funds and available lines of credit will be adequate to meet its anticipated levels of capital spending, research and development, debt service requirements, working capital and capital allocation policy for at least the next twelve months.

# Sustainability Statement

A year of progress

Basis for preparation of Sustainability Statement

Environment

Social

Governance

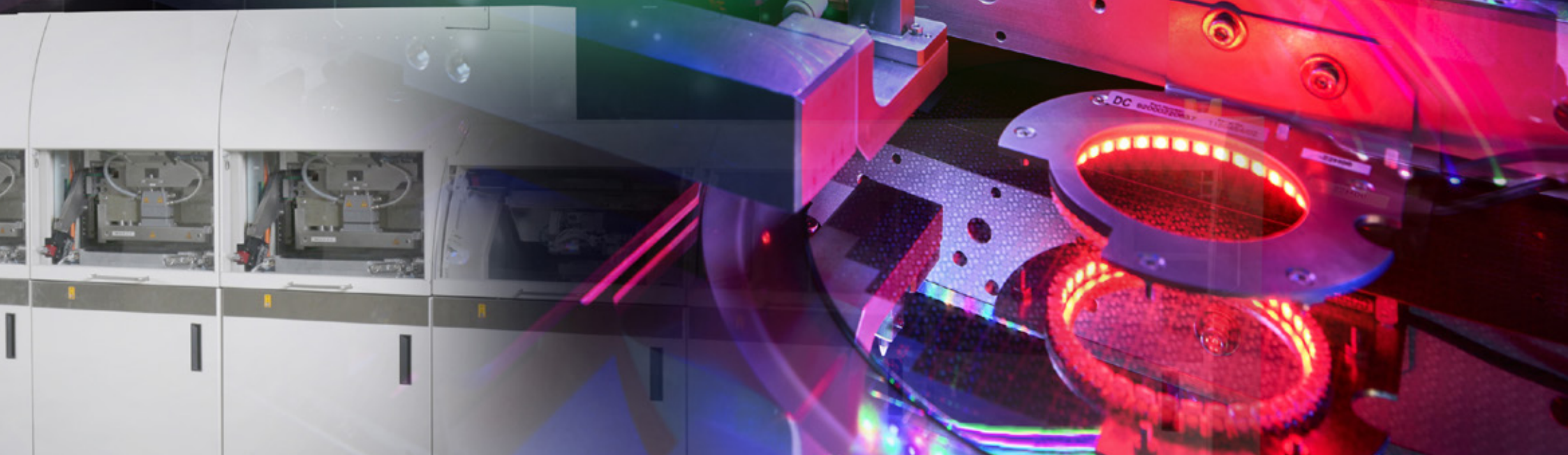
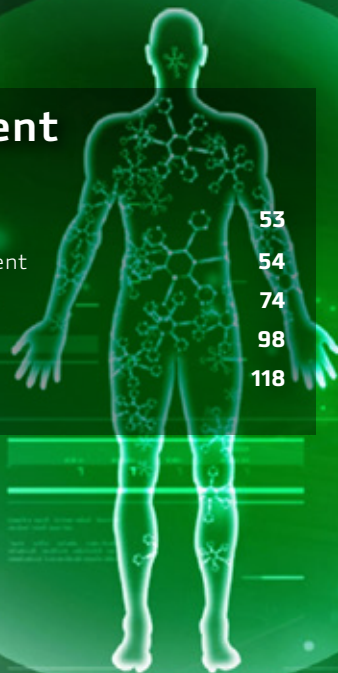
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118



## Sustainability Statement

### A year of progress

Besi has significantly increased its sustainability-related activities and reporting since 2019 including the development of various short- and long-term targets through 2050. We are pleased with our sustainability-related achievements as measured by significant improvements in each of our three principal process pillars including progress in the areas of Scope 1 & 2 and 3 emissions, fuel consumption, renewable energy usage, sustainable product design and supply chain as well as personnel topics such as employee engagement and training. In fact, since 2019, we have reduced Scope 1 & 2 emissions intensity by 98%, fuel consumption intensity by 59% and increased our energy usage from renewable sources to 99% versus 18%. In addition, we can report that a majority of 2024 targets set in 2022 were met or exceeded due to our continued focus on the impacts, risks and opportunities most material to (i) Besi's business and stakeholders, (ii) the formulation and execution of strategic initiatives and (iii) the commitment of our workforce. As a result of our successful performance versus historical targets in 2022 and 2024, we have developed enhanced milestones for 2026 in alignment with 2030 target achievement.

In addition to absolute targets, we measure our sustainability performance in terms of intensity ratios given the highly cyclical nature of our industry and revenue development on a year to year or even multi-year basis. Post the last industry peak in 2021, Besi's relative intensity ratios have been adversely affected by an aggregate revenue decrease of 19% related to a significant assembly market downturn. Favorable performance in 2024 was achieved, in part due to a 4.9% revenue increase versus 2023 primarily due to higher demand by computing end-user markets, particularly for hybrid bonding and photonics applications, partially offset by ongoing weakness in mobile and automotive markets. Our favorable performance with respect to intensity ratios in 2024 versus 2023 was also due to the successful execution of several initiatives including a new heating system in Austria, the installation of energy management software at Besi Netherlands and the procurement of renewable energy at Besi's operations in Malaysia, China and Vietnam. As a result, Scope 1 & 2 and 3 emissions intensity ratios improved further and our energy provided by renewable sources increased from 71% in 2023 to 99% in 2024. Emissions intensity ratios will be adversely affected in 2025 due to the additional energy required to significantly expand cleanroom production capacity and R&D capabilities in Malaysia and Singapore in support of anticipated wafer level assembly growth as well as increased assembly production in Vietnam. However, we expect to meet or exceed all 2026 sustainability milestones based on the successful implementation of ongoing and new strategic initiatives.

In 2024, Besi successfully applied the Corporate Sustainability Reporting Directive ("CSRD") and reported in accordance with the European Sustainability Reporting Standards ("ESRS") for the first time. We were well positioned for compliance having significantly expanded the scale and scope of Besi's reporting activities since 2019 relative to leading external frameworks such as SASB, GRI, NFRD, TCFD and the EU Taxonomy. In addition, we have pro-actively responded to external questionnaires such as CDP Climate Change and the

S&P Global Corporate Sustainability Assessment with a focus on materiality, clarity and transparency. We also conducted a Double Materiality Assessment in 2023 which assessed the impact of Besi on people and the environment as well as the environmental and social-related risks and opportunities to which we are exposed. In order to validate the results of the analysis, we conducted an engagement roadshow in 2024 with key stakeholders, specifically investors, customers, suppliers, employees and Works Councils and Work Unions representing Besi employees.

We also completed several initiatives in 2024 to further support the mitigation of several sustainability-related impacts, risks and opportunities in alignment with our long-term, sustainable value creation strategy for stakeholders. For instance, Besi Austria invested in flood defenses for its facility to increase its resilience against the physical impacts of climate change. In addition, progress was made with employee engagement at Besi APac with a Diversity, Equity and Inclusion workshop. Further, Besi published and updated several sustainability-related policies on its website this year having conducted an assessment in 2023 of the impacts, risks and opportunities most material to us. We further enhanced our climate-related reporting this year including detailed reporting on the size and sources of our Scope 1 & 2 and Scope 3 GHG emissions. In addition, we created a Climate Transition Plan which outlined our climate targets, planned emission reduction actions and a roadmap of activities across short-, medium- and long-term time periods. To this end, Besi significantly expanded the number of metrics it collects and publishes in the Sustainability Statement. We also created and began implementing a Grievance procedure which helps provide a transparent, fair and efficient process for addressing grievances from employees, customers, suppliers and other stakeholders. Moreover, EY Accountants B.V. provided limited assurance on the Sustainability Statement included in this Annual Report. Their assurance report is included in [Other Information](#).

Besi received external recognition for its sustainability efforts this year. Our ratings with the major publicly recognized agencies such as Sustainalytics, S&P Global, ISS ESG and MSCI have improved significantly since 2019 further underscoring our progress towards best practice metrics. More specifically, we achieved a rating of "AA" in the updated 2024 MSCI ESG Ratings Assessment, up from "A" in 2022 and "BBB" in 2021. Further, in September 2024, Besi's ESG Risk Rating improved to 12.9 versus 17.8 in 2021 as per Sustainalytics placing us ninth out of 366 companies in the Semiconductor Industry Group. Besi's ISS ESG, Sustainalytics and S&P Global scores also improved in 2024 relative to 2023. In addition, we continue to be a component of the AEX Sustainability Index. Such index identifies the 25 companies in the combined AEX (large cap) and AMX (mid cap) indices demonstrating best in class ESG practices as per criteria assessed by Sustainalytics. Further, the Malaysian Dutch Business Council ("MDBC") named Besi APac as the winner of the Best Sustainability Communication (Governance) award at the MDBC Innovation and Sustainability Awards in 2024. The award recognized our efforts to effectively communicate Besi's sustainability objectives and to ensure that our sustainability-related goals are clearly understood and supported by all stakeholders.



Progress was also achieved this year to advance Besi's sustainable product design as a core component of its sustainable long-term value creation model. The objective is to create sustainably designed systems through the application of our intellectual capital. As such, we seek to design leading edge assembly solutions with high levels of reliability, yield of defect-free devices and throughput with a lower total cost of ownership including efficiencies in energy and material consumption. Toward this end, we developed an initiative named "Design-to-X" in 2023 which combined Design-to-Cost and Design-to-Sustainability concepts in order to identify sustainability-related improvement opportunities in all product groups while reducing the cost of many mature die attach and packaging platforms. Over the course of 2024, Besi conducted a resource consumption analysis on its Generation 1 hybrid bonding system and created a roadmap to achieve up to 10% potential energy reduction savings for four die attach product lines. In fact, we succeeded in achieving a 6.9% reduction in energy consumption this year for one product line. Energy reduction opportunities for the four product lines have been integrated into Besi's strategic planning for 2025.

Success in sustainable product design over the past two years builds upon the environmentally friendly design enhancements identified in a collaborative project with the University of Applied Sciences and Arts (Lucerne, Switzerland) ("UASA") since 2019. The UASA collaboration has led to the creation of roadmaps with the potential to achieve absolute energy savings of approximately 10% per die attach platform over the next ten years. Such potential savings are material as die attach revenue represented approximately 81% of Besi's total revenue in 2024. Growth in Besi's installed base of hybrid bonding and other wafer level systems also contributes to sustainable product design and the benefits thereof via an improvement in the overall performance, speed, efficiency, cost of ownership and energy efficiency of such systems versus those using leadframe and substrate assembly process technologies.

In addition, we made considerable progress this year with employee and supplier engagement in alignment with our sustainability-related goals and objectives. Many of the defined goals, ambitions and activities promoted with such stakeholders since 2019 have been implemented and well received by our organization. In the biennial Employee Engagement survey conducted by Willis Towers Watson in 2023, Besi scored above the high-tech norm in six of seven categories. Several initiatives were launched in 2024 to further enhance employee engagement including the introduction of supplementary forms of communication between Besi's senior Management Team and employees which included in-person roundtable sessions at Besi Austria covering topics such as work-life balance, business outlook and technical priorities. In addition, an assessment was conducted across the countries in which Besi operates which found that Besi employees receive an adequate wage versus applicable local benchmarks. Besi employee engagement was encouraged by a 16% increase in training hours per employee versus 2021.

Besi also experienced increased supply chain participation in 2024 relative to sustainability topics as a result of initiatives developed, and supplier responses to, its enhanced annual sustainability supplier survey first introduced in 2023. We conducted site visits and stakeholder interviews and circulated questionnaires at our principal Asian production facilities to ensure that temporary and contracted third party workers adhered to the standards outlined in Besi's Supplier Code of Conduct. We also engaged with our supply chain through a sustainability briefing roadshow, training sessions and the sharing of sustainability-related knowledge with key suppliers. In 2024, Besi integrated sustainability criteria into its Supplier Quarterly Business Review ("QBR") scorecard and assigned such criteria a 10% weighting in the final performance review of the year. In addition, sustainability assessments have been incorporated into the annual audits of key suppliers since 2023. Both the QBR and annual audits are validated onsite and through desktop assessments to ensure compliance. Following such assessments, suppliers are categorized into risk categories and are required to develop an improvement plan based on the feedback provided with active involvement from their senior management to ensure effective implementation. Finally, the percentage of purchasing volume which answered the RBA Code of Conduct Self-Assessment increased from 66% in 2023 to 68% 2024 marking further progress in our supply chain engagement with Besi's sustainability-related activities. In recognition of its supply chain engagement efforts, Besi achieved silver status with the RBA which is externally audited and accredited.

## Basis for preparation of Sustainability Statement

### General basis for preparation

The Corporate Sustainability Reporting Directive ("CSRD") has not yet been transposed into Dutch National Law as of February 19, 2025. Besi has however prepared the Sustainability Statement in accordance with the European Sustainability Reporting Standards ("ESRS") as adopted by the European Commission. Furthermore, the Sustainability Statement meets the specifications adopted pursuant to Article 8 of the Taxonomy Regulation (Regulation (EU) 2020/852).

The Sustainability Statement of Besi for the year ended December 31, 2024 have been prepared incorporating the accounts of BE Semiconductor Industries N.V. and its consolidated subsidiaries which are included in the scope of the Consolidated Financial Statements as disclosed in Notes to the Consolidated Financial Statements. The financial information used and presented in the Sustainability Statement has been derived from Besi's Consolidated Financial Statements, which have been prepared in accordance with IFRS accounting standards as adopted by the European Union.

Besi has three European subsidiary undertakings, each with revenue below € 80 million, that are included in Besi’s Consolidated Sustainability Statement and are therefore exempt from individual or consolidated sustainability reporting pursuant to Articles 19a (9) or 29a(8) of directive 2013/34/EU.

Besi has not exercised the option to omit a specific piece of information corresponding to intellectual property, know-how or the results of innovations, nor has it used an exemption from disclosure of impending developments or matters in the course of negotiation, as provided for in articles 19a(3) and 29a(3) of Directive 2013/34/EU.

Value chain in the Sustainability Statement

In its Sustainability Statement, Besi uses a comprehensive approach when considering its value chain. Our value chain encompasses a range of activities, resources and relationships that are integral to our business model and the external environment in which we operate. Besi’s value chain encompasses:

Upstream and suppliers	Besi’s suppliers are categorized into the following groups: <ul style="list-style-type: none"><li>• Fabrication part suppliers - metal (and other materials) parts for assembly.</li><li>• Module outsource suppliers - modules performing specific tasks to the operation of equipment used for the assembly of Besi’s systems.</li><li>• Vendor part suppliers - complete parts used in the assembly of our systems (e.g. cables, lenses, cameras and controllers).</li><li>• Service suppliers - providing R&amp;D services as complete solutions or as support to their staff involved in Besi projects.</li></ul>
Own operations	R&D and product design, product assembly and system upgrades, post-sales support and service.
Customers	Our customers are primarily leading multinational chip manufacturers, assembly subcontractors and electronics and industrial companies. Customers are either independent device manufacturers (“IDMs”) which purchase our equipment for internal use at their production facilities or foundries/subcontractors which purchase our equipment to assemble packages for third parties on a contract basis. End-user segments include producers of mobile phones, computers and automobiles.

In 2023, Besi conducted a Double Materiality Assessment which considered the value chain outlined above and assessed potential sustainability-related impacts, risks and opportunities related to its activities. In addition, all potential stakeholder groups were

listed, analyzed and discussed considering the (i) type of stakeholder, (ii) position of the stakeholder in Besi’s value chain and (iii) our impact on the stakeholder and the stakeholder impact on us. This inclusive approach ensures that the interests and concerns of all parties involved in Besi’s operations including employees, customers, investors, suppliers and the communities that Besi operates in, are duly considered and addressed.

Besi’s policies are designed to cover all its stakeholders. Such policies, including our Sustainability policy, Human Rights policy and Anti-Corruption and Bribery policy, outline Besi’s commitments and responsibilities to its stakeholders and provide a framework for how Besi intends to conduct its business in a responsible and sustainable manner for the benefit of all stakeholders.

Reporting scope for sustainability metrics

The metrics in this Sustainability Statement cover all entities that belong to the scope of the Consolidated Financial Statements (see [Note 2](#), Principles of consolidation of the Consolidated Financial Statements) excluding the following Environmental Impact data:

- Energy data for three sales and service offices (North America, Hong Kong and Thailand) due to their immaterial significance.

Time horizons

The reporting period applicable to the Sustainability Statement is the same as the reporting period for the financial statements. Therefore, all sustainability data is reported as of December 31 of the reporting year end. Unless stated otherwise, this report follows the definitions of the time horizons (short-, medium- and long-term) outlined in the ESR5. Alignment with previously set sustainability targets and the climate-related scenario analysis explains why potentially different time horizons may be utilized in this report.

Value chain

The majority of the data and information disclosed in this Annual Report is based on actual group and value chain data. Where actual data was unavailable, we used our best estimates and stated this explicitly. We used approximations and estimates for reporting certain data points such as our Scope 3 emissions. To calculate certain Scope 3 emission categories, we used industry average data or estimations for non-material categories following the GHG Protocol Methodology. The details are provided in the [Environment](#) section. We intend to improve our data granularity in calculating Scope 3 emissions attributed to our suppliers by replacing industry average data with supplier specific carbon footprint data as part of our supply chain engagement efforts.



### Sources of estimation and outcome uncertainty

The preparation of Besi's Sustainability Statement requires management to make judgements, estimates and assumptions that could affect the information reported. Such estimates and assumptions are based on experience and various other factors believed to be reasonable under the circumstances and are reviewed on an ongoing basis. The Sustainability Statement includes prospective information such as ambitions, objectives, milestones, targets and expectations. It is important to note that actual performance may differ in the future, making this information inherently uncertain. Where possible, we present quantitative data alongside comparative data from the previous financial year for context and clarity. If definitions have changed, we have restated the comparative data. There were no errors in prior reporting years that needed to be disclosed.

Most of the quantitative data is directly derived from our operations and value chain. It is clearly stated in the corresponding chapters if we have used alternative methods for computation such as estimations or extrapolations. We disclose the basis of preparation (i) for each material topic and reported dataset where applicable, (ii) the resulting level of accuracy, (iii) the estimation of outcome uncertainty and (iv) any planned actions to improve the accuracy and outcome uncertainty of sustainability information for future iterations of the Sustainability Statement.

### Use of phase-in provisions

The Appendix C List of phased-in Disclosure Requirements of the ESRs 1 sets phase-in provisions for the Disclosure Requirements or datapoints that may be omitted or that are not applicable in the first year of preparation of the Sustainability Statement under the ESRs. Besi has omitted the following information for the first year of preparation of its Sustainability Statement:

- ESRs 2 SBM-1 paragraph 40(b) (breakdown of total revenue by significant ESRs sector) and 40(c) (list of additional significant ESRs sectors).
- Material impacts, risks and opportunities and their interaction with strategy and business model: ESRs 2 SBM-3 paragraph 48(e) (anticipated financial effects).
- Anticipated financial effects from material physical and transition risks and potential climate-related opportunities: ESRs E1 (E1-9).
- Metrics related to social protection: ESRs S1 (S1-11).
- Metrics related to health and safety: ESRs S1 (S1-14) (reporting on non-employees).
- Metrics related to work-life balance: ESRs S1 (S1-15).

### External review

The data and KPIs of Besi's Sustainability Statement are reviewed by an independent third-party verifier, EY Accountants B.V., in compliance with the applicable regulation on the disclosure of sustainability information. EY Accountants B.V. provided limited assurance on the Sustainability Statement. Their assurance report is included in [Other Information](#) in this Annual Report. There is no metric validated by an external body other than the assurance provider.

### Strategy, business model and value chain

#### Our products and services

Besi is engaged in one line of business: the development, manufacturing, marketing, sales and service of semiconductor assembly equipment for the global semiconductor and electronics industries. Our principal product and service offerings are set forth below:

- Die attach equipment: single chip, multi-chip, multi module, flip chip, epoxy and soft solder die bonding systems, hybrid, TCB and embedded bridge die bonding, die lid attach and fan out wafer level packaging.
- Packaging equipment: conventional, ultra-thin and wafer level molding, trim and form and singulation systems.
- Plating equipment: tin, copper, precious metal and solar plating systems and related process chemicals.
- Services/Other: tooling, conversion kits, spare parts and other services for our installed base of customers. Service and spares revenue together represented 16% of total revenue in 2024.

As indicated in our EU Taxonomy assessment, 83% of turnover was eligible under Circular Economy ("CE") objectives, 59% of capital expenditures ("CapEx") were eligible CE objectives and 36% of operating expenses ("OpEx") were eligible under CE objectives provided in Article 8 of Regulation (EU) 2020/852 (the "Taxonomy Regulation"). Moreover, we deliver systems which can potentially be used by end consumers for a variety of resource efficient applications within the automotive, communication and high-performance computing industries.

Our customers are primarily leading multinational chip manufacturers, foundries, assembly subcontractors and electronics and industrial companies and include Amkor, ASE, Foxconn, Infineon, InnoLight, Intel, LG Innotek, Micron, Nvidia, NXP, STMicroelectronics, Texas Instruments and TSMC. Customers are either independent device manufacturers ("IDMs") which purchase our equipment for internal use at their production facilities or foundries/subcontractors which purchase our equipment to assemble packages for third parties on a contract basis. Our customers tend to be long-term partners, implying there has been no change over the past year with respect to additional markets or customers. We are a global company with headquarters in Duiven, the Netherlands. We operate eight facilities in Asia and Europe for development and production activities as well as 13 sales and service offices across Europe, Asia and North America. Besi does not have any restrictions on the sale of its products other than sales to sanctioned countries such as Russia, Belarus or North Korea. We employed a total of 1,878 personnel at December 31, 2024, of whom 1,275 were based in Asia and 603 were based in Europe and North America.

Besi's mission is to become the world's leading supplier of semiconductor assembly equipment for advanced packaging applications and to exceed industry average benchmarks of financial performance. We also strive to create long-term value for stakeholders and operate our business in a sustainable way respecting both the environment and society.

### Description of business model and value chain

Long-term success in the assembly equipment industry requires technological leadership, customer alignment, system reliability and high levels of accuracy in 24/7, high volume production environments. Other key factors include production flexibility and scalability in response to volatile shifts in demand for an industry whose cycle times have become ever shorter. We also recognize the importance of sustainability considerations in the development of our strategy such as our carbon footprint, the sustainable performance of our systems and the development of a business culture which is diverse, respects the rights of our employees and promotes the skills and talents of our personnel. Besi's business strategy has been developed with these considerations in mind. One of our top priorities is the maintenance of technological leadership in the advanced packaging

segment of the industry. This is the most rapidly growing part of our business with the greatest potential for future growth. We aim to leverage Besi's technological leadership position to generate higher levels of through-cycle revenue, profitability and cash flow via a highly scalable and flexible production model. Weekly analyses of order development and the supply chain combined with disciplined cost control efforts have enabled us to respond rapidly to changing market conditions, retain superior margins and generate high levels of cash flow to support a shareholder friendly capital allocation policy.

Over the past decade, Besi has delivered strong growth and value creation for all stakeholders while conducting its business in a responsible and sustainable manner. Besi's dedicated focus on advanced packaging, technological leadership and the disciplined execution of strategic initiatives such as (i) the achievement of our € 1 billion+++ revenue model, (ii) partner with the Winners 2.0, (iii) the expansion of our leading hybrid bonding position and (iv) other initiatives as described in the [Strategy](#) section, has created a leader in the assembly equipment market with superior through-cycle performance and strong financial metrics.

### BESI'S LONG-TERM SUSTAINABLE VALUE CREATION MODEL

CAPITALS	INPUT	OUTPUT	IMPACT	STAKEHOLDERS
<b>Intellectual</b>	<ul style="list-style-type: none"> <li>Significant investment in research and development</li> <li>Know-how of our people</li> <li>Our intellectual property</li> </ul>	<ul style="list-style-type: none"> <li>Leading edge assembly solutions</li> <li>Sustainably designed systems</li> <li>Partnership with industry leaders</li> </ul>	<b>Environmental footprint</b> <ul style="list-style-type: none"> <li>Promote cleaner environment. Mitigate climate change</li> <li>Longer battery life in electronics</li> <li>Lower power consumption and heat dissipation in smartphones</li> <li>Lead free content in PCBs</li> <li>Reduced waste, water, energy, packaging and hazardous materials</li> <li>More efficient solar cells</li> <li>Electric vehicle usage</li> <li>Reduced greenhouse gas emissions</li> </ul> <b>Digital society</b> <ul style="list-style-type: none"> <li>Promote new applications in digital society</li> <li>Smart infrastructure, manufacturing and homes</li> <li>Better communication, mobility, medical care and security</li> </ul> <b>Employees and workers in the value chain</b> <ul style="list-style-type: none"> <li>Provide safe and healthy working environment</li> <li>Invest in well-being of employees</li> <li>Promote training, local sponsorship, investments, diversity and inclusion and human rights</li> </ul> <b>Shareholders</b> <ul style="list-style-type: none"> <li>Offer attractive total long-term returns</li> </ul>	<b>Customers</b>
<b>Human</b>	<ul style="list-style-type: none"> <li>1,878 worldwide fixed employees</li> <li>Flexible workforce</li> <li>Responsible ethics, labor and tax practices</li> </ul>	<ul style="list-style-type: none"> <li>Committed and engaged employees</li> <li>Long-term customer relationships</li> <li>Increased customer satisfaction</li> <li>Expand addressable market</li> </ul>		<b>Employees</b>
<b>Natural</b>	<ul style="list-style-type: none"> <li>Minerals, metals and other raw materials</li> <li>Natural and renewable energy sources</li> </ul>	<ul style="list-style-type: none"> <li>Recyclable materials</li> <li>Lower carbon footprint</li> <li>Higher % of renewable energy</li> <li>Conservation of natural resources</li> </ul>		<b>Society</b>
<b>Industrial</b>	<ul style="list-style-type: none"> <li>Our global production and supply chain</li> <li>Components, modules and semi-finished products we purchase</li> </ul>	<ul style="list-style-type: none"> <li>Value-added assembly</li> <li>Scalable, sustainable and responsible supply chain</li> <li>Flexible production model</li> </ul>		<b>Suppliers</b>
<b>Financial</b>	<ul style="list-style-type: none"> <li>Strategic planning</li> <li>Capital allocation</li> <li>Capital markets funding</li> <li>Acquisitions</li> </ul>	<ul style="list-style-type: none"> <li>Peer-leading financial metrics</li> <li>€ 1.4 billion returned to shareholders (5 years)</li> <li>Average ROAE of 41.6% (5 years)</li> <li>Total shareholder return 353% (5 years)</li> </ul>		<b>Shareholders</b>

In general, Besi funds its operations and sustainability strategy through available cash and deposits on hand, cash generated from operations and, in some instances, funds the operations of its subsidiaries through intercompany loans and borrowings under its bank-lines of credit. Besi allocates such financial resources to acquire the inputs for its business model including (i) R&D investment for next generation assembly applications, (ii) investment in its employees and internal operations, (iii) the sustainable procurement of raw materials and energy sources and (iv) collaboration throughout our value chain.

Besi has set ambitious short-term, medium-term and long-term sustainability targets. We aim to reduce our Scope 1 & 2 emissions by 75% in 2026 versus 2021 baseline year and have set a target to reach net zero GHG emissions in terms of Scope 1 & 2 emissions by 2030 and all scopes of GHG emissions by 2050. Besi also aims to provide equal opportunities for all employees and maintain a high level of employee engagement.

Key elements of our sustainability strategy aim to exceed the challenging milestones and targets set by Besi for 2026 and 2030. In setting such milestones and targets, we assessed our current products and stakeholder views through a Double Materiality Assessment, key performance indicators, stakeholder dialogue and a climate-related scenario analysis. We also took into consideration the geographic context of our operations such as access to renewable energy and the different perspectives of our supply chain vendors and employees. The 2026 intermediate milestones were set in 2024 after assessing progress against the 2024 and 2030 targets set in 2022. In the [Environmental](#) and [Social](#) sections of this Sustainability Statement, we detail how such targets were created, how we formulate, market and sell our products and the way we intend to interact with our suppliers, customers and shareholders in the future:

- Customers increasingly seek products that are sustainable, environmentally friendly and ethically produced. Our management of sustainability issues is formulated with sustainable design as a key component in order to build strong relationships, attract customers and increase our revenue growth.
- Investors in European, North American and Asian markets are increasingly considering sustainability and sustainability themes as part of their investment process. Investors are requesting more sustainability information from us than in previous years particularly in the areas of climate change, fossil fuels, carbon emissions, conflict minerals and human rights within the supply chain.
- A high quality, flexible and scalable supply chain is critical to satisfying customer needs in a cyclical business and our long-term success. As such, we frequently engage with our suppliers to ensure that they mitigate any potential negative impacts and/or risks.

### Besi value chain

As detailed in the General basis of preparation, Besi has an upstream supply chain that consists of fabrication part, module outsource, vendor part and service suppliers. Besi's ambition is to collaborate with stakeholders throughout our value chain and improve the sustainability-related practices of our industry. We are committed to improving the processes of our supply chain through a number of initiatives:

- We adhere to high ethical standards in our business and commit to ensuring that we are not complicit in any human rights violations and expect the same from our suppliers.
- We work with our suppliers to develop a sustainable supply chain, implementing supplier assessment and performance management initiatives.
- We aim to maintain a long-term relationship with our suppliers that is based on mutual trust and integrity, compliant with applicable laws and is mutually beneficial.
- We prioritize local sourcing and emphasize strategic purchasing.
- We perform a supplier sustainability assessment including a comprehensive overview of our suppliers' sustainability-related topics such as reducing their environmental impact, addressing a broad spectrum of social topics (e.g. working conditions, human rights) and promoting high business standards.
- We have adopted the RBA Code of Conduct that sets out the key social principles which we expect our suppliers to acknowledge and comply with.

We continuously work on the enhancement of policies and procedures to improve the sustainability practices of our supply chain. As such, a key focus of our supply chain engagement efforts over the medium-term will be to further enhance the granularity of our upstream Scope 3 emission data, the adoption of renewable energy by our suppliers and the implementation of a human rights due diligence process.

### Besi's value proposition

Besi aims to provide global semiconductor manufacturers and subcontractors with a compelling value proposition consistent with market requirements and new product development roadmaps which requires

- Leading edge product innovation for our customers that benefit both investor's total shareholder return and other stakeholders through employment and other positive social impacts.
- Promotion of an environment of collaboration, open discussion and innovation to develop tailored solutions for the marketplace.
- Production of high quality, premium solutions for the marketplace which offer leading edge reliability, performance and longevity and are manufactured according to high ethical business standards.
- A development focus on system efficiency both in terms of environmental impact and productivity/cost savings with a particular emphasis on the sustainable design of our systems.

- A fair and competitive price for our products which delivers the desired quality level and environmental impact expected by our customers.
- Continuous stakeholder engagement in which we embrace open dialogue and knowledge sharing important to an innovation-driven industry and which helps us to identify areas for improvement.
- Interaction with all stakeholder groups on their topics of concern which includes the incorporation of their views into our sustainability strategy.

### Sustainability strategy

We strive to create long-term value for our stakeholders and operate our business in a sustainable way, respecting the environment, our own employees and wider society. Besi is committed to running its operations in accordance with internationally recognized standards and best practices and to promote sustainability with all stakeholders through the reporting of material sustainability topics on an annual basis in line with international and regulatory standards.

### 2024 SUSTAINABILITY PROGRESS

	2024 Target	2024 Progress
<b>Environmental Factors</b>	62% reduction in absolute Scope 1 & 2 emissions vs. 2021	97% reduction in absolute Scope 1 & 2 emissions vs. 2021
	75% energy from renewable sources	99% energy from renewable sources
	Develop targets for sustainable design	Energy consumption reduction targets set for four of Besi's product groups
<b>Social Factors</b>	Increase % female employees to 19%	Achieved 17% female employees
	Increase investment in employee training to ≥ 21 working hours per employee per year	30 training hours per employee achieved
<b>Responsible Business</b>	70% Purchasing Volume audited	64% Purchasing Volume audited
	73% Purchasing Volume to sign CFSI	72% Purchasing Volume signed CFSI
	77% Purchasing Volume to sign GWA or GPC	77% Purchasing Volume signed GWA or GPC

As a result, Besi has implemented processes to optimize its governance, risk management, data collection, supplier engagement and sustainable design for all sustainability matters identified as material by our Double Materiality Assessment. To this end, the strategy explicitly considers the impact of sustainability-related risks and opportunities on Besi's businesses, strategy and financial planning. In addition, the strategy includes Besi's goals and ambitions with specific targets identified to guide our activities until 2030 and which sets the objective of net-zero carbon emissions by 2050.

Our core sustainability strategy is based on the commitments outlined in our Sustainability policy.

### Environmental

We commit to monitor Besi's environmental performance across material topics through various KPIs. We engage with our suppliers to create awareness of our activities and to implement environmental-related initiatives. We set ambitious targets for our own operations and create awareness amongst our employees about our environmental initiatives and KPIs and make employees aware of why Besi is undertaking such activities. We strive to reduce the environmental impact of our products at customer operations by implementing sustainable design concepts in the development of our products. We aim to consult with stakeholders on environmental issues and report on how we have engaged with shareholders, suppliers, customers, employees, local communities and societies on an annual basis.

### Social

Besi aims to develop its business in a socially responsible manner for the benefit of all stakeholders, employees, partners, suppliers, customers and local communities. We have an ambition to align with internationally recognized standards across our value chain such as the International Labor Organization ("ILO") and the UN Guiding Principles on Business and Human Rights. We seek to align all our internal policies with such standards and guiding principles. In addition, we seek to offer a working environment where all employees feel safe and secure. Everyone has the right to join a legally recognized trade union. Everyone has the right to a healthy work and private life balance. Everyone has the right to work in a place that is free from harassment, intimidation or any kind of psychological or physical violence.

### Governance

We acknowledge the importance of good governance, the most important elements of which are transparency, independence and accountability. We conduct our business with high ethical standards and are committed to eliminate any corruption and bribery cases in our operations and our value chain. We offer business conduct trainings for our employees and work diligently to communicate our business conduct principles to our suppliers and

customers. Besi is also committed to investigate any incidents related to its business conduct promptly, independently and objectively.

### Stakeholder engagement

Besi regularly engages with stakeholders to identify business opportunities, issues and risks in order to better assess its long-term sustainable value creation model. Insights are gathered through a variety of channels including dialogue with investors and customers, management reviews, employee surveys and internal and external audits. We identify key stakeholders according to Besi's impact on their interests as well as their ability to influence our business. Our key stakeholders include shareholders, suppliers, customers and employees based on the stakeholder mapping conducted in 2023.

In 2024, Besi conducted a stakeholder engagement roadshow to validate the results of its Double Materiality Assessment ("DMA"). This initiative sought to assess stakeholder opinion on the results of the DMA and their broader perspective of Besi's material sustainability impacts, risks and opportunities considering the spectrum of topics included in the ESR5. Stakeholder engagement was conducted via moderated interviews with key stakeholders such as investors, customers, suppliers and employees (including representatives of Works Councils and Work Unions representing Besi's employees). Before each interview, the Besi team shared a letter with stakeholders, including pre-reading materials, to help them understand the DMA process, the ESR5 requirements and how Besi arrived at the conclusion of its DMA assessment.

The stakeholders were also asked to provide their opinion on the most significant sustainability-related:

- impacts that could affect the environment and people connected to our operations including our upstream and downstream value chains.
- risks with negative financial effects (potential or actual) arising from sustainability matters which could negatively affect Besi.
- opportunities with positive financial effects (potential or actual) arising from sustainability matters which could positively affect Besi.
- topics where Besi could have significant impacts, risks and opportunities not covered by the results of our DMA.

The results of the stakeholder interviews were reviewed and discussed by Besi's sustainability team, Management Team and Board of Management. The assessment confirmed stakeholder alignment with our DMA and validated the topics which were considered material. In addition, we would like to highlight:

- There were no significant issues highlighted nor significant impacts, risks and opportunities not already considered material by the DMA.
- Stakeholders stressed the importance of Besi's impact or potential impact on climate change mitigation, human rights, work-life balance and diversity in our operations and across our value chain.
- There was consensus that Besi was not exposed to significant material risks involving severe negative financial effects (potential or actual) arising from sustainability matters. It was considered that Besi had an increased exposure to regulatory-related risks with respect to environmental and human rights topics.
- It was stated by stakeholders that we could benefit from setting more ambitious long-term targets, further enhancing employee engagement and talent attraction and strengthening its dialogue with customers and suppliers on sustainability-related topics in order to fully capture the opportunities available to Besi.



The outcomes of the stakeholder engagement were presented to the Supervisory Board. The list of material topics was reviewed and approved by the Supervisory Board upon the review and discussion of the results of stakeholder engagement. Beyond approval of the DMA, no changes were made to our strategy and/or business model as a result of the engagement roadshow.

Stakeholder group	The purpose of engagement	How we engage	How the views of stakeholders are taken into account
Shareholders/ Investors	<ul style="list-style-type: none"> <li>Shareholders expect Besi to protect their investment and provide a competitive return on capital while operating responsibly as a corporate citizen.</li> <li>Both existing and new investors have shown increased interest in sustainability and have specific sustainability criteria with which to evaluate Besi's performance.</li> </ul>	<ul style="list-style-type: none"> <li>Shareholders are engaged through an active investor relations program including quarterly and annual conference calls, roadshows, conferences, analyst presentations and Besi's Annual General Meeting ("AGM").</li> <li>We maintain close contact with investors in Europe, North America and Asia.</li> <li>We conduct regular meetings with investment professionals and encourage them to ask questions during our earnings calls, meetings, conferences and at our AGM.</li> <li>We engage in important face-to-face dialogue and receive valuable feedback about our business and sustainability topics.</li> <li>In 2024, we conducted stakeholder interviews with key investors to validate the results of the DMA and receive their views on Besi's material sustainability topics.</li> </ul>	<p>The views of shareholders/investors are considered to:</p> <ul style="list-style-type: none"> <li>Validate results of the DMA.</li> <li>Review Besi's sustainability strategy and the governance of its impacts, risks and opportunities.</li> <li>Set targets related to Scope 1 &amp; 2 and Scope 3 emissions.</li> <li>Collect key performance indicators that provide investors and shareholders with an overview of Besi's progress.</li> <li>Engage with ESG rating agencies and voluntary reporting initiatives.</li> </ul>
Suppliers	<ul style="list-style-type: none"> <li>Maintaining a responsible supply chain is an important part of our business model and strategy.</li> <li>A high quality, flexible and scalable supply chain is critical to satisfying customer needs in a cyclical business and to the long-term success of our business.</li> <li>We seek to build long-term, mutually beneficial relationships with our suppliers.</li> <li>We are expanding our efforts to ensure that all suppliers can match Besi's own environmental and ethical standards.</li> </ul>	<ul style="list-style-type: none"> <li>We engage with suppliers through direct dialogue, site visits and audits.</li> <li>We perform annual third-party external audits for all significant production and development facilities with respect to supplier ISO 9001, ISO 14001, ISO 45001, and RBA capabilities.</li> <li>We work together with suppliers to lower our joint environmental footprint, create sustainable products and supply chains and assess and mitigate social, health, safety and ethical risks.</li> <li>In 2024, we conducted a sustainability roadshow and provided training sessions for suppliers to increase their knowledge of sustainable business practices. In addition, Besi integrated sustainability criteria into its Supplier Quarterly Business Review ("QBR") scorecard and assigned such criteria a 10% weighting in the final performance review of the year. A total of 69 suppliers representing 65% of the planned annual audit coverage were assessed by the QBR which included 41 of Besi APac's suppliers and 28 of Besi Leshan's suppliers.</li> <li>We have begun engagement with suppliers as to the origin of their imported steel and iron supplies due to new EU restrictions.</li> <li>In 2024, we conducted interviews with our largest suppliers to validate the results of the DMA and receive their views on Besi's material sustainability topics.</li> </ul>	<p>The views of suppliers are considered to:</p> <ul style="list-style-type: none"> <li>Validate results of the DMA.</li> <li>Review Besi's Supply Chain engagement and improvements to the sustainable design of Besi's products.</li> <li>Develop policies and procedures to which we expect adherence by our suppliers.</li> <li>Set sustainability-related targets for our supply chain such as our Scope 3 emissions reduction targets.</li> <li>Collect raw data to measure Besi's performance and progress against targets.</li> </ul>

Stakeholder group	The purpose of engagement	How we engage	How the views of stakeholders are taken into account
Customers	<ul style="list-style-type: none"> <li>Building strong relationships is important to attract customers and to our revenue growth.</li> <li>Providing superior customer support is critical to maintaining strong relationships.</li> <li>Besi's customers increasingly seek products that are sustainable, environmentally friendly and ethically produced.</li> <li>Our sustainability strategy is formulated with sustainable design as one of its key components.</li> </ul>	<ul style="list-style-type: none"> <li>Customer satisfaction is an important measure to gauge customer fulfilment.</li> <li>We have a very experienced team of approximately 250 sales and service people globally which maintain customer relationships and engage key customers on topics such as device roadmaps, assembly equipment requirements and future market trends.</li> <li>We conduct annual customer satisfaction surveys to assess existing relationships and identify areas for improvement.</li> <li>Customer satisfaction scores have increased over the past five years. In 2023, customers were particularly satisfied with the reliability, durability and performance of Besi's systems.</li> <li>We engage with customers to ensure that our products meet their environmental and social standards.</li> <li>In 2024, we conducted interviews with our largest customers to validate the results of the DMA and receive their views on Besi's material sustainability topics.</li> </ul>	<p>The views of customers are considered to:</p> <ul style="list-style-type: none"> <li>Validate results of the DMA.</li> <li>Review Besi's performance against key metrics and future sustainable design innovations.</li> <li>Develop internal policies and procedures.</li> <li>Set sustainability-related targets to ensure that Besi's goals are aligned with customer expectations.</li> </ul>
Employees	<ul style="list-style-type: none"> <li>Besi considers satisfied and engaged employees as a key ingredient for its successful growth.</li> <li>Employees expect Besi to have high social and ethical standards in the conduct of its business.</li> <li>Employees also expect us to provide them with equal treatment and opportunities, safe working conditions and career development potential.</li> <li>Our sustainability performance and engagement will become increasingly important in attracting and retaining talent.</li> </ul>	<ul style="list-style-type: none"> <li>We promote an atmosphere of open dialogue between managers and employees. During performance appraisals, both employees and managers are encouraged to voice their concerns in a collegial exchange.</li> <li>Employee interests are also communicated in a more institutional way via local European Works Council representations.</li> <li>In Europe, we hold meetings with Works Councils twice a year to listen to the views of employees and communities.</li> <li>We conduct Town Hall meetings for all employees on a quarterly basis to inform them as to current business and financial developments.</li> <li>We have launched sustainability resource pages in certain locations to educate and engage our employees about Besi's sustainability strategy and progress.</li> <li>We conduct biennial employee engagement surveys. Our most recent 2023 survey had a high level of participation (94%) and level of engagement (89%).</li> <li>In 2024, we conducted interviews with representatives of Works Councils and Work Unions to validate the results of the DMA and receive their views on Besi's material sustainability topics.</li> </ul>	<p>The views of employees are considered to:</p> <ul style="list-style-type: none"> <li>Validate results of the DMA.</li> <li>Assess potential improvements to the working conditions at each location.</li> <li>Review how we can ensure that Besi's employees have a preferable work-life balance.</li> <li>Improve performance related to employee engagement and career development, diversity and inclusion and health and safety.</li> </ul>

Double Materiality Assessment

Description of the process to identify and assess material impacts, risks and opportunities

In 2023, Besi conducted a Double Materiality Assessment (“DMA”) across all business segments and activities. In 2024, we validated the results of the DMA with our stakeholders. An external third-party supported Besi during the DMA to ensure the adoption of a robust and objective methodology. Besi considers sustainability-related impacts, risks and opportunities across three-time horizons:

Short-term	<1 year	In line with the annual financial reporting.
Medium-term	1-5 years	This period is considered the timeframe for major product and market trends in alignment with our five-year planning cycle.
Long-term	>5 years	Impacts, risks and opportunities that align to longer-term trends.

Our process for determining materiality can be summarized by the following seven steps:

Create overview of business activities, value chain and relationships

In the first step, we defined the activities, business relationships and geographies relevant to Besi’s business model, value chain, value proposition, key suppliers, customers groups, cost structure and revenue streams. The DMA included a focus on factors that may increase the risk of adverse impacts such as our business relationships with customers who may have a relatively larger environmental impact due to their status as large global semiconductor manufacturers. In addition, we evaluated both the environmental and societal impacts of Besi’s own operations and those resulting from its business relationships with suppliers, customers and downstream users beyond direct customers. For this step, we also reviewed our sustainability strategy and conducted a high-level identification of the impacts we have on the environment and society which used input parameters such as information from our supply chain due diligence and sustainability-related data for Besi’s operations, its subsidiaries and value chain.

Stakeholder mapping exercise

During the stakeholder mapping exercise, Besi’s business model was analyzed to understand which stakeholders are, or are likely, to be affected by and influence Besi’s operations and upstream and downstream value chains. This analysis also considered the results of stakeholder engagements from previous years, Besi’s influence on stakeholders and stakeholders’ influence on Besi.

All potential groups of stakeholders were analyzed based on geography, stakeholder type, the position of the stakeholder in our value chain, our impact on the stakeholder and the stakeholder group’s impact on Besi. This resulted in the creation of a list of 22 stakeholder groups (e.g. Employees, Customers, Nature as a silent stakeholder, Shareholders and Suppliers) who were identified and classified as either affected and/or influencing Besi. These stakeholder groups were prioritized based on a set of thresholds for Besi’s impact on a stakeholder and a stakeholder influence on Besi. As a result, we prioritized our employees, customers, suppliers, workers in the value chain, investors and nature as a silent stakeholder, as Besi’s key stakeholder groups.

Identification of relevant sustainability matters

A list of potential material sustainability matters was created and assessed against the complete ESRs list of topics, sub-topics and sub-sub-topics according to ESRs 1 General Requirements Appendix B. Sustainability matters for the purpose of this list are as defined in Article 2, point (24) of Regulation (EU) 2019/2088 of the European Parliament and the Council, i.e. environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters and governance factors.

The sub-sub-topics were benchmarked against different sources including Besi’s 2023 materiality assessment, Besi’s 2023 enterprise risk management exercise, the topics ESG rating agencies considered material for Besi’s industry, the materiality analyses of industry peers and industry standards such as SASB. Based on the outcome of this assessment, we created a long list of sustainability topics and analyzed the number of occurrences considered material per topic. We narrowed down the list based on workshops with internal subject matter experts. Specifically, such topics were discussed with the Management Team including the SVPs of the Product Groups responsible for the sustainability-related aspects associated with the sustainable design and management of Besi’s product group operations as well as the SVP Global Operations.

As a result, 52 of the most relevant sub-topics were retained for the short-list and mapped against Besi’s value chain. Some of these sub-topics were clustered together due to their similarity. For instance, the “Diversity and Inclusion” cluster included the following sub-sub-topics: “Gender equality and equal pay for work of equal value”, “Employment and inclusion of persons with disabilities” and “Diversity”.

Impacts, risks and opportunities were defined for each sustainability sub-topic shortlisted. It was assumed that these impacts could be positive or negative, actual or potential and interconnected. In addition, it was assumed that a sustainability impact and/or dependency could be or become financially material in time. However, risks and opportunities were considered to be separate from an impact as multiple impacts and/or dependencies could be connected to one risk and vice versa. The severity and likelihood of certain impacts, risks and opportunities was not immediately clear for some topics such as water use,

pollution and the circular economy. For such topics, Besi conducted further internal assessments to consider the impact of our product groups on the environment and/or society as well as the share of revenue for which each product group was responsible.

#### Prioritization of topics based on impact and financial materiality

The short-list of clustered topics was analyzed according to an inside-out approach for impacts (impact materiality) and outside-in approach for risks and opportunities (financial materiality).

#### Determining impact materiality

To determine the impact materiality of the sustainability topics, Besi's Management Team assessed the Scale and Scope of Impact, Irremediability (for negative impact) and Likelihood for the potential impact which allowed management to define the severity of negative impacts and the scale and scope of positive impacts on a defined quantitative scale. Both positive and negative impacts were considered throughout our value chain. Quantitative indicators were used to score the Scale, Scope and Likelihood of a positive impact, using qualitative criteria. For instance, for the Scope of the Positive impact, the scale went from "0 = None" to "5 = Global, substantial number of people affected". A similar scale was used for a negative impact with the addition of Irremediability which went from "0 = fully remediable" to "5 = non-remediable or irreversible".

Given the strategic discussions with the Management Team and the results of the impact materiality assessment, we set a threshold score for both positive and negative impact scores considered material to the environment or society. The Management Team set a strategic objective to focus on the topics where Besi has high impact on the environment and society. As such, topics causing high impact were considered material to our business.

#### Determining financial materiality

To determine the nature of effects for the financial materiality as per each sustainability topic, Besi assessed the actual and potential financial impact on revenue (including our ability to rely on existing relationships needed in business processes and our ability to build new business relationships), the impact on the cost and availability of resources and the impact on the cost associated with sustainability (such as litigation and the cost to meet regulatory requirements). We also considered dependencies on natural, human and social resources and took into account the likelihood that risks and opportunities could occur and the potential magnitude of financial effects. The magnitude of impacts on revenue, relationships and cost of resources were rated on a scale from 0 to 5 which was measured using data of the 2022 financial year on the percentage of revenue and costs that could be impacted by the sustainability topics. Each financial risk and opportunity was assigned a probability from "0 = not possible" to "1 = probability that the scenario or forecast will materialize is certain". Such ratings were then reviewed and validated by the Management Team, Internal Control, sustainability and finance teams.

To assess the materiality of these financial risks and opportunities, the Management Team set a threshold for all medium and high-level risks and opportunities to be considered as material which represented a positive or negative impact on revenue greater than € 3.6 million and/or the impact on the cost of natural, human and financial resources being greater than € 2.1 million.

#### Prioritization based on impact and financial materiality

Once the thresholds for impact materiality and financial materiality were set, Besi prioritized the impacts, risks and opportunities considered material to the business. Specifically, it was observed that many of the topics causing high impact materiality led to potential medium financial risks and opportunities to our business implying there was some direct correlation between the identified impacts and dependencies of Besi and the risks and opportunities faced by Besi.

The Double Materiality Assessment process requires Besi to make key judgments and use thresholds and it may also be influenced over time by sector-specific standards to be adopted. Besi will continue to monitor such sustainability impacts, risks and opportunities and review the DMA on an annual basis to ensure a continued focus on the topics most financially material to Besi and which pose the largest material impact on the environment and society in which we operate. This DMA replaces and updates Besi's materiality analysis which assessed only our impact materiality.

#### Board of Management and Management Team approval

The results of the Impact and Financial Materiality assessments were discussed with the Board of Management and Management Team. Ahead of the stakeholder validation process, the Board of Management and the Management Team approved the DMA process and the outcomes of the assessment.

#### Stakeholder validation

As described in the Stakeholder Engagement section, the results of the DMA were reviewed and validated by Besi stakeholders including affected stakeholders such as investors and employees. In addition, Besi's key stakeholders did not highlight any significant issues or impacts, risks and opportunities not covered by the results of DMA.

#### Supervisory Board approval

The following table includes the final list of material topics approved by the Supervisory Board.

Sustainability standards	Sustainability topics	Value chain	Financial risk or opportunity	Impact description	Time horizon	Included sub-topics in the context of ESRs
ESRS E1 Climate Change	Energy and renewable energy	Upstream and Suppliers	Inability of Besi and its suppliers to acquire a sufficient level of renewable energy due to increased global demand.	Contribution to global warming through Besi's value chain energy use (gas, diesel, petroleum and electricity).	Short- and medium-term	Energy consumption.
		Own operations				
		Downstream	Failure to meet new regulations and customer requirements regarding energy efficiency.			
	Climate change mitigation	Upstream and suppliers	Transitional and physical climate-related risks such as reputational damage or extreme weather conditions.	Contribution to global warming from our Scope 1 & 2 and Scope 3 emissions.	Short- and medium-term	Climate change mitigation.
		Own operations				
		Downstream				
ESRS S1 Own Workforce	Working conditions	Own operations	Opportunities for employee engagement, talent attraction and retention which may lead to business growth.	Impact on employee wellbeing due to working conditions such as work-life balance.	Short- and medium-term	Secure employment, working time, adequate wages, work-life balance, training and skills development.
	Health and safety	Own operations	Reputational risk of non-compliance, failure of practices and/or potential litigation.	Incidents that can result in injury or work-related illness.	Short-, medium- and long-term	Health and safety.
	Diversity and inclusion	Own operations	Opportunities for employee engagement, talent attraction and retention which may lead to business growth.	Impact on employee wellbeing due to a working environment that is diverse, equitable and inclusive.	Medium-term	Diversity, gender equality and equal pay, employment and inclusion of persons with disabilities.
	Human rights	Own operations	Violation of the human rights of Besi's employees which could lead to severe reputational damage and the unavailability of workers.	Potential human rights violations of employees such as violence and harassment in the workplace.	Short-, medium- and long-term	Measures against violence and harassment in the workplace, child labor, forced labor in own operations.



Sustainability standards	Sustainability topics	Value chain	Financial risk or opportunity	Impact description	Time horizon	Included sub-topics in the context of ESRS
ESRS S2 Workers in the value chain	Working conditions	Upstream and suppliers	Risk of non-compliance with employment contracts resulting in the interruption of critical supplies and services to Besi.	Potential negative impacts on the workers in supply chain related to working conditions.	Medium-term	Secure employment, working time, adequate wages, work-life balance, training and skills development.
	Health and safety	Upstream and suppliers	Risks of legal or regulatory sanctions, litigation, financial loss or damage to reputation caused by non-compliance with regulations or company practices.	Incidents that can result in injury or work-related illness.	Short-, medium- and long-term	Health and safety.
	Human rights	Upstream and suppliers	Employment and reputational risks in the supply chain.	Potential human rights violations of supply chain employees such as forced labor.	Medium-term	Measures against violence and harassment in the workplace, child labor, and forced labor.
ESRS G1 Business Conduct	Anti-corruption and bribery	Upstream and Suppliers	Reputational risk of financial loss or damage due to inability of suppliers to meet requirements of the Supplier Code of Conduct.	Impact on society due to the business conduct of Besi's suppliers through bribery and corruption.	Medium- and long-term	Prevention and detection of corruption and bribery including training, and incidents of corruption and bribery.
	Corporate culture	Own Operations	Upholding our culture so that colleagues act ethically and collaborate to improve Besi's reputational image and relationship with suppliers.	Impact on Besi's employees from the business ethics and behavior of Besi.	Short- and medium-term	Corporate culture, and protection of whistleblowers.

### Material impacts, risks and opportunities and their interaction with strategy and business model

Besi's business strategy has been developed understanding that long-term success in our assembly equipment industry requires technological leadership, customer alignment, system reliability and high levels of accuracy in high volume production environments. Other key factors include production flexibility and scalability in response to volatile shifts in demand for an industry whose cycle times have become ever shorter. As a result, Besi's group-wide risk management assessment has historically focused on any type of sustainability-related risk or opportunity that could impact our strategy, operations, financial performance and compliance with government rules and regulations.

The current financial effects of Besi's material risks and opportunities on its financial position include:

- Revenue: Besi's material social-related opportunities are currently perceived to have a positive impact on our revenue development as our working conditions and corporate culture contribute positively to our revenue development.

- CapEx: Besi's material environmental risks and opportunities require capital investments in climate change mitigation activities across our operations and our value chain including the implementation of a Design-to-X concept, energy efficiency projects and renewable energy use by our customers and suppliers.
- OpEx: Besi's material risks and opportunities currently lead to an increase in our OpEx due to the creation of a comfortable working environment, career development and supplier engagement including supplier audits and regulatory compliance.

The anticipated financial effects of Besi's material risks and opportunities on its financial position include:

- Revenue: We believe that Besi's material environmental risks and opportunities will positively impact revenue development in the medium-term as customer preferences for sustainability performance increase.
- CapEx: The largest sustainability-related CapEx will be related to our climate-related risks and opportunities as detailed in the Climate Transition Plan section of this Sustainability Statement.
- OpEx: There is the potential for increased OpEx related to regulatory compliance, litigation costs, fines or penalties.

We also recognize the importance of sustainability impact considerations in the development of our strategy such as our carbon footprint, the sustainable performance of our systems and the development of a business culture which respects human rights and the rights of our employees. To this end, we strive to create a diverse workforce which promotes the skills and talents of our personnel and employees in our value chain. Our impacts are linked to our business strategy and business model through the application of our key principles to Besi’s operations and value chain as detailed in our Sustainability policy.

We do not have sustainability-related material risks and opportunities for which there is a significant risk of material adjustment to the carrying amounts of assets and liabilities reported in our financial statements for the next annual reporting period.

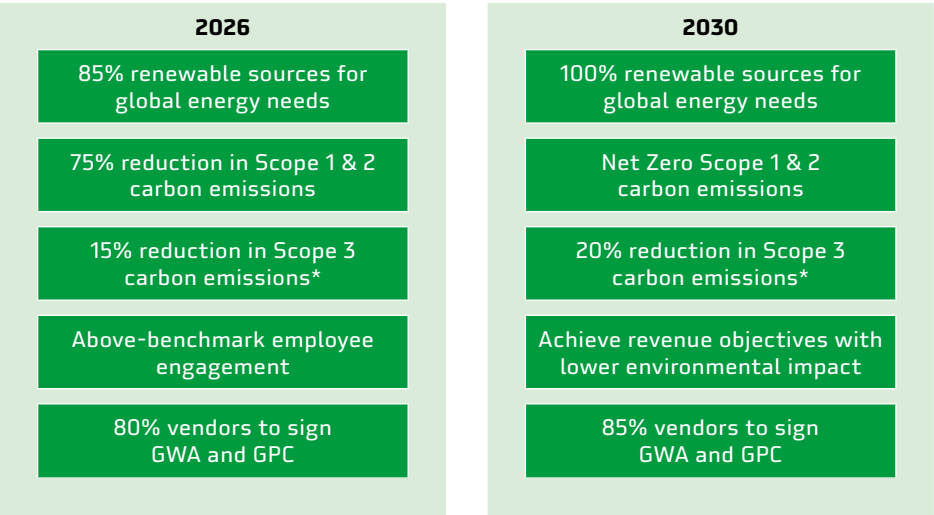
**Resilience of strategy and business model regarding capacity to address material impacts and risks**

In 2022, Besi conducted a climate-related scenario analysis used to test our resilience to climate-related risks and opportunities across the short-, medium- and long-term. After having completed the DMA in 2024, Besi initiated a consultation process with internal stakeholders to assess the resilience of our strategy and business model to address the material impacts, risks and opportunities considered in both the scenario analysis and the DMA. An overview of the results is outlined below:

- **Climate change:** Besi is relatively resilient to future regulation and reputational risks due to its climate mitigation activities which are summarized in the Climate Transition Plan section. In addition, Besi has identified the high-risk locations in its operations where the physical effects from climate change are most prominent and put mitigation plans in place to deal with weather events such as flood defenses. We have a diversified pool of suppliers to help ensure that we are not materially impacted by a disruption to a single supplier or area in the event such impacts occur in our supply chain.
- **Own workforce:** We address human rights, working condition and health and safety in our sustainability strategy. As a result, we can reduce potential employment, reputational and legal risks by ensuring that policies and procedures are set for employees and senior management to follow such as the Human Rights policy. Besi has also received ISO 45001 “International Organization for Standardization standard for management systems of occupational health and safety” certifications for six out of eight operations. It is also well communicated company-wide that any employee can use the Whistleblower procedure and Grievance procedure to raise a complaint. In addition, one of the most important aspects of our long-term success is the ability to attract, motivate and retain a skilled workforce in a highly competitive semiconductor equipment industry. As set forth in our Sustainability policy, we focus on training and talent development through a variety of programs. In addition, we regularly analyze employee engagement and satisfaction across all regional operations to assess our relative success in such activities. Besi promotes diversity and inclusiveness in the organization, encouraging different opinions and thinking and hiring personnel with diverse skill sets and experience in the workplace environment.

- **Workers in the value chain:** We have an extensive supply chain engagement program that reduces the exposure of our suppliers to employment risks and therefore enhances Besi’s resilience to employment, reputational and legal risks. Such policies and procedures include the Whistleblower procedure, Grievance procedure and Supplier Code of Conduct. With respect to human rights, we follow the RBA Code of Conduct both in our production facilities and supply chain. We sign General Work Agreement (“GWA”) and General Procurement Contract (“GPC”) with suppliers including requirements to follow the RBA Code of Conduct. Such contracts were signed by 77% of our total purchasing volume in 2024.
- **Business conduct:** As set forth in our Sustainability Statement, we conduct our business with high ethical standards and are committed to eliminate any corruption and bribery cases in our operations and our value chain. We carry out business conduct training for our employees and significantly engage with our suppliers and customers on the topic of Besi’s business conduct principles. Moreover, our Anti-Corruption and Bribery policy, Anti-Corruption and Bribery Framework and No-Gift and Limited Entertainment policy set a comprehensive framework aimed at the prevention of corruption or bribery and the thorough investigation of any potential corruption and bribery cases.

**ENHANCED SUSTAINABILITY OBJECTIVES**



**NET ZERO BY 2050**

\* Versus the scope reported since 2019 as described in the section Progress against targets in Sustainability Statement.

## Risk management

Besi's sustainability strategy is influenced by important global trends such as climate change, natural resource conservation, pollution and the circular economy as well as social challenges such as diversity, human rights and the recruitment of qualified technical personnel. We have internal control and risk management systems in place designed to address, identify and limit sustainability-related risk factors as well as other sustainability and non-financial risks that could affect both our strategy and business operations. Besi's sustainability and non-financial risks are governed by a set of guidelines and controls including:

- Sustainability policy
- Diversity and Inclusion policy
- Climate Transition Plan
- Human Rights policy
- Conflict Minerals policy
- Code of Conduct
- Supply Chain policy
- Supplier Code of Conduct
- Code of Ethics for Senior Financial Officers
- Anti-Corruption and Bribery policy
- Whistleblower procedure
- Grievance procedure

Besi regularly evaluates sustainability topics deemed important to the conduct of its operations and the development of its corporate culture. We periodically assess our societal and environmental impact in consideration of our stakeholders' concerns and adjust the ranking of high and medium assessment priorities. Besi's risk management framework seeks to identify and control potential risks and events which may affect our strategy, continuity, business and performance. Sustainability-related risks are included in Besi's overall risk management framework and managed alongside other business risks. Each risk identified by our risk management system has mitigation actions introduced. Such actions are prioritized based on the magnitude of the risk. We have identified the following sustainability-related risks from the DMA considered to be relevant risk factors for the group-wide risk management system:





- Besi is subject to environmental risks such as climate-related transition and physical risks. Besi is subject to environmental rules and regulations in a variety of jurisdictions and from its customers. Besi may be materially and adversely affected by operational disruptions, natural disasters and the impact of climate change on its operations.
- Besi's business, reputation and financial position may be harmed by health and safety incidents, human rights violations, unethical behavior and non-compliance with Besi's Code of Conduct at its operations.

- Potential and actual negative impacts on sustainability matters such as human rights, working conditions and health and safety in Besi's supply chain could adversely impact its reputation, supply of critical materials and its liabilities.
- Disobedience with the prevention and detection of bribery and corruption could lead to financial loss.

Material information to be disclosed with respect to material impacts, risks and opportunities has been determined based on the ESR5 2 requirements, EFRAG Implementation Guidance on Materiality Assessment and the views of Besi's Management Team. Please refer to the description of Besi's DMA for more detailed information on such topics.

Please refer to the [Risk Management](#) section for further detail on Besi's internal control and risk management systems to manage and mitigate risks.

## SUSTAINABILITY RATINGS TRENDS

ESG rating agent	2021 Score	2024 Score	Current ranking
	'BBB'	'AA' ↑	Besi attained second highest possible MSCI ESG Rating
	17.8	12.9 ↑	Besi ranked as 9 out of 366 within the semiconductor industry
	C-	C+ ↑	Besi achieved 'Prime' Status and score within the top 10% of industry
	39	55 ↑	Besi placed within the top 12% of scores for its industry

## Governance of sustainability

### Board of Management

At present, the Board of Management consists of one male person who is Besi's Chief Executive Officer and Chairman of the Board of Management. The Board of Management is responsible for defining and achieving Besi's sustainability strategy and objectives. Developments with respect to Besi's sustainability initiatives are discussed regularly with the Supervisory Board where the Board of Management presents progress against goals and targets for sustainability-related issues which since 2020 has included regular quarterly reporting on sustainability topics.

The role of the Board of Management is to manage the Company and its affiliated subsidiaries and to ensure their continuity which includes, among other things:

- The formulation of a sustainable long-term value creation strategy.
- The identification, analysis and management of the risks inherent in Besi's business and sustainable long-term value creation strategy and initiatives related thereto.
- The establishment of Besi's risk appetite and implementation of measures necessary to mitigate any risks undertaken.
- The proper regard for sustainability issues relevant to Besi and the global communities in which we operate.
- The proper regard for the impact of new technologies on our society, products, employees, stakeholders and business model in such areas as digitalization, artificial intelligence and automation, amongst others.

The Board of Management is responsible for the execution of Besi's sustainability strategy and has amassed experience which includes:

- Conducting the DMA of sustainability-related impacts, risks and opportunities.
- Developing processes and internal controls to address material impacts, risks and opportunities.
- Creating a policy framework that addresses the impacts, risks and opportunities of Besi's operations and communicates its expectations to suppliers.
- Setting sustainability-related targets, ambitions and milestones for Besi's material impacts, risks and opportunities.
- Ensuring Besi's performance is aligned with its sustainability-related targets.
- Implementation of sustainability initiatives including Besi's Design-to-X concept.
- Identifying and approving resources, expenditures and timescales to carry out sustainability-related initiatives.

In addition, the Board of Management is supported by the expertise of the Management Team and sustainability team which have in-depth knowledge with regards to Besi's operations, value chain and the sustainability topics considered material as a result of the Double Materiality Assessment. In cases where external knowledge and/or expertise is required, Besi engages third-party experts to ensure compliance with local laws and regulations and successful implementation of its sustainability strategy.

### The Supervisory Board

The Supervisory Board is currently comprised of five members of which five members are considered non-executive (100%) and independent (100%) within the meaning of best practice provision 2.1.8 of the Dutch Corporate Governance Code. The current Supervisory Board male/female ratio of 60%/40% is in accordance with the Supervisory Board's profile, Besi's Diversity and Inclusion policy and with article 2:142b of the Dutch Civil Code. In addition, 100% of the Supervisory Board is over 50 years old and none are Besi employees.

The Supervisory Board has a diverse composition in terms of experience, expertise, cultural or other background, competencies, education, gender identity and nationality. The Supervisory Board shall aim for an adequate level of knowledge and experience in financial, economical, technological, sustainability, social and legal aspects of international business, government and public administration. The Supervisory Board believes that it has the requisite expertise, background, competencies and independence to carry out its duties properly and that all members of the Supervisory Board have sufficient time to spend on their respective duties and responsibilities.

In accordance with the Dutch Corporate Governance Code, the composition of Besi's Board of Management and Supervisory Board is structured to ensure that they possess the necessary expertise, diversity, background and competencies to fulfill their responsibilities. On all such points, its composition is aligned with the objectives of the Supervisory Board's profile and its Diversity and Inclusion policy.

The role of the Supervisory Board is to supervise the execution of strategy including the management of Besi's material impacts, risks and opportunities and the general affairs of the Company by the Board of Management and Management Team and to assist the Board of Management by providing advice.

In discharging their role, Supervisory Board members shall be guided by the interests of Besi and its affiliated subsidiaries as well as the relevant interests of Besi's shareholders and other stakeholders. Supervisory Board members are required to put the interests of Besi ahead of their own interests and to act critically and independently vis-a-vis one another, the Board of Management and any particular third-party interests involved. Further, the Supervisory Board also ensures that there is an appropriate level of informational oversight with regards to material sustainability impacts, risks and opportunities during meetings with the Board of Management. This includes oversight with respect to the governance of sustainability, the execution of Besi's sustainability strategy and the achievement of targets related to the material impacts, risks and opportunities set by the Board of Management and Management Team. The Supervisory Board receives quarterly updates on such matters by the Board of Management. The Supervisory Board annually evaluates its own functioning through the conduct of a self-assessment which also includes sustainability topics.

In addition, the Supervisory Board is responsible for overseeing Besi's sustainability reporting process as part of its overall oversight of Besi's strategy execution. All material findings resulting from the use of Besi's internal control and risk management system for financial and non-financial risks are discussed with the Audit Committee as part of the Supervisory Board's quarterly or semi-annual meetings.

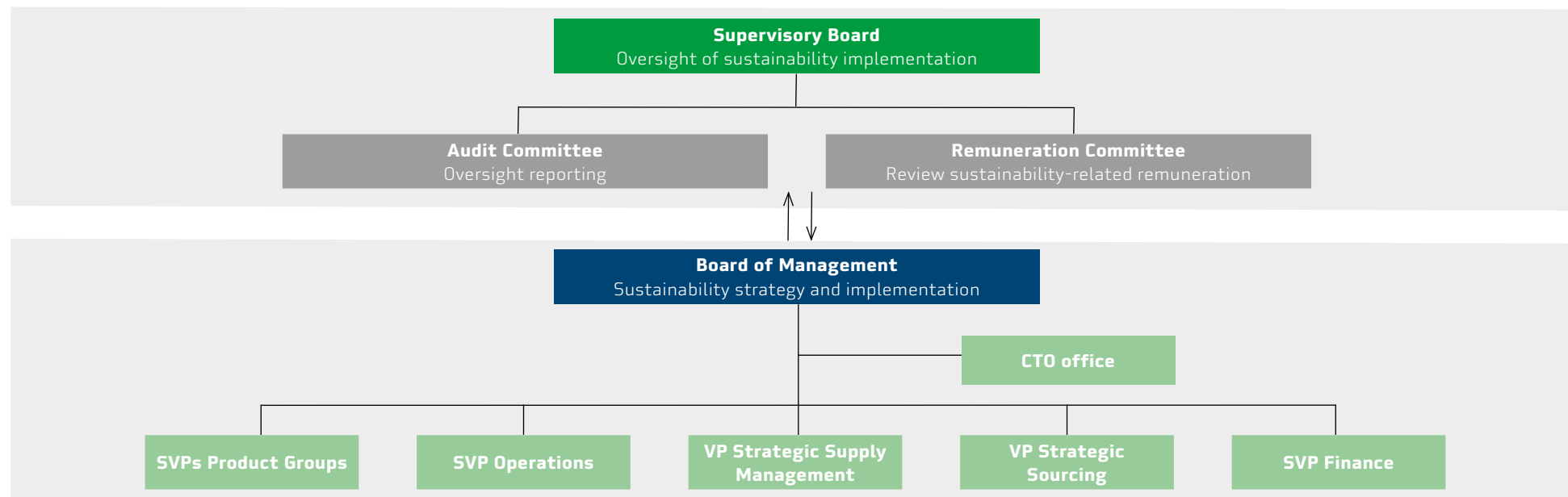
The Remuneration Committee shall prepare the requisite information necessary to support the Supervisory Board's decision-making process concerning the Remuneration Policy for the Board of Management. The Remuneration Committee fulfils its obligations on an annual basis by the review and proposal of the corporate goals and objectives associated with the remuneration of the Board of Management. The annual criteria used to measure the personal performance of members of the Board of Management are at the sole discretion of the Supervisory Board including those targets of importance for the upcoming year. The Remuneration Committee will propose to the Supervisory Board annually both the financial and non-financial criteria used to measure the personal performance of each member of the Board of Management. Non-financial criteria may include the execution, performance or enhancement of Besi's sustainability strategy, targets and/or key performance indicators.

### Management Team

Day-to-day responsibility for the governance process resides with the Management Team, SVPs and the facility management in their respective departments and locations including the controls and procedures used to monitor and oversee all impacts, risks and opportunities. The Management Team is comprised of employees responsible for the monitoring and reporting of impacts, risks and opportunities to the business as well as those responsible for leading the response across the organization associated with any new risks which may arise. The Management Team is also engaged to (i) assess sustainability-related issues, (ii) develop sustainability-related initiatives and (iii) monitor and track progress against Besi's sustainability-related targets.

The Management Team's in-depth knowledge of the impacts, risks and opportunities that face Besi was relied upon to assess the impact and financial materiality of sustainability topics throughout the Double Materiality Assessment process. The list of material impacts, risks and opportunities addressed by the Board of Management, Supervisory Board and Management Team is included in the Double Materiality Assessment section. They also supported the discussion, review, validation and prioritization of material topics for all of Besi's subsidiaries addressed by our sustainability strategy which directly feeds

## SUSTAINABILITY GOVERNANCE STRUCTURE





into our internal sustainability reporting framework. This implies that all Management Team members:

- Implement facility and/or product-level sustainability data collection and reporting for their operations.
- Manage teams that are responsible for the reporting of sustainability data.
- Set facility and/or product-level sustainability targets and monitor performance against such targets.
- Report to the Board of Management with regards to the facility and/or product-level sustainability performance on a quarterly basis as well as any new impact, risk or opportunity trends on a monthly basis.
- Conduct impact, risk and opportunity assessments related to facility and/or product-level operations.
- Support the Board of Management by reviewing corporate-level impacts, risks and opportunities.

#### Integration of sustainability-related performance in incentive schemes

Besi's remuneration programs are designed to reward the Board of Management, Management Team and selected Besi employees for their achievement of specified business, financial and sustainability objectives. As such, they are linked to and dependent on the execution of our strategy in a socially responsible and sustainable manner. We link variable remuneration to specific financial and non-financial goals which reflect Besi's strategic business objectives. As a result, we believe that Besi has created a performance-oriented environment for eligible executives which aligns their interests with those of internal and external stakeholders and our commitment to make a sustainable contribution to society. In designing the Remuneration Policy, we also consider stakeholder interests and feedback, specific market trends, industry developments and the views of society.

The Remuneration Report shall be (i) clear and understandable, (ii) provide an overview of all remuneration awarded or due during the previous financial year to (former) individual Board of Management members and Supervisory Board members and (iii) describe, in a transparent manner, in addition to the matters required by article 2:135b of the Dutch Civil Code, how the Remuneration Policy has been implemented in the previous financial year.

The Supervisory Board approves remuneration schemes upon the recommendation of the Remuneration Committee. The Committee analyses the possible outcomes of its variable remuneration elements and how they may affect the total remuneration of the Board of Management. In this respect, the Committee evaluates the development of Besi's underlying share price as well as other factors which create variable remuneration exposure such as Besi's financial performance, business, strategy and execution of sustainability initiatives. Variable remuneration is primarily linked to predetermined, assessable and quantifiable financial targets which are predominantly of a sustainable nature. It is also linked to Besi's strategy including associated business, financial and

sustainability objectives, values, purpose and vision, all of which are aligned with long-term shareholder value creation. To this end, the composition of the short-term incentives will consist of financial measures (70%) and non-financial measures (30%). Financial measures are linked to the overachievement of Net Margin, Return on Average Equity ("ROAE") and Cash flow from Operations/Revenue metrics. Non-financial measures include sustainability, operational, strategic, customer and/or leadership measures.

Consequently, sustainability-related performance has been incorporated into the Board of Management's Short-Term Incentive (annual performance-based bonus). Specifically, the Short-Term Incentive awarded to the member of the Board of Management is based on the following predetermined performance conditions: (i) net income as a percentage of revenue and (ii) personal performance of the member of the Board of Management relative to certain non-financial and sustainability goals of importance for 2024.

The Committee reviews the performance realized by the member of the Board of Management with respect to ten equally weighted and pre-defined personal, non-financial and sustainability performance objectives representing 30% of the potential total STI bonus. Three of the objectives, representing 9% of the total STI bonus, is directly linked to the sustainability performance objectives set forth below:

- Further enhance Besi's environmental, social and corporate governance and sustainability strategy.
- Prepare for CSRD reporting in 2025.
- Prepare a plan to meet the net zero GHG commitment as set forth in the Annual Report.

The above performance includes an aggregate assessment against Besi's sustainability targets but does not include performance against individual sustainability targets.

The Supervisory Board regularly (i) reviews Besi's business objectives, (ii) undertakes risk assessments, (iii) assesses Besi's overall performance with respect to its business objectives, (iv) undertakes scenario analyses of the possible outcomes of the variable remuneration elements and how those may affect total remuneration and (v) considers the performance of individual members of the Board of Management compared to their own specific business objectives. Furthermore, the Remuneration Committee obtains the views of the individual members of the Board of Management with respect to the level and structure of remuneration.

According to the Dutch law, members of the Supervisory Board have fixed payments related to the number of meetings and other activities conducted on an annual basis. There is no incentive scheme for the Supervisory Board with respect to sustainability-related issues.

### Statement on due diligence

Besi is committed to the conduct of its operations in accordance with internationally recognized standards and best practices and to promote sustainability with all stakeholders through the reporting on its material sustainability risks, opportunities and impacts on an annual basis in compliance with regulatory standards. To this end, Besi performs due diligence across its sites and its supply chain regarding various sustainability topics. The outcomes of our due diligence process inform us of our material impacts, risks and

opportunities with respect to sustainability matters. The identification, prevention, mitigation and reporting of such actual and potential impacts is embedded in the way we conduct our business.

Details regarding Besi's due diligence process with respect to its material impacts, risks and opportunities, are as follows:

Core elements of due diligence	Topic	Paragraphs in Sustainability Statement
a) Embedding due diligence in governance, strategy and business model	i. ESR5 2 GOV-2: Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies; ii. ESR5 2 GOV-3: Integration of sustainability-related performance in incentive schemes; and iii. ESR5 2 SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model.	Governance of sustainability - The role of the administrative, management and supervisory bodies. Governance of sustainability - The role of the administrative, management and supervisory bodies. Double Materiality Assessment - Material impacts, risks and opportunities and their interaction with strategy and business model.
b) Engaging with affected stakeholders in all key steps of the due diligence process	i. ESR5 2 GOV-2; ii. ESR5 2 SBM-2: Interests and views of stakeholders; iii. ESR5 2 IRO-1; iv. ESR5 2 MDR-P; and v. Topical ESR5: reflecting the different stages and purposes of stakeholder engagement throughout the due diligence process.	Double Materiality Assessment - Material impacts, risks and opportunities and their interaction with strategy and business model. Strategy, business model and value chain - Stakeholder engagement. Double Materiality Assessment - Description of the process to identify and assess material impacts, risks and opportunities. Double Materiality Assessment - Risk Management; Environment - Climate Transition Plan, Climate change-related policies; Social - Own Workforce - Policies related to own workforce; Social - Workers in the value chain - Policies related to value chain workers; Governance - Policies related to business conduct. Environment; Social - Own Workforce; Social - Workers in the value chain; Governance.
c) Identifying and assessing adverse impacts	i. ESR5 2 IRO-1 (including application requirements related to specific sustainability matters in the relevant ESR5); and ii. ESR5 2 SBM-3;	Double Materiality Assessment - Description of the process to identify and assess material impacts, risks and opportunities; Annex 1 - Disclosure requirements in ESR5 covered by Besi's Sustainability Statement. Double Materiality Assessment - Material impacts, risks and opportunities and their interaction with strategy and business model.
d) Taking actions to address those adverse impacts	i. ESR5 2 MDR-A; and ii. Topical ESR5: reflecting the range of actions, including transition plans, through which impacts are addressed.	Double Materiality Assessment - Material impacts, risks and opportunities and their interaction with strategy and business model, Risk management; Environment - Climate Transition Plan, Climate change actions and resources; Social - Own Workforce - Own workforce actions and resources; Social - Workers in the value chain - Workers in the value chain actions and resources; Governance - Prevention and detection of corruption and bribery.
e) Tracking the effectiveness of these efforts and communicating	i. ESR5 2 MDR-M; ii. ESR5 2 MDR-T; and iii. Topical ESR5: regarding metrics and targets.	General basis of preparation - Reporting scope for sustainability metrics; Environment - Metrics; Social - Own Workforce - Metrics; Social - Workers in the value chain - Metrics and Targets; Governance - Metrics and Targets. General basis of preparation - Reporting scope for sustainability metrics; Environment - Targets; Social - Targets; Social - Workers in the value chain - Metrics and Targets; Governance - Metrics and Targets.

### Internal controls over sustainability reporting

Besi's internal control and risk management function operates under the responsibility of the Board of Management and is monitored on an ongoing basis. The Supervisory Board oversees the internal control and risk management function and maintains regular contact with the persons fulfilling this function. Besi's internal control system consists of a formal framework defining key risks and key controls over financial reporting, an internal control charter outlining audit systems and procedures as well as the internal control and audit plan for the year. Operational, IT, compliance, tax and fraud controls are included in this framework. The internal control system over financial reporting also contains clear accounting rules. It has been implemented in substantially all operations and material subsidiaries and supports common accounting and regular financial reporting in standard formats.

Besi's sustainability strategy is influenced by important global trends currently such as climate change, natural resource conservation, pollution and the circular economy as well as social topics such as diversity, human rights, working conditions and the recruitment of qualified technical personnel. In addition, Besi's sustainability and non-financial risks are governed by a set of policies and procedures including ISO 14001 environmental management certification, Code of Conduct, Sustainability policy, Climate Transition Plan and Human Rights policy.

Our internal control and risk management systems are designed to address, identify and limit sustainability-related risk factors and non-financial risks that could affect both our strategy and business operations. Besi's sustainability reporting framework has been created to ensure that sustainability-related data is collected from our operations on a quarterly basis. Besi's sustainability team manages data collection, validation, aggregation and reporting to the Board of Management and Management Team consistent with its internal control framework. Internal controls for sustainability reporting vary based on the metrics being measured as multiple business units across Besi's geographies contribute to sustainability data collection. For instance, the definition of adequate wages may differ from country to country. At a consolidated level, control measures are in place to ensure accurate and complete reporting of sustainability-related metrics as part of our Annual Report. Any issues identified by the internal control framework are reported to the Board of Management.

We implement dedicated controls through our internal control system to ensure the development of a reporting framework based on our material impacts, risks and opportunities. To date, we have implemented the following internal controls:

- Gap assessment to identify policy-, procedure- and data gaps to meet CSRD requirements.
- Review of the 2024 sustainability reporting framework and its ability to meet CSRD requirements.
- Quarterly sustainability data collection, review and aggregation.

The sustainability-related risks are incorporated into our overall risk management approach. Besi's risk management program seeks to identify and control potential risks and events which may affect our strategy, continuity, business and performance. Mitigation strategies for sustainability-related risks include (i) the collection and analysis of sustainability-related KPIs, (ii) capital allocation towards projects which help mitigate identified risks, (iii) action plans with short-, medium- and long-term actions and targets and (iv) company-wide policies which are communicated throughout our value chains.

Sustainability-related risks can be identified through:

- Quarterly sustainability data collection, aggregation and discussion with the Management Team and the Board of Management.
- Internal control framework oversight of sustainability data collection and reporting.
- Engagement with Besi's stakeholders.
- Communication channels such as the Whistleblower procedure and Grievance procedure available for our own workforce, workers in the value chain and other stakeholders.
- Climate risk assessment.
- Double Materiality Assessment of sustainability-related impacts, risks and opportunities.

The Management Team is responsible for the monitoring and reporting of all identified risks as well as for leading the response across the organization with respect to any new risks which may arise. All material findings that result from the use of Besi's internal control and risk management system for financial and non-financial risks are discussed with the Board of Management on a monthly basis and with the Audit Committee as part of the Supervisory Board's review on a quarterly or semi-annual basis.

Besi's Annual Report shall include a report of the Supervisory Board in which it shall render an account of the supervision conducted for the previous financial year. The supervision of the Board of Management by the Supervisory Board shall include its responsibility relative to Besi's corporate strategy, the risks inherent in its business activities and the effectiveness of the design and operation of its internal risk management and control systems. The report shall also include an account of the Supervisory Board's involvement in the establishment of a sustainable long-term value creation strategy and the way in which it monitors its implementation.

In addition to internal controls over financial reporting, the external auditor reviews the process carried out by Besi to identify the information reported pursuant to the ESRS. The results of this audit are discussed with the Board of Management and the Audit Committee of the Supervisory Board.

## Environment

### Climate change

We recognize the urgent global challenge to reduce greenhouse gas emissions. We contribute to this effort by investigating innovative systems and solutions to help reduce emissions during their entire use phase and by providing a transparent overview of greenhouse gas emissions as part of our Sustainability Statement. Since 2019, Besi has reduced its absolute Scope 1 & 2 emissions by 96%. We aim to reach net zero greenhouse gas emissions in our operations by 2030 incorporating all Scope 1 & 2 emissions. Our long-term objective is to reach net zero carbon emissions by 2050 in recognition of the global ecological and societal imperatives caused by climate change. In 2024, we finalized Besi's Climate Transition Plan which was approved by our Board of Management and the Supervisory Board.

### Governance

For more detailed information on the Governance of climate-related impacts, risks and opportunities, please refer to the Governance of sustainability section. Besi's Board of Management is responsible for the direction of our sustainability strategy which includes climate-related issues. In addition, the Supervisory Board ensures that there is an appropriate level of informational oversight with regards to Besi's climate-related impacts, risks and opportunities. The Management Team is engaged to (i) assess climate-related issues, (ii) develop climate-related initiatives and (iii) monitor and track progress against Besi's climate-related targets. In addition to the quantitative targets set for climate change as outlined in the Targets section and in the [Remuneration Report](#) in this Annual Report, the Board of Management's remuneration performance objectives include the assessment of progress against qualitative sustainability criteria such as the:

- Further enhancement of Besi's environmental, social and corporate governance and sustainability strategy.
- Preparation for reporting in 2025 based on the CSRD.
- Formulation of a Climate Transition Plan which sets out Besi's net zero ambitions including GHG emission reduction targets.

As described in the Basis for Preparation of Sustainability Statement, 30% of the total non-financial related STI bonus is directly linked to the above mentioned sustainability performance objectives including specific climate change-related metrics to encourage plan development and achievement of Besi's net zero commitment.

### Carbon emissions

Reducing Besi's carbon footprint is a key focus of our sustainability strategy. In reporting carbon emission levels, we have adopted the standards and methodology set forth by the Greenhouse Gas Protocol, an independent standard which divides emissions into three scopes:

#### Scope 1 emissions

Scope 1 emissions cover direct greenhouse gas ("GHG") emissions resulting from day-to-day business activities. This category includes on-site fuel combustion such as gas boilers as well as manufacturing, transport and fugitive emissions. In the context of Besi's operations, Scope 1 emissions include emissions related to the use of fuels such as natural gas, gasoline and diesel. Natural gas is used in our operations in Austria, Switzerland and Leshan to heat our buildings. Gasoline and diesel are used as transportation fuels.

#### Scope 2 emissions

Scope 2 emissions cover indirect GHG emissions which result from the electricity, heat and steam we purchase from external sources. These emissions include electricity consumption for our operations globally, centralized heating of our buildings in Besi Netherlands and the centralized cooling of our buildings in Besi Singapore.

#### Scope 3 emissions

Scope 3 emissions measure all other indirect emissions outside of Besi's operations and across its value chain including emissions from our suppliers and customers. We report on all material Scope 3 emission categories according to the GHG Protocol methodology.

Between 2019 and 2024, Besi reported fully on Scope 1 & 2 emissions. In addition, we reported on a limited scope with respect to Scope 3 emissions including the following categories:

- 3.3 Fuel- and energy-related activities not included in Scope 1 or Scope 2
- 3.4 Upstream transportation and distribution
- 3.6 Business travel
- 3.9 Downstream transportation and distribution

Details on the included and excluded Scope 3 emissions categories are provided in the GHG emissions accounting methodology section.

In 2024, Besi examined the materiality of all other Scope 3 emission categories and made progress with data collection processes and methodologies so that we could report an expanded GHG inventory. This led to the data collection for the following additional Scope 3 emission categories which were deemed material:

- 3.1 Purchased Goods and Services
- 3.2 Capital Goods
- 3.5 Waste Generated in Operations
- 3.7 Employee Commuting
- 3.11 Use of Sold Products
- 3.12 End-of-Life Treatment of Sold Products

Details on the included and excluded Scope 3 emissions categories are provided in the section GHG emissions accounting methodology.

While reducing emissions from our own operations is mostly within our direct control, our Scope 3 emissions objectives require action throughout our value chain. Implementing low-carbon initiatives across our value chain requires collaboration with our suppliers, customers and other stakeholders to reduce the overall footprint of the sector. A significant portion of our Scope 3 emission reduction targets can be realized through the transition of our value chain partners, customers and suppliers to renewable energy sources. We aim to decarbonize our value chain through the implementation of different decarbonization initiatives in our upstream and downstream value chain and through our own operations.

### Climate Transition Plan

The Climate Transition Plan outlines our roadmap for investment in climate impact reduction and the implementation of energy efficiency and renewable energy projects throughout Besi's operations. In addition, we will continue to engage and cooperate with our supply chain to reach Besi's climate-related goals including the reduction of our upstream impact and implementation of sustainable design concepts to improve the downstream impact of our equipment.

We continuously review our climate-related performance and strategy, set more ambitious targets and seek to expand the scope of our climate-related reporting. Besi considers its strategy and targets to be compatible with the transition to a sustainable economy, limiting global warming to 1.5°C in line with the Paris agreement. To this end, based on the "SBTi Services Criteria Assessment Indicators" report Version 1.3, we aligned our short-term targets with the following SBTi criteria:

- Absolute reduction targets for Scope 1 & 2 emissions are eligible when they are at least as ambitious as the minimum of the approved range of emissions scenarios consistent

with the 1.5°C goal. For base years after 2020, the absolute emissions reduction must meet the minimum reduction value over the target period: Minimum value for absolute reduction target =  $4.2\% \times (\text{Target year minus 2020})$ .

- At a minimum, near-term Scope 3 targets (covering total required Scope 3 emissions or individual Scope 3 categories) shall be aligned with methods consistent with the level of decarbonization required to keep the global temperature increase well-below 2°C compared to pre-industrial temperatures. For base years 2020 or later, the timeframe ambition (i.e., ambition from the base year to the target year) for absolute percentage-based emission reduction targets must be, at a minimum, aligned with the well-below 2°C ambition threshold: Minimum value for absolute contraction target =  $2.5\% \times (\text{Target year minus 2020})$ .

Given the above SBTi criteria, we conclude that the following targets for our Scope 1 & 2 emissions are consistent with the 1.5°C goal, specifically:

- Besi's target of a 62% reduction in Scope 1 & 2 emissions by 2024 which was set in 2022 and relative to a 2021 baseline year.
- Besi's target of net zero Scope 1 & 2 emissions by 2030 which was set in 2023 and based on the progress we made toward reaching our 2024 target.

Our long-term objective is to reach net zero Scope 3 emissions by 2050 in line with the goal of reaching climate neutrality by 2050 as established in the European Climate Law with the aim of limiting global warming to well-below 2°C. We may consider reviewing our long-term net zero ambition based on the granularity of GHG emission data from our suppliers and the success of our decarbonization initiatives. In 2024, we made significant progress in the assessment of Scope 3 emission measurement and the development of a Climate Transition Plan for our Scope 3 emissions.

In addition, Besi is not excluded from the EU Paris-aligned Benchmarks ensuring that our business model and strategy align with the achievement of climate neutrality by 2050 and limiting global warming to 1.5°C as per the Paris Agreement.

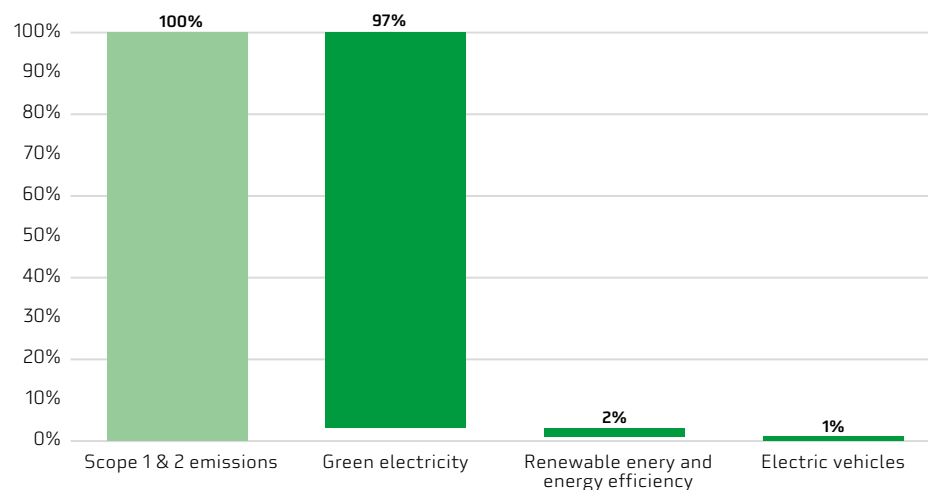
### Scope 1 & 2 emission decarbonization levers

Besi's Scope 1 & 2 emissions aggregated 349 tCO<sub>2</sub>eq in 2024 with Scope 1 emissions representing 165 tCO<sub>2</sub>eq (47%) and Scope 2 emissions representing 184 tCO<sub>2</sub>eq (53%). Since 2019, Besi has achieved a 96% reduction in absolute Scope 1 & 2 emissions and outperformed targets set for both 2022 and 2024. Our decarbonization levers detail the actions planned to reach our net zero Scope 1 & 2 emissions target by 2030.



The largest planned reductions in Scope 1 & 2 emissions will be achieved through the purchase of renewable energy sources (97% of total potential Scope 1 & 2 emissions). The remaining 3% of emission reductions will result from (i) the replacement of natural gas by renewable energy sources for the heating of buildings, (ii) increased energy efficiency and (iii) the transition to electric vehicles or vehicles using sustainable fuels.

#### SCOPE 1 & 2 EMISSION REDUCTION LEVERS\*



\* Decarbonization levers are based on the Scope 1 & 2 emissions reported in 2021 (baseline year for our GHG targets).

Scope 1 & 2 emissions relate to emissions owned and controlled by Besi. We implement sets of measures through our operations globally to reduce our Scope 1 & 2 emissions including the following key levers:

- Key Lever 1, Purchase and production of renewable energy: We target 100% renewable energy use in our operations globally by 2030. Since 2022, we have achieved 100% renewable electricity consumption at our operations across Europe. In 2024, we intensified efforts to source renewable energy or procure internationally recognized Renewable Energy Certificates ("REC") for our Asian operations in line with our 2030 renewable energy goals.

- Key Lever 2, Implementation of energy efficiency and renewable energy sources in heating and cooling solutions: At certain operations natural gas (methane) is used as a fuel source for heating buildings. We strive to fully replace natural gas usage at our operations with renewable energy sources by 2030. Where feasible, we will implement renewable energy solutions to reduce emissions associated with the heating and/or cooling of our buildings such as were achieved over the course of 2023 and 2024 at our Austrian operations. We also successfully implemented a new, more energy efficient AI heating and cooling solution at Besi Netherlands.

#### *Groundwater heat pump project at Besi Austria*

During 2023, we invested in a groundwater heat pump at Besi's Radfeld, Austria facility to replace natural gas usage for its central heating system. The project's aim was to fully substitute gas usage with renewable heat generation and to reduce gas usage on an annual basis by approximately 50,000 m<sup>3</sup>, or approximately 100 tCO<sub>2</sub>eq emissions. In 2024, the heat pump was adapted to a closed loop water system in order to cool Besi's machines and prevent heat buildup which could cause devices to break down or malfunction. The project became operational in 2024 and led to a reduction in gas usage of 36% versus 2023. The project will lead to a 100% reduction in gas usage at Besi's Radfeld, Austria facility once the groundwater heat pump is fully operational.

#### *Implementation of energy efficiency projects*

We continuously design and implement energy efficiency projects for our operations which includes the thermal insulation of buildings, smart heating and cooling and LED lighting. Such low-cost projects result not only in reduced energy consumption and GHG emissions but also create a more comfortable working environment for our employees. A typical example was implemented in 2024 at our Netherlands operations:

#### *Energy management software in Duiven, the Netherlands*

In May 2024, an AI-powered heating and cooling system was installed at our Duiven location in the Netherlands. The installation of this system already established a 38% reduction in heat consumption in 2024 versus 2023. It is anticipated that such energy savings will increase in 2025 as the system will be operational for a full year and will have data from 2024 with which to facilitate further improvements.

- Key lever 3, Transition to electric vehicles or vehicles operating on sustainable fuels: About 1% of Besi's Scope 1 & 2 emissions are associated with emissions from the use of transport fuels. We commit to fully replace Besi's ICE vehicles with EV vehicles by 2030. To this end, all transportation between Besi Leshan warehouses and factories in 2024 used EV vehicles purchased in 2023 supported further by the installation of electric charging points.

### Locked-in GHG emissions in our own operations

Besi owns and operates the following equipment that could represent locked-in GHG emissions:

- Natural gas boilers at Besi's operations in the Netherlands, Switzerland and China and associated stationary combustion emissions.
- Internal combustion engine company vehicles fueled by petrol or diesel.

Besi's locked-in emissions in its own operations are not significant. Both of these sources are already considered and covered by Besi's carbon emission reduction levers, as described above.

### Scope 1 & 2 emission decarbonization roadmap

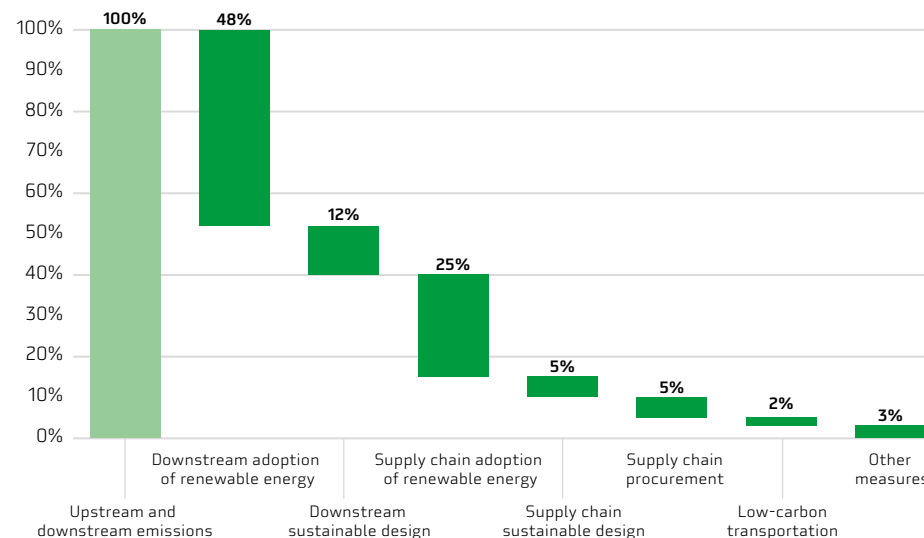
Our Climate Transition Plan provides more detail on the short-, medium- and long-term decarbonization priorities for our own operations. Initiatives to achieve the above mentioned emission reduction levers have already begun and are expected to be completed by 2030.

### Scope 3 emissions decarbonization levers

Scope 3 emissions represented 99% of Besi's total GHG emissions accounting for 242,920 tCO<sub>2</sub>eq in 2024 as disclosed in the paragraph Metrics of the section Environment. The two largest Scope 3 emission sources were attributed to Purchased Goods and Services from Besi's supply chain (86,188 tCO<sub>2</sub>eq) and the downstream Use of Sold Products (146,167 tCO<sub>2</sub>eq) which together represented 96% of Besi's total emissions in 2024. In addition, the following material GHG Protocol Scope 3 emission categories represented 3% of Besi's total emissions in 2024: Fuel and Energy-related Activities, Upstream Transportation and Distribution, Waste Generated in Operations, Business Travel, Employee Commuting, Downstream Transportation and Distribution and End-of-life Treatment of Sold Products. In 2024, we excluded the Capital Goods category from the scope of reporting due to the potential risk associated with double counting emissions also categorized as Purchased Goods and Services (as described in the GHG emissions accounting methodology section).

Key decarbonization levers for our Scope 3 emissions include the (i) adoption of renewable energy by our customers, (ii) implementation of sustainable design concepts to reduce energy consumption of our systems and (iii) engagement with our supply chain to use renewable energy.

### SCOPE 3 EMISSION REDUCTION LEVERS\*



\* Decarbonization levers are based on the Scope 3 emissions assessment conducted in 2024.

Scope 3 emissions occur indirectly from Besi's owned and controlled operations through our upstream and downstream value chain. As such, Besi's Scope 3 emissions decarbonization levers are focused on partnership programs with our suppliers and customers to facilitate emission reductions:

- Key Lever 1, Reduction of downstream emissions through the adoption of renewable energy by our clients: Downstream emissions from product use represent the largest portion of our Scope 3 emissions. As a result, the achievement of Besi's decarbonization objectives significantly depends on our customers' decarbonization activities and renewable energy adoption. Many of our customers already have stringent climate policies in place, utilize renewable energy and have set ambitious decarbonization targets. We will therefore focus on the implementation of innovative solutions to track and verify our customers' renewable energy usage. In addition, we will encourage and motivate customers still considering the adoption of renewable energy by means of partnerships through industry associations and global decarbonization initiatives. Further, we implemented accounting metrics in 2024 to better measure downstream emissions related to the use of our systems. Over the medium-term, we will work to improve the granularity of this assessment and formulate tangible emission reduction targets for this decarbonization lever.

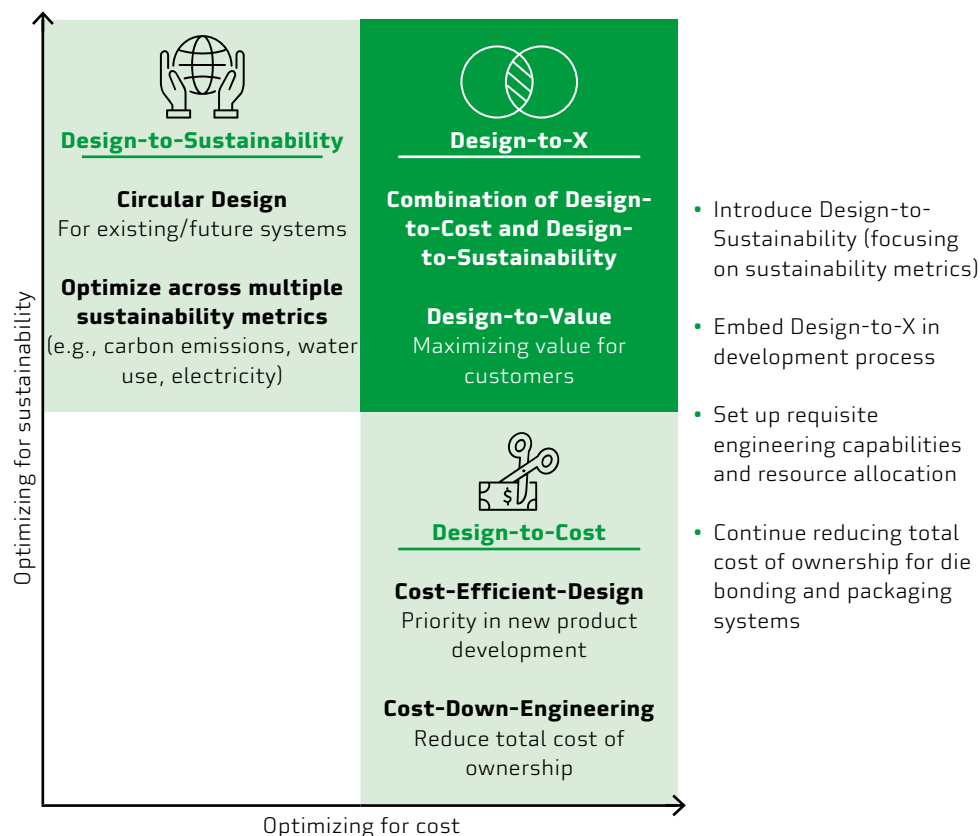
In 2023, Besi increased its focus on sustainable design initiatives related to energy consumption and greenhouse gas emissions. Toward this end, we developed an initiative named Design-to-X as part of our strategic plan review. This initiative combines the Design-to-Cost and Design-to-Sustainability concepts to identify sustainability improvement opportunities in all product groups while reducing the cost of many mature die attach and packaging platforms. More specifically, the review analyzed the ways Besi could reduce its greenhouse gas emissions and energy use and minimize the carbon footprint for its end-users while increasing product performance and efficiencies in design, procurement and operations. In 2024, we developed certain key deliverables utilizing Besi's existing sustainable design engineering efforts and plan to engage with those customers who could derive the greatest value from such initiatives. Key deliverables of the "Design-to-X" initiative include energy consumption reductions across four main Die Attach product groups. Per product group, separate reduction targets have been set for our systems.

### Design-to-X initiative

Besi's Design-to-X initiative combines the Design-to-Sustainability and Design-to-Cost concepts to identify energy consumption, material usage and other improvement opportunities in all product groups while reducing the cost of many mature die attach and packaging platforms.

### Implementation of sustainable design concept

In 2021, we launched several sustainable design initiatives focused on design-to-cost, quality and sustainability. Such initiatives were focused on upgraded versions of our mainstream die bonding product lines as well as new wafer level assembly platforms such as hybrid bonding and next generation TCB systems.



- Key Lever 2, Adoption of renewable energy in our supply chain: Emissions in our supply chain is the second largest category of Besi's Scope 3 emissions. Under this lever, the reduction of associated GHG emissions is dependent on the adoption of renewable energy by our suppliers. As such, we will create partnership programs with our suppliers focused on incentives to motivate implementation of renewable energy projects or the procurement of renewable energy. Many of our suppliers are located in Asia where the supply of renewable energy is not as readily available as in Europe. For such suppliers we will focus on opportunities to (i) build their renewable energy capacity, (ii) create strategic partnerships focused on the decarbonization of their operations and (iii) procure renewable energy via internationally recognized instruments such as RECs. During 2024, we collected Scope 3 emissions data for purchased goods and services in our supply chain and plan to improve the granularity of this assessment so we can set targets for renewable energy adoption in our supply chain.
- Key Lever 3, Procurement of low-carbon products and services: We engage with our suppliers via questionnaires and site visits to assess their carbon footprint. This helps us (i) categorize our suppliers based on their carbon footprint, (ii) develop a supply chain engagement strategy which prioritizes suppliers with relatively more carbon-intensive operations and (iii) focus on the reduction of GHG emissions. The procurement of low-carbon products and services and our sustainable design initiative are aligned to identify sustainable design opportunities for the usage of low-carbon products and materials in Besi's system production. In the next few years, we aim to develop sustainable procurement solutions and to create emission reduction targets for this decarbonization lever in light of our ambition to reach net zero emissions across all scopes by 2050.

### *Our engagement with the supply chain in 2024*

In 2024, 80 suppliers were responsible for approximately 80% of Besi's total purchasing volume. As a result, we established a risk map matrix to assess the importance, reliability, financial condition and sustainability of all suppliers on a regular basis. Besi evaluates suppliers by means of its QBR process under which we regularly conduct performance reviews and key supplier audits. Engagement with suppliers also resulted in additional progress on sustainability topics in 2024. Specifically, Besi integrated sustainability criteria into its QBR scorecard and assigned such criteria a 10% weighting in the final performance review of the year.

- Key lever 4, Low-carbon transportation: This lever focuses on the reduction of emissions associated with upstream and downstream transportation. Our key initiatives to reduce such emissions include:
  - Optimization of the transport and logistics of our systems.
  - Selection of low-carbon transportation types where possible.
  - Assessment of options to use sustainable fuels.
  - Development of innovative solutions with logistics services providers and operators.

Besi's continuous efforts to optimize transportation emissions have led to the adoption of sustainable transportation wherever possible. Besi monitors upstream and downstream transportation on a quarterly basis to measure the effect of transportation on our Scope 3 emissions and to help reach our net zero emissions target across all scopes. Our first Scope 3 emissions target set in 2022 already included upstream and downstream transportation as well as business travel based on limited GHG Protocol categories. Please refer to section Targets for further details. In the next few years, we aim to develop low carbon transportation solutions and to create emission reduction targets for this decarbonization lever in light of our ambition to reach net zero emissions across all scopes by 2050.

- Key lever 5, Other solutions to reduce Scope 3 emissions: Other solutions include e.g. projects focused on increasing granularity of supply chain emissions data, increasing waste recycling and reuse, procuring sustainable solutions for waste processing.

### *Locked-in GHG emissions related to the use of our products*

Our systems are powered by electricity at our customers' operations. The use of our systems represents the largest category of Besi's Scope 3 emissions and has the largest impact on climate change. We do not expect significant locked-in GHG emissions from the use of our products on a long-term basis but remain proactive in our approach to ensure Scope 3 emissions reduction. Further, we aim to set up innovative solutions and partnership programs with our customers, industry associations and global decarbonization initiatives to encourage their use of renewable energy. Our Design-To-X initiative will also help reduce the GHG emissions and energy use associated with our equipment. Our objective is to minimize the carbon footprint of our end-users while increasing Besi's product performance and design, procurement and operating efficiencies.

### *Scope 3 Emission decarbonization roadmap*

Our Climate Transition Plan provides more detail on the short-, medium- and long-term decarbonization priorities for our value chain emission reductions. Initiatives to achieve such emission reduction levers have already started and are expected to be completed by 2050 in line with our net zero emission ambitions.

### *Decarbonization CapEx and OpEx*

We aim to allocate the appropriate level of CapEx towards the Scope 1 & 2 and Scope 3 emission decarbonization levers in order to achieve Besi's GHG emission reduction milestones and targets. CapEx associated with the Scope 1 & 2 emission decarbonization levers include the implementation of renewable energy and energy efficiency projects, as well as the purchase of electric vehicles to replace internal combustion engine vehicles throughout our operations. In addition, OpEx required for the reduction of Scope 1 & 2 emissions includes the purchase of renewable energy or renewable energy certificates. Further, Besi did not have significant CapEx related to coal, oil or gas-related economic activities during 2024 as it does not operate in the coal, oil or gas sector.

CapEx associated with the Scope 3 emission decarbonization levers include the implementation of Besi's Sustainable Design initiative. OpEx related to such levers will include the development of partnership programs with Besi's suppliers and customers to enhance their use of renewable energy and the implementation of energy efficiency and renewable energy projects in their operations.

In 2024, progress was made in identifying the key decarbonization levers necessary to achieve Besi's climate-related goals. Moving forward, there are plans to further develop the Climate Transition Plan by disclosing the expected investments required over the short-, medium-, and long-term in alignment with Besi's financial reporting.

### *Transition plan alignment with overall business strategy and financial planning*

The integration of the Climate Transition Plan into Besi's business strategy has become increasingly important as we navigate the impacts, risks and opportunities posed by climate change. Besi's Climate Transition Plan is aligned with our overall business strategy and we aim to align it with financial planning across multiple dimensions:

- Alignment with corporate vision and risk management: Besi's strategy emphasizes long-term growth, innovation and market leadership. Our Climate Transition Plan supports these objectives by identifying how sustainability and climate resilience can drive competitive advantages for our business. In addition, we assess climate-related risks as part of our strategic planning including climate-related regulation, physical risks from extreme weather and sustainability-related market preferences and prepare responses to such risks.

- **Market positioning and competitiveness:** We seek to obtain a competitive advantage and therefore long-term value creation by ensuring our business is fully transparent with its stakeholders and by optimizing the sustainable product design. In addition, climate considerations drive innovation in our business which leads to the development of new, sustainable products and initiatives such as Design-to-X. We also explore opportunities available in green technologies, renewable energy and sustainable supply chains.
- **Operational efficiency:** We strive to improve resource efficiency, reduce waste and optimize energy use, all of which can lower operational costs. In addition, the integration of climate strategies into our supply chain can help us mitigate risks associated with disruptions from climate-related physical risks and help ensure the timely delivery of critical components.
- **Regulatory compliance and policy alignment:** Besi's Climate Transition Plan aids compliance with regulatory requirements by proactively adopting practices in alignment with emerging climate policies and regulations. It also helps us engage with stakeholders including governments, investors and communities which increasingly expect business participation in climate solutions.
- **Long-term financial performance:** Investors increasingly prioritize sustainability and climate performance criteria in their decision-making process. We believe that our business can be more resilient to market fluctuations such as shifts in consumer demand towards sustainable products by taking a more strategic approach to climate transition.
- **Corporate governance and accountability:** We actively involved the Board of Management and the Management Team in the development and implementation of our Climate Transition Plan to help ensure that climate goals were embedded in our decision-making processes. We set clear metrics and reporting mechanisms aligned with broader business performance indicators to help ensure transparency and accountability.
- **Organizational impact:** Embedding climate considerations into Besi's business strategy helps us enhance employee engagement by fostering a sense of purpose and alignment with broader environmental goals.

### Climate-related risks and opportunities

Climate change mitigation and energy and renewable energy were identified as material topics in the Double Materiality Assessment section. In addition, we have detailed in the Carbon Emissions and the Gross Scopes 1, 2, 3 and total GHG emissions sections the process by which Besi measures its impact on climate change. When conducting our Double Materiality Assessment, Besi used a range of information and data to inform its decision making process such as the climate scenario analysis which was performed in 2022.

The scenario analysis was used to identify and assess the potential impact of climate physical and transition risks on our business and, in part, to strengthen the resilience of Besi's sustainability strategy moving forward. Intergovernmental Panel on Climate Change ("IPCC") warming scenarios were utilized to build Besi-specific scenarios which allowed us to identify climate-related hazards including a high emissions climate scenario (as detailed by the Business-as-usual scenario below). Besi focused on the Representative Concentration Pathways ("RCPs") developed by the IPCC to model the net increase in warming of Earth's atmosphere under different greenhouse gas emissions concentration scenarios, specifically RCP8.5, RCP6.0 and RCP2.6. Subsequently, three qualitative transition scenarios were drafted from existing scenarios and trends and then combined with three warming scenarios from 2020 to 2100:

- **Business-as-usual**  
RCP8.5 – Extremely high emissions scenario with the global mean temperature expected to rise by 4.3°C (3.2 - 5.4°C) by the end of the 21<sup>st</sup> century. This scenario assumes a high dependence on fossil fuels and no policy-driven mitigation. Socio-economic assumptions in this scenario include:
  - Limited impact of emissions performance on Besi's reputation and market value.
  - Available technologies do not have the capability for large scale emissions reduction.
  - Reduced investment in new technologies due to high costs and limited public sector incentives.
- **Delayed transition**  
RCP6.0 – High emissions scenario with global mean temperature expected to rise by 2.9°C (2.0 - 3.8°C) by the end of the 21<sup>st</sup> century assuming emissions peak around 2080 and decline thereafter. Socio-economic assumptions in this scenario include:
  - Inconsistent regulation.
  - Uneven impact of emissions performance on Besi's reputation and market value.
  - Reduced demand in geographies with high vulnerability and exposure to climate risks.



- Net zero  
RPC2.6 – A stringent pathway with a large regulatory push. The development of new technologies increases the probability of keeping global temperature growth below 2°C by 2100 with the global mean temperature expected to rise by 1.6°C (0.9 - 2.4°C) by the end of the 21<sup>st</sup> century. Socio-economic assumptions in this scenario include:
  - Strict regulation.
  - Large impact of emissions performance on Besi's reputation and market value.
  - High interest by customers in more energy efficient/lower emission products which impacts purchasing decisions.

To assess the climate implications of the above scenarios we applied the following time horizons:

- Short-term (0-1 year): in line with the annual financial reporting.
- Medium-term (period up to 2030): this period is considered the timeframe for major product and market trends in alignment with our five-year strategic planning cycle and medium-term target to achieve net zero greenhouse gas emissions in our operations by 2030.
- Long-term (2030-2050): this time horizon helps capture the commitments made by national and regional governments such as the European Green Deal goal to reach climate neutrality by 2050, the potential long-term physical risks associated with climate change and Besi's ambition to reach net zero emissions across all scopes by 2050.

This climate scenario analysis consisted of three components:

1. Scenario analysis of physical climate risks for Besi's global office, R&D sites and manufacturing locations.
2. Qualitative scenario analysis of transition climate events for Besi's operations and supply chain.
3. Assessment of Besi's resilience to identified climate-related risks and opportunities.

#### 1. Scenario analysis of climate-related physical climate risks for Besi's global office, R&D sites and manufacturing locations

We conducted physical climate risk assessments for 12 countries, including those where Besi and key suppliers have operations, using the three different IPCC warming scenarios outlined above. We analyzed five different climate risk indicators under the three scenarios identified above using the Climate Impact Explorer tool:

- Change in air temperature (°C) relative to the reference period 1986-2006.
- Fraction of population annually exposed to heatwaves (%) relative to the reference period 1986-2006.
- Fraction of population annually exposed to wildfire (%) relative to the reference period 1986-2006.

- Annual expected change in damage from river flood (%) relative to the reference 2005 US dollar value.
- Annual expected change in damage from cyclones (%) relative to the reference 2005 US dollar value.

In the described scenarios, Besi assessed the potential physical risks and increased likelihood associated with the following climate-related hazards at the country-level for all of Besi's assets and operations over the short-, medium- and long-term: (i) temperature-related (air temperature risk and exposure of population to heatwaves), (ii) wind-related (annual expected damage from cyclones) and (iii) water-related (damage from river flooding).

Across the three most relevant physical climate risk indicators (temperature change, flooding, and storms/cyclones), the magnitude of impacts generally maintained a net increase in warming when comparing RCP2.6, RCP6.0, and RCP8.5. Results in such climate scenarios varied across risk indicators and locations. Generally, risk is projected to increase non-linearly with time across all locations analyzed. The rate of increase in climate risk for economic damages expected from cyclones and river floods show non-linear trends while mean annual air temperature shows a more linear pattern across scenarios with variation among sites.

Besi's most critical gross physical climate risks are currently located at its Leshan, China and Malaysian assets and operations. In addition, Besi's assets and operations in North America (Arizona), Austria and Switzerland should experience high levels of warming by 2050. The primary physical risk categories affecting Besi's operations and supply chain in China and Malaysia are river floods, heatwaves and increased mean air temperature levels. As flooding, heatwaves and mean air temperature levels increase in frequency and intensity, assets and operations in high-risk areas may likely see more frequent disruptions and increased insurance premiums.

In response to such gross physical risks, actions were undertaken at Besi assets with the largest potential exposure. For example, we implemented measures at our Malaysian production sites to increase Besi's climate resilience in the event of flooding. In addition, Besi's Leshan production site is undergoing an effort to safeguard its electricity supply in the event of blackouts such as those caused by heatwaves. As heatwaves potentially become more commonplace, the potential frequency of grid stress also increases, making our mitigation efforts even more important. Further, Besi Austria also invested in flood defenses in 2024 to help mitigate any potential flood risk to its operations. In the event of a business disruption, both Besi's production sites and office/R&D locations could be adversely affected.

Besi has not identified assets nor business activities that are incompatible with or need significant efforts to be compatible with a transition to a climate neutral economy.

## 2. Qualitative scenario analysis of transition climate events for Besi's operations and supply chain

We also assessed our exposure to climate-related transition events included in the following TCFD categories: Policy and Legal, Technology, Market and Reputation. Specifically, Besi assessed how its business activities may be exposed to such climate transition events creating gross transitions risks or opportunities. Besi made assumptions about the likelihood of pressure from regulators in such scenarios to: (i) comply with disclosure requirements, (ii) reduce carbon emissions, (iii) increase energy efficiency and (iv) improve technology performance. As described above, the Net-zero scenario identified climate-related transition events in a scenario which limited global warming to 1.5°C with no or limited overshoot.

In addition, we assessed the likelihood of stakeholder perceptions related to climate change, specifically how investors, customers and suppliers would react to the implications of the different scenarios and whether additional investment costs would be required to bring our assets, manufacturing operations and research and development goals in line with stakeholder expectations and regulatory requirements. Such assumptions allowed us to qualitatively analyze the potential impact of these expectations and requirements on Besi's value and reputation across different geographies. In addition, demand for semiconductor technologies that support renewable energy products and vehicle electrification was also considered as a potential business opportunity.

Set forth below is a table which summarizes the results of the transitional risk assessment.

### CLIMATE-RELATED RISKS

Category of climate risk	Climate risk drivers		Main affected time horizon
Transition risk	Policy and legal	<ul style="list-style-type: none"> <li>Local, state, regional and national regulatory pressure to set more strict energy efficiency and emissions intensity targets for Besi and our value chain.</li> </ul>	Medium – long
	Technology	<ul style="list-style-type: none"> <li>Uncertainties that surround the development and implementation of carbon reduction and energy efficient technologies for our systems.</li> </ul>	Medium – long
	Market	<ul style="list-style-type: none"> <li>Uncertainty about the sustainability of sourcing and refining materials essential to Besi's products.</li> </ul>	Short – medium – long
	Reputation	<ul style="list-style-type: none"> <li>Besi will be required (or strongly pressured) to use the Company's sustainability performance as a key consideration in investment or partnership decisions.</li> </ul>	Short – medium – long

## 3. Assessment of Besi's resilience to identified climate-related risks and opportunities

After having identified the climate-related risks and opportunities from the scenario analysis, Besi reviewed the resilience of its strategy to climate-related risks and opportunities in 2024 by means of interviews with the Board of Management and Management Team using our 2022 scenario analysis. The assessment considered the numerous strategic initiatives already in place to ensure that our strategy and business model are able to manage and adapt to the climate-related risks and opportunities in our value chain. To this end, the resilience analysis considered several of our current strategic initiatives:

- **Governance of climate-related risks and opportunities:** The Board of Management is responsible for defining and achieving Besi's climate-related strategy and objectives with day-to-day responsibility residing with the SVPs and facility management in their respective departments. The Board of Management and Management Team members responsible for product groups and operations have climate-related performance objectives included in their variable compensation structure.
- **Sustainability policy and Climate Transition Plan:** Besi has developed a Sustainability policy which defines its targets and ambitions with respect to climate change and the environment. The Climate Transition Plan specifically outlines how Besi intends to meet such goals.

- Internal control and risk management: As described in the Internal controls over sustainability reporting section, Besi has incorporated climate-related impacts, risks and opportunities into its internal control and risk management system to manage and mitigate risks. In addition, we have conducted (i) a climate risk assessment as part of our Double Materiality Assessment, (ii) a climate scenario analysis and (iii) stakeholder engagement to understand which risks and opportunities are most relevant to our stakeholders.
- Risk mitigation: As outlined in our Climate Transition Plan, Besi has implemented various measures across its value chain including energy efficiency initiatives, renewable energy adoption, collaboration with our suppliers and the implementation of a Design-to-X concept focused on the resource efficiency of our systems.
- Sustainability reporting framework: Besi started collecting GHG emission data in 2014 and initiated quarterly sustainability reporting in 2019 with assigned responsibilities across its global operations. Besi also continuously enhances its sustainability methodology and data collection to identify all material impacts for inclusion in its reporting. For instance, we worked to enhance the granularity of our Scope 3 emissions data in 2024. In addition, aspects of our 2021, 2022 and 2023 ESG Reports were verified by EY Accountants B.V., an independent auditor, which provided limited assurance on Besi's Sustainability Statement included in this Annual Report. Their assurance report is included in [Other Information](#).

Besi is considered well prepared for the Business as Usual and Delayed Transition scenarios due to its commitment to reduce overall carbon emissions, its engagement with investors and annual disclosures regarding climate mitigation. However, the assessment also indicated that Besi could make further progress with respect to its climate-related goals by pursuing SBTi-certified targets, improving its energy and carbon emissions data tracking efforts and further integrating the Climate Transition Plan into our overall business strategy. Therefore, the conclusion from the Net zero scenario was that Besi's Scope 1 & 2 emissions will naturally fall over time as utility grids move to 100% renewable energy sources given emissions reduction requirements across all sectors (including utilities and buildings) in alignment with the Paris Agreement. Further, once the electricity grid decarbonizes, Besi will consider using recognized solutions such as carbon capture technologies to reduce outstanding GHG emissions which could not otherwise be reduced through improved infrastructure or operations. Furthermore, our assessment concluded that an increase in global temperatures below 1.5°C will lead to only a minor increase in Besi's exposure to climate-related physical risks and less drastic increases in insurance premiums.

The assessment considered Besi's strategy and business model to be resilient against climate-related risks across all three climate scenarios. However, there are opportunities for Besi to further improve its resilience to regulatory, reputational and technology-related climate risks:

	RCP8.5/Business-as-usual	RCP6.0/Delayed transition	RCP2.6/Net-zero
Physical climate risks	<ul style="list-style-type: none"> <li>Increased acute risk of flooding and heatwaves affecting manufacturing operations and supply chain.</li> <li>Potential for additional disruption to offices and production sites.</li> </ul>		<ul style="list-style-type: none"> <li>Impact of flooding and heatwaves on manufacturing already being observed.</li> </ul>
Transition climate risks	<ul style="list-style-type: none"> <li>Well prepared for policy/legal risks.</li> <li>Low potential exposure to carbon pricing.</li> <li>Relatively little pressure from customers on product efficiency.</li> </ul>	<ul style="list-style-type: none"> <li>Uncertain customer behaviour and consumer preferences.</li> <li>Low potential exposure to carbon pricing in the short term. High exposure in the long term.</li> <li>Uneven pressure on product efficiency.</li> </ul>	<ul style="list-style-type: none"> <li>Greater potential exposure to policy/regulatory risks.</li> <li>More potential reputational risk if not net-zero.</li> <li>More significant transition costs.</li> <li>Higher potential exposure to carbon pricing.</li> </ul>
Transition opportunities	<ul style="list-style-type: none"> <li>Increased resilience against climate and weather impacts.</li> </ul>	<ul style="list-style-type: none"> <li>Energy and resource efficient product design.</li> <li>Incorporate renewable technologies.</li> <li>Drive decarbonization of upstream supply chain.</li> <li>Improve energy efficiency and associated energy costs.</li> <li>Opportunity to drive customer emissions reduction.</li> </ul>	

We plan to further evaluate such risks and their associated business impacts in a more comprehensive manner in future years.

### Climate change-related policies

Besi's Sustainability policy and Climate Transition Plan both address several aspects of climate change mitigation and energy use. The Sustainability policy outlines our climate ambitions and key strategic objectives. However, the Climate Transition Plan provides a more detailed GHG emissions action plan and the key levers to be used to achieve decarbonization in Besi's operations as well as its upstream and downstream value chains.

Besi's Sustainability policy aims to bolster our long-term value creation model while conducting our business in a sustainable way respecting both the environment and society. The policy also aims to address our material impacts, risks and opportunities related to climate change, specifically climate change mitigation and energy and renewable energy (which includes energy efficiency and renewable energy deployment). Our climate-related policies do not cover climate change adaptation as it was not deemed material by the Double Materiality Assessment.

The Sustainability policy has been approved by Besi's Supervisory Board. It applies to Besi's activities across all geographies and provides a strategic view of our management activities with respect to the environmental, social and governance aspects of our business, operations and value chain. Besi's policy is publicly available on our corporate website for the benefit of all stakeholders.

In our Sustainability policy, we commit to monitor our environmental performance across material topics through various KPIs. We are passionate about reducing the environmental impact of our operations and products across our whole value chain in alignment with both stakeholder expectations and environmental laws and regulations. We engage with our suppliers to create awareness of our objectives and activities and to implement environmental-related initiatives. We set ambitious targets for our own operations and make employees aware of Besi's environmental initiatives and rationale for undertaking such activities. We also strive to reduce the environmental impact of our products at our customers' operations by implementing sustainable design concepts in the design and development of our systems. We intend to communicate and engage on a periodic basis with shareholders, suppliers, customers, employees and local communities and societies about environmental issues.

Besi aligns its Sustainability policy with the Paris Agreement and focuses on the following climate-related topics found to be material throughout our value chain:

### Climate change mitigation

Our goal is to achieve net zero emissions in our operations and upstream and downstream value chains. Besi's objective is to achieve net zero greenhouse gas emissions in its operations by 2030 incorporating Scope 1 & 2 emissions. We aim to continuously monitor the impact of climate change on our business through regular assessments of our specific climate change physical and transition risks. We intend to address such risks through the implementation of risk-mitigating strategies, policies and action plans.

### Energy efficiency and renewable energy deployment

Our energy use and emissions reduction strategy is based on the following principles:

- Increasing energy efficiency and reducing energy consumption in our operations.
- Producing our own renewable energy or using renewable energy exclusively wherever available.
- Using market instruments to cover or compensate emissions that cannot be avoided or when the usage of renewable energy is not feasible.
- Applying the concept of sustainable design to our products to improve their energy efficiency. This is one of our key priorities as we seek to enhance future growth with a lower environmental impact.
- Engaging our suppliers to improve their energy efficiency and reduce Besi's supply chain-related greenhouse gas emissions.

### Climate change actions and resources

Besi's Sustainability policy and Climate Transition Plan set out the strategic direction of our action on climate change actions. Each product group and operational site has developed its own action plan based on such policies. At corporate level, key actions and resources related to climate change are listed in the table below. Our actions also seek to provide remedies for the actual negative material impacts on climate change resulting from our operations and value chain.

Policy/action plan	Key actions	Scope	Time horizon	Year of completion	Description	Progress	Allocated resources	Financial resources
Sustainability policy	<ul style="list-style-type: none"> <li>Continuously monitor our climate impact.</li> <li>Assess physical and transition risks.</li> <li>Reduce energy consumption, produce/use renewable energy.</li> <li>Use market instruments to compensate emissions if renewable energy is not available.</li> <li>Implement sustainable design concept.</li> <li>Improve efficiency in supply chain.</li> </ul>	Value Chain	2021*-2050	2050	Our Sustainability policy sets key strategic actions to achieve net zero emissions in our operations by 2030 and net zero emissions in our upstream and downstream value chains in 2050.	<ul style="list-style-type: none"> <li>Climate impact data has been monitored and publicly reported since 2019.</li> <li>Climate risks assessed in 2022 as described in the Climate risks and opportunities section.</li> <li>97% reduction in Scope 1 &amp; 2 emissions achieved due to use of renewable energy or renewable energy certificates.</li> <li>Several sustainable design initiatives launched starting in 2021 as described in the Climate Transition Plan section.</li> <li>Several initiatives started to improve sustainability of supply chain as described in the Climate Transition Plan section.</li> </ul>	<p>Corporate sustainability team to produce guidance and track performance</p> <p>Internal control team to track performance through internal control system</p> <p>Operations, including management, technical teams, HR and sustainability teams</p>	Financial resources allocated to Besi's Climate Transition Plan.
Climate Transition Plan	<ul style="list-style-type: none"> <li>Increase granularity of supply chain emissions data.</li> <li>Increase adoption of renewable energy in the supply chain.</li> <li>Develop procurement of low-carbon products and services.</li> <li>Reduce carbon-intensive supply through sustainable system design.</li> <li>Contract green electricity to ensure 100% renewable energy consumption for own operations.</li> <li>Use EVs instead of ICE vehicles.</li> <li>Increase energy efficiency of our products.</li> <li>Engage with customers to enhance the use of renewable energy.</li> <li>Implement other solutions to reduce downstream emissions.</li> </ul>	Value Chain	2021*-2050	2050	Our Climate Transition Plan sets key decarbonization levers to be implemented in the short-, medium- and long-term to achieve net zero emissions in our operations by 2030 and net zero emissions in our upstream and downstream value chain by 2050.	<ul style="list-style-type: none"> <li>Launched supplier sustainability scorecard and several supplier engagement initiatives as described in the Climate Transition Plan.</li> <li>Implementation of sustainability performance ratings for approximately 50 % of Besi's purchasing volume.</li> <li>97% reduction in Scope 1 &amp; 2 emissions achieved due to use of renewable energy or renewable energy certificates.</li> <li>Purchased EV vehicles to replace ICE vehicles in Besi Leshan.</li> <li>Developed an action plan to reduce energy consumption in die attach platforms by 10% by 2027.</li> <li>Expanded accounting and reporting of Scope 3 categories.</li> </ul>	<p>External consultants and advisors to support the development and implementation of specific sustainability topics</p>	

\* All targets are based on 2021 baseline levels.



We have detailed Besi's expected GHG emission reductions per key decarbonization lever in the Climate Transition Plan. The key climate-related actions for Scope 1 & 2 emissions undertaken this reporting year per decarbonization lever include:

- Key lever 1, Purchase and production of renewable energy: Procurement of renewable energy in Asian operations led to a total increase of renewable electricity from 71% in 2023 to 99% in 2024, which led to a reduction in Besi's Scope 2 emissions of 4,776 tCO<sub>2</sub>eq (93%).
- Key lever 2, Implementation of renewable energy sources in heating and cooling solutions: During 2023, we invested in a groundwater heat pump at Besi's Austrian facility in Radfeld to replace natural gas usage for its central heating system. The project became operational in 2024 and led to an emission reduction of 31 tCO<sub>2</sub>eq relative to 2023 (36% reduction). In addition, an AI-powered heating and cooling system was installed at our Duiven location in the Netherlands. The installation of this system established a 38% reduction in heat consumption relative to 2023.

Besi is in the process of calculating the associated emissions reductions as more granular detail regarding some categories of Scope 3 emissions only started to be collected in 2024. We have described in our Climate Transition Plan the key actions planned as well as the expected GHG emission reductions to be achieved. Actions taken in 2024 with respect to Scope 3 emissions reductions included:

- Engagement with suppliers through self-assessment questionnaires and supplier audits as to their environmental footprint.
- Establishment of an energy consumption baseline for Besi's product lines and energy reduction plans for four die attach systems which will be implemented in 2025.
- Achievement of a 6.9% energy consumption reduction in a Die Attach product line.

We allocate all financial and other resources required to achieve our decarbonization targets. We review our policies and progress against targets annually and, if required, introduce corrective measures including re-allocation of resources. Our Climate Transition Plan is aligned with the EU Taxonomy with respect to climate mitigation. As such, the identified levers associated with our Climate Transition Plan and any related CapEx will contribute to the increased alignment of our economic activities with the increased energy performance of our buildings.

## Targets

Reducing Besi's carbon footprint is a key focus of our sustainability strategy which includes the management of Besi's material climate-related impacts, risks and opportunities. All emissions reductions will be achieved through the implementation of the key decarbonization levers discussed in our Climate Transition Plan. We have set two strategic long-term targets which have been approved by our Board of Management and Supervisory Board in recognition of the global ecological and societal imperatives caused by climate change based on conclusive scientific evidence:

- We target net zero emissions in our own operations (Scope 1 & 2 emissions) by 2030.
- We aim to reach net zero emissions across all scopes by 2050.

Our ambition is to reduce carbon emissions and carbon emissions intensity (carbon emissions/revenue) across all three reporting scopes. To this end, we have set challenging interim milestones and targets for achievement in 2024, 2026 and 2030, respectively, (against a 2021 baseline) for the following metrics:

- Scope 1 & 2 emissions (own operations).
- Scope 3 emissions (upstream and downstream).
- Fuel consumption (own operations).
- Renewable energy (own operations).

These short-, medium- and long-term targets help us track progress on our transition to net zero GHG emissions across our value chain:

Target	Type of target	Baseline value (2021)	2024 target and performance versus 2021 baseline			2030 Target	2050 Target
			2024 target,%	2024 value	Progress		
Reduction in fuel consumption	Absolute	2.5 (GWh)	15%	1.4	42%	25%	-
Renewable energy globally	Absolute	20%	75%	99%	79 pts	100%	-
Reduction in Scope 1 & 2 emissions	Absolute	10,812 (tCO <sub>2</sub> eq)	62%	349	97%	Net Zero	-
Reduction in Scope 3 emissions	Absolute	11,942 (tCO <sub>2</sub> eq)	12%	7,422	38%	20%	Net Zero

\* The Scope 3 emission reduction target was set for four Scope 3 emission categories for which Besi collected data and reported against since 2019 including: Upstream Transportation and Distribution, Downstream Transportation and Distribution, Business Travel and Fuel- and Energy-related Activities (which are not included in our Scope 1 or Scope 2 emissions). As described in the Climate transition Plan section, these four categories represent a minor percentage of Besi's total Scope 3 emissions. However, to maintain consistency with the initiatives we have been reporting on since 2019, we believe it is important to report on the progress of the targets we have set even though such emissions represent a limited scope of our total Scope 3 emissions.

Besi's Scope 1 & 2 emissions aggregated 10,812 tCO<sub>2</sub>eq in 2021 with Scope 1 emissions representing 332 tCO<sub>2</sub>eq (3%) and Scope 2 emissions representing 10,480 tCO<sub>2</sub>eq (97%). The baseline of 2021 was chosen to reflect the year in which there was a review and update to Besi's sustainability strategy and targets. Initially the focus was on our 2022 performance versus a 2019 baseline.

In 2024, we expanded the reporting of our Scope 3 emissions to include all relevant categories according to the GHG Protocol methodology such as purchased goods and services, capital goods, waste generated in operations, employee commuting, use of sold products and end-of-life treatment of sold products (in line with our GHG inventory boundaries disclosed in the Gross Scope 1, 2, 3 and total GHG emissions section. Due to the inclusion of these Scope 3 categories, the baseline value for our Scope 3 emissions significantly changed in 2024 relative to 2021. In addition, we do not provide comparative information for prior periods. As such, we have reported our progress in reducing Besi's Scope 3 emissions in 2024 against a 2021 baseline for the limited Scope 3 emissions categories. Over the medium-term, we plan to set a new target which includes the additional relevant Scope 3 emissions categories using a revised baseline value and year.

Besi's Climate Transition Plan further details each decarbonization lever and their overall quantitative contributions to achieve our emissions reduction targets. We will not use carbon credits nor offsets to meet our Scope 1 & 2 and Scope 3 emissions reduction targets. However, we may use carbon capture or other sustainable solutions in the future to compensate for residual Scope 3 emissions including any unabated emissions within the scope of our net zero target in 2050.

#### How the targets were set

The Board of Management is responsible for defining and achieving Besi's sustainability strategy and objectives. Day-to-day responsibility resides with the SVPs and facility management in their respective departments and locations. In setting Besi's Climate Change targets, the Board of Management, supported by the SVPs and facility management, took into consideration:

- Factual data on the energy consumption of our operations and accounting for GHG emissions since 2014.
- The Paris Agreement goal to hold "the increase in the global average temperature to well-below 2°C above pre-industrial levels" and pursue efforts "to limit the temperature increase to 1.5°C above pre-industrial levels".
- The European Green Deal which set policy initiatives by the European Commission with the overarching goal of making the European Union climate neutral by 2050.
- Recommendations of the Semiconductor Sustainability Accounting Standard as prepared by the Sustainability Accounting Standards Board.
- An assessment of strategies by Besi's peers related to climate change.
- Consideration of the climate scenarios discussed in the Climate-related risks and opportunities section to detect relevant environmental-, societal-, technology-, market- and policy-related developments.
- Besi's strategy to create long-term value for its stakeholders and operate its business in a sustainable way respecting the environment, our own employees and society in general.
- Stakeholder views on the importance of climate change for Besi's business.

Besi's mission to become the world's leading supplier of semiconductor assembly equipment for advanced packaging applications and to exceed industry average benchmarks of financial performance was also taken into consideration when setting these targets. Besi's Climate Transition Plan outlines the capital requirements to meet

our climate objectives and ensure that such requirements satisfy this mission. Thus, our ability to implement such actions depends on the availability of such capital resources and Besi's broader business strategy. Of note, Besi's successful navigation of volatile assembly equipment markets at high levels of profitability exceeding industry average benchmarks has provided access to capital and capital markets historically on attractive terms and cost of capital.

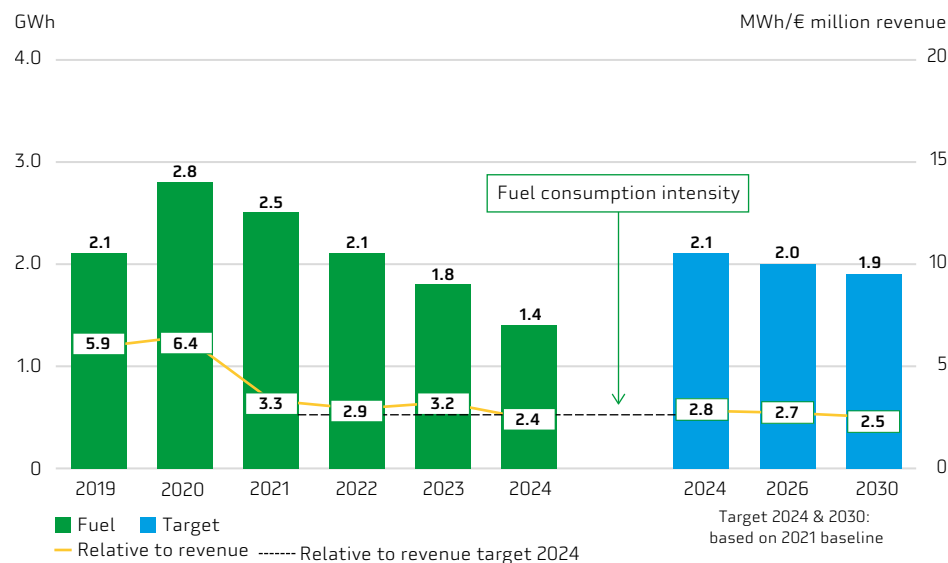
The Scope 1 & 2 and Scope 3 emissions reduction targets have not been certified by the Science Based Targets initiative ("SBTi"). However, we consider Besi's Scope 1 & 2 emissions targets to be aligned with the 1.5 degree trajectory as per the Paris Agreement as described in the Climate Transition Plan.

### Progress against targets

#### Fuel consumption

In 2024, our absolute fuel consumption of 1.4 GWh significantly outperformed our 2024 target of 2.1 GWh and represented a 21% decrease relative to 2023 due to the successful implementation of a heat pump at Besi Austria and the installation of new energy management software at Besi Netherlands. In addition, Besi achieved a fuel consumption intensity of 2.4 MWh/€ million revenue which was lower than the 2021 value of 3.2 MWh/€ million revenue.

#### FUEL CONSUMPTION TRENDS

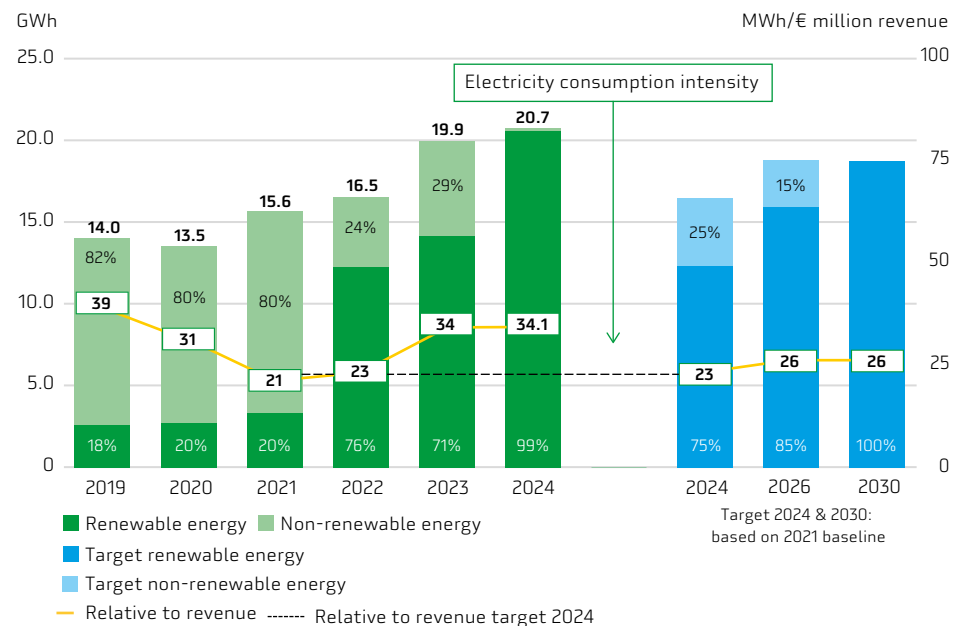


#### Energy use and renewable energy

In 2024, renewable energy accounted for 99% of Besi's total electricity consumption, up significantly versus 71% in 2023. The increase was primarily due to the procurement for our operations in Leshan, Malaysia and Vietnam of Renewable Energy Certificates ("RECs") focused on funding renewable energy projects in each of such countries independent from our direct energy suppliers. We utilize renewable energy sources at many of our locations worldwide including 100% utilization at all our European operations. For our operations in Europe (Austria, Switzerland and the Netherlands) and Singapore, we purchase renewable energy directly from our energy suppliers.

However, Besi's electricity consumption in 2024 increased on an absolute basis compared to 2023 due primarily to the expansion of our Asian operations including a new production site in Malaysia, additional cleanrooms in Singapore and Malaysia and the establishment of a new Vietnam assembly facility. In addition, performance against the relative electricity consumption target was adversely affected by the ongoing assembly market downturn which caused our revenue to decline from € 749.3 million in 2021 to € 607.5 million in 2024.

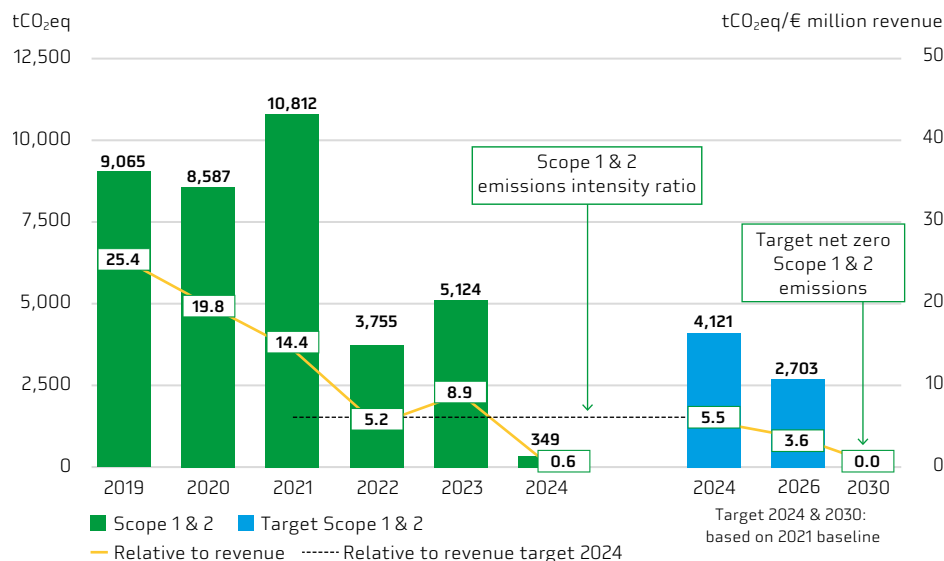
#### ELECTRICITY CONSUMPTION TRENDS



### Scope 1 & 2 emissions

Our absolute Scope 1 emissions decreased by 20% in 2024 relative to 2023 due primarily to the implementation of a heat pump in Austria and reduced transportation fuel consumption related to the purchase of electric vehicles in China. Applying a market-based methodology, our absolute Scope 2 emissions decreased in 2024 relative to 2023 by 96% due to the purchase of RECs for our operations in Malaysia, China and Vietnam. Percentage of contractual instruments used to apply market-based method accounts for 98%. Out of them, 89 % are contractual instruments used for sale and purchase of unbundled energy attribute claims and 9% are contractual instruments used for sale and purchase of energy bundled with attributes about energy generation. Besi recorded absolute Scope 1 & 2 emissions of 349 tCO<sub>2</sub>eq which was significantly better than our target of 4,121 tCO<sub>2</sub>eq. In addition, Besi achieved a Scope 1 & 2 emission intensity of 0.6 tCO<sub>2</sub>eq/€ million revenue which was significantly lower than the 2021 value of 14.4 tCO<sub>2</sub>eq/€ million revenue.

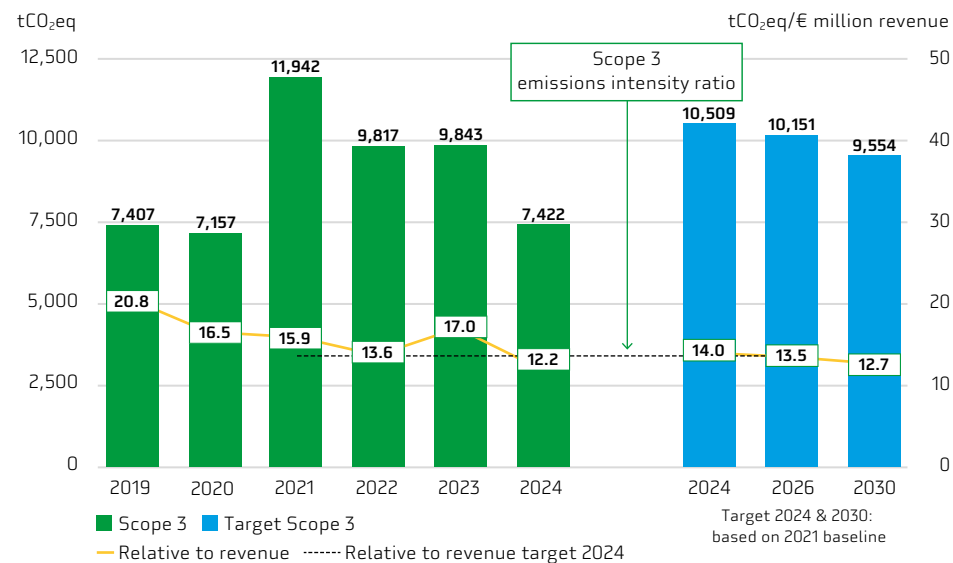
### SCOPE 1 & 2 GHG EMISSIONS TRENDS



### Scope 3 emissions

In 2024, Besi reduced its absolute Scope 3 emissions (as per reported scope) versus the 2021 baseline by 38% (4,520 tCO<sub>2</sub>eq) reflecting progress in the areas of transportation, freight and travel and the increased adoption of renewable energy in our operations. In addition, Besi's Scope 3 emissions intensity decreased to 12.2 tCO<sub>2</sub>eq/€ million revenue in 2024, a decrease of 3.7 points versus the 2021 baseline, even despite the significant decrease in our revenue between 2021 and 2024 due to the assembly equipment market downturn.

### SCOPE 3 GHG EMISSIONS TRENDS



\* The Scope 3 emissions reduction target was set for the Scope 3 emission categories for which Besi collected data and reported against in 2021 including: Upstream transportation and distribution, downstream transportation and distribution, business travel and fuel- and energy-related activities (which are not included in our Scope 1 or Scope 2 emissions). In 2024, we expanded the reporting of our Scope 3 emissions to include all relevant categories according to the GHG Protocol methodology such as purchased goods and services, capital goods, waste generated in operations, employee commuting, use of sold products and end-of-life treatment of sold products which is not reflected in this graph.

## Metrics

### Energy consumption and mix

Our energy consumption includes direct and indirect energy consumption. Direct energy consumption includes the use of fuels such as natural gas to heat our buildings and transport fuels such as gasoline and diesel. Indirect energy consumption includes the use of electricity for our operations as well as purchased heating or cooling for our facilities. Each quarter, we collect energy consumption data from our operations and aggregate this information at the corporate level. We calculate energy consumption on the basis of invoices from our energy suppliers. If invoices are not available at the time of quarterly data reporting, we use meter readings or estimates. Corrections to this quarterly data are made once the invoices are available. We collect quarterly information on fuel usage in physical units such as m<sup>3</sup> for natural gas and convert such amounts to MWh applying lower heating values for each fuel type.

Energy consumption and mix	2023	2024	% 2024/2023
(1) Fuel consumption from coal and coal products (MWh)	0	0	NA
(2) Fuel consumption from crude oil and petroleum products (MWh)	161	124	77%
(3) Fuel consumption from natural gas (MWh)	853	653	77%
(4) Fuel consumption from other fossil sources (MWh)	0	0	
(5) Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources (MWh)	6,593	827	13%
<b>(6) Total fossil energy consumption (MWh) (calculated as the sum of lines 1 to 5)</b>	<b>7,607</b>	<b>1,604</b>	<b>21%</b>
Share of fossil sources in total energy consumption (%)	35%	7%	21%
<b>(7) Consumption from nuclear sources (MWh)</b>	<b>NA</b>	<b>430</b>	<b>NA</b>
Share of consumption from nuclear sources in total energy consumption (%)	NA	2%	NA
(8) Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.) (MWh)	0	0	NA
(9) Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources (MWh)	13,516	19,925	147%
(10) The consumption of self-generated non-fuel renewable energy (MWh)	635	643	101%
<b>(11) Total renewable energy consumption (MWh) (calculated as the sum of lines 8 to 10)</b>	<b>14,151</b>	<b>20,568</b>	<b>145%</b>
Share of renewable sources in total energy consumption (%)	65%	93%	143%
<b>Total energy consumption (MWh) (calculated as the sum of lines 6, and 11)</b>	<b>21,758</b>	<b>22,172</b>	<b>102%</b>

Although total energy consumption increased from 21,758 MWh in 2023 to 22,172 MWh in 2024, our energy intensity decreased by 5% primarily due to Besi's 4.9% revenue increase in 2024 versus 2023. Information about Besi's revenue can be found in Note 23 Revenue in the Notes to the Consolidated Financial Statements.

Energy intensity per net revenue (Based on ESRS definitions, Besi operates in a high climate impact sector)	2023	2024	% 2024/2023
Total energy consumption from activities in high climate impact sectors per net revenue from activities in high climate impact sectors (MWh/€ million revenue)	38	36	95%

### Gross Scopes 1, 2, 3 and total GHG emissions

In reporting carbon emission levels, we have adopted the standards and methodology put forth by the Greenhouse Gas Protocol which divides emissions into three Scopes:

- Scope 1 emissions cover direct greenhouse gas ("GHG") emissions resulting from day-to-day business activities. This category includes on-site fuel combustion such as gas boilers as well as manufacturing, transport and fugitive emissions.
- Scope 2 emissions cover indirect GHG emissions which result from the electricity, heat and steam we purchase from external sources. We calculate Scope 2 emissions using location-based and market-based methods.
- Scope 3 emissions cover nine categories of GHG emissions including Purchased goods and services, Fuel and Energy related activities, Upstream and downstream transportation, Business travel, Waste generated in operations, Employee commuting, Use of sold products and End of life treatment of sold products.



In 2024, we expanded the reporting of Scope 3 emissions adding five material categories to our scope of reporting as described above in the section Progress against targets. The granular data for the accounting of some categories were not fully available given that these new categories (primarily related to the emissions from purchased goods and services) were reported for the first time this year. We intend to improve our data granularity in calculating Scope 3 emissions attributed to our suppliers by replacing industry average data with supplier specific carbon footprint data as part of our supply

chain engagement efforts. For not significant categories, GHG Protocol guidance allows the use of average-data accounting methods and certain assumptions. We applied this approach to accounting for categories such as Waste generated in operations, Employee commuting and End of life treatment of sold products. Details are provided in the section GHG emissions accounting methodology. Besi's Scope 1 & 2 and 3 emissions do not include biogenic emissions of CO<sub>2</sub> from the combustion or bio-degradation of biomass due to non-relevance of this type of emissions to our business and value chain.

	Retrospective				Milestones and target years		
	Base year (2021)	2023	2024	% 2024/ 2023*	2026	2030	Annual % Target/base year
<b>Scope 1 GHG emissions</b>							
Gross Scope 1 GHG emissions (tCO <sub>2</sub> eq)	331	208	165	79%	250	0	91%
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)	0	0	0	0%			
<b>Scope 2 GHG emissions</b>							
Gross location-based Scope 2 GHG emissions (tCO <sub>2</sub> eq)	12,181	15,578	10,503				
Gross market-based Scope 2 GHG emissions (tCO <sub>2</sub> eq)	10,480	4,916	184	4%	2,453	0	36%
<b>Significant scope 3 GHG emissions</b>							
Total Gross indirect (Scope 3) GHG emissions (tCO <sub>2</sub> eq)	11,942	9,842	242,920				
1 Purchased goods and services			86,188				
3 Fuel and energy-related Activities (not included in Scope 1 or Scope 2)	2,565	1,180	52	4%			
4 Upstream transportation and distribution	1,822	2,128	2,232	105%			
5 Waste generated in operations			71				
6 Business traveling	460	1,831	2,084	114%			
7 Employee commuting			3,060				
9 Downstream transportation	7,095	4,703	3,055	65%			
11 Use of sold products			146,167				
12 End-of-life treatment of sold products			11				
<b>Total GHG Emissions</b>							
<b>Total GHG emissions (location-based) (tCO<sub>2</sub>eq)</b>			<b>253,588</b>				
<b>Total GHG emissions (market-based) (tCO<sub>2</sub>eq)</b>	<b>22,753</b>	<b>14,966</b>	<b>243,269</b>				
<b>GHG intensity per net revenue</b>					<b>2023</b>	<b>2024</b>	<b>% 2024/2023*</b>
Total GHG emissions (location-based) per net revenue (tCO <sub>2</sub> eq/€ million revenue)						417	
Total GHG emissions (market-based) per net revenue (tCO <sub>2</sub> eq/€ million revenue)					26	400	NA

\* Given that such categories of Scope 3 emissions as Purchased goods and services, Waste generated in operations, Employee commuting, Use of sold products and End-of-life treatment of sold products were accounted for the first time in 2024, comparison with 2023 is not applicable.

## EU Taxonomy disclosure

The EU Taxonomy Regulation (EU 2020/852) ("EU Taxonomy") is a green classification system that determines which economic activities can be considered environmentally sustainable under the EU framework. It helps companies, investors and other stakeholders identify and invest in activities that contribute to sustainable objectives. The EU Taxonomy establishes six environmental objectives, each supported by subsequent delegated acts that define related activities and determine technical screening criteria ("TSC"), do no significant harm ("DNSH") criteria and minimum safeguards:

- Climate change mitigation ("CCM").
- Climate change adaptation ("CCA").
- Sustainable use and protection of water and marine resources ("WTR").
- Transition to a circular economy ("CE").
- Pollution prevention and control ("PPC").
- Protection and restoration of biodiversity and ecosystems ("BIO").

The EU Taxonomy requires that any undertaking, which is subject to Directive 2013/34/EU, is compliant with the reporting requirements provided in Article 8 of Regulation (EU) 2020/852 (the "Taxonomy Regulation"). For the reporting period 2024, non-financial undertakings are required to disclose the proportion of key performance indicators (revenue, capital expenditures and operating expenses) that are associated with economic activities that are eligible and aligned with the six environmental objectives.

### Basis for preparation

We prepared our EU Taxonomy disclosure in accordance with Commission Delegated Regulation EU 2021/2178 and Commission Delegated Regulation (EU) 2023/2486 and several Commission Notices containing answers to frequently asked questions about EU Taxonomy reporting. We used the Regulation (EU) 2020/852 as supplemented with Commission Delegated Regulation (EU) 2021/2139, Commission Delegated Regulation (EU) 2023/2485, Commission Delegated Regulation (EU) 2023/2486 and Commission Delegated Regulation (EU) 2022/1214 to identify eligible activities and for the assessment of activities that are aligned including the screening of alignment with the minimum safeguards.

We do not have any economic activities related to nuclear energy and fossil gas. As such, only Template 1 "Nuclear and fossil gas related activities" outlined in Delegated Act (EU) 2022/1214 is included in our EU Taxonomy disclosures.

Besi's accounting principles for determining revenue, capital expenditures and operating expenses under the EU Taxonomy are aligned with the accounting principles included in [Note 2](#) to the Consolidated Financial Statements. Operating expenses as per the EU Taxonomy have a different definition and are included as a subset of the operating

expenses reported in the Consolidated Financial Statements. Besi has identified the following applicable economic activities under the Circular Economy objective:

- Manufacture of electrical and electronic equipment (CE 1.2), associated with Besi's core activity of manufacturing semiconductor assembly equipment.
- Repair, refurbishment, and remanufacturing (CE 5.1), associated with the extended warranty service on the machines purchased from Besi in the past.

Our EU Taxonomy activities do not substantially contribute to multiple environmental objectives as such there is no double counting in the allocation in the numerator of Revenue, CapEx, and OpEx KPIs across economic activities. We have performed our assessment based on our interpretations of how the regulation applies to our business activities and the impact thereof on eligibility and alignment. Future guidance could result in more accurate definitions and altered decision-making in meeting reporting obligations that may come into force, which could impact future EU Taxonomy reporting.

### Assessment

The proportion of the EU Taxonomy eligible revenue is determined as the part of the net revenue derived from our products and services associated with CE 1.2 "Manufacture of electrical and electronic equipment" and CE 5.2 "Repair, refurbishment and remanufacturing", divided by the net revenue. In addition, Besi derives a portion of its revenue from the sale of spare parts. However, in the absence of more granular financial reporting information, Besi is unable to distinguish between spare parts and wear and tear components (referred to as consumables), a distinction explicitly outlined in the description of economic activity "Sale of spare parts (CE 5.2)". As a result, Besi has opted for not reporting eligibility for this revenue stream. This category will be further examined in the future.

Besi concluded that a portion of the CapEx associated with manufacturing equipment is essential to its revenue-generating activities. As a result, the investments associated with Besi's R&D are classified under the activity "Manufacture of electrical and electronic equipment (CE 1.2)". The denominator for the CapEx KPI includes additions to tangible and intangible assets during the financial year. Besi further concluded that a portion of the OpEx associated with the non-capitalized R&D costs is related with its core activity of manufacturing semiconductor assembly equipment. As a result, these OpEx are classified under the activity "Manufacture of electrical and electronic equipment (CE 1.2)". Total OpEx in the scope of the EU Taxonomy are determined based on the non-capitalized costs associated with R&D, building renovation, short-term leases, maintenance and repair activities and any other direct expenditures related to the day-to-day servicing of property, plant and equipment.

Besi has conducted an alignment assessment of the activities pursuant to the Circular Economy objective, as a substantial portion of Besi's revenue falls within the scope of these activities. To conduct the assessment, we reviewed substantial contribution criteria for the activities CE 1.2 and CE 5.1 with our product groups. As there is no detailed guidance on how to interpret certain technical screening criteria, we take conservative approach to consider that eligible portions of Revenue and the associated CapEx and OpEx are not aligned with the requirements. Regarding the activity CE 1.2, in the absence of EU Ecolabels for machines manufactured by Besi, the conclusion was made that certain requirements such as Design for reuse and remanufacturing, Design for dismantling, Design for recyclability and Proactive substitution of hazardous substances cannot be fully met. Regarding the activity CE 5.1, we concluded that the criteria to ensure that the product's materials, particularly critical raw materials, and components that have not been reused in the same product are reused elsewhere or recycled or disposed of in accordance with applicable European Union and national regulation have not been fully met.

The DNSH criteria for activities contributing to the circular economy objective include detailed requirements for Climate change mitigation, Climate change adaptation, Sustainable use and protection of water and marine resources, Pollution prevention and control and Protection and restoration of biodiversity and ecosystems. Besi screened its eligible economic activities against all relevant environmental objectives with the corresponding DNSH criteria. We consider our activities aligned with Climate mitigation, Climate adaptation and Sustainable use and protection of water and marine resources. However, we regard our eligible activities as not fully aligned with Pollution prevention and control objective and, in the absence of Environmental Impact Assessment, we assume that we are not fully aligned with Protection and restoration of biodiversity and ecosystems objective for the activity CE1.2 and CE5.1.

To summarize, based on the assessment of substantial contribution criteria and DNSH, we conclude that the eligible portions of Revenue, CapEx and OpEx do not fully meet the requirements outlined in the regulation. Besi is committed to running its operations in accordance with internationally recognized standards and best practices. For the future assessments, we would welcome a more detailed guidance on how to apply technical screening criteria for the circular economy objective for semiconductor equipment manufacturers.

The last step of the alignment assessment is to check the compliance of Besi with the minimum safeguards following the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights, the principles and rights set out in the International Labor Organization's Declaration on Fundamental Principles and Rights at Work and the International Bill of Human Rights. The minimum safeguards criteria have been assessed in relation to our eligible activities based on the final report on minimum safeguards from the Platform on Sustainable Finance.

Besi is committed to respecting and promoting human rights in all aspects of our business operations. This Human Rights policy outlines our commitment to uphold fundamental human principles. We believe that respecting human rights is integral to our values and essential for the sustainable success of our business. Our commitment to human rights is integrated into our business processes and supported through a range of policies such as Anti-Corruption and Bribery policy, Code of Conduct and Supplier Code of Conduct to make sure that we conduct our business inspired by our vision and driven by our values. We have established systems, policies and procedures, in compliance with all applicable laws and regulations, to mitigate and prevent any potential human rights issues in our own operations or while interacting with clients or suppliers.

Besi has potential negative impacts from topics related to human rights, working conditions and health and safety based on the materiality assessment. Given that we do not have actual negative impacts, we focus mainly on the implementation of policies and supplier engagement to proactively prevent any negative impacts. To monitor the effectiveness of the below preventative actions, Besi conducts quarterly supplier reviews and follow-ups. In addition, we regularly conduct performance assessments and key supplier audits, engage suppliers to respond to the RBA Self-Assessment Questionnaire to help identify their social, environmental and human rights related activities and risks in our supply chain and implemented a Grievance procedure and Whistleblower procedure to ensure the communication and remediation of all actual and potential issues. However, we recognize that the current assessment of actual and potential human rights impacts in our value chain requires further improvement as described in the chapter Workers in the value chain.

#### Key performance indicators

In the aggregate, 83% of Revenue was eligible under CE objectives, 59% of CapEx were eligible under CE objectives and 36% of OpEx were eligible under CE objectives. Eligible OpEx decreased to 36% versus 51% in 2023 due to increased non-capitalized R&D costs (denominator) in 2024, whereas part of OpEx associated with the Taxonomy-related activities (numerator) was at the level of 2023.

In 2025, Besi will continue to assess revenue, capital expenditures and operating expenses for eligibility and alignment in accordance with the EU Taxonomy.

## Nuclear and fossil gas related activities

Nuclear energy related activities		
1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO
Fossil gas related activities		
4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

Financial year N	2024			Substantial Contribution Criteria						DNHS criteria									
Economic Activities (1)	Code (2)	Turnover (3)	Proportion of Turnover, year N (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards	Proportion of Taxonomy-aligned (A.1) or eligible (A.2) Turnover, year N-1 (18)	Category enabling activity (19)	Category transitional activity (20)
		mEUR	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
n/a																			
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		-	0%														0%		
of which Enabling			0%														0%	E	
of which Transitional			0%														0%		T
A.2 Taxonomy-eligible but not environmentally sustainable (not Taxonomy-aligned activities)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Manufacturing of electric and electronical equipment	CE 1.2	502.7	82.8%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								82%		
Repair, refurbishment, and remanufacturing	CE 5.1	3.4	0.6%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								0%		
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		506.1	83%														82%		
A. Turnover of Taxonomy-eligible activities (A.1+A.2)		506.1	83%														82%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non-eligible activities		101.4	17%																
Total		607.5	100%																

Financial year N	2024			Substantial Contribution Criteria						DNHS criteria										
Economic Activities (1)	Code (2)	CapEx (3)	Proportion of CapEx, year N (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards	Proportion of Taxonomy-aligned (A.1) or eligible (A.2) CapEx, year N-1 (18)	Category enabling activity (19)	Category transitional activity (20)	
		mEUR	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T	
A. TAXONOMY-ELIGIBLE ACTIVITIES																				
A.1. Environmentally sustainable activities (Taxonomy-aligned)																				
n/a																				
CapEx of environmentally sustainable activities (Taxonomy-aligned)		-	0%														0%			
of which Enabling			0%														0%	E		
of which Transitional			0%														0%		T	
A.2 Taxonomy-eligible but not environmentally sustainable (not Taxonomy-aligned activities)																				
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL											
Manufacturing of electric and electrical equipment	CE 1.2	19.4	59%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								65%			
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		19.4	59%														66%			
A. CapEx of Taxonomy-eligible activities (A.1+A.2)		19.4	59%														66%			
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																				
CapEx of Taxonomy-non-eligible activities		13.4	41%																	
Total		32.8	100%																	



Financial year N	2024			Substantial Contribution Criteria						DNHS criteria									
Economic Activities (1)	Code (2)	OpEx (3)	Proportion of OpEx, year N (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards	Proportion of Taxonomy-aligned (A.1) or eligible (A.2) OpEx, year N-1 (18)	Category enabling activity (19)	Category transitional activity (20)
		mEUR	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
n/a																			
OpEx of environmentally sustainable activities (Taxonomy-aligned)		-	0%														0%		
of which Enabling			0%														0%	E	
of which Transitional			0%														0%		T
A.2 Taxonomy-eligible but not environmentally sustainable (not Taxonomy-aligned activities)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Manufacturing of electric and electronical equipment	CE 1.2	18.9	36%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								51%		
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		18.9	36%														51%		
A. OpEx of Taxonomy-eligible activities (A.1+A.2)		18.9	36%														51%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy-non-eligible activities		33.9	64%																
Total		52.9	100%																

## Social

### Own workforce

#### Strategy

Please see the sections Strategy, business model and value chain and Double Materiality Assessment to understand how Besi actively considers the views of, and engages with, stakeholders on topics such as its strategy and business model.

In mapping our stakeholders, it was assumed that Besi has a large impact on, and is highly impacted by, its own workforce. To a lesser extent, we are also impacted by human rights organizations as well as business and industry associations. The Double Materiality Assessment illustrated the material impacts, risks and opportunities for our own operations applicable to the entire workforce and as related to Working Conditions, Health and Safety, Diversity and Inclusion and Human Rights.

To validate the Double Materiality Assessment, we interviewed employee representatives from our operations in Europe and Asia as part of an Engagement Roadshow with stakeholders. Both employee groups confirmed that the topics deemed material were relevant for all Besi employees. It was discussed that an appropriate work-life balance was an important factor in long-term employee retention and that project management and R&D positions tend to be at the highest risk due to their associated workloads. Talent development and good working conditions were listed as opportunities for enhanced business performance in conversations with employee representatives.

The material risks and opportunities in 2024 identified by the Double Materiality Assessment arising from impacts and dependencies on Besi's own workforce are relevant for, and could materially impact, all Besi employees including:

- 603 employees in Europe and the US.
- 1,275 employees in Asia.
- 280 individuals who were self-employed or employed through third-party organizations such as employment agencies ("non-employees").

Besi is committed to being a good employer and promoting a workplace culture supporting the achievement of its business and sustainability objectives. A principal challenge and risk is to attract, motivate and retain skilled workers critical to our success in a highly competitive semiconductor industry. Key material risks include (i) reputational damage, (ii) insufficient workers due to health and safety or human rights incidents and (iii) failure to meet requirements of corresponding health and safety or human rights regulations. Besi can also pursue opportunities related to employee engagement, talent attraction and retention by providing attractive working conditions in a diverse international environment

which could encourage business growth and increased profitability. In addition, our global footprint implies that different regions have different risk profiles when it comes to social issues. As such, our Asian production and personnel expansion could expose us to risks related to forced labor, child labor and other human rights issues in each geographic location.

Due to the nature of our operations and business model, negative impacts can be either widespread such as women being underrepresented across the science, technology, engineering and mathematical fields or specific to individual impacts such as human rights or health and safety incidents in the workplace. Besi can have a positive impact on its own workforce across the globe by providing equal treatment and opportunities for all, promoting work-life balance practices, providing employment and inclusion for persons with disabilities and promoting neuro diversity (e.g. age, gender, cultural background) for new hires and promotions. Such impacts originate from our strategy and business model and inform Besi's policies, processes and short-, medium- and long-term goals. For instance, Besi's production sites have Environmental, Health and Safety ("EHS") officers, committees, management systems and procedures. EHS committees are responsible for the inspection, enforcement and promotion of health and safety matters in the workplace. Employees also regularly receive EHS training.

We recognize that women continue to be underrepresented in the fields of science, technology, engineering and mathematics and, consequently, prioritize their recruitment. Besi also employed 11 persons with disabilities in 2024. We do our utmost to provide them a comfortable working environment free of discrimination. Our policies and management of these topics strive to ensure that such stakeholder groups are not exposed to any material negative social impact and to create opportunities for their growth and development. To this end, our ambition is to:

- Ensure healthy lives and promote well-being for all.
- Achieve gender equality and empower all women.
- Promote sustained, inclusive and sustainable economic growth.
- Provide a safe and secure working environment for all employees.

Given these ambitions, our suite of social policies including our Sustainability policy, Human Rights policy, Diversity and Inclusion policy, Code of Conduct, Code of Ethics for Senior Financial Officers, Grievance procedure and Whistleblower procedure allow us to manage impacts, risks and opportunities related to our own workforce. Such policies cover all Besi employees and were developed with the interests of all employees in mind. In addition, we comply with all applicable employment laws and regulations in the countries in which we operate. As described in our Climate Transition Plan, Besi has set a target to reach net zero GHG emissions in terms of its Scope 1 & 2 emissions by 2030 and all scopes of GHG emissions by 2050. We do not expect any material negative impacts on Besi's

employees and non-employees arising from the reduction of our negative environmental impacts and transition to climate-neutral operations.

### Policies related to own workforce

We seek to be a preferred employer by emphasizing the diversity, health, safety and wellbeing of our employees and providing flexible working arrangements with career growth and development. To this end, Besi has a Sustainability policy, Code of Conduct, Human Rights policy, Diversity and Inclusion policy, Anti-Corruption and Bribery policy, Grievance procedure and Whistleblower procedure, all of which are available on our website, to guide employee activities and to set out the responsibilities, procedures and support functions in reporting violations. The importance of appropriate anti-corruption and human rights policies has increased with the expansion of Besi's Asian operations, supply chain and logistics activities.

The Whistleblower procedure allows our employees and all affected stakeholders to report any issues related to Besi's Code of Conduct. In addition, the Grievance procedure seeks to provide a transparent and efficient process to address any complaints related to human rights impacts from our employees, workers in the value chain and any other relevant stakeholders (including non-employees). Such cases are investigated immediately and overseen by the Board of Management and, if relevant, local management, who have responsibility for approving appropriate corrective measures and remedies. All employees are required to sign our Code of Conduct and undertake training upon hiring. We have three main policies applicable to our own workforce and material topics which are set forth below:

### Sustainability policy

Besi aims to develop its business in a socially responsible manner for the benefit of all stakeholders, employees, partners, suppliers, customers and the local communities in which we operate. We seek to follow internationally recognized standards across our value chain including the International Labor Organization ("ILO") and the UN Guiding Principles on Business and Human Rights.

In addition, we aim to offer a working environment in which all our employees feel safe and secure. Everyone has the right to join a legally recognized trade union. Everyone has the right to a healthy work and private life balance. And everyone has the right to work in a place that is free from harassment, intimidation or any kind of psychological or physical violence. Besi has implemented a Whistleblower procedure to report any ethical issues or misconduct in our business.

The Sustainability policy covers the following relevant social topics:

- **People Wellbeing:** We focus on training and talent development through a variety of programs. We conduct continuous analysis of employee engagement and satisfaction across all regional operations to assess our relative success in such activities.
- **Health and Safety:** Employee health and safety is a non-negotiable condition of our business. We have implemented a company-wide health and safety policy and set management objectives to ensure that such commitments are applied to all employees at the facility-level.
- **Human Rights:** We adhere to high ethical standards in our business and commit to ensure that there are no human rights violations. We expect the same from our suppliers.

### Diversity and Inclusion policy

We believe people are important to build and sustain our growth and development. The combined wealth of diversity in personal backgrounds, creativity, self-identity, skills and expertise that our staff bring to their roles constitutes a significant portion of our organizational ethos and accomplishments as a company. Besi aims to promote diversity and inclusion for everyone in the Company, no matter their age, race, ethnic, gender or national origins, sexual orientation, marital and/or parental status, disability or religious beliefs:

- **Diversity:** Diversity and inclusion play a crucial role in positioning Besi as a preferred employer in the labour market. Furthermore, they can motivate employees by increasing morale, productivity and innovation.
- **Inclusion:** We aim to create a culture in which every employee feels valued and respected ensuring equal opportunities for employees regardless of identity and which facilitates diversity in career development to the top of the organization.
- **Discrimination:** Besi denounces all forms of discrimination. We treat each other honestly and fairly without regard to the others' race, religion, national origin, political affiliation, gender, gender identity, sexual orientation, age and/or physical or mental disability. Besi has implemented measures to prevent any form of discrimination in our workforce. Such measures include our Code of Conduct and our Whistleblower procedure. We expect and encourage all employees to establish and uphold a safe working environment and to report any misconduct witnessed.
- **Code of Conduct: Harassment** - Everyone has the right to work in a place that is free from harassment, intimidation, sexual abuse and acts or threats of physical violence. We do not tolerate verbal or physical conduct that demeans another person, unreasonably interferes with another's work performance or creates an intimidating, abusive, hostile or offensive work environment.

### Human Rights policy

Besi commits to respect and promote human and labor rights in all aspects of our operations. Our Human Rights policy outlines our commitment to uphold fundamental human principles as set forth in the UN Guiding Principles on Business and Human Rights. We are also committed to the International Bill of Human Rights. We believe that respecting human rights is integral to our values and corporate culture and essential for the sustainable success of our business. This policy applies to all Besi employees including those provided by third-party employment agencies and to our subsidiaries, affiliates and any third parties acting on behalf of our Company. We also expect our suppliers, contractors and business partners to uphold similar principles and monitor any relevant human rights topics. We aim to create a culture in which every employee feels valued and respected. Although we do not have specific policy commitments for groups at particular risk of vulnerability such as disabled people, persons with serious illnesses and other vulnerable groups, we seek to provide equal opportunities for all employees regardless of identity. Besi also seeks to facilitate diversity throughout our management ranks with targets and milestones set for female managers and female employees. The Human Rights policy explicitly prohibits the use of forced, bonded or child labor in any of our operations or business activities. Besi's Human Rights policy aims to follow provisions of key international human and labor rights standards such as:

- International Labor Organization Declaration on Fundamental Principles and Rights at Work.
- The UN Declaration of Human Rights.
- The UN Global Compact.
- OECD Guidelines for Multinational Enterprises.
- The UN Women's Empowerment Principles.
- UNICEF's Children's Rights and Business Principles.
- The UN International Convention on the Protection of the Rights of all Migrant Workers and Members of Their Families.

In addition to international human rights and labor rights regulations and standards, we also pay attention to the local laws and relevant jurisdictions in the countries where we or our supply chain operate. Specifically, Besi's Human Rights policy covers the following issues:

- Diversity and inclusion.
- Non-discrimination and equality.
- Freedom of association and collective bargaining.
- Safe and healthy working conditions.
- Prohibition of forced and child labor.
- Anti-harassment and violence.
- Fair wages and benefits.
- Work-life balance.

The Board of Management is responsible for the management of Besi's human rights issues including (i) training employees, (ii) creating awareness of human rights topics, (iii) monitoring and reporting any human rights-related issues through our Whistleblower procedure and Grievance procedure, (iv) identifying and assessing potential human rights issues and (v) implementing mitigation measures where necessary. We continuously reflect on our approach to human rights and engage in open dialogue with stakeholders to determine areas for improvement.

We aim to engage with all stakeholders. In 2024, we conducted a Stakeholder Engagement Roadshow which included employee representatives, customers, suppliers and investors to promote human rights awareness and collaboration on initiatives advancing human rights. For our part, we conduct a biennial employee engagement survey and conduct engagement with representatives of Works Councils and Work Unions on an annual basis to ensure we are updated on all human rights-related topics important to our employees.

Please refer to Besi's Grievance procedure and Whistleblower procedure for more details. The Grievance procedure and Whistleblower procedure seek to identify and prevent any form of human rights violations in our operations and in our value chain, including harassment and violence, and details remedies for human rights impacts.

### Employee engagement

We promote an atmosphere of open dialogue between managers and employees. Engagement occurs both directly with our employees and indirectly with workers' representatives:

- Employees and managers are encouraged to voice their concerns in a collegial exchange during annual performance appraisals.
- Employee interests are also communicated semi-annually in a more institutional way via representation by the local European Works Councils and Asian Work Unions. The results of these communications are used to create risk mitigation strategies.
- We conduct Town Hall meetings for all employees on a quarterly basis to inform them as to current business and financial developments and sustainability priorities.
- We have launched resource pages in certain locations to educate and engage our employees about Besi's sustainability strategy and progress.

The effectiveness of our engagement and mitigation approaches is assessed through the biennial Employee Engagement survey, the results of which inform the strategic direction of Besi's activities regarding its own workforce. The Board of Management is the most senior body with operational responsibility for company-wide engagement initiatives such as the Employee Engagement survey. Besi's operations managers have operational responsibility for location specific initiatives such as Town Hall meetings. Our most recent 2023 survey conducted by Willis Towers Watson reported a high level of participation (94%)

and engagement (89%). Survey results also help guide company activities and highlight areas for improvement. For instance, Besi Austria introduced open roundtable sessions during 2024 to further enhance the frequency and quality of communication between senior management and employees to discuss topics such as work-life balance, our business outlook and technical topics related to the semiconductor industry. In addition, employees who may be particularly vulnerable to Besi’s impacts can provide feedback in the survey by responding to open-ended questions.

Processes for engaging with own workers and workers’ representatives about impacts and raising concerns

For more information on our Whistleblower procedure and Grievance procedure please refer to the Governance section.

## Own workforce actions and resources

Set forth below are the actions required to implement Besi's policies:

Policy/action plan	Key actions required	Scope	Time horizon	Year of completion	Progress of key actions taken in 2024	Allocated resources to management of material impacts, risks and opportunities
Sustainability policy	<ul style="list-style-type: none"> <li>Training and talent development.</li> <li>Analysis of employee engagement and satisfaction across all regional operations.</li> <li>Communication of policies and procedures to employee workforce.</li> <li>Implementation of Occupational Health and Safety standards and external certifications in our operations.</li> </ul>	All operations	On continuous basis. Employee engagement survey conducted biennially.	Not defined. Each policy is reviewed and updated annually.	<ul style="list-style-type: none"> <li>Average training hours per employee increased to 30 hours, up 15.4% versus 2021.</li> <li>Biennial employee engagement survey conducted in 2023. Survey results indicated that employees feel safe in their current physical working environment, that there is effective collaboration between departments and that there is a strong feeling of trust between team members.</li> <li>Town Hall meetings for all employees are conducted on a quarterly basis to communicate current business and financial developments and sustainability priorities.</li> <li>Six out of eight Besi facilities are now ISO 45001 compliant (Austria, China, Malaysia, Singapore, Switzerland and our Mecco facility in the Netherlands).</li> <li>Introduction of 'Radelt zur Arbeit' (Bike to work) scheme and regular roundtable discussions at Besi Austria.</li> </ul>	<p>Actions are implemented and assessed in terms of effectiveness using the following resources:</p> <ul style="list-style-type: none"> <li>Corporate sustainability team produces guidance and tracks performance across the Company.</li> <li>Internal control team tracks performance through the internal control system.</li> <li>Operations, including management, technical teams, HR and sustainability teams help ensure that Besi's policies operate effectively.</li> <li>External consultants and advisors are engaged to support the development and implementation of specific sustainability initiatives.</li> </ul>
Human Rights policy	<ul style="list-style-type: none"> <li>Regular employee training on human rights issues and Besi's commitments under this policy.</li> <li>Monitoring of Besi's operations, investigation of all reported concerns and, if appropriate, remedies provided.</li> <li>Identification and assessment of potential human rights issues, prevention of human rights issues and/or implementation of mitigation measures.</li> <li>Ensuring that all employees are aware of their rights including the right to freedom of association and collective bargaining.</li> </ul>	All operations	On continuous basis.	Not defined. Each policy is reviewed and updated annually.	<ul style="list-style-type: none"> <li>Training on Besi's Code of Conduct including human rights topics conducted upon job commencement and repeated periodically.</li> <li>Implemented Human Rights policy and Whistleblower procedure and Grievance procedure.</li> <li>Potential human rights impacts, risks and opportunities reviewed as part of the Double Materiality Assessment and validated by key stakeholders.</li> </ul>	
Diversity and Inclusion policy	<ul style="list-style-type: none"> <li>Measures implemented to prevent employee discrimination.</li> <li>Encouragement of diversity and inclusion through manager's inclusive leadership, training, communication and sustainability initiatives.</li> <li>Attraction, nurturing and retention of a diverse range of talents via enhanced recruitment, development and retention policies.</li> <li>Adherence to the legislation and regulations relevant to Besi in all locations where it operates and conducts business.</li> </ul>	All operations	On continuous basis.	Not defined. Each policy is reviewed and updated annually.	<ul style="list-style-type: none"> <li>Introduced Confidentiality Counsellors who can work as a first point of contact if employees have questions or concerns in need of discussion.</li> <li>Training on Besi's Code of Conduct, including diversity topics, are conducted upon job commencement and repeated periodically.</li> <li>Local HR teams in each country where we operate (except for several small sales &amp; service offices in Asia that are managed regionally).</li> <li>Interests of employees are represented by Works Councils in each European country and by Work Unions in Asia.</li> </ul>	



Besi was not involved in any actual negative impact for which remedial action was required based on the findings of the Double Materiality Assessment. Moreover, we implemented the above policies and actions to help ensure that our practices do not cause or contribute to negative impacts on our own workforce specifically with respect to procurement, sales and data use. For instance, we have implemented communication sessions and set policies to ensure that employee concerns are heard and that managers limit working hours to help promote a better work-life balance. We are unable to disclose financial resources allocated to the implementation of the above-mentioned policy actions at the corporate financial reporting level due to the large number of initiatives per department across various geographic regions. As described in the Double Materiality Assessment section, actual positive impacts on Besi’s own workforce through its policies include:

- Improved employee wellbeing through positive working conditions such as secure employment, working time, adequate wages, work-life balance, training and skills development.
- Creation of a working environment that is diverse, equitable and inclusive which includes (i) equal treatment and opportunities for all employees, (ii) gender equality, (iii) employment and inclusion opportunities for persons with disabilities and (iv) the promotion, recruitment and retention of a diverse workforce.

Besi has implemented initiatives or actions with the primary purpose of delivering positive impacts for its own workforce include the training of employees, health and safety certification, and the organization of local human resource teams focused on location-specific staff activities such as family days, dinners and in-person seminars on mental health. In addition, we strive to create attractive working conditions at all our operations by investing in comfortable office space with modern lighting, heating, cooling and ventilation systems.

We have implemented an approach involving the regular management review of key performance indicators and a discussion of all topics related to the operation of our business in order to identify the appropriate response to a potential negative impact on Besi’s own workforce. To ensure that all topics are addressed, we conduct:

- Weekly regional management meetings.
- Global Management Team meetings three times per week to discuss, monitor and follow up on any topics related to our business operations.
- Monthly Management Team meetings with the Board of Management which includes sustainability status updates.
- Quarterly Supervisory Board and Audit Committee meetings where the Supervisory Board is updated on the implementation of Besi’s sustainability strategy and any related topics that require its attention.

This approach ensures that relevant sustainability topics are discussed regionally and globally on a periodic basis, and, if required, actions are developed to help mitigate potential negative impacts. A summary of such actions is presented to the Supervisory Board on an annual basis. We help ensure Besi’s own practices do not cause or contribute to material negative impacts on our own workforce and assess the effectiveness of our actions through (i) the global biennial Employee Engagement survey, (ii) Town Hall meetings, (iii) stakeholder dialogue meetings with employees, (iv) the use of confidentiality counselors, (v) the Grievance procedure and (vi) communication with representatives of Works Councils and Work Unions.

Sustainability topics	Included sub-topics in the context of ESR5	Description of risk or opportunity	Actions to achieve targets, mitigate risks and pursue opportunities	Steps to track effectiveness
<b>Risks</b>				
Health and safety	Health and safety in Besi's operations.	Risk of legal or regulatory sanctions, financial loss or reputational damage caused by failure to comply with health and safety related regulations and/or failure of practices implemented for employee health and safety and/or materialization of health and safety risks resulting in liabilities and reputational risk.	<p>Through the implementation of ISO 45001, we introduced the following approach to health and safety risk management:</p> <ul style="list-style-type: none"> <li>• Understanding health and safety risks in the context of our organization.</li> <li>• Participation of leadership and workers.</li> <li>• Action plans developed to address risks and opportunities.</li> <li>• Support – engagement of resources and expertise.</li> <li>• Operational planning, control and emergency preparedness.</li> <li>• Performance evaluations including audits.</li> <li>• Continuous improvement philosophy.</li> </ul>	<p>We conduct performance evaluation steps with respect to ISO 45001 procedures which includes:</p> <ul style="list-style-type: none"> <li>• Monitoring, measurement, analysis and performance evaluation.</li> <li>• Internal audit.</li> <li>• Management review of the results.</li> </ul>
Human rights	Measures against violence and harassment in the workplace, child labor and forced labor in own operations.	Risk of violation of human rights of own employees which could lead to severe reputational damage or the unavailability of workers as a result of our inability to retain employees or hire new employees.	<ul style="list-style-type: none"> <li>• Code of Conduct training for all employees.</li> <li>• Whistleblower procedure and Grievance procedure to identify and assess potential human rights violations.</li> </ul>	<ul style="list-style-type: none"> <li>• All training participation is tracked.</li> <li>• Each employee has to pass a knowledge test.</li> <li>• All whistleblower and grievance cases are investigated and recorded.</li> <li>• A summary assessment of the Whistleblower and Grievance report is presented to the Board of Management and Supervisory Board.</li> </ul>

Sustainability topics	Included sub-topics in the context of ESR5	Description of risk or opportunity	Actions to achieve targets, mitigate risks and pursue opportunities	Steps to track effectiveness
<b>Opportunities</b>				
Working conditions	Secure employment, working time, adequate wages, work-life balance, training and skills development.	Opportunities for employee engagement and talent attraction and retention which may lead to business growth via the provision of attractive working conditions and career development including secure employment, working time, adequate wages, work-life balance, training and skills development.	<ul style="list-style-type: none"> <li>Initiation of local Human Resource teams focused on employee wellbeing.</li> <li>All employees receive adequate wages.</li> <li>Training and talent development.</li> <li>Employee engagement regarding work-life balance and the enforcement of applicable Besi policies.</li> </ul>	<ul style="list-style-type: none"> <li>Biennial employee engagement survey.</li> <li>Global HR team meetings twice per year.</li> <li>Quarterly Town Hall meetings.</li> <li>Monthly Management Team meetings including HR update topics.</li> <li>Grievance procedure.</li> <li>Confidentiality Counselors available in each country of operation.</li> </ul>
Diversity and inclusion	Diversity, gender equality and equal pay, employment and inclusion of persons with disabilities.	Opportunities for employee engagement and talent attraction and retention which may lead to business growth by ensuring an equal opportunity environment. Such policies encourage diversity, equity, and inclusion, help increase employee productivity (low absenteeism, illness) and promote effective leadership.	<ul style="list-style-type: none"> <li>Promote an inclusive culture with various activities celebrating individual cultures such as holiday celebrations.</li> <li>Engagement with local universities by many of our product groups and facilities to drive growth in diversity representation.</li> <li>Encourage recruitment process supporting gender diversity.</li> </ul>	<p>We collect diversity data on a quarterly basis from all our operations:</p> <ul style="list-style-type: none"> <li>% of female employees.</li> <li>% of female managers.</li> <li>Number of employees that are foreign nationals.</li> <li>Local management hires.</li> </ul>

## Targets

Besi began more active engagement in sustainability management and reporting starting in 2020 which involved the development of various short- and long-term targets for 2022 and 2030, respectively, using 2019 data as a baseline for comparison. As a result, Besi has had targets in place for its own workforce since 2020. We have not yet set targets for additional sub-topics based on the Double Materiality Assessment conducted in 2024. In setting such targets, Besi engaged directly with stakeholders, including employees, during the materiality assessment process conducted in 2020 and 2021 which enabled us to prioritize topics of importance. To this end, employee views were considered when setting such targets. In addition, Besi considered:

- The goals defined in Besi's overall strategy and Sustainability policy to create long-term value for our stakeholders and operate our business in a sustainable way, respecting the environment, our own employees and society more broadly.
- Factual data related to the social and diversity indicators collected and reported by Besi since 2014.
- Recommendations of the Semiconductors Sustainability Accounting Standard as prepared by the Sustainability Accounting Standards Board.
- An assessment of strategies from Besi's peers related to their own workforces.
- Results of the materiality assessment conducted in 2020.

Besi's performance against its sustainability targets is communicated during our quarterly Town Hall meetings for all employees, in which employees can provide feedback to the Management Team. Our biennial employee engagement survey also helps us identify any lessons or improvements that we need to make based on the results of our performance.

Topics related to secure employment, working time, adequate wages and work-life balance are not covered by Besi's current targets. Besi began the collection and aggregation of data related to work-life balance, family leave and social protection against loss of income for the first time in 2024. We will consider setting targets for such indicators over the next two years in order to have a full three-year period for evaluation. In this way, we can make a more informed decision about Besi's ambitions, baseline year for target setting and the resources required to achieve such commitments.

In order to manage actual and potential material impacts, risks and opportunities in relation to our own workforce, Besi has set the following targets as a means of identifying and mitigating any potential risks:

Sustainability Standard	Sustainability topics	Target	Type of target	Baseline year	Baseline value	Target for the year 2024	Target for the year 2030
ESRS S1	Diversity and inclusion	% of female employees in workforce	absolute	2021	17%	≥19%	≥20%
		% of female employees in management	absolute		18%	≥21%	≥23%
	Health and safety	Zero safety incidents record	absolute		NA*	0	0
	Employee engagement and career development	% of employee engagement	absolute		90%	≥85	≥85
		Employee training, hours per year	absolute		20	≥21	≥21

\* Baseline value is not applicable for this target.

### Progress against targets

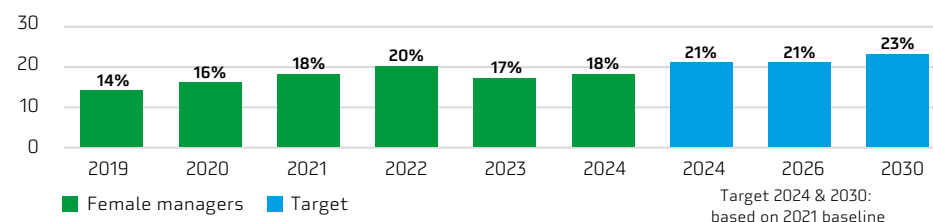
We quarterly collect all information from our operations and aggregate it at the corporate level in order to track our progress versus targets and report data related to own workforce. Local HR teams are responsible for the collection and reporting of requisite information. In addition, local and regional finance and internal control teams review the consistency and accuracy of the data. Progress against our 2030 targets is detailed below alongside intermediate milestones set for 2026.

#### Diversity and inclusion

Besi's diversity efforts indicate slow but steady progress as measured by an increasing percentage of female managers and local managers in the workforce since 2019. However, Besi reported a small decrease in the female managers indicator in 2023 and 2024 relative to 2022 due to the promotion of several male employees to management positions at Besi APac.

#### FEMALE MANAGERS\*

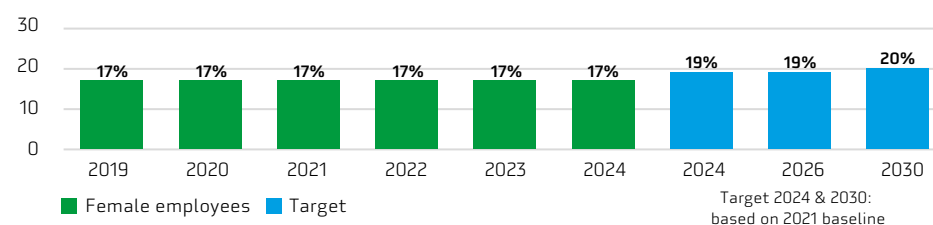
% of headcount managers



\* For this indicator, we define Manager as an employee with paygrade M1 or higher, and has an employee directly reporting to her/him.

#### FEMALE EMPLOYEE TRENDS

% of headcount

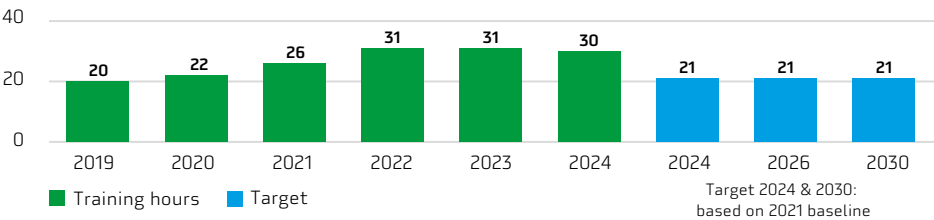


Employee engagement and career development

Training hours in 2024 slightly decreased relative to 2022 and 2023 but remained above our 2024 minimum target of 21 hours per employee. In addition, they were significantly above 2019 levels. Increases in training hours per employee in 2022 and 2023 were favorably influenced by a Chinese government sponsored online training program and the staffing of a new Vietnam facility.

TRAINING

Hours/employee



Health and safety

Besi monitors incidents in the workplace at all its locations worldwide and targets zero health and safety incidents across the short-, medium- and long-term. Incidents are grouped into categories by severity: (i) fatalities, (ii) major absences (more than four days), (iii) minor absences (less than four days) and (iv) first aid cases in which employees can resume work immediately after treatment or the following day. No fatalities were reported at our operations in 2024. There were two safety incidents recorded last year at Besi’s Austria and Mecor operations in the Netherlands which included one first aid case and one minor absence. It should be noted that these indicators cover Besi’s employees and non-employees.

In general, incidents are few as our production facilities are predominantly clean and safe environments with no heavy chemicals present. Over the next two years, we will consider a separate target for category (iv): first aid cases.

## Metrics

### Employee characteristics

Data regarding employee characteristics is based on the headcount at the end of each reporting period. We have categorized permanent, temporary and non-guaranteed hour employees ("non-employees") as per the local definitions used in each country where Besi operates. At December 31, 2024, Besi had recruited 1,878 employees including 1,555 male and 323 female employees. Predominantly all employees are located in Asia and Europe/United States with each representing 1,275 (68%) and 603 employees (32%), respectively. In addition, substantially all our employees have permanent contracts (97%). Number of employees reported in terms of financial reporting was 1,812 full-time equivalents.

Our fixed and temporary headcount levels can vary significantly from year to year depending on conditions in our cyclical semiconductor assembly equipment market. In market upturns, headcount typically increases. Conversely, in downturns, headcount is typically reduced in alignment with decreased demand, particularly as it relates to temporary production personnel. Similarly, new hiring also follows market movements with higher numbers experienced in industry upturns and lower numbers in industry downturns. In 2024, we increased new hiring by 21% and 18% versus 2023 and 2022, respectively, due primarily to increased development activities associated with the expansion of our wafer level assembly portfolio. Employee turnover typically, but not always, follows such cyclical market influences. Turnover is typically lower in downturns where employees are less likely to seek employment elsewhere and higher in industry upturns where there is more demand for personnel industry-wide.

The following tables do not provide comparative information as it is our first-year reporting against the ESR5 standards and its precise definitions for employee headcount. All workforce is reported at the end of the reporting period December 31, 2024.

Information on employee headcount by gender:

Gender	Number of employees (headcount)	Percentage of total employees
Male	1,555	82.8%
Female	323	17.2%
Other	0	-
Not reported	0	-
<b>Total employees</b>	<b>1,878</b>	<b>100.0%</b>

Information on employee headcount by country of operation:

Country	Number of employees (headcount)	Percentage
Malaysia	433	23%
China	403	21%
Austria	305	16%
Singapore	278	15%
Netherlands	171	9%
Switzerland	95	5%
Taiwan	54	3%
Vietnam	49	3%
South Korea	32	2%
United States	32	2%
Philippines	15	1%
Thailand	11	-
<b>Total</b>	<b>1,878</b>	<b>100%</b>

Information on employee headcount by type of contract:

Category	Female	Male	Other	Not Disclosed	Total
Number of employees (headcount)	323	1,555	0	0	1,878
Number of permanent employees (headcount)	318	1,508	0	0	1,826
Number of temporary employees (headcount)	4	47	0	0	51
Number of non-guaranteed hours employees (headcount)	1	0	0	0	1



Information on employee turnover:

Topic	2019	2020	2021	2022	2023	2024
Employee turnover*	253	108	168	191	129	155
Employee turnover*	16%	7%	10%	11%	7%	8%
New hires	100	124	325	193	189	228

Workforce reported in headcount between the start (January 1, 2024) and the end of the reporting period (December 31, 2024).

\* The employee turnover indicator is calculated using the aggregate number of employees who leave voluntarily, due to dismissal or retirement as the numerator, and the total number of employees as the denominator. This includes all types of employees (permanent, temporary and non-guaranteed hours). Although there is no significant difference in the assessment of headcount, employee turnover data provided for the years 2019-2023 are not fully comparable with 2024 since a different reporting framework was used.

### Non-employee characteristics

Non-employees are defined as individuals working for Besi who are either self-employed individual contractors or individuals provided by third-party employment agencies primarily engaged in "employment activities" as per NACE Code N78. Self-employed individuals include any temporary worker or subcontractor including those who support Besi's R&D efforts. Individuals provided by third-party agencies include employees of contracted companies including those who provide office management services. Non-employees are reported in the full-time equivalent ("FTE") total at the end of the reporting period. The calculation of non-employees is subject to the employment laws and regulations in each country of our operations.

As of December 31, 2024, workers who were non-employees aggregated 280 FTE of whom 19 FTE were self-employed people and 261 FTE were provided by third-party employment agencies primarily engaged in "employment activities" as per NACE Code N78.

### Diversity

Since 2019, we have collected data, set targets and publicly reported on the following diversity data as disclosed in the Targets paragraph of the Own Workforce section:

- Percentage of female employees.
- Percentage of female managers among our employees (we define Manager as an employee with a paygrade of M1 or higher and who has an employee directly reporting to them).

In 2024, female employees and female managers accounted for 17% and 18% of Besi's total employees and total managers, respectively.

In addition, the Board of Management consists of one person who is Besi's Chief Executive Officer and Chairman of the Board of Management. The Board of Management consists of one male and is therefore 100% male. There are nine members in Besi's Management Team which includes one female and eight males which corresponds to a female/male ratio of 11%/89% at the management level. The definition of management is based on the disclosure of Besi's Management Team in the Annual Report included in [Corporate Information](#) and corresponds to the management level below the Board of Management.

Set forth below is the age distribution for all Besi employees:

Age	Number of employees (headcount)	Number of employees (headcount)
Under 30 years old	186	10%
30-50 years old	1,297	69%
Over 50 years old	395	21%
Not reported	0	0%
<b>Total employees</b>	<b>1,878</b>	<b>100%</b>

### Adequate wages

Besi compensates its employees fairly for their work with wages that meet at least the minimum legal standards in the geographies in which it operates and adheres to all applicable laws, regulations and agreements on general working conditions. All Besi's employees receive adequate wages based on the assessment conducted versus applicable benchmarks in the countries of our operations. The adequate wage assessment was performed using employee payroll data.

### Social protection

We aim to have all Besi employees covered by social protection against loss of income due to sickness, unemployment, employment injury and disability, parental leave and retirement. There is no distinction made in benefits received between full-time employees, temporary employees and non-guaranteed hours employees. Coverage differs per country based on national regulations applicable to each country where we operate.

Besi omitted the information prescribed by ESR5 S1-11 for the first year of preparation of its Sustainability Statement as per the ESR5 1. Besi intends to provide greater detail and expand the data sources used for employees in order to report this metric in 2026 (reporting on the financial year 2025).

### Persons with disabilities

In 2024, we reported 11 employees as persons with disabilities which represented 0.6% of total employees as of December 31, 2024. The percentage of employed persons with disabilities is reported across all our operations and is based on the definition of disability as per local regulations specific to each country where we operate.

### Training and skills development

One of Besi's principal challenges is to attract, motivate and retain skilled workers critical to our success in a highly competitive semiconductor equipment industry. A key component of our strategy is training and talent development for which we provide a variety of educational programs company-wide. In addition, we monitor employee engagement and satisfaction across all regional operations and conduct surveys to assess our relative success in such activities. As indicated below, 89% of male employees and 92% of female employees received annual performance and career development reviews in 2024. Our goal is to have annual performance and career development reviews for all employees and we will strive to reach this objective in the next two years.

Gender	Performance and Career Development Reviews* (%)
Male	89%
Female	92%
Other	-
Not reported	-
<b>Total employees</b>	<b>89%</b>

\* Most of our entities conduct performance and career development reviews on an annual basis. However, some entities conduct such reviews twice a year. To avoid double counting, we only included the first round of performance and career development reviews at our entities during the reporting period. Although this limits the risk of double counting, there is a possibility and minor uncertainty that some employees may have had a performance and career development review in the first round of reviews and not the second or vice versa. We will refine this methodology over the next two years to avoid such uncertainties in the future.

Gender	Average Training Hours
Male	31
Female	27
Other	-
Not reported	-
<b>Total employees</b>	<b>30</b>

To count average training hours per gender, total number of training hours completed by employees per gender category divided by the total number of employees measured as headcount per gender category.

### Health and safety

All Besi production and R&D sites have quality, environmental, health and safety ("QEHS") officers and committees and a health and safety management structure. These committees have representatives from each department responsible for the inspection, enforcement and promotion of QEHS matters in the workplace. QEHS inspections are conducted quarterly to identify and address any potential unsafe acts or conditions. Employees also regularly receive QEHS training. Our facilities in Austria, China, Malaysia, Singapore, Switzerland and our Mecro facility in the Netherlands are ISO 45001 compliant. We expect our Duiven, Netherlands facility to be ISO 45001 compliant and certified by the end of 2025 and our Vietnam facility (which became fully operational in 2024) to be certified during the next few years. In total, 89% of our employees were covered by a Health and Safety standard as of December 31, 2024.

There was not a work-related ill health case reported in 2024. In addition, there were no legal proceedings related to health and safety incidents in 2024. It should be noted that this covers Besi's employees and non-employees.

Incidents in the workplace:

	2020	2021	2022	2023	2024
Incidents in the workplace	0	5	6	3	2
Working hours (in millions)*	3.0	3.9	3.5	3.5	3.7
Incidents per million hours	-	1.27	1.71	0.86	0.54

\* Working hours were calculated by multiplying number of working days quarterly reported by our operations by eight representing the standard number of working hours per day.

In 2024, Besi reported 0.54 incidents per million working hours, a 57% reduction versus 2021. Number of days lost due to incidents in the workplace is two.

### Pay gap and total remuneration

The gender pay gap is calculated as the difference between average male and female hourly salaries and is expressed as a percentage. In calculating Besi's gender pay gap, we considered the gross hourly pay of all Besi employees across all levels and regions. Employees considered for this analysis were determined based on payroll data from October 2024 excluding interns and those who left Besi prior to such date. All salaries in local currency were converted into Besi's reported currency (euro) by using October month-end exchange rates.

Besi's gender pay gap as of October 31, 2024 was 23% largely due to an underrepresentation of female employees in the highest paid R&D and engineering positions of the semiconductor assembly equipment industry. We strive to work towards gender pay equality across all areas and levels of our business.

To calculate the remuneration ratio, Besi considered the same scope of employees and measured remuneration using the following criteria:

- Base salary, which is the sum of guaranteed, short-term and non-variable cash compensation.
- Benefits in cash, which is the sum of the base salary and cash allowances, bonuses, commissions, cash profit-sharing and other forms of variable cash payments.
- Benefits in kind, such as cars, private health insurance, life insurance and wellness programs.
- Direct remuneration, which is the sum of benefits in cash, benefits in kind and the total fair value of all annual short- and long-term incentives.

The annual remuneration ratio between the CEO and the median employee as of October 31, 2024 was 382.

### Incidents, complaints and severe human rights impacts

During 2024, there were no reported incidents (0), or severe human rights impacts (0) related to discrimination on the grounds of gender, racial or ethnic origin, nationality, religion or belief, disability, age, sexual orientation or other relevant forms of discrimination. There were no whistleblower cases reported in 2024. There were two (2) complaints filed through our HR teams related to working relations. All cases were resolved through discussion with the involved parties. There were no fines or penalties associated with the reported complaints.

## Workers in the value chain

### Strategy

Please see the sections Strategy, business model and value chain and Double Materiality Assessment to understand how Besi considers the views of its stakeholders through multifaceted dialogue. Engagement with stakeholders in the value chain is conducted through supplier interviews during which different topics related to workers in the value chain are discussed.

In mapping our stakeholders, it was assumed that Besi has a large impact on, and is impacted by, workers in the value chain. The completion of our Double Materiality Assessment resulted in the following material impacts, risks and opportunities being deemed material for workers in our upstream value chain: Human Rights, Working Conditions and Health and Safety. Such material impacts, risks and opportunities are relevant to personnel employed by all Besi's suppliers.

Besi's suppliers can be categorized as follows:

- Product-related suppliers: Provide materials, equipment, parts and tools used to produce our systems including fabrication parts suppliers, complete module suppliers and vendor part suppliers.
- R&D suppliers: Suppliers who operate primarily in the high-tech industry and engage highly skilled staff.

Our material topics are relevant to all product-related and R&D suppliers. Many of Besi's product-related suppliers operate in Asia and are more exposed to larger risks related to forced labor, child labor and other human rights issues as compared to our R&D suppliers. Product-related workers are particularly vulnerable to negative impacts due to the nature of their work. For instance, employees who are involved in the creation of fabricated parts have a higher exposure to health and safety-related negative impacts. In addition, certain geographies such as Singapore rely on migrant workers who may have a higher exposure to negative human rights-related impacts. However, it should be noted that most of our direct suppliers and customers are positioned in the front-end of the semiconductor equipment industry value chain. As a result, they are less likely to be exposed to high-risk business segments with regards to Human Rights, Working Conditions and Health and Safety.

Besi and many of its suppliers involved with advanced automation and high precision solutions and systems operate in a specific market segment reliant on R&D activity and engagement with a skilled workforce. Therefore, many of our R&D suppliers engage highly skilled workers who tend to be better protected against human rights-related negative impacts including secure working conditions and favourable health and safety practices.

However, we consider those supply chain workers who perform supporting functions and are not directly involved in R&D activities to have a potential exposure to such negative impacts.

From a long-term value creation perspective, a scalable, sustainable, and responsible supply chain is essential for us to become the world's leading supplier of semiconductor assembly equipment for advanced packaging applications. In order to assess and manage supply chain risks, we regularly conduct suppliers' assessments through active engagement including an RBA self-assessment questionnaire, on-site supplier audits and supplier ESG ratings. Such assessments enable us to understand and identify key risks related to sustainability in our upstream value chain and allow us to define and implement action plans to manage such risks.

A description of the material risks and opportunities arising from impacts and dependencies associated with workers in the value chain is provided in the DMA. Key risks include non-compliance with human rights-related regulations and policies, health and safety-related regulations and employment term regulations in the supply chain which could result in the interruption of critical supplies and services and a reduction of our suppliers' products quality.

There is the potential for Besi to have a material negative human rights impact in its value chain, although none has been identified. Therefore, we commit to ensuring that Besi's suppliers adopt sustainable business practices by outlining our expectations in policy documents, engaging with suppliers on a frequent basis and by conducting audits.

### Policies related to value chain workers

We have the following policies in place to promote a sustainable supply chain and allow us to manage the impacts, risks and opportunities related to workers in our upstream value chain: a Sustainability policy, a Supplier Code of Conduct (based on the code published by the Responsible Business Alliance ("RBA")), and a Human Rights policy. Please refer to our Whistleblower procedure and Grievance procedure for more details designed to identify and prevent any form of harassment and/or violence in our operations and value chain, and, more specifically, how to provide remedies for human rights impacts. We expect our suppliers to provide their workers with fair compensation including overtime pay and benefits that, at a minimum, meet requisite legal standards. Besi's Supplier Code of Conduct is based on international norms and standards including the Universal Declaration of Human Rights, International Labor Standards and the OECD Guidelines for Multinational Enterprises. Our Supplier Code of Conduct and Human Rights policy explicitly address trafficking in human beings, forced labor or compulsory labor and child labor with respect to value chain workers. Our Supplier Code of Conduct has been created in accordance with

RBA requirements since 2018. In addition, we seek to align our operations and supply chain with the Restriction of Hazardous Substances ("RoHS") directive.

There have been no reported violations of Besi's Supplier Code of Conduct and Human Rights policy via our whistleblowing channels or supplier audits. Besi's policies cover all value chain workers with particular relevance to the employees of our supply chain vendors:

### Supplier Code of Conduct

Our Supplier Code of Conduct outlines the standards we expect our suppliers to meet in areas such as human rights, product quality, health and safety and the environment. We also ask our suppliers to request that their own suppliers understand and promote Besi's Supplier Code of Conduct.

Besi expects suppliers to maintain sound business operations and provide full disclosure of management policies according to the RBA, formerly the Electronic Industry Citizenship Coalition ("EICC"). The Code of Conduct establishes standards to ensure (i) safe working conditions in the electronics industry or industries in which electronics are a key component, including their related supply chains, (ii) that workers are treated with respect and dignity and (iii) that business operations are environmentally responsible and conducted ethically. Besi expects that the supply chains of its suppliers comply with the same standards. Fundamental to adopting the Code is the understanding that a business, in all of its activities, must operate in a sustainable manner and in full compliance with the laws, rules and regulations of the countries in which it operates. If, however, there are differing standards between the RBA Code and local law, the RBA defines compliance as meeting the more strict requirements of the two. In alignment with the UN Guiding Principles on Business and Human Rights, the provisions in this Code are derived from and respect internationally recognized standards including the ILO Declaration on Fundamental Principles and Rights at Work and the UN Universal Declaration of Human Rights.

### Human Rights policy

Besi's Human Rights policy applies to all Besi workforce, including senior management. The policy has been approved by Besi's Supervisory Board. We also expect our suppliers, contractors and business partners to uphold similar principles and monitor any human rights topics relevant to their business. Besi's Human Rights policy follows provisions of the key international human rights standards such as the ILO Declaration on Fundamental Principles and Rights at Work and the UN Declaration of Human Rights, the UN Global Compact and the OECD Guidelines for Multinational Enterprises.

We also pay attention to the local laws and relevant jurisdictions in the countries in which we and our supply chains operate following international human rights regulations and standards. Besi's Human Rights policy specifically prohibits forced and child labor. To this end, we strictly prohibit human trafficking and the use of forced, bonded or child labor in any of our operations and business activities. We also adhere to the minimum age requirements as established by the ILO and local regulations in each country. We implemented a Whistleblower procedure and Grievance procedure to identify any potential issues related to human trafficking and the use of forced and child labor as well as other human rights issues. We collaborate with suppliers wherever possible to address any adverse impacts on children's rights if such risks are identified in our supply chain.

Besi is committed to using any leverage at its disposal to identify and mitigate potential negative human rights impacts in its operations and supply chain. In accordance with the UN Guiding Principles on Business and Human Rights and OECD Due Diligence Guidance for Responsible Business Conduct, we aim to (i) implement responsible business conduct into our policies and procedures, (ii) identify and assess potential human rights issues, (iii) prevent human rights issues and/or implement mitigation measures, (iv) track the efficiency of our mitigation measures and (v) be transparent in the communication of any human rights issues.

Besi's supply chain has a relatively higher probability of human rights issues than our downstream value chain. We manage risks related to our suppliers by carrying out a systematic audit of their policies, practices and performance. Suppliers are expected to meet the requirements of the Supplier Code of Conduct based on RBA requirements. In addition, we conduct responsible procurement programs to ensure that suppliers are well informed about Besi's human rights standards including engagement, assessment, right to audit and obligation to remedy critical non-compliances. We regularly conduct supplier assessments to identify any sustainability and human rights related issues. Further, we conduct training sessions with our suppliers each year to update them on our sustainability requirements.

We commit to provide appropriate forms of remediation in cases where Besi has directly caused or contributed to any negative human rights impact.

### Sustainability policy

Our Sustainability policy covers Besi's ambition to collaborate with its value chain and improve our industry's long-term sustainability. Besi is committed to improving the sustainability of its supply chain through the following principles and initiatives:

- We adhere to high ethical standards in our business and commit to ensure that we are not complicit in any human rights violations. We expect the same from our suppliers.
- We work with our suppliers to develop a sustainable supply chain incorporating supplier and performance management assessments.
- We aim to maintain a mutually beneficial, long-term relationship with our suppliers based on mutual trust and integrity in compliance with applicable laws.
- We prioritize local sourcing and strategic purchasing.
- We conduct supplier sustainability assessments which provide a comprehensive overview of sustainability-related topics such as environmental impact reduction, social issues such as working conditions and human rights and the promotion of high standards of business conduct.
- We have adopted the RBA Code of Conduct which sets out key social principles for which we expect supplier acknowledgement and compliance. We are working on further enhancements to our policies and procedures in order to improve the sustainability of our supply chain.

### Value chain worker engagement

Engagement occurs directly with Besi's suppliers through various avenues:

- Consultative stakeholder engagement interviews and meetings on a regular basis which aids evaluation of our mitigation actions.
- Informative annual sustainability briefing roadshows during Supplier Days.
- Training sessions and the sharing of sustainability-related knowledge during audits.

Sessions with suppliers aim to inform the supplier's employees about the impacts of their actions and decision making relative to the environment, society and business operations. Such channels are therefore used primarily to engage directly with Besi's upstream value chain workers and their legitimate representatives and to ensure the effectiveness of our engagement with workers. We evaluate suppliers by means of a quarterly business review process under which we regularly conduct performance reviews and key supplier audits. We also conduct a sustainability assessment survey that poses questions related to Besi's key sustainability pillars including questions with respect to Human Rights, Working Conditions and Health and Safety. The effectiveness of our engagements is measured through supplier audits to help verify compliance with our objectives and to reduce the risk of a negative impact on Besi's value chain workers. In addition, such engagements support our strategy to mitigate the risks associated with our value chain workers by providing insight as to our high-risk suppliers who do not have mitigation actions in place.

Besi's Board of Management is responsible for ensuring that supplier engagement occurs with the VP Strategic Supply Chain Management having day-to-day operational responsibility for value chain worker engagement. Besi signed a General Work Agreement ("GWA") and General Procurement Contract ("GPC") with 77% of its Purchasing Volume ("PV") in 2024 which includes alignment with the RBA Code of Conduct. In 2024, 68% of our total PV completed the RBA self-assessment questionnaire and 64% of our total PV was audited.

Although Besi aligns its practices with global frameworks such as the RBA and the UN Global Compact, it is not a member of these organizations. In 2024, Besi achieved silver status with the RBA which is externally audited and accredited.

#### Processes to remediate negative impacts and channels for value chain workers to raise concerns

Please refer to the Governance section for more information on how workers in the value chain can use our Whistleblower procedure and Grievance procedure.

We acknowledge the importance of accessible grievance mechanisms and remediation. We have implemented a Whistleblower procedure and Grievance procedure available to any stakeholders interested in reporting any potential human rights violations. We assist our value chain worker representatives in effectively communicating the availability of such channels to their workforce through our supplier engagement. All reported concerns are reviewed with appropriate action taken in response to each reported concern. We commit to provide appropriate forms of remediation in cases where Besi has directly caused or contributed to a negative impact on workers in the value chain such as via the seven-step process included in the Grievance procedure:

- Submission of complaint.
- Admission and acknowledgement by Ethics Counselor upon receipt of complaint.
- Assessment of grievance which respects the right of the complainant to be anonymous and to submit the complaint in good faith.
- Conclusion by Ethics Committee on the resolution of the grievance.
- Appeal from complainant if not satisfied with the resolution of the grievance.
- Action implemented based on the conclusion of the Ethics Committee with a timeline and responsible parties assigned.
- Complaint closed once the complainant has accepted the outcome or the appeal process is complete.

#### Workers in the value chain actions and resources

As outlined in the [Risk Management](#) section of the Annual Report, human rights risks are captured in our annual risk assessment including how such risks could impact Besi's strategy and business operations. In recent years, we have significantly expanded our production, engineering and supply chain capabilities in Asia (Malaysia, China, Singapore and Vietnam) to increase our local presence and operational efficiency. Asian personnel represented 68% of our total headcount at year end 2024. Further, revenue from Asian customers represented approximately 67% of consolidated revenue in 2024. As a more active Asian participant, we operate in countries that, according to international human rights and corruption indices, are perceived to be higher risk relative to our European operations. In addition, the expansion of Besi's operations could potentially expose us to the risk of fraud or bribery in our supply chain activities. With respect to human rights, we follow the RBA Code of Conduct both in our production facilities and supply chain. The RBA Code of Conduct includes labor standards concerning:

- Freely chosen employment.
- Young workers.
- Working hours.
- Wages and benefits.
- Humane treatment.
- Non-discrimination/non-harassment.
- Freedom of association.



A description of the potential material impacts on value chain workers and actions to mitigate negative impacts is provided in the table below. Besi has potential negative impacts from topics related to human rights, working conditions and health and safety based on the DMA. Given that we do not have actual negative impacts, we focus mainly on the implementation of policies and supplier engagement to proactively prevent any negative impacts. To monitor the effectiveness of the below preventative actions, Besi

conducts quarterly supplier reviews and follow-ups. In addition, we regularly conduct performance assessments and key supplier audits, engage suppliers to respond to the RBA Self-Assessment Questionnaire to help identify their social, environmental and human rights related activities and risks in our supply chain and implemented a Whistleblower procedure and Grievance procedure to ensure the communication and remediation of all actual and potential issues:

Place in the value chain	Sustainability topic	Description of impact	Description of risk or opportunity	Preventative actions to mitigate potential negative impacts and mitigate material risks
Supply chain	Human rights	The majority of Besi's suppliers are located in Asia where a potential negative impact on the suppliers' workers might occur due to human rights violations such as violence and harassment in the workplace, child labor and forced labor.	Reputational risk of non-compliance with regulations and policies related to human rights and potential employment risks in the supply chain.	Implementation of: <ul style="list-style-type: none"> <li>GWA and GPC with reference to the RBA Code of Conduct which we sign with our suppliers.</li> <li>Conflict Free Sourcing Initiative setting requirements on conflict minerals found in the Democratic Republic of Congo associated with human rights violations.</li> <li>Supplier training on Besi's sustainability requirements including topics such as human rights, working conditions and health and safety.</li> <li>Besi policies applicable to our value chain workers, specifically our Sustainability policy, Human Rights policy and Supplier Code of Conduct setting the standards expected from our suppliers in areas such as human rights, product quality, health and safety and the environment.</li> <li>Supplier self-assessments and audits to ensure compliance with the above policies.</li> </ul>
	Working conditions	The majority of Besi's suppliers are located in Asia where a potential negative impact on the suppliers' workers might occur due to a lack of secure employment, working time, adequate wages, work-life balance, training and skills development.	The risk of non-compliance with employment terms regulations and/or materialization of employment risks in the supply chain resulting in interruption of critical supplies and services and reduction of product quality from suppliers.	
	Health and safety	Potential negative impact on Besi's supply chain workers due to violations of health and safety regulations resulting in an increased number of health and safety incidents.	Risk of legal or regulatory sanctions, financial loss or reputational damage caused by a failure to comply with health and safety related regulations and/or the failure to implement practices for employee health and safety and/or the materialization of health and safety risks resulting in liabilities and reputational risk.	

We do not observe severe human rights impacts in the upstream value chain. We allocate resources to manage material impacts on value chain workers and to prevent or mitigate material risks such as (i) hiring Human Resources and sustainability specialists, (ii) publishing several internal and external policies (such as the Human Rights policy), (iii) engaging consultants to support any data or knowledge gaps and (iv) ensuring that our methodology relative to the assessment and management of material topics, policies, procedures and targets is consistent with international standards and regulations. We are yet to engage with suppliers on the availability and effectiveness of our processes that provide or enable remedy in the event of material negative impacts given that the Grievance procedure was only introduced in 2024 but plan to do so after the first year of implementation.

In 2024, 80 suppliers were responsible for approximately 80% of Besi's total Purchase Volume ("PV"). The number of supplier performance reviews and audits represented 64% of our total PV, a 1% increase versus 2023. Engagement with suppliers also resulted in additional progress on sustainability topics in 2024. Our Malaysian and Chinese operations continued a more comprehensive engagement strategy with suppliers this year through a sustainability briefing roadshow, training sessions and the sharing of sustainability-related knowledge whose primary purpose was to deliver positive impacts for value chain workers. In 2024, Besi integrated sustainability criteria into its Supplier Quarterly Business Review ("QBR") scorecard and assigned such criteria a 10% weighting in the final performance review of the year. In addition, sustainability assessments have been incorporated into the annual audits of key suppliers since 2023. Both the QBR and the annual audits are validated onsite and through desktop assessments to ensure compliance. Following such assessments, suppliers are categorized into risk categories and are required to develop an improvement plan based on the feedback provided with active involvement from their senior management to ensure effective implementation. Such assessments provide Besi with the information needed to assess the effectiveness of our engagement in delivering outcomes for value chain workers.

In 2024, Besi APac also conducted an IT Risk Survey which received responses from 131 suppliers. The purpose of this survey was to assess the risk profile of our key suppliers with a focus on the governance of issues such as data protection, regulatory compliance and data breach risk management. The survey responses were analyzed by Besi's IT Security team which led to the categorization of suppliers into different risk levels. Following the survey, two IT security sessions were organized to ensure that key suppliers remained at manageable risk levels. As such, these sessions aimed to prevent Besi's data usage from causing or contributing to any negative impacts on its value chain workers.

### Metrics and targets

Besi has an indirect impact on the workers in our supply chain through the business relationships with our suppliers. As such, we have set targets measuring the commitment of our suppliers to follow best international practices associated with environmental and social topics and to track their performance and progress on such topics. Specifically, we measure:

- PV signing the GWA/GPC which contains requirements to follow the RBA Code of Conduct and Besi's material impacts, risks and opportunities related to non-discrimination, forced labor, child labor, working hours, fair compensation, health and safety and environmental performance. Such requirements are based on internationally recognized standards including:
  - OECD Guidelines for Multinational Enterprises.
  - UN Guiding Principles on Business and Human Rights.
  - ILO Declaration on Fundamental Principles and Rights at Work.
  - ILO Fundamental Conventions.
  - UN Universal Declaration of Human Rights.
- PV responding to the RBA self-assessment questionnaire including the supplier self-assessment for Besi's material impacts, risks and opportunities related to non-discrimination, forced labor, child labor, working hours, fair compensation, health and safety based on the above-mentioned internationally recognized standards.
- PV audited which is based on supplier audits conducted by Besi's team including (but not limited to) all the above-mentioned topics involving our impacts, risks and opportunities. Supplier audits include several steps such as a review of suppliers, self-assessment data, site visits, the discussion of relevant topics, recommendations for improvement and tracking improvements.
- PV to sign the Conflict-Free Sourcing Initiative which involves a commitment to comply with the international CFSI industry standard requirements for conflict minerals (coltan, cassiterite, gold, wolframite) found in the Democratic Republic of the Congo associated with human rights violations and labor and environmental abuses in the region.

In order to manage actual and potential material impacts, risks and opportunities relative to our upstream workers in the value chain, Besi has set the following targets as a means of identifying and mitigating any potential risks:

Target	Type of target	Baseline year	Baseline value	Target for the year 2024	Target for the year 2030
PV to sign GWA or GPC	absolute	2021	64%	77%	85%
Code of Conduct self-assessment questionnaire signatories			63%	75%	85%
PV audited			59%	70%	75%
PV to sign Conflict-Free Sourcing Initiative			66%	73%	80%

2024 represented the first year for which Besi implemented a reporting framework based on ESR5 requirements. Over the next two years, we will work further to set the other targets addressing our material impacts, risks and opportunities. In order to set the current targets, Besi considered:

- The goals defined in Besi's overall strategy and Sustainability policy to create long-term value for our stakeholders and operate our business in a sustainable way, respecting the environment, our own employees and society more broadly.
- Factual data related to the supply chain indicators collected and reported since 2019.
- Recommendations of the Semiconductor Sustainability Accounting Standards as prepared by the Sustainability Accounting Standards Board.
- An assessment of strategies from Besi's peers related to the workers in the value chain sub-topics.
- Stakeholders' views on the importance for our business of the workers in the value chain sub-topics.
- Results of the previous materiality assessment conducted in 2020.

In setting such targets, Besi engaged directly with stakeholders, including legitimate supply chain worker representatives, during the materiality assessment process conducted in 2020 and 2021 which enabled us to prioritize topics of importance. To this end, supply chain worker views were considered when setting such targets. Besi's performance against its sustainability targets is communicated during our annual supplier days, in which legitimate supply chain worker representatives can provide feedback to the Management Team. Our audits and regular meetings with suppliers also help us identify any necessary lessons or improvements based on the results of our performance. With respect to our approach, we realize that it is unlikely that 100% of our PV will align with all the initiatives above. As such, we will develop an engagement plan for any PV not aligned with the RBA

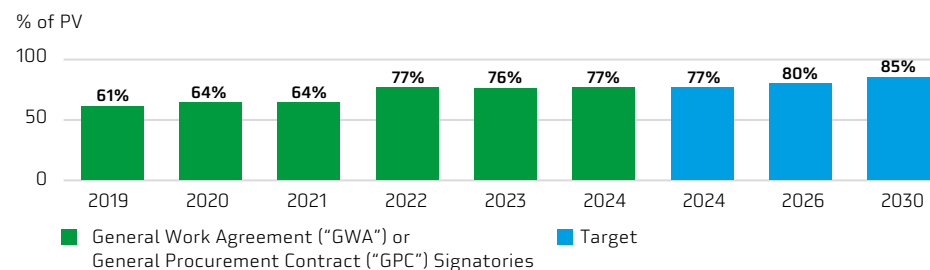
Code of Conduct agreements and not conducting self-assessments which will include:

- Categorization of the suppliers into risk groups.
- Development of an engagement plan for each risk group.
- Review of supplier relationships based on the results of the engagement.

### Progress against targets

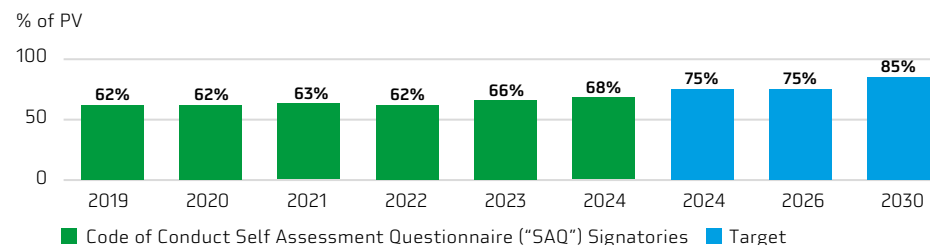
We have made progress against all indicators as detailed below:

#### PV TO SIGN GENERAL WORK AGREEMENT OR GENERAL PROCUREMENT CONTRACT



The percentage of PV which signed a GWA or GPC Signatories increased from 76% in 2023 to 77% in 2024. We have set a milestone and target of 80% and 85% by 2026 and 2030, respectively.

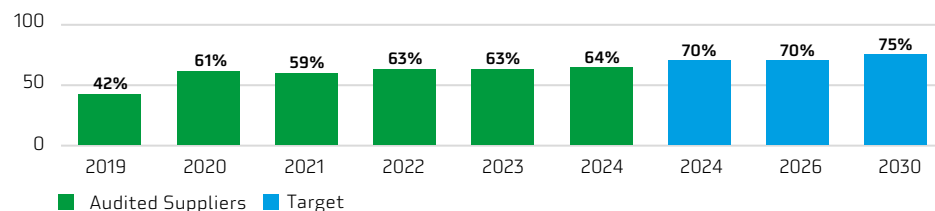
#### PV TO SIGN CODE OF CONDUCT SELF-ASSESSMENT QUESTIONNAIRE



The percentage of PV which answered the RBA Code of Conduct Self-Assessment increased from 66% in 2023 to 68% in 2024 marking further progress in our supply chain engagement. We have set a milestone and target of 75% and 85% by 2026 and 2030, respectively.

**PV AUDITED**

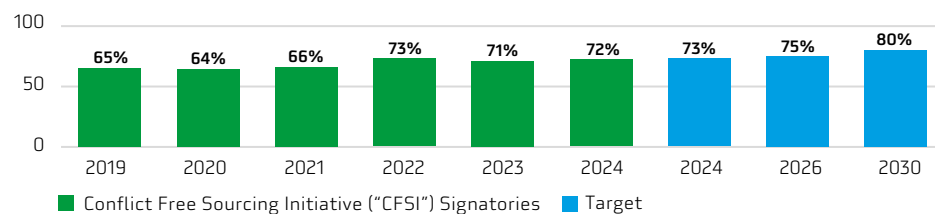
% of PV



We measure the percentage of PV which has been audited by us as part of Besi's due diligence program for materials with potential human rights impacts. Besi has set a milestone and target for 70% and 75% of its suppliers to be audited by 2026 and 2030, respectively. In 2024, the number of supplier performance reviews and audits was 64% of our total PV, a 1% increase versus 2023.

**PV TO SIGN CONFLICT-FREE SOURCING INITIATIVE**

% of PV



The percentage of PV which are Conflict Free Sourcing Initiative Signatories increased from 71% in 2023 to 72% in 2024. We have set a milestone and target of 75% and 80% by 2026 and 2030, respectively.

**Governance****Business Conduct****Governance**

Please refer to the Governance of sustainability section for more information on the role and expertise of the Administrative, Supervisory and Management bodies.

As described further in this section, the Supervisory Board has oversight function over Besi's business conduct-related policies and procedures. The Board of Management has responsibility for setting the Company's business conduct framework as well as its implementation and execution which includes approving appropriate corrective measures for the Whistleblower procedure and Grievance procedure. Day-to-day responsibility for the oversight of business conduct impacts, risks and opportunities resides with the SVPs and facility management in their respective departments and locations.

**Impact, risk and opportunity management**

Please refer to the Double Materiality Assessment for more information on the process to identify material impacts, risks and opportunities relative to business conduct. Specifically with regards to business conduct, the following criteria were assessed:

- Location: The countries in which Besi operates are located in Europe (R&D and design offices in the Netherlands, Austria and Switzerland), Asia (production facilities in China, Malaysia and Vietnam) and sales and support offices across the globe (including Singapore, China, Philippines, Korea, Taiwan and the United States).
- Activity: The development, manufacturing, marketing, sales and service of semiconductor assembly equipment for the global semiconductor and electronics industries.
- Companies involved in the semiconductor sector:
  - Upstream suppliers include fabrication parts suppliers, complete module suppliers, vendor part suppliers and service suppliers.
  - Customers include primarily leading multinational chip manufacturers, assembly subcontractors and electronics and industrial companies. Customers are either independent device manufacturers ("IDMs") which purchase our equipment for internal use at their production facilities or foundries and subcontractors which purchase our equipment to assemble packages for third parties on a contract basis.

**Policies related to business conduct**

We acknowledge the importance of good governance, the most important elements of which are transparency, independence and accountability. An environment in which these elements are managed well can be the basis for long-term value creation. We also foster a diverse and inclusive culture in all layers of the organization. Besi's business strategy includes the development of our business in a sustainable way with respect to the rights of our employees and other stakeholders.

In order to develop and promote this governance and corporate culture, Besi has an Sustainability policy, Code of Ethics for Senior Financial Officers, Diversity and Inclusion policy, Code of Conduct, Anti-Corruption and Bribery policy, Whistleblower procedure and Grievance procedure (all of which are available on our website) to guide employees, workers in the value chain and other stakeholders' activities and to set out the responsibilities, procedures and support functions in reporting violations. In addition, we have internal policies such as No-Gift and Limited Entertainment policy and Conflict of Interest policy intended to provide additional guidance for our employees. Additional information regarding the Diversity and Inclusion policy is detailed in the Social section. We also provide mandatory training to employees regarding such issues to ensure they are aware of our standards and their responsibilities with respect to ethical issues. To this end, all new employees are required to sign the Code of Conduct and all employees undertake training on an annual basis. The training includes key topics in Besi's Code of Conduct, Whistleblower procedure, No-Gift and Limited Entertainment policy and Conflict of Interest policy. All the above elements contribute to the development of Besi's corporate culture. More details on the contents of these initiatives and policies are set forth below:

#### Sustainability policy

The Sustainability policy aims to address the material topics involved in our business in alignment with our long-term value creation strategy for stakeholders while conducting our business in a sustainable way, respecting both the environment and society. This policy has been approved by Besi's Supervisory Board and applies to all our operations in all geographies. It also sets key environmental, social and governance principles of Besi's relationships in our value chain including Besi's suppliers and customers.

Following good governance principles is considered of the utmost importance for the success and continuity of Besi's business. We conduct our business with high ethical standards and are committed to eliminate any corruption and bribery cases in our operations and value chain. We carry out business conduct trainings for our employees and work to communicate our business conduct principles to our suppliers and customers. We are committed to the investigation of any incidents related to business conduct promptly, independently and objectively:

#### *Ethics and corporate culture*

We ensure that all our business is conducted according to high ethical and professional standards. We actively seek compliance with applicable laws and regulations in the countries and regions where we operate and, whenever possible, try to go beyond such standards.

#### *Engagement with employees and external stakeholders*

Continuous stakeholder engagement, in which we embrace open dialogue and knowledge sharing, is important for an innovation-driven industry. It also helps us identify areas for improvement. We communicate with all our stakeholder groups about their topics of concern. We respect the right of our employees to exercise their freedom of association by cooperating with the bodies and institutions that our employees collectively choose to represent them.

#### *Political involvement*

Besi is committed to not make any contributions or donations to candidates or political parties in any of the countries in which it operates. We respect our employees' freedom of expression and rights to participate individually in the political process and to support candidates and political parties of their choice.

#### Code of Conduct

Besi's Code of Conduct outlines our objective to become the world's leading supplier of semiconductor assembly equipment for advanced packaging applications and to exceed industry average benchmarks of sustainable long-term financial performance. The Code of Conduct outlines our values which are the essence of our corporate attitude and provides us direction when resolving conflicting situations:

- **Respect:** We cherish the richness and diversity of cultures in our organization. We promote an open culture in which we respect each other's opinion, feel free to discuss our concerns and give and receive feedback. We respect the promises we make to each other, to our business partners, to our customers and to our other stakeholders.
- **Unity:** Performing in unity gives us a competitive advantage. We will optimally utilize the synergy in our activities when we work together and share knowledge.
- **Customer focus:** We provide relevant and innovative product solutions and services to the marketplace that meet our customers' needs and exceed our customers' expectations.

Further, the Code of Conduct specifically states that we will conduct our business in a fair and competitive manner within the existing legislative framework. Anti-trust and competition laws are designed to promote fair and open competition by prohibiting unfair, restrictive or collusive business practices. It is our policy to comply fully with all such laws. In no circumstances will we put our competitors at a disadvantage in any way that is contrary to existing anti-trust and competition laws. Each employee and Management Team member must pass a Code of Conduct training to ensure that all employees are aware of Besi's corporate values.

Our long-standing commitment to diversity and inclusion is also reflected in our core values, particularly that of “respect”, as described in our Code of Conduct where: “we cherish the richness and diversity of cultures within our organization”.

### Code of Ethics for Senior Financial Officers

The Code of Ethics for Senior Financial Officers applies to the principal financial officer and all senior financial officers of Besi and its subsidiaries. This Code of Ethics for Senior Financial Officers supplements the Code of Conduct which applies to all Besi employees. This code is intended to further promote honest and ethical conduct and full, fair, accurate, timely and understandable disclosure in reports prepared by Besi in compliance with all applicable laws, rules and regulations. Although it is the responsibility of Senior Financial Officers to comply with these expectations, the Supervisory Board shall be responsible for determining whether such transaction or relationship constitutes a conflict of interest. In addition, any waiver of this Code or any change to this Code may be made only by Besi’s Supervisory Board in writing and will be disclosed as required by law or stock exchange regulation.

The Code of Ethics also sets out the expectations of Senior Financial Officers with respect to the following topics:

- Conflicts of Interest.
- Compliance with Government Rules and Regulations.
- Honest and Ethical Conduct and Fair Dealing.
- Accuracy of Books, Records and Public Reports.
- Reporting and Compliance Procedures.

### Whistleblower procedure

We monitor employee engagement and satisfaction across all regional operations and conduct surveys to assess our relative success in such activities. The Whistleblower procedure applies, and has been provided to, all employees and is published on Besi’s website. In addition, the Whistleblower procedure accommodates reporting by external stakeholders. Internal and external stakeholders have the responsibility to comply, and ensure compliance, with the Code of Conduct. This includes the responsibility to notify a Suspicion of Misconduct or a Suspicion of Infringement of EU law. We will treat each notification of a Suspicion of Misconduct or a Suspicion of Infringement of EU law seriously and will follow it up carefully and with discretion.

All employees have the responsibility to raise any concerns and are strongly encouraged to raise any questions. Such concerns and questions will be treated in confidence. All information that is provided by employees is valued. Retaliation or discrimination for doing the right thing by notifying a Suspicion of Misconduct or a Suspicion of Infringement of EU law in good faith is strictly forbidden. Making a notification in good faith requires that the

whistleblower act with due care. The recipients of such reports and concerns are experienced professionals who in some cases have received official training such as those who are certified auditors. We strive to ensure that the notifier’s reputation or relationship with their fellow employees or the Company will not be adversely affected for doing the right thing.

During and after the notification process, the whistleblower’s privacy will be respected. Any issues that the whistleblower raises will be treated confidentially and will only be communicated on a need-to-know basis. They also have the right to require that their identity is kept anonymous. In such a case, any report to third parties will not include the whistleblower’s personal information. The whistleblower is also required to treat the notification made in a confidential manner and has the right to remain updated of the notification process. All protection measures comply and are in accordance with the Dutch Whistleblowers Act, which transposes Directive (EU) 2019/1937 of the European Parliament and of the Council (Whistleblowing Directive).

### Grievance procedure

In 2024, Besi implemented a Grievance procedure that applies to all Besi’s employees, contractors, sub-contractors, consultants, interns and temporary workers. It also applies to our suppliers’ employees and other workers in our value chain as well as to the other stakeholders who have business relationships with Besi or an interest in improving Besi’s business. Since this is a new procedure that was only introduced to Besi’s stakeholders in 2024, we will engage with our suppliers, their employees and relevant employee representatives to ensure that the procedure has been effectively communicated and that the employees of Besi’s suppliers are aware of and trust our Grievance procedure.

As outlined in the Grievance procedure, Besi follows a 7-step process for providing, or contributing to, a remedy where it has caused or contributed to a material negative impact on employees, value chain workers or other stakeholders. Employees are encouraged to resolve grievances informally by discussing the issue with their supervisor/manager. However, if the grievance cannot be resolved informally, the complainant can submit a formal grievance via email or call a phone number to the Ethics Counselor at Besi.

Once a grievance is submitted, there is a protocol that the Company follows while conducting an assessment of the scale and nature of the reported issue, as described in the Grievance procedure. After completion of the assessment, the Ethics Committee will review the findings of the assessment and decide an appropriate resolution of the grievance.



Besi is committed to resolve all conflicts in a mutually beneficial way. The Ethics Counselor will communicate the decision to the complainant detailing the measures and actions to be taken. If further action is required, a timeline and responsible parties will be assigned. If the complainant is not satisfied with the conclusion, they may inform the Ethics Committee with an explanation as to why they disagree with the outcome of the assessment. The Ethics Committee will then discuss the appeal internally and, based on each specific case, will provide additional explanations to the complainant or execute additional investigations to achieve a resolution.

The grievance is considered closed when the resolution has been implemented, complainant has accepted the outcome or the appeal process is complete. We aim to assess the effectiveness of the remedy wherever possible for each grievance submitted. We commit to communicate with the complainant to assess the effectiveness of the implemented measures if the implementation of the remedy takes a long time.

Stakeholders can notify a Suspicion of Misconduct or Suspicion of Infringement of EU law through any of the abovementioned channels. Beyond the Whistleblower procedure and the Grievance procedure, we also use data fraud analytics tools to find potential corruption and bribery cases. The tools are managed by the internal control team and the results of the assessments are reported to the Board of Management and the Supervisory Board.

#### Anti-Corruption and Bribery policy

Besi's Anti-Corruption and Bribery policy outlines the key principles and standards of conduct to prevent corruption and bribery and protect Besi's integrity and reputation. It aims to ensure compliance with all applicable laws and ethical standards. The Anti-Corruption and Bribery policy has been approved by the Supervisory Board and is publicly available on Besi's website. We strive to promote anti-corruption and bribery practices in all aspects of our business, including reference to our Code of Conduct and the Anti-Corruption and Bribery policy in our suppliers' agreements. We also provide anti-corruption and bribery training to all our employees. Regular internal audits which form part of the internal audit plan are conducted to monitor adherence to this policy. Any updates or changes must be approved by the Supervisory Board.

Following the key principles of this policy, Besi has developed an internal Anti-Corruption and Bribery Framework which sets guidelines for our operations as to the detection, prevention, investigation and mitigation of potential corruption and bribery cases. In our Anti-Corruption and Bribery policy and Anti-Corruption and Bribery Framework, we strive to follow the principles of the United Nations Convention against Corruption, OECD Anti-Bribery Convention, Criminal Law Convention on Corruption and other relevant regulations.

Besi has a zero-tolerance approach to any form of bribery and corruption. We are committed to conducting our business with integrity, transparency, and fairness in compliance with all applicable laws and regulations. Besi requires that all third parties acting on its behalf adhere to the principles of this policy. We consider sales and purchasing positions to be of highest risk in the countries ranking highest on international corruption indices.

#### Prevention and detection of corruption and bribery

We will not involve ourselves in bribery, payment facilitation, extortion or any other form of corruption. Employees cannot directly or indirectly pledge a financial benefit to any person affiliated with a government or an entity controlled by a government to secure or maintain orders or services. Furthermore, employees are not allowed to use external third parties to circumvent the ban on corruption.

As described in our Anti-Corruption and Bribery policy, we have implemented the following steps to prevent, detect and address allegations or incidents of corruption or bribery:

- Record keeping of all transactions and expenses including supporting documentation.
- Reporting and whistleblowing – we have implemented a Whistleblower procedure and Grievance procedure to raise any concern or suspicions regarding corruption or bribery.
- We conduct periodic anti-corruption and bribery training for all our employees. This approach ensures that all "functions-at-risk" are covered by anti-corruption and bribery training. We engage with customers, suppliers and other business partners to make sure that they are informed of Besi's Code of Conduct, Supplier Code of Conduct and this policy. For our supply chain, we sign GWA or GPC referring to the requirements of the RBA Code of Conduct.
- The Board of Management is updated on a quarterly basis of any violations with regards to this policy and the Anti-Corruption and Bribery Framework. The Supervisory Board is informed twice a year. Key outcomes of any investigation are presented in these updates to both the Board of Management and Supervisory Board if any violations have taken place.
- Investigators into potential corruption and bribery issues are always separate from the chain of management involved in the matter.

Supervisory Board members reviewed and approved the Anti-Corruption and Bribery policy and Besi's internal Anti-Corruption and Bribery Framework. They also review and approve any updates or changes related to such policies which is why we consider them well informed about Besi's Anti-Corruption and Bribery policy and Framework and the implications of such documents.

Our Whistleblower procedure is available on Besi’s website. It enables employees and all other stakeholders to report suspected cases of misconduct. Such cases are investigated by the internal control team and overseen by the Board of Management which has responsibility for approving appropriate corrective measures. In some cases, the Management Team is involved in the investigations if required. After the notification is investigated and evaluated, the investigation results will be presented to the Board of Management and local management or only to the Board of Management depending on the scale and person(s) involved. In case of an internal notification regarding any member of the Board of Management, the Internal Control Department will consult with the Chairperson of the Supervisory Board to determine whether it is deemed necessary to launch an investigation.

Investigations are conducted by the Internal Control Department or the specialized external party who will prepare a report of their findings with all the facts clearly stated. All material findings that result from the use of Besi’s internal control and risk management system for financial and non-financial risks are discussed with the Audit Committee of the Supervisory Board on a quarterly or semi-annual basis including the status of systems, procedures and activities to monitor and evaluate risks from fraud, bribery or corruption in Besi’s operations.

It is Besi’s policy to provide full, fair, accurate, timely and understandable disclosure in all reports, documents and public communications in order to be fully transparent with all relevant parties.

**Metrics and targets**

Although we have implemented policies and procedures designed to help ensure compliance with all applicable rules and regulations, there can be no assurance that our employees, partners and other persons with whom we do business will not take actions in violation of our policies or such rules and regulations.

There were no legal proceedings associated with anti-competitive behavior during the last five years. In 2024, there were no reported incidents of corruption, no convictions or fines for violation of anti-corruption and anti-bribery laws and no actual violations or penalties. We take into account incidents involving actors in the value chain only where Besi or its employees are directly involved when assessing legal proceedings, incidents of corruption and convictions or fines for violation of anti-corruption and anti-bribery laws.

## GHG emissions accounting methodology

### List of included and excluded Scope 3 categories

Scope 3 categories	Included / Not included	Justification on applicability for Besi
1: Purchased Goods and Services	Yes	Emissions from the purchased goods and services used for the production of Besi's systems. The second largest Scope 3 emissions category for Besi.
2: Capital Goods	No	Emissions from the purchased goods and services that were capitalized in the reporting year. Not significant category for Besi. Given that part of capital goods stays within purchased goods and services, in 2024 we did not calculate GHG emissions associated with this category to avoid double counting. Moving forward, we will develop methodology to avoid double counting and report this category separately.
3: Fuel- and Energy-Related Activities Not Included in Scope 1 & 2	Yes	Transportation and distribution losses and well-to-tank emissions related to use of energy and fuels in our operations. Not significant category for Besi.
4: Upstream Transportation and Distribution	Yes	Upstream transportation and distribution based on GHG Protocol definitions. Not significant category for Besi.
5: Waste Generated in Operations	Yes	Emissions associated with processing of waste generated in our operations. Not significant category for Besi.
6: Business Travel	Yes	Emissions from business travel such as business flights. Not significant category for Besi.
7: Employee Commuting	Yes	Emissions from commuting of Besi employees in the countries of our operations. Not significant category for Besi.
8: Upstream Leased Assets	No	Not applicable. Emissions associated with our buildings are included in Scope 1 & 2 inventory.
9: Downstream Transportation and Distribution	Yes	Downstream transportation and distribution based on GHG protocol definitions. Not significant category for Besi.
10: Processing of Sold Products	No	Not applicable. We account for categories 3.11 and 3.12.
11: Use of Sold Products	Yes	Emissions from the electricity use by Besi systems. The largest for Besi Scope 3 category.
12: End-of-Life Treatment of Sold Products	Yes	End of life treatment of Besi systems. Not significant category for Besi.
13: Downstream Leased Assets	No	Not Applicable. Besi does not have any assets leased to the other entities.
14: Franchises	No	Not Applicable. Besi does not have any franchises.
15: Investments	No	Not Applicable. Emissions from investments are accounted for in category 3.2.

### Description of GHG accounting methodology

Our Sustainability reporting and GHG emissions reporting cover all entities belonging to the scope of the Consolidated Financial Statements (see Note 2, Principles of consolidation of the Consolidated Financial Statements) excluding some data on energy consumption by three sales and service offices due to their immaterial significance.

GHG emissions associated with purchased goods and services are calculated using secondary data such as financial data on the purchase volume of different supply categories. These emissions account for 36% of the total GHG emissions. The other GHG emission categories are counted using primary data such as energy consumption, employee travel, waste generation, logistics data. Thus, percentage of emissions calculated using primary data is 64%. As described further in the description of GHG accounting methodology, for certain not very significant categories such as employee travel or waste generated in operations we apply reasonable assumptions in the absence of more granular information.

Emissions category	Description of methodology
<b>Scope 1</b>	Scope 1 emissions are counted based on the data about the use of natural gas, gasoline and diesel collected quarterly in our operations. Emission factors derived from GHG Protocol using emission factors from Stationary Combustion Tool.
<b>Scope 2</b>	<p>Scope 2 emissions include electricity consumption for our operations globally, centralized heating of our buildings in Besi Netherlands and centralized cooling of our buildings in Besi Singapore. All data are collected from our operations on quarterly basis.</p> <p>Location based emissions are counted based on the grid emission factors specific for each country of operations. The factors are based on the energy mix of each country using <a href="https://www.aib-net.org/facts/european-residual-mix/2023">www.aib-net.org/facts/european-residual-mix/2023</a> for European operations and <a href="https://www.ourworldindata.org">www.ourworldindata.org</a> for the other countries. For our district heating in Duiven, emission factor is based on data from the supplier.</p> <p>Marked based emissions are counted based on the recognized market instruments which are available in the countries of our operations and which we implement to reduce our GHG footprint. For our operations in China, Malaysia and Vietnam, we use RECs from the local hydropower, solar and wind projects. For our operations in the Netherlands, Austria, Switzerland and Singapore we receive green electricity based on Power Purchase Agreements with our energy providers.</p>
<b>Scope 3</b>	
3.1 Purchased Goods and Services	<p>For the accounting of category 3.1 we use spent-based method as per GHG Protocol. All Besi's purchased goods and services are quarterly separated into six categories per country of purchase: Modules, Vendor Parts, Fabricated parts, Services, Software and Documents. All these categories are mapped to the best available Emissions Factors available in the country-specific EEIO dataset known as Exiobase. We adjusted spend included in PG&amp;S footprint to resemble cradle-gate spend, rather than "customer price spend" as recommended by the GHG Protocol. Exiobase emission factors applied to our spent categories are adjusted for inflation per each country of purchase using the World Bank CPI index.</p> <p>Spent-based method is allowed by GHG Protocol and is widely adopted, however, this method does not provide a high level of accuracy in the assessment of emissions. Moving forward we will focus on collecting more granular information with respect to our supply chain emissions.</p>

Emissions category	Description of methodology
3.3 Fuel- and Energy-Related Activities not included in Scope 1 & 2	We account for Fuel- and Energy-Related Activities not included in Scope 1 or Scope 2 covering well-to-tank emissions from purchased fuels and emissions from electricity generation and transmission and distribution losses. The basis for the accounting of these emissions is the energy data quarterly collected from our operations and used for calculation of Scope 1 & 2 emissions. We apply average-data method using UK Government GHG Conversion Factors for Company Reporting to get emission factors associated with transmission and distribution losses and well-to-tank emissions.
3.4: Upstream Transportation and Distribution	Upstream transportation and distribution emissions are counted by distance-based method using the quarterly ton-km logistics data collected from all operations. Each entity reports upstream internal and external logistics data per type of transportation (air, sea, land, train) using GHG Protocol definitions. Conversion factors are derived from the GHG Protocol using the GHG Emissions from transport or mobile sources tool.
3.5: Waste Generated in Operations	<p>We apply waste-type-specific method to calculate emissions from waste generated in operations. Given that this category is not significant for Besi we use certain assumptions as per GHG Protocol methodology. Waste tonnage data is quarterly collected from all operations, aggregated and tagged by waste type (hazardous vs. non-hazardous) and disposal type (e.g., recycling, landfill, incineration). However, the breakdown of material(s) (e.g., paper vs. plastics vs. metals) underlying each waste record is not able to be sourced, given that in some of our Asian operations granular data on waste composition is not fully available.</p> <p>UK DEFRA EFs were used for all non-hazardous waste records, as well as hazardous waste that was recycled. Ecoinvent V3.1 EFs were used for hazardous waste that was disposed of via incineration or landfill.</p>
3.6: Business Travel	<p>For this category we collect business travel data from our operations on a quarterly basis and apply distance-based method to calculate this category of GHG emissions. As most of Besi's business travel happens by plane, we do not collect other business travel data. The amount of GHG emissions associated with employee travel by car is negligible relative to GHG emissions associated with plane travel. In addition, all employees report on their commuting mileage and such data is used for the accounting of category 3.7 Employee commuting. To avoid double counting we do not include travel by cars into category 3.6 Business travel.</p> <p>We derive emission factors from the GHG Protocol using the GHG Emissions from transport or mobile sources tool.</p>
3.7: Employee Commuting	<p>Besi uses the distance-based method whereby the distance traveled via each mode is multiplied by the appropriate emission factor. Employee commuting data from each country is aggregated at the corporate level. Given that employee commuting is not significant GHG category for Besi, we allow reasonable assumptions to be made by HR teams to collect employee commuting data as per GHG protocol methodology. Employee commuting data collected in the third quarter with follow up checks for each country of operation regarding significant changes in commuting in December.</p> <p>Each transport method is mapped to the corresponding UK DEFRA well-to-wheel emissions factor, which is multiplied by the commuting distance to calculate the emissions of the commute.</p>
3.9: Downstream Transportation and Distribution	Downstream transportation and distribution emissions are counted by distance-based method using the quarterly ton-km logistics data collected from all operations. Each entity reports downstream internal and external logistics data per type of transportation (air, sea, land, train) using GHG Protocol definitions. Conversion factors are derived from the GHG Protocol using the GHG Emissions from transport or mobile sources tool.

Emissions category	Description of methodology
3.11: Use of Sold Products	<p>Use of sold products emissions are associated with the consumption of electricity by Besi's customers while operating Besi systems. This category represents the largest level of Scope 3 emissions for Besi. To calculate this category we collect the following information from our operations on quarterly basis:</p> <ul style="list-style-type: none"> <li>• Number of systems sold per product line derived from Besi's internal financial reporting</li> <li>• Country of shipment for each system (assuming country of shipment is the same as country of operation) derived from Besi's internal financial reporting</li> <li>• Energy consumption of each product line type during its operation cycle (10 years, in average)</li> <li>• National grid emission factors per each country of shipment using the <a href="http://www.aib-net.org/facts/european-residual-mix/2023">www.aib-net.org/facts/european-residual-mix/2023</a> for European operations and <a href="http://www.ourworldindata.org">www.ourworldindata.org</a> for countries outside of Europe.</li> </ul> <p>Energy consumption for each product line is received from our product groups' engineering departments. For the Die Attach product group, which represents about 80 % of Besi's total revenue, we conducted a Life Cycle Assessment ("LCA") including the calculation of energy consumption with support of University of Applied Sciences and Arts (Lucerne, Switzerland).</p>
3.12: End-of-Life Treatment of Sold Products	<p>We apply waste-type-specific method to count category 3.12 emissions. For the accounting of this category, we utilized quarterly product shipments data used for the accounting of category 3.11 Use of sold products. In addition, our products groups provided net and gross weight of each system including packaging. Based on the LCA made by the Die Attach product group we calculated the percentage of recyclable and landfilled content for our Die Attach systems. The same ratio was applied to the other product groups based on the assumption that the recycled content for the other types of systems would be similar. Percentage of recyclable and landfilled content of packaging is based on Eurostat data.</p> <p>We applied DEFRA emission factors for Waste Disposal to count GHG emissions associated with recycling and disposal of our systems.</p>



## Annex 1

### Disclosure requirements in ESR5 covered by Besi's Sustainability Statement

Materiality for each of the below disclosure requirements and related datapoints were based on the Double Materiality Assessment conducted by Besi which included the use of impact and financial materiality thresholds.

# DR	Description	Reference	Pages	Other EU legislation*	Comments
<b>ESRS 2: General disclosures</b>					
BP-1	General basis for preparation of the sustainability statements	Sustainability Statement: General basis of preparation.	54		
BP-2	Disclosures in relation to specific circumstances	Sustainability Statement: General basis of preparation - Time horizons, Sources of estimation and outcome uncertainty, Use of Phase-in provisions.	55-56		
GOV-1	The role of the administrative, management and supervisory bodies	Sustainability Statement: Governance of sustainability - The role of the administrative, management and supervisory bodies.	69-71	SFDR, BRR	
GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	Sustainability Statement: Governance of sustainability - The role of the administrative, management and supervisory bodies.	64-66, 69-71, 74, 98, 118		
GOV-3	Integration of sustainability-related performance in incentive schemes	Sustainability Statement: Governance of sustainability - Integration of sustainability-related performance in incentive schemes.	71		
GOV-4	Statement on due diligence	Sustainability Statement: Governance of sustainability - Statement on due diligence.	72	SFDR	
GOV-5	Risk management and internal controls over sustainability reporting	Sustainability Statement: Governance of sustainability - Internal controls over sustainability reporting; Double Materiality Assessment - Risk Management.	68, 73		
SBM-1	Strategy, business model and value chain	Sustainability Statement: Strategy, business model and value chain - Description of Business Model and value chain, Besi's value chain, Besi's value proposition, Sustainability strategy.	56-60	SFDR, P3, BRR	ESRS 2 SBM-1 paragraph 40(b) (breakdown of total revenue by significant ESR5 sector) and 40(c) .
SBM-2	Interests and views of stakeholders	Sustainability Statement: Strategy, business model and value chain - Stakeholder engagement.	60-62		
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Sustainability Statement: Double Materiality Assessment - Material impacts, risks and opportunities and their interaction with strategy and business model.	65-67		Phased-in option used for DR48e and AR22 (anticipated financial effects), in line with ESR5 1 Appendix C.

\* Sustainable Finance Disclosure Regulation ("SFDR"), EBA Pillar 3 Disclosure Requirements ("P3"), Climate Benchmark Standards Regulation ("BRR"), EU Climate Law ("EUCL") as referred to in Appendix B of ESR5 2.

# DR	Description	Reference	Pages	Other EU legislation*	Comments
IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	Sustainability Statement: Double Materiality Assessment - Description of the process to identify and assess material impacts, risks and opportunities.	63-64		
IRO-2	Disclosure requirements in ESRS covered by the undertaking's Sustainability Statement	Sustainability Statement: Reference table.	127-131		
MDR-P	Policies adopted to manage material sustainability matters	Sustainability Statement: Double Materiality Assessment – Risk Management; Environment – Climate Transition Plan, Climate change-related policies; Social – Own Workforce – Policies related to own workforce; Social – Workers in the value chain – Policies related to value chain workers; Governance – Policies related to business conduct.	68, 84-86, 99-100, 102, 112-113, 118-121		
MDR-A	Actions and resources in relation to material sustainability matters	Sustainability Statement: Double Materiality Assessment – Material impacts, risks and opportunities and their interaction with strategy and business model, Risk management; Environment – Climate Transition Plan, Climate change actions and resources; Social – Own Workforce – Own workforce actions and resources; Social – Workers in the value chain – Workers in the value chain actions and resources; Governance – Prevention and detection of corruption and bribery.	66-67, 68, 75-80, 84-86, 102-103, 114-116, 121-122		
MDR-M	Metrics in relation to material sustainability matters	Sustainability Statement: General basis of preparation – Reporting scope for sustainability metrics; Environment – Metrics; Social – Own Workforce – Metrics; Social – Workers in the value chain – Metrics and Targets; Governance – Metrics and Targets.	55, 90-91, 108-111, 116-118, 122		
MDR-T	Tracking effectiveness of policies and actions through targets	Sustainability Statement: General basis of preparation – Reporting scope for sustainability metrics; Environment – Targets; Social – Targets; Social – Workers in the value chain – Metrics and Targets; Governance – Metrics and Targets.	55, 86-89, 105-107, 117-118, 122		
<b>ESRS E1: Climate change</b>					
ESRS 2 GOV-3	Integration of sustainability-related performance in incentive schemes	Sustainability Statement: Governance of sustainability – Integration of sustainability-related performance in incentive schemes; Environment – Climate Change – Governance.	71, 74		
E1-1	Transition plan for climate change mitigation	Sustainability Statement: Environment – Climate Change – Climate Transition Plan.	75-80	EUCL, P3, BRR	

\* Sustainable Finance Disclosure Regulation ("SFDR"), EBA Pillar 3 Disclosure Requirements ("P3"), Climate Benchmark Standards Regulation ("BRR"), EU Climate Law ("EUCL") as referred to in Appendix B of ESRS 2.

# DR	Description	Reference	Pages	Other EU legislation*	Comments
ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business mode	Sustainability Statement: Environment - Climate Change - Climate Transition Plan - Transition plan alignment with overall business strategy and financial planning, Climate-related risks and opportunities.	79, 80-83		
ESRS 2 IRO-1	Description of the processes to identify and assess material climate-related impacts, risks and opportunities	Sustainability Statement: Double Materiality Assessment - Description of the process to identify and assess material impacts, risks and opportunities; Environment - Climate Change - Governance.	63-64, 74		
IRO: E1-2	Policies related to climate change mitigation and adaptation	Sustainability Statement: Environment - Climate Change - Climate Transition Plan, Climate change-related policies.	75, 84-85		
IRO: E1-3	Actions and resources in relation to climate change policies	Sustainability Statement: Environment - Climate Change - Climate change actions and resources.	84-86		
M: E1-4	Targets related to climate change mitigation and adaptation	Sustainability Statement: Environment - Climate Change - Targets.	86-88	SFDR, P3, BRR	
M: E1-5	Energy consumption and mix	Sustainability Statement: Environment - Climate Change - Metrics - Energy consumption and mix.	90	SFDR	
M: E1-5	Energy intensity based on net revenue	Sustainability Statement: Environment - Climate Change - Metrics - Energy consumption and mix.	90	SFDR	
M: E1-6	Gross scopes 1, 2, 3 and total GHG emissions	Sustainability Statement: Environment - Climate Change - Metrics - Gross Scopes 1, 2, 3 and total GHG emissions.	90-91, 123-126	SFDR, P3, BRR	
M: E1-6	GHG Intensity based on net revenue	Sustainability Statement: Environment - Climate Change - Metrics - Gross Scopes 1, 2, 3 and total GHG emissions.	90-91	SFDR, P3, BRR	
M: E1-9	Anticipated financial effects from material physical and transition risks and potential climate-related opportunities			P3, BRR	Phased-in option used in line with ESRS 1 Appendix C: List of phased-in Disclosure Requirements.
<b>ESRS S1: Own workforce</b>					
ESRS 2 SBM-2	Interests and views of stakeholders	Sustainability Statement: Strategy, business model and value chain - Stakeholder engagement.	60-62		
ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Sustainability Statement: Double Materiality Assessment - Material impacts, risks and opportunities and their interaction with strategy and business model.	66-67	SFDR	
IRO: S1-1	Policies related to own workforce	Sustainability Statement: Social - Own Workforce - Policies related to own workforce.	99-100	SFDR, BRR	

\* Sustainable Finance Disclosure Regulation ("SFDR"), EBA Pillar 3 Disclosure Requirements ("P3"), Climate Benchmark Standards Regulation ("BRR"), EU Climate Law ("EUCL") as referred to in Appendix B of ESRS 2.

# DR	Description	Reference	Pages	Other EU legislation*	Comments
IRO: S1-2	Processes for engaging with own workers and workers' representatives about impacts	Sustainability Statement: Social – Own Workforce – Employee engagement.	100-101		
IRO: S1-3	Processes to remediate negative impacts and channels for own workers to raise concerns	Sustainability Statement: Social – Own Workforce – Employee engagement; Governance – Business conduct – Policies related to business conduct.	100, 118-121	SFDR	
IRO: S1-4	Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	Sustainability Statement: Social – Own Workforce – Employee engagement, Own workforce actions and resources.	100, 102-105		
M: S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Sustainability Statement: Social – Own Workforce – Targets.	105-107		
M: S1-6	Characteristics of the undertaking's employees	Sustainability Statement: Social – Own Workforce – Metrics.	108-109		
M: S1-7	Characteristics of non-employee workers in the undertaking's own workforce	Sustainability Statement: Social – Own Workforce – Metrics.	109		
M: S1-9	Diversity metrics	Sustainability Statement: Social – Own Workforce – Metrics.	109		
M: S1-10	Adequate wages	Sustainability Statement: Social – Own Workforce – Metrics.	109		
M: S1-11	Social protection		109		Phased-in option used in line with ESR5 1 Appendix C: List of phased-in Disclosure Requirements.
M: S1-12	Persons with disabilities	Sustainability Statement: Social – Own Workforce – Metrics.	110		
M: S1-13	Training and skills development metrics	Sustainability Statement: Social – Own Workforce – Metrics.	110		
M: S1-14	Health and safety metrics	Sustainability Statement: Social – Own Workforce – Metrics.	110	SFDR, BRR	Metrics related to health and safety: ESR5 S1 (S1-14) (reporting on non-employees)
M: S1-15	Work-life balance metrics				Phased-in option used in line with ESR5 1 Appendix C.
M: S1-16	Remuneration metrics (pay gap and total remuneration)	Sustainability Statement: Social – Own Workforce – Metrics.	110-111	SFDR, BRR	
M: S1-17	Incidents, complaints and severe human rights impacts	Sustainability Statement: Social – Own Workforce – Metrics.	111	SFDR, BRR	

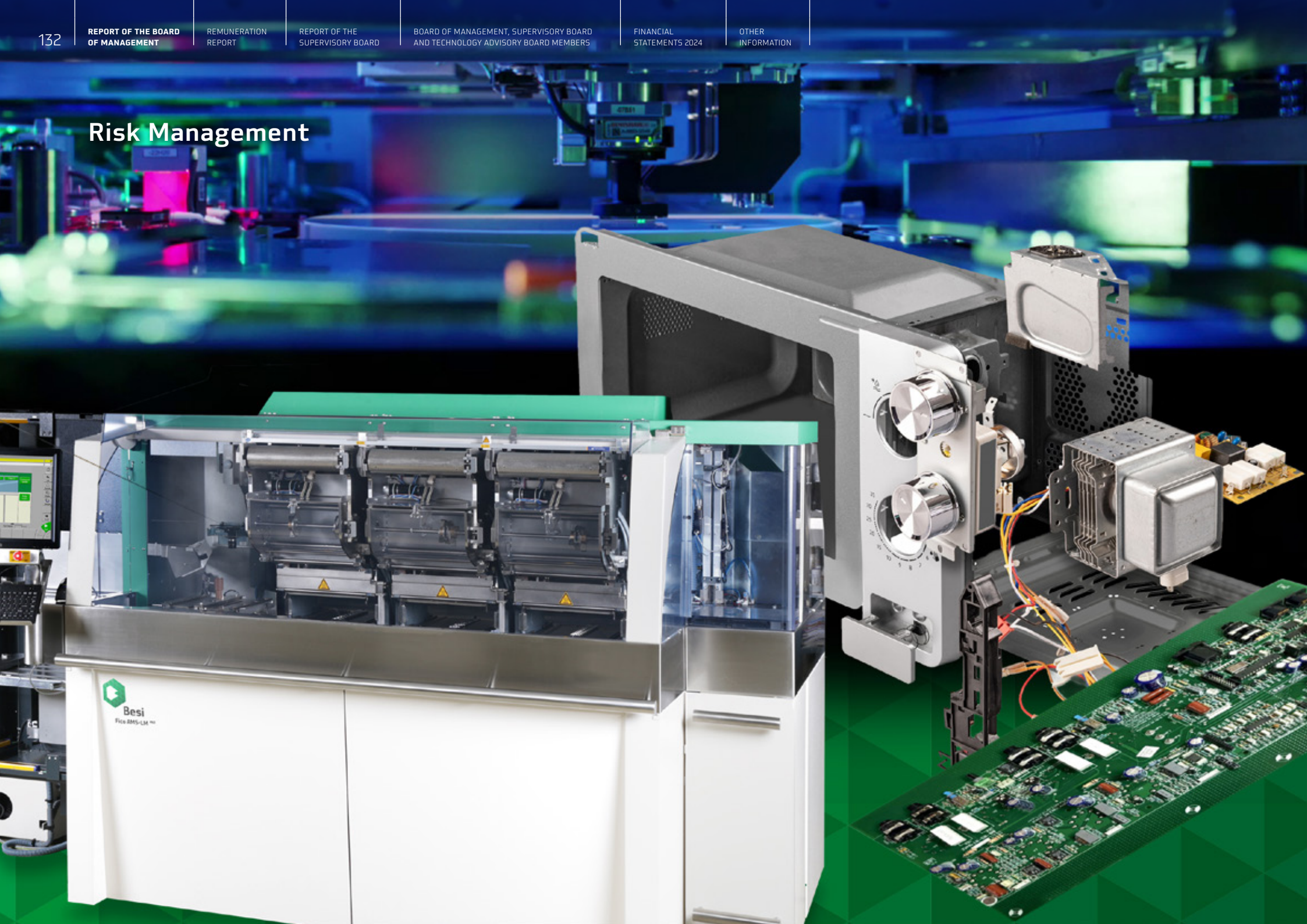
\* Sustainable Finance Disclosure Regulation ("SFDR"), EBA Pillar 3 Disclosure Requirements ("P3"), Climate Benchmark Standards Regulation ("BRR"), EU Climate Law ("EUCL") as referred to in Appendix B of ESR5 2.

# DR	Description	Reference	Pages	Other EU legislation*	Comments
<b>ESRS S2: Workers in the value chain</b>					
ESRS 2 SBM-2	Interests and views of stakeholders	Sustainability Statement: Strategy, business model and value chain - Stakeholder engagement.	60-62, 111		
ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business mode	Sustainability Statement: Double Materiality Assessment - Material impacts, risks and opportunities and their interaction with strategy and business model.	65-67	SFDR	
S2-1	Policies related to value chain workers	Sustainability Statement: Social - Workers in the value chain - Policies related to value chain workers.	112-113	SFDR, BRR	
S2-2	Processes for engaging with value chain workers about impacts	Sustainability Statement: Social - Workers in the value chain - Value chain worker engagement.	113-114		
S2-3	Processes to remediate negative impacts and channels for value chain workers to raise concerns	Sustainability Statement: Social - Workers in the value chain - Processes to remediate negative impacts and channels for value chain workers to raise concerns.	114		
S2-4	Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions	Sustainability Statement: Social - Workers in the value chain - Workers in the value chain actions and resources.	114-116	SFDR	
S2-5	Targets related to managing material negative impacts, advancing positive impacts and managing material risks and opportunities	Sustainability Statement: Social - Workers in the value chain - Workers in the value chain actions and resources - Metrics and Targets.	116-118		
<b>ESRS G1: Business conduct</b>					
ESRS 2 GOV-1	The role of the administrative, supervisory and management bodies	Sustainability Statement: Governance of sustainability - The role of the administrative, management and supervisory bodies; Governance - Business conduct - Governance.	69-71, 118		
ESRS 2 IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	Sustainability Statement: Double Materiality Assessment - Description of the process to identify and assess material impacts, risks and opportunities.	63-64		
G1-1	Business conduct policies and corporate culture	Sustainability Statement: Governance - Business conduct - Policies related to business conduct.	118-121	SFDR	
G1-3	Prevention and detection of corruption and bribery	Sustainability Statement: Governance - Business conduct - Prevention and detection of corruption and bribery.	121		
G1-4	Incidents of corruption or bribery	Sustainability Statement: Governance - Business conduct - Metrics and Targets.	122	SFDR, BRR	

\* Sustainable Finance Disclosure Regulation ("SFDR"), EBA Pillar 3 Disclosure Requirements ("P3"), Climate Benchmark Standards Regulation ("BRR"), EU Climate Law ("EUCL") as referred to in Appendix B of ESRS 2.



# Risk Management





## Risk Management

Besi's risk management program seeks to identify and control potential fraud and other risks and events which may affect Besi's strategy, continuity, business and performance. Our efforts extend throughout our processes, management, employees and systems and are the subject of continuous focus. In recent years, the importance of internal control and risk management systems has grown substantially as a result of Besi's increased size and complexity, changing market conditions and expansion of our global business operations. Besi's internal control and risk management systems have been designed to address and help mitigate such risks and risk factors.

### RISK MANAGEMENT PROCESS



In 2024, the most important components of Besi's internal control and risk management system to manage and mitigate our risks were:

- An extensive and documented process for preparing Besi's annual budget, quarterly estimates and reports of its monthly financial and non-financial information compared with the budgeted and quarterly estimated information.
- Monthly business reviews with product group and production site managers with respect to their monthly and quarterly bookings, revenue, working capital and results of operations, together with discussions of general market, economic, technological, sustainability and competitive developments.
- Daily reviews of the foreign currency positions of all significant operating companies.
- Annual documentation and analysis of key risks and the development of controls for such risks.
- Weekly management reviews of Besi's business, operations, cash, supply chain and inventory development.
- Compliance with finance and controlling guidelines governing our financial accounting and reporting procedures.
- Compliance with internal controls over financial reporting that have been implemented at all significant operating companies.
- Double materiality assessment conducted in alignment with the CSRD.
- Monthly, quarterly and annual reviews of Besi's sustainability performance, risks and risk management and its progress versus key performance indicators ("KPIs").
- Regular management review of key staff development.
- Regular analyses of operational risks at the subsidiary level.
- Regular analyses of Besi's capital structure, financing requirements, cash and short-term deposits, tax position and transfer pricing system.

### Integration of a risk-conscious culture as part of managing our business

Risk identification	Risk measurement	Risk management	Monitoring risk activities	Risk reporting
<ul style="list-style-type: none"> <li>• Business risks identified as a result of dialogue with senior management.</li> <li>• Sustainability risks including risks associated with environmental, social and governance factors.</li> <li>• Alignment of risk categories with Long-term Value Creation Model.</li> <li>• Risk categories and underlying risks reviewed bi-annually with Board of Management.</li> <li>• Explicit risk ownership assigned.</li> </ul>	<ul style="list-style-type: none"> <li>• Risk appetite discussed with and determined by Board of Management.</li> <li>• Standard risk management methodology established for risk categories and underlying risks.</li> </ul>	<ul style="list-style-type: none"> <li>• Mitigation actions (controls) established for all risks identified.</li> <li>• Action plans established when controls needed for risk mitigation efforts.</li> <li>• Explicit mitigation controls and responsibilities assigned for action plan execution.</li> </ul>	<ul style="list-style-type: none"> <li>• Effectiveness of mitigation actions (controls) and action plan status monitored across three lines of defence.</li> <li>• Internal audit reviews risk management effectiveness and drives improvements.</li> </ul>	<ul style="list-style-type: none"> <li>• Bi-annual reporting to Board of Management and Supervisory Board of top 10 risk categories, underlying risks and effectiveness of mitigation actions.</li> <li>• Risk management framework and cycle improvements reported and approved by Board of Management.</li> </ul>

Operational risks such as the hedging of financial exposures, internal financial reporting and transfer pricing are governed by a set of internal Besi guidelines. In addition, insurance policies are in place to cover the typical business risks associated with Besi's operations and are reviewed every year. Besi's policies regarding foreign currency hedging, interest rate, credit, market and liquidity risks are further described in the Financial Statements.

In addition, our use of global and diverse information technology systems could expose our IT security, data resources and intellectual property to a variety of security risks as a result of natural disasters, power outages, cyberattacks, acts of terrorism and malware and/or ransomware infiltration. In response, we have established an information-security program which implements measures designed to prevent, detect and respond to security threats. Such measures and tools include, among others, vulnerability management tools, access control management, log management, advanced malware protection, perimeter network defense and endpoint detection and response tools. We have also implemented incident response procedures and a disaster recovery plan which are regularly reviewed and updated. On an annual basis, limited and focused cyber maturity assessments are performed by an external party. In recent years, we also have significantly raised awareness among our employees of the risks and potential risks of cybercrime by annual mandatory cyber awareness training.

Besi also evaluates non-financial risks which could affect both its strategy and business operations including emerging risks such as (i) climate change, (ii) social-related challenges, such as diversity, human rights, health and safety and the recruitment of qualified technical personnel, and (iii) business conduct factors, such as anti-corruption and bribery, and corporate culture. Non-financial risks are governed by a set of internal and external guidelines and instructions. Short- and long-term topics are assessed through the Double Materiality Assessment, KPIs for Scope 1 & 2 and Scope 3 emissions, energy and customer and employee satisfaction metrics, supplier audits and continuous stakeholder dialogue. The Double Materiality Assessment measures Besi's impacts on people or the environment, as well as the most financially material sustainability risks and opportunities that impact Besi's development, financial position, financial performance, cash flows, access to finance or cost of capital over the short-, medium- or long-term.

### Risk governance

The Board of Management is responsible for (i) the management of internal and external risks associated with our business activities and (ii) compliance with applicable legislation and regulations. The Management Team is responsible for the monitoring and reporting identified risks as well as leading the response across the organization related to any new risks which may arise.

All material findings that result from the use of Besi's internal control and risk management system for financial and non-financial risks are discussed with the Audit Committee as part of the Supervisory Board on a quarterly or (half) yearly basis, including:

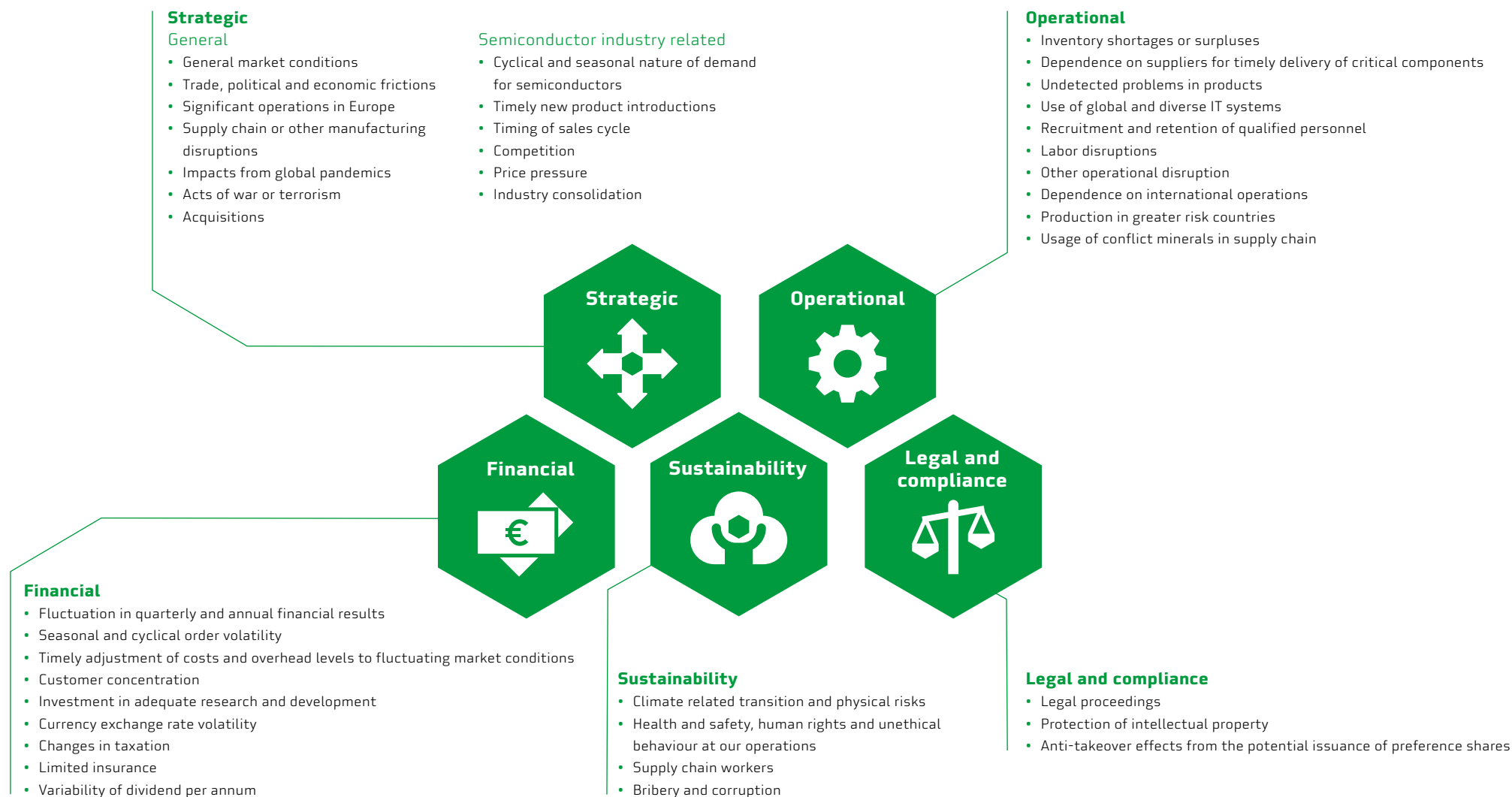
- Development of Besi's revenue, orders, results of operations and balance sheet versus budget as well as developments in the global economy and semiconductor assembly equipment market and their impact on Besi's financial results.
- Progress of ongoing strategic initiatives and cost reduction efforts.
- Status of key customer relationships.
- Analysis of orders lost to competitors and the development of Besi's competitors' businesses.
- Material developments in Besi's research and development activities.
- Impacts of actual or potential inflationary pressures, interest rate and risk premium adjustments and global macroeconomic conditions.
- Foreign currency exchange rate developments.
- Status of Besi's current corporate governance procedures.
- Status of systems, procedures and activities to monitor and evaluate risks from fraud, bribery or corruption in Besi's operations.
- Cyber security threats and risk remediation related thereto.
- Climate change exposures.
- Sustainability-related KPIs and progress versus targets and milestones.

In addition to internal controls over financial reporting, the operation of Besi's internal control system is also assessed by the external auditor if deemed relevant in the context of the audit of the annual Financial Statements. The results of this audit are discussed with the Board of Management and the Audit Committee of the Supervisory Board.

There were no indications that Besi's internal control and risk management systems did not function properly in 2024. Please refer to [Internal Control and Risk Management](#) in the Corporate Governance section for further information.

## Risk universe

Besi's risk universe can be classified as follows:



Besi does not rank the individual risks identified by management in its risk universe. We believe that all risks described herein have significant relevance and that a ranking process would negate the purpose of a comprehensive risk assessment.

### Risk appetite

Besi's risk appetite is primarily based on defined and agreed upon strategies and the individual objectives and initiatives within such strategies. Management believes that Besi's risk appetite is aligned with its strategy and priorities. The Board of Management monitors the operation of its internal control and risk management systems and carries out a systematic assessment of its design and effectiveness at which time it also assesses its risks, including residual risks, net of risk mitigation measures. The Board of Management discusses the effectiveness of the design and operation of Besi's internal control and risk management system with the Audit Committee and provides input to the Supervisory Board as to the status of specific risk management initiatives.

Our risk appetite differs per risk type:

Risk category	Risk appetite
<b>Strategic risks and risks related to the semiconductor industry</b> 	Besi seeks to realize its strategic ambitions and priorities and is willing to accept reasonable risks to achieve such objectives.
<b>Operational risks</b> 	Besi has a variety of operating initiatives and challenges in its strategic planning that require an appropriate level of management attention. We seek to mitigate risks that could negatively affect our realization of operating initiatives and efficiency targets while ensuring that our quality standards are unaffected in the process.
<b>Financial risks</b> 	Besi's financial strategy is focused on generating increased revenue, profit and cash flow from its business model, maintaining a strong financial position and creating long-term value for shareholders. We seek to mitigate risks which could negatively influence our results of operations, financial condition and access to capital markets while maintaining optimal operating and financing flexibility and an attractive capital allocation policy for the benefit of stakeholders.
<b>Sustainability risks</b> 	We strive to create long-term value for our stakeholders and operate our business in a sustainable way, respecting the environment, our own employees and wider society. We seek to mitigate sustainability risks which could negatively impact Besi's revenue, cost and availability of resources, and the cost associated with sustainability initiatives.
<b>Legal and compliance risks</b> 	Besi strives to be fully compliant with its Code of Conduct and all applicable national and international laws and regulations in the markets and jurisdictions in which it operates. In addition, we seek to comply with all environmental and labor laws and use our best efforts to comply with best practice standards in the jurisdictions in which Besi operates.

### Risk factors

We confront many risks in conducting our business that may limit our ability to realize Besi's business objectives. We assess our risk exposure by referencing the five risk categories comprising Besi's risk universe. Any of the specific risks which form a part of such categories have the potential to materially and adversely affect our business, financial condition, results of operations and reputation. In addition, there may exist some risks currently which are not yet known to us or risks deemed immaterial at present which could become material in the future. Many of the risks described below may be exacerbated by impacts from geo-political tensions such as the prolonged Ukraine/Russia conflict and the Israel/Hamas conflict, trade friction between the US and China, increased weather events caused by climate change and any worsening of global business and economic conditions.



## Strategic risks

Besi's business and results of operations may be negatively affected by general economic and financial market conditions and volatile spending patterns by its customers.

Although the semiconductor industry's business cycle can be independent of the general economy, global economic conditions often have a direct impact on demand for semiconductor devices and ultimately demand for semiconductor manufacturing equipment. Accordingly, Besi's business and financial performance are affected, both positively and negatively, by fluctuations in the macroeconomic environment. As a result, the Company's visibility as to future demand is generally limited and its ability to forecast future demand is difficult.

Besi believes that historic volatility in capital spending by customers is likely to persist in the future. In addition, future economic downturns and/or geopolitical events could adversely affect Besi's customers and suppliers which would in turn have an impact on Besi's business and financial condition.

Trade, political and economic frictions could adversely affect Besi's revenue and results of operations.

The semiconductor industry is a global marketplace, relying on complex supply chains. Any changes in trade policies including tariffs, import and export controls and the adoption of other trade barriers by the world's largest economies could affect Besi's sales or its customers' sales and thereby affect its operating results.

Due to the complex relationships among the European Union, China, Japan, Korea, Taiwan and North America, there is inherent risk that political and diplomatic influences might lead to trade disruptions. In particular, heightened trade tensions, retaliatory tariffs and intellectual property transfer issues between North America and China in recent years could potentially limit or restrict the sale of Besi's semiconductor assembly equipment to China. In addition, increased global tensions have also occurred due to China's challenges to Taiwan's independent governance status as well as Taiwan's increasing importance to the global supply chain of advanced semiconductor devices. A significant trade disruption in any area where Besi does business could have a material adverse impact on our future revenue and profitability. Tariffs, additional taxes or trade barriers may increase our manufacturing costs, decrease margins, reduce the competitiveness of our products or inhibit Besi's ability to sell products or purchase necessary equipment and supplies, all of which could have a material adverse effect on our business, results of operations and financial condition.

In addition, there are risks that governments may, among other things, insist on the use of local suppliers, compel companies to partner with local companies to design and supply equipment on a local basis, require the transfer of intellectual property rights and/or local

manufacturing or provide special incentives to government backed local customers to buy from local competitors even if their products are inferior to ours, all of which could adversely impact our revenue, margins and financial condition. Many of these challenges are particularly applicable in China which is a fast-developing market for the semiconductor equipment industry and an area of anticipated growth for Besi's business. Further, the political and economic climate in China at both the national and regional levels can be fluid and unpredictable. China has implemented state-sponsored initiatives to build domestic semiconductor capacity and supply chains. In addition, countries in North America and the European Union have adopted legislation to provide government funding for semiconductor manufacturing expansions in their respective regions, but there is uncertainty as to the amounts and timing of funding and as to any restrictions on recipients. As such, Besi may be at a disadvantage in competing with entities participating in such government efforts based on their lower cost of capital, access to government subsidies and decision making, preferential sourcing practices and stronger local relationships or otherwise. Any such disadvantages or challenges could have a material adverse effect on our business, results of operations and financial condition.

Besi's business includes significant operations in Europe. Disruptions to European economies could have a material adverse effect on Besi's operations, financial performance and access to credit.

Given the scale of its European operations and scope of its relationships with customers and counterparties, Besi's results of operations and financial condition could be materially and adversely affected by persistent disruptions in European financial and commodity markets, the attempt of a country to abandon the euro, the impact of a prolonged Ukraine/Russia conflict or Israel/Hamas conflict, the failure of a significant European financial institution, even if not an immediate counterparty to Besi, persistent weakness in the value of the euro (our reporting currency) and the potential adverse impact on global economic growth and capital markets if eurozone issues spread to other parts of the world as a result of the default of a eurozone sovereign or corporate issuer.

Besi outsources a significant portion of its manufacturing to subcontractors and relies on their reliability and timely delivery of components, subsystems and modules in its production operations. Supply chain disruptions or other manufacturing interruptions or delays could affect Besi's ability to meet customer demand on a timely basis or lead to higher costs.

Besi's production model involves the outsourcing of a significant portion of the components, subsystems and modules used in its systems to third party suppliers. Besi depends on the timely supply of equipment, services and related products to meet the changing technical and volume requirements of its customers, which in turn depends in part on the timely delivery of parts, materials and services, including components and subassemblies, from suppliers and contract manufacturers. Significant and sudden increases in demand for Besi's products as well as worldwide demand for electronic

products, have resulted in, and may continue to result in, a shortage of parts, materials and services needed to manufacture Besi's products. Such shortages, as well as delays in and the unpredictability of shipments due to transportation interruptions, have adversely impacted, and may continue to adversely impact, our suppliers' ability to meet our demand requirements. Some key parts, components and subassemblies are subject to long lead times or are available only from a single supplier or limited group of suppliers, and some sourcing or subassembly is provided by suppliers located in countries other than the countries where Besi conducts its manufacturing. Volatility of demand for manufacturing equipment can increase capital, technical, operational and other risks for Besi and for companies throughout its supply chain and may cause some suppliers to exit businesses, or scale back or cease operations, which could also impact our ability to meet customer demand.

Besi may also experience significant interruptions to its manufacturing operations, delays in its ability to deliver or install products or services, increased costs or customer order cancellations as a result of:

- Volatility in the availability and cost of parts, materials or services, including rising prices due to inflation.
- Difficulties or delays in obtaining required import or export approvals.
- Shipment delays due to transportation interruptions or capacity constraints.
- A worldwide shortage of semiconductor components as a result of sharp increases in demand for semiconductor products in general.
- Information technology or infrastructure failures including those of a third-party supplier or service provider.

Difficulties in meeting, or failure to meet, customer demand for the reasons above could have a material adverse effect on Besi's business, results of operations and financial condition.

#### Besi faces risks related to global pandemics that could significantly disrupt or materially adversely affect its business and financial performance.

Global pandemics (including but not limited to COVID-19) have had and may have in the future a significant adverse impact on global supply chains and commercial activity. Pandemics also have had and may have in the future a sustained adverse impact on economic and market conditions and limited global economic growth for a prolonged period of time, all of which has adversely affected and may affect in the future spending on semiconductor manufacturing equipment, semiconductor supply chains and cycle times, demand for Besi's product offerings and Besi's business and operating results.

Besi's revenue may be negatively affected in future periods by its ability to source components and make timely customer deliveries and complete orders. Furthermore, some of Besi's customers could also experience significant adverse effects from supply

chain shortages as a result of a pandemic which could adversely affect the timing of orders placed with Besi and/or accepted by them. In addition, any future pandemic could adversely impact semiconductor and global supply chains and result in labor shortages, inflationary pressures and increased transportation/logistics costs. As a result, the financial projections Besi uses as the basis for estimates and assumptions in its financial statements could be adversely affected by any further volatility in these uncertainties.

#### Acts of war or terrorism could adversely affect Besi's business and results of operations.

Threats or acts of war or terrorism may adversely affect our business. Terrorist attacks in Europe and other regions globally as well as continuing geo-political tensions in the Middle East, Ukraine and elsewhere have created significant instability and uncertainty in the world. In addition, terrorist attacks, including cyberterrorism, that directly impact Besi's employees and facilities or those of Besi's suppliers or customers could have an adverse impact on its sales, supply chain, production capabilities and costs. Any such event could have a material adverse effect on world markets, our business and our results of operations.

#### Besi may acquire or make investments in companies or technologies that could disrupt its ongoing business, distract its management and employees, increase its expenses and adversely affect its results of operations.

As part of its growth strategy, Besi may acquire or make investments in companies and technologies from time to time. Any such acquisitions could lead to failure in achieving Besi's financial or strategic objectives or its ability to perform as Besi plan or disrupt its ongoing business and adversely impact its results of operations. Any acquisition could pose further risks related to the integration of the new business or technology with Besi's existing business and organization and Besi may not realize expected benefits from such acquisition or investment. Besi could face difficulties in integrating personnel and operations from the acquired businesses or technology and in retaining and motivating key personnel from such businesses. In addition, these acquisitions may disrupt Besi's ongoing operations, divert management resources and attention from day-to-day activities, increase its expenses and adversely affect its results of operations. In addition, these transactions often result in charges to earnings for items such as business unit restructuring including charges for personnel and facility terminations and the amortization of intangible assets or in-process research and development expenses.

Other risks associated with acquisitions include the assumption of potential liabilities, disclosed or undisclosed, associated with the business acquired, which liabilities may exceed the amount of indemnification available from the seller, potential inaccuracies in the financial statements of the business acquired, Besi's ability to retain customers and revenue of an acquired entity and industrialize an acquired process or technology. Any future acquisitions or investments in companies or technologies could involve other risks including the assumption of additional liabilities, dilutive issuances of equity securities, the utilization of cash and the incurrence of debt.



### Semiconductor industry related risks

Besi's revenue and results of operations depend in significant part on demand for semiconductors which is highly cyclical and has increasingly become more seasonal in nature.

Capital expenditures for semiconductor manufacturing equipment depend on the current and anticipated market demand for semiconductors and products using semiconductors. The semiconductor industry is highly cyclical and volatile and is characterized by periods of rapid growth followed by industry-wide retrenchment. These periodic downturns have included, among other things, diminished product demand, production overcapacity, oversupply and reduced prices, all of which have been regularly associated with substantial reductions in capital expenditures for semiconductor facilities and equipment and a reduction of Besi's revenue.

Over the past decade, Besi has experienced significant upward and downward movements in quarterly order rates due to global macroeconomic concerns, the timing of industry capacity additions and seasonality associated with end-user application revenue which materially affected and, in certain instances, materially adversely affected its revenue, results of operations and orders. Customer order patterns have become increasingly more seasonal due to the growing influence of more retail-oriented electronics applications in the overall demand for semiconductor devices such as smartphones, tablets, wearables, infotainment, gaming and automotive electronics and the timing of new product introductions. As such, typical annual order patterns have been characterized by a strong ramp in the first half of the year to build capacity to meet anticipated year end demand followed by a subsequent decline in the second half of the year as capacity additions are digested by customers.

Besi is, and will continue to be, dependent on the demand by electronics and semiconductor manufacturers for its systems and services. Due to the lead times associated with the production of semiconductor equipment, a rise or fall in the level of sales of semiconductor equipment typically lags any downturn or recovery in the semiconductor market by approximately three to six months. If Besi is not able to take appropriate actions, such as reducing its overhead levels sufficiently and on a timely basis to offset order weakness, this cyclicity could adversely effect Besi's revenue, results of operations and orders. Industry downturns can be severe and protracted and will continue to adversely affect Besi's revenue, results of operations and orders.

**Besi must introduce new products in a timely fashion and its success is dependent upon the market acceptance of such products.**

The semiconductor equipment industry is subject to rapid technological change and new product introductions and enhancements. The success of Besi's business strategy and results of operations are largely based upon accurate anticipation of customer and market

requirements. Besi's ability to implement its overall strategy and remain competitive depend in part upon its ability to develop new and enhanced products and introduce them at competitive price levels in order to gain market acceptance. Besi must also accurately forecast commercial and technical trends in the semiconductor industry so that its products provide the functions required by its customers and are configured appropriately for use in their facilities. Besi may not be able to respond effectively to technological changes or to specific product announcements by competitors. As a result, the introduction of new products embodying new technologies or the emergence of new or enhanced industry standards could render Besi's existing products uncompetitive from a pricing standpoint, obsolete or unmarketable. Moreover, the ability to successfully introduce new products could be impacted by factors beyond Besi's control including the availability of critical third-party components and the performance of subcontractors in alignment with Besi's expectations.

In addition, Besi is required to invest significant financial resources in the development of new products or upgrades to existing products and sales and marketing efforts before such products are made commercially available and before Besi is able to determine whether they will be accepted by the market. Revenue from such products will not be recognized until long after Besi has incurred the development costs associated with designing, creating and selling such products. In addition, a customer may cancel or modify a product order before or during Besi's manufacturing process and before it receives revenue from the customer. While Besi typically imposes a fee when its customers cancel an order, that fee may not be sufficient to offset costs incurred to design and manufacture such product. In addition, the customer may refuse to pay the cancellation fee. It is difficult to predict with any certainty the frequency with which customers will cancel or modify their orders or the effect that any cancellation or modification would have on Besi's results of operations.

**Because of the lengthy and unpredictable sales cycle for its products, Besi may not succeed in closing transactions on a timely basis, if at all, which could adversely affect its revenue and operating results.**

The sales cycle for Besi's systems are often lengthy and unpredictable due to the technological sophistication of its products and premium prices related thereto. Factors affecting the sales cycle include:

- General economic conditions.
- Customers' capital spending plans, capacity utilization rates, technology roadmaps and budgetary constraints.
- Timing related to the adoption, testing, qualification and introduction of new devices and process technologies and related equipment.
- The timing of customers' budget cycles.
- Customers' internal approval processes.

Lengthy sales cycles may cause Besi's revenue and results of operations to vary from period to period and it may be difficult to predict the timing and amount of any variations. Besi may not succeed in closing such large transactions on a timely basis or at all, which could cause significant variability in its revenue and results of operations for any particular period.

#### Besi may fail to compete effectively in the markets in which it operates.

Besi faces substantial competition on a worldwide basis from established companies based in Japan, Korea, Singapore, China, various other Asia Pacific countries and North America which may have greater financial, engineering, manufacturing and marketing resources than Besi including the possibility of receiving direct or indirect government subsidies, economic stimulus funds or other incentives that may be unavailable to us. The governments of the United States, China, Europe, South Korea, Taiwan and Japan provide various incentive programs to promote the development of their domestic semiconductor industries.

Additionally, any financial incentives that Besi receives may be subject to conditions imposed by the grantors such as restrictions on the expansion of facilities in foreign countries of concern and on joint research and technology licensing efforts with foreign entities of concern related to any technology or product that raises national security concerns. The grantors could seek to recover any funds provided to Besi, or cancel, reduce, or deny our requested subsidies or grants in the future. This could materially increase Besi's costs or otherwise adversely affect our operations.

Besi also believes that once a semiconductor manufacturer has decided to buy semiconductor assembly equipment from a particular vendor, the manufacturer often continues to use that vendor's equipment in the future. Accordingly, it is often difficult to achieve significant sales to a particular customer once another vendor's products have been installed. Furthermore, some companies have historically developed, manufactured and installed assembly equipment internally, and it may be difficult for Besi to sell its products to these companies or, in attempting to make sales to such companies, risk exposing our proprietary technology to a potential competitor.

Besi's ability to compete successfully in the markets in which it operates depends on a number of factors both within and outside its control including:

- Price, product quality and system performance to customer specifications.
- Ease of use and reliability of its products.
- Manufacturing lead times including the lead times of Besi's subcontractors.
- Cost of ownership.
- Success in developing or otherwise introducing new products.
- Market and economic conditions.

- Local market presence, particularly in Asian markets, and the quality of Besi's after-market sales and service support in each region in which it operates.
- Ability to attract and retain qualified personnel, particularly in Asia.

Moreover, Besi's competitors may, from time to time, also decide to undertake aggressive pricing initiatives with respect to one or several product lines. Our competitors also may improve their current products' performance, and introduce new products with improved price and performance characteristics. New product introductions by existing competitors or by new market entrants could hurt our sales. These competitive activities may decrease our customer base, pricing, or both. If Besi is unable to compete effectively with such competitors on technology, manufacturing capacity, product quality, supply chain diversification and resilience and customer satisfaction, Besi's business and results of operations could be adversely affected.

#### Besi may experience increased price pressure on its product sales.

One of the results of the rapid innovation in the semiconductor industry is that pricing pressure, especially on products containing older technology, can be intense. Product life cycles are relatively short, and as a result, products tend to be replaced by more technologically advanced substitutes on a regular basis. In turn, historically, demand for older technology falls, causing the price at which such products can be sold to drop, in some cases precipitously. If this trend continues, in order to continue profitably supplying such products, we must reduce our production costs in line with the lower revenue we can expect to generate per unit.

Besi's ability to maintain pricing levels for its systems depends, in part, on its ability to continually develop and introduce new products and next generations of its principal products on a timely basis. If Besi cannot advance its process technologies or improve its efficiencies to a degree sufficient to maintain required margins, Besi will no longer be able to make a profit from the sale of these products. Moreover, Besi may not be able to cease production of such products, either due to contractual obligations or for customer relationship reasons, and as a result may be required to bear a loss on such products. Besi cannot guarantee that competition in its core product markets will not lead to price erosion, lower revenue or lower margins in the future. The failure of new product development and/or cost reduction efforts could limit Besi's ability to offset future pricing pressure, and, as such, could materially and adversely affect its financial condition and operating results.

#### Recent consolidation activity and industry alliances in the semiconductor industry have further increased customer concentration and the risk of loss.

Besi expects that there will continue to be consolidation within the semiconductor industry resulting in fewer potential customers for its products and services. In addition, and, perhaps more significantly, industry consolidation could result in the potential loss of business from existing customers that are a party to a merger if the combined entity

decides to purchase all of its equipment from one of Besi's competitors or if further consolidation leads to greater vertical integration. Further industry consolidation could result in additional negative consequences to Besi including increased pricing pressure, increased customer demands for enhanced or new products, greater sales and promotional costs and the potential for increased oversight from regulatory agencies. Any of the foregoing events would have an adverse impact on Besi's business, results of operations and financial condition.

Some of Besi's customers and potential customers are entering into alliances or other forms of cooperation with one another to expedite the development of processes and other manufacturing technologies. One of the results of this cooperation may be the definition of a system or particular tool set for a certain function or a series of process steps that uses a specific set of manufacturing equipment. These decisions could work to Besi's disadvantage if a competitor's equipment becomes the standard equipment for such function or process. Even if Besi's equipment was previously used by a customer, that equipment may be displaced in current and future applications by the equipment standardized through such cooperation. These forms of cooperation may have a material adverse effect on Besi's business, financial condition and results of operations.

In addition, various industries have experienced consolidation and other ownership changes or the emergence of dominant firms and supply chains within those industries, including the mobile smartphone, computing and automotive industries. Any future changes in market structure to industries in which we sell our equipment could decrease the number of potential customers for our product offerings and/or risk an increase in competition for our clients' equipment purchases. Moreover, our competitors may respond to such changes in market conditions by lowering prices and attempting to lure away Besi's customers.



### Operational risks

Difficulties in forecasting demand for Besi's products may lead to periodic inventory shortages or surpluses.

Besi typically operates its business with limited visibility of future demand. As a result, it sometimes experiences inventory shortages or surpluses. Besi generally orders supplies and otherwise plans production based on internal forecasts for demand. During the COVID-19 pandemic, we held larger quantities of critical components and parts in inventory to help ensure timely deliveries to customers. Besi has in the past failed, and may fail again in the future, to accurately forecast demand for its products. This has led to, and may in the future lead to, delays in product shipments or, alternatively, an increased risk of inventory obsolescence. If it fails to accurately forecast demand for its products, Besi's business, results of operations and financial condition could be materially and adversely affected.

Besi depends on its suppliers for critical raw materials, components and subassemblies on a timely basis. If suppliers do not deliver their products on a timely basis, particularly during a large order ramp, our revenue, customer relationships and market share could be materially and adversely affected.

Besi's assembly equipment, particularly its advanced packaging systems, is highly complex and requires raw materials, components, modules and subassemblies having a high degree of reliability, accuracy and performance. Besi relies on subcontractors to manufacture most of these components and subassemblies (and, in certain instances, on sole suppliers for such items) on a timely basis as our order ramps can be steep and cycle times relatively short. As a result, Besi is exposed to a number of significant risks including:

- Increased outsourcing of Besi's manufacturing process including modules and subassemblies produced by subcontractors.
- Shortages caused by disruptions at our suppliers and subcontractors for a variety of reasons including work stoppage or fire, earthquake, flooding or other natural disasters.
- Shortages caused by trade barriers and political or economic turmoil, including military conflicts and inflation, occurring within the country of origin of such raw materials.
- Changes in our manufacturing processes in response to changes in the market, which may delay our shipments.
- Potential for inadvertent use of defective, contaminated or conflict mineral raw materials.
- Relatively small operations and limited manufacturing resources of some of our suppliers which may limit their ability to manufacture and sell subassemblies, modules, components or parts in the volumes Besi requires and at acceptable quality levels, prices and delivery timetables.
- Potential inability of suppliers to meet customer demand requirements during volatile cycles.
- Potential inability of any sole source suppliers to source the raw materials necessary to provide Besi the components, subassemblies or modules necessary for our operations.
- Reliability or quality issues with certain key components, modules and subassemblies provided by single source suppliers as to which Besi may not have any short-term alternative.
- Delays in the delivery of raw materials, modules or subassemblies, which, in turn, may delay shipments to our customers.
- Loss of suppliers as a result of industry consolidation, bankruptcy or insolvency.
- Potential copying or theft of proprietary designs for unauthorized use or sale to third parties including competitors.

If Besi were unable to deliver products to its customers on time and at expected costs for these or any other reasons, or it were unable to meet customer expectations as to cycle time, or it were unable to maintain acceptable product quality or reliability, then its business relationships, market share, financial condition and operating results could be materially and adversely affected.

### Undetected problems in Besi's products could directly impair its financial results.

Besi makes highly complex products and, accordingly, there is a risk that defects may occur in any of our system. Such defects can give rise to significant costs, including expenses related to recalling products, replacing defective items, writing down defective inventory and loss of potential sales. In addition, the occurrence of such defects may give rise to product liability and warranty claims, including liability for damages caused by such defects. If flaws in the design, production, assembly or testing of its products (by Besi or its suppliers) were to occur, we could experience a rate of failure in our products that could result in substantial repair, replacement or service costs and potential damage to Besi's reputation. Moreover, since the cost of replacing defective semiconductor devices is often much higher than the value of the devices themselves, we could face damage claims from customers in excess of the amounts they pay us for our products, including consequential damages.

The costs of product defects and errata (deviations from product specifications) due to, for example, problems in Besi's design and manufacturing processes could include:

- Incurring warranty expenses.
- Writing off the value of inventory.
- Disposing of products that cannot be fixed.
- Retrofitting products that have been shipped.
- Providing product replacements or modifications.
- Defending against litigation.

Besi also faces exposure to potential liability resulting from the fact that its customers typically integrate the semiconductors assembled by its systems into numerous consumer products which are then sold into the marketplace. Besi is exposed to product liability claims if semiconductors assembled using its systems or the consumer products based on them malfunction and result in personal injury or death. Besi may be named in product liability claims even if there is no evidence that our products caused the damage in question and such claims could result in significant costs and expenses relating to attorneys' fees and damages. In addition, our customers may recall their products if they prove to be defective or make compensatory payments in accordance with industry or business practice or in order to maintain good customer relationships. If such a recall or payment is caused by a defect involving one of our systems, our customers may seek to recover all or a portion of their losses from us. Costs or payments we may make in connection with warranty and other claims or product recalls may adversely affect our results of operations and financial condition. There can be no assurance that we will be successful in maintaining our relationships with customers with whom we have incurred quality problems. Furthermore, if litigation occurs, we could incur significant costs and liabilities to defend ourselves against such claims. There can also be no assurance that our insurance policies will be available or adequate to protect us against such claims.

Besi's reputation is also susceptible to damage from events such as significant disputes with customers, alleged product defects, internal control deficiencies, delivery failures, or actions of current or former customers, directors, employees, competitors, vendors or partners. If our brand image is tarnished by negative perceptions, our ability to attract and retain customers, talent and ecosystem partners could be impacted which in turn may negatively impact our business as a whole.

Continued improvements in manufacturing capabilities, controls of material and manufacturing quality and costs and product testing are critical factors to Besi's future growth. There can be no assurance that our efforts to monitor, develop, modify and implement appropriate tests and manufacturing processes for Besi's products will be sufficient to permit us to avoid a rate of product failure that results in substantial delays in shipments, repair, replacement or service costs and/or potential damage to our reputation, any of which could have a material adverse effect on Besi's business, results of operations and financial condition.

### Besi's use of global and diverse information technology systems could result in ineffective or inefficient business management and could expose it to security threats to its data resources and intellectual property.

Besi currently utilizes a variety of information technology ("IT") systems to run its global operations. At present, Besi's operations rely on a range of different software systems to manage sales, administrative and production functions. Some of these systems are proprietary and others are purchased from third party vendors. In addition, some of these systems are maintained on-site by Besi personnel while others are maintained off-site by third parties.

We maintain and rely extensively on IT systems and network infrastructure for the effective operation of our business and protection of technological resources. We also hold large amounts of data in data center facilities around the world upon which our business depends. We could experience a disruption or failure of our systems, or of the third-party hosting facilities or other services that we use. Such disruptions, failures or threats could include a major earthquake, flood, fire, cyber attack, act of terrorism, ransomware or other catastrophic event as well as power outages or telecommunications infrastructure outages or a decision by one of our third-party service providers to close facilities that we use without adequate notice or other unanticipated problems with the third-party services that we use, including a failure to meet service standards. Further, as AI continues to evolve, cyber attackers could also use AI to develop malicious codes and sophisticated phishing attempts. As a highly automated business with a significant amount of our customers, suppliers and employees working remotely, any such disruptions or failures could (i) result in the destruction or disruption of our critical business operations, controls or procedures or IT systems, (ii) result in the loss or divulgence of trade secrets and other

sensitive information such as proprietary information of Besi's customers and other stakeholders and the personal information of our employees, (iii) severely affect our ability to conduct normal business operations including delaying completion of sales and provision of services, (iv) result in a material weakness in our internal control over financial reporting, (v) harm our reputation and (vi) adversely affect our ability to attract and retain customers, any of which could materially adversely affect our future operating results.

Besi believes that there has been a global increase in IT security threats and higher levels of professionalism in computer crime which pose a greater risk to the confidentiality, availability, distribution and integrity of our internal data and information. Besi relies on commercially available systems, software, tools and monitoring to provide security for the processing, transmission and storage of confidential information. A disruption, infiltration or failure of our IT systems or any of our data centers could occur as a result of technological error, computer viruses, or third-party action including intentional misconduct by computer hackers, physical break-ins, the actions of state actors, industrial espionage, ransomware efforts, fraudulent inducement of employees or customers to disclose sensitive information such as usernames or passwords, and employee or customer error or malfeasance.

A security breach could result in unauthorized access to or disclosure, modification, misuse, loss, or destruction of our or our customers' data (including proprietary design information, intellectual property or trade secrets). Because there are many different security breach techniques and such techniques continue to evolve, we may be unable to anticipate attempted security breaches and implement adequate preventative measures. Any security breach or successful denial of service attack could result in a loss of customer confidence in the security of our products and damage to our brand, reduce the demand for our offerings, disrupt our normal business operations, compromise our competitive technological position, require us to spend material resources to investigate or correct the breach, expose us to legal liabilities including litigation, regulatory enforcement and indemnity obligations and materially adversely affect our operating results.

In addition, Besi and its affiliates worldwide employ certain third-party service providers with whom we need to share highly sensitive and confidential information to enable them to provide the relevant services to us. While Besi requires such third-party service providers to strictly fulfill the confidentiality and/or internet security requirements in its service agreements with them, there is no assurance that each of them will comply with such obligations. Moreover, such third-party service providers may also be susceptible to cyberattacks. If Besi or its service providers are not able to timely resolve the respective technical difficulties caused by such cyberattacks, or ensure the integrity and availability of its data (and data belonging to its customers and other third parties) or maintain control of Besi's or its service providers' computing systems, Besi's commitments to its customers and other stakeholders may be materially impaired and its results of operations, financial condition, prospects and reputation may also be materially and adversely affected.

#### Our business may be harmed if we fail to attract and retain qualified personnel.

Besi's success depends on the continued contribution of its senior executive officers and key employees including specialists with advanced qualifications in engineering, electronics, software and computing. In addition, we need to attract and retain other qualified management, technical, sales and support personnel for our operations, particularly to help expand our Asian production and technical capabilities. Experienced personnel with the relevant and necessary skill sets in our industry are in high demand and competition for their talents is intense, especially in Asia. The loss of personnel, talent shortages, illegal talent poaching, immigration controls or changes in market demand for Besi's products and services could hinder its ability to fulfill personnel needs with high-quality professionals in a timely fashion.

Besi's business and future operating results also depend on the continuous monitoring and adjustment of our Asian production capacity given the cyclical nature of our business and increased seasonal influences on order rates. We believe that our ability to increase manufacturing capacity has from time to time been constrained by the limited availability of skilled technical and production personnel available. Competition for such personnel is intense and may be amplified by evolving and periodic restrictions on immigration, travel or availability of visas for skilled technology workers. Additionally, rising labor costs in the various countries in which Besi operates could adversely affect its business, financial condition and results of operations.

#### We may face labor disruptions that could interfere with our operations and may be unable to efficiently reorganize our workforce in the event of a market downturn.

Besi employed a total staff of 1,878 fixed personnel as of December 31, 2024, of whom approximately 68% were based in Asia and 32% were based in Europe and North America. Some of Besi's employees in Europe are members of Works Councils. While Besi believes that it has good relations with Works Councils and employees generally, there can be no assurance that its relations will not deteriorate and that it will not experience labor disputes in the future. There can be no assurance that Besi's employees will not make claims or that it will not have work stoppages in the future, which if they occur, would have a material adverse effect on Besi's business, financial condition or results of operations. Besi cannot guarantee that its employees will not go on strike in the future. Any work stoppages resulting from employee strikes or slowdowns could hinder Besi's operations and production.

Furthermore, in the event of a market downturn, or other events leading to a decrease in Besi's business volume, we may have to downsize our industrial activities, including staff reductions and/or the discontinuation of some operations. Flexibility in human resource management is, however, significantly affected by labor laws and regulations and by the terms of the agreements between Besi, Works Councils and government authorities. Labor

law practices provide significant protections for worker rights in various countries where Besi operates. If there is a market decline or a reduction in business and Besi is unable to reorganize its workforce consistent with market realities or otherwise to adjust its production capacity, or is required to incur significant costs in connection therewith, Besi's business, financial condition and results of operations could be materially adversely affected.

**Any significant disruption to Besi's operations could reduce the attractiveness of our products and result in a loss of customers.**

The timely delivery and satisfactory performance of Besi's products are critical to our operations, reputation and ability to attract new customers and to retain existing customers. Besi's administrative, development and systems manufacturing are located all over the world including locations in the Netherlands, Malaysia, Singapore, Austria, China, Vietnam and Switzerland. Some of Besi's facilities are in locations that have experienced severe weather conditions, fire, natural disasters, flooding, political unrest and/or terrorist incidents. For example, the operations of Besi's die bonding facility located near Kuala Lumpur, Malaysia were disrupted by a severe flood in the fourth quarter of 2021 which caused us to defer some shipments by four to eight weeks and to incur € 7.4 million of costs to repair systems affected by the flood.

If the operations at any of our facilities in the future were damaged or destroyed as a result of any of the foregoing, or as a result of other factors, Besi could experience interruptions in its service, delays in product deliveries and would likely incur additional costs to arrange new production facilities which may not be available on timely or commercially reasonable terms, or at all. Any interruptions to Besi's operations or delays in delivering its products could harm our customer relationships and brand reputation, divert employees' attention, decrease revenue, increase our liability exposure and could potentially cause order cancellations, any of which could adversely affect Besi's business, financial condition and results of operations. It is unclear whether Besi's insurance policies would adequately compensate for any losses incurred as the result of a production or service disruption or delay.

**Besi is largely dependent upon its international operations.**

Besi has manufacturing and/or sales and service facilities and personnel in the Netherlands, Austria, Malaysia, Korea, Hong Kong, Singapore, China, the Philippines, Taiwan, Thailand, Switzerland, Vietnam and North America. Its products are marketed, sold and serviced worldwide. In addition, approximately 67% of its sales in 2024 were to customers outside of Europe and 68% of its fixed employees at year end 2024 were located in facilities outside of Europe.

Besi's operations are subject to risks inherent in international business activities including, in particular:

- General economic, banking and political conditions in each country.
- Unpredictable legal systems in developing countries, including unexpected changes in regulatory requirements, compliance with a variety of foreign laws and regulations including restrictions on immigration, travel, or the availability of visas.
- The overlap of different tax structures with potentially conflicting interpretations of tax regulations.
- Management of an organization spread over various countries.
- Currency fluctuations which could result in reduced revenue, increased operating expenses and foreign currency controls.
- Greater difficulty in accounts receivable collection and longer collection periods.
- Difficulty in enforcing or adequately protecting Besi's intellectual property in foreign jurisdictions.
- Tariffs, import and export licensing requirements, trade restrictions, restrictions on foreign investments and changes in freight rates.
- Political unrest and terrorist activities in the countries in which it operates.
- Corruption, bribery and human rights violations.
- Varying impacts per region from climate change events.

In addition, each region in the global semiconductor equipment market exhibits unique characteristics that can cause capital equipment investment patterns to vary significantly from period to period.

**Much of Besi's production is conducted in markets which may subject us to greater risks related to political, legal and economic risk.**

In recent years, Besi has significantly increased its production, engineering and supply chain capabilities in Malaysia, China, Vietnam and Singapore to increase its local presence and operational efficiency. Personnel in these jurisdictions represented 68% of our total fixed headcount at year end 2024. Certain governments and judiciaries in these regions exercise broad, unchecked discretion. This can lead to misuse, corruption and rapid change of policies upon which Besi relies and with which we seek to comply. Some places where Besi and its customers work might also have issues with corruption, poor human rights protection, and a lack of clear rules and openness. In light of these risks, compliance with applicable regulatory schemes in Europe, the United States and throughout the world could place a strain on Besi's internal procedures. Any perceived or actual failure to address such risks could have a material impact on Besi's reputation, business, financial condition and results of operations.



Recent regulations and increased customer focus on the usage of conflict minerals in product supply chains may force us to incur additional expenses, make our supply chain more complex and result in damage to Besi's customer reputation.

US, European and Chinese regulatory authorities have established initiatives with respect to the usage by corporations of certain minerals and metals known as conflict minerals in their products, regardless of whether such products are manufactured by third parties. Regulations require companies to conduct due diligence and disclose whether the subject minerals originated from the Democratic Republic of Congo ("DRC") and/or certain adjoining countries. The implementation of such regulations could adversely affect the sourcing, availability and pricing of minerals used in the manufacture and assembly of semiconductor devices. Besi's reputation could also be harmed since our supply chain is complex and verification of the origins of these materials in our products through due diligence procedures may be difficult and costly and may not be possible at all. In such an event, we may also face difficulties in satisfying customers who require that all our product components be certified as conflict-free.



### Financial risks

Besi's historical financial results have fluctuated significantly and may continue to do so in the future.

Given the cyclical nature of Besi's industry, its quarterly revenue, orders and operating results have fluctuated significantly in the past and may continue to do so in the future. Besi believes that period to period comparisons of its operating results are not necessarily indicative of future operating results. Uncertainties that have caused our operating results to fluctuate in the past and which are likely to affect them in the future include the following, many of which are beyond our control:

- Global macroeconomic trends and geopolitical events which may influence levels of gross domestic product, purchasing power and consumer confidence of various regions including both developed and lesser developed countries and which may affect customer willingness to invest in new production capacity.
- The number and frequency of new electronics introductions, particularly for retail applications such as mobile, computing, gaming, infotainment and automotive end-user markets.
- The volatility and seasonality of the semiconductor industry and its impact on semiconductor equipment suppliers.
- Industry capacity utilization, pricing and inventory levels.
- The timing of new customer device introductions and production processes which could require the addition of new assembly equipment capacity.

- The success of Besi's research and development activities including new hybrid bonding and other wafer level assembly systems and volume production related thereto.
- The length of sales cycles and lead times associated with Besi's product offerings.
- The timing, size and nature of Besi's transactions.
- The financial health and business prospects of Besi's customers.
- The impact on potential orders from consolidation trends among semiconductor producers.
- The proportion of semiconductor demand represented by industrial and retail applications.
- Our ability to scale operations on a timely basis consistent with product demand.
- The ability of Besi's suppliers to meet our demand for components, subassemblies and modules on a timely basis.
- The market acceptance of new products or product enhancements by Besi or its competitors.
- The timing of new personnel hires and the rate at which new personnel becomes productive.
- Changes in pricing policies by Besi's competitors.
- Changes in Besi's operating expenses.
- Besi's ability to adequately protect its intellectual property.
- Besi's ability to integrate any future acquisitions and any restructuring charges related thereto.
- The fluctuation of foreign currency exchange rates.
- The impact of any future pandemic on our customers, suppliers and employees.

Because of such uncertainties, investors should not rely on period to period comparisons of Besi's results of operations as an indication of future performance. In future periods, Besi's results of operations could differ from estimates of public market analysts and investors. Such discrepancies could cause the market price of its securities to decline.

**Besi's orders at any particular date may not be indicative of future operating results.**

Besi's orders aggregated € 586.7 million in 2024 which reflected a 7.0% increase versus 2023. Orders are generally subject to customer cancellation at any time upon payment of a negotiated cancellation fee. However, such cancellation fees are generally not sufficient to cover in full all costs incurred up to date of the cancellation. During market downturns, semiconductor manufacturers historically have cancelled or deferred additional equipment purchases. Besi's bookings may also be influenced by seasonal factors which typically cause order levels to decline in the second half of the year from peak levels reached in the first half year.

Because of the possibility of changes in delivery schedules, expedited cycle times, cancellations and delays in product shipments, Besi's orders at any particular date may not be representative of actual revenue for any succeeding period. Besi's current and future dependence on a limited number of customers increases the potential revenue impact of any delay or deferral activity by customers.

Besi may not be able to adjust its costs and overhead levels quickly enough to offset revenue declines it may experience in the future.

A significant portion of Besi's operating costs is fixed including personnel, facility costs and many general and administrative costs. Generally, these costs do not decrease when customer demand drops or when Besi's capacity utilization rates fall. Therefore, a decline in customer demand, among other factors, could significantly reduce Besi's margins and profitability. In less favorable economic environments, Besi is generally faced with a decline in the utilization rates of its manufacturing facilities due to decreased demand for its products. During such periods, its production facilities could operate at a lower loading level while the fixed costs associated with full capacity continue to be incurred, resulting in a lower gross profit.

Expense levels in future periods will be based, in large part, on expectations regarding future revenue sources. As a result, our operating results for any given period in which material orders fail to occur, are delayed or are deferred, could vary significantly. Due to the nature of such fixed costs, we may not be able to reduce our fixed costs sufficiently or in a timely manner to offset any future revenue declines. Our inability to align revenue and expenses in a timely and sufficient manner could have an adverse impact on Besi's gross margins and results of operations.

A limited number of customers have accounted for a significant percentage of Besi's revenue, and its future revenue could decline if it cannot maintain or replace these customer relationships.

Historically, a limited number of Besi's customers have accounted for a significant percentage of its revenue. In 2024, one customer represented more than 10% of Besi's revenue and its largest ten customers accounted for 52% of revenue. We anticipate that our results of operations in any given period will continue to depend to a significant extent upon revenue from a relatively limited number of customers. In addition, we anticipate that the composition of such customers will continue to vary from year to year so that the achievement of our long-term goals will require the maintenance of relationships with existing customers and obtaining additional customers on an ongoing basis. Besi's failure to enter into and realize revenue from a sufficient number of customers during a particular period could have a significant adverse effect on our revenue development.

In addition, there are a limited number of customers worldwide interested in purchasing semiconductor manufacturing equipment and an even more limited number of major customers and supply chains for specific end market applications such as smartphones, tablets, wearables, laptops, computers and automotive electronics. As a result, if only a few potential customers were to experience financial difficulties or file for bankruptcy protection, the semiconductor equipment manufacturing market as a whole, and Besi's revenue and results of operations specifically, could be negatively affected.

Besi must continue to invest in research and development activities even if not always successful.

Besi participates in a highly competitive industry. In order to remain competitive, Besi must continue to develop new products and enhancements to its existing products, including new hybrid bonding and other wafer level assembly systems in order to maintain or expand its market position. Besi expects to continue its significant investment in development activities which may not always be successful or ultimately grow its business or result in long-term profitability.

Maintaining adequate levels of research and development spending to meet market demands is essential to Besi's long-term competitive position. Failure to do so could present an advantage to Besi's competitors. If Besi is not successful or unable to develop products due to certain constraints, such as high employee turnover, lack of management ability or a lack of liquidity or other development resources, including through third-party outsourcing firms, its competitiveness could be harmed.

Besi's results of operations have in the past and could in the future be affected by currency exchange rate fluctuations.

The following tables set forth Besi's revenue and costs and expenses by principal functional currency for 2024, 2023 and 2022:

	2024	2023	Revenue 2022
US dollar	71%	75%	72%
Euro	29%	25%	28%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

	2024	Costs and Expenses 2023	2022
Euro	37%	32%	27%
Malaysian ringgit	22%	23%	30%
Chinese renminbi	12%	15%	14%
Singapore dollar	10%	10%	8%
Swiss franc	9%	8%	8%
US dollar	8%	8%	10%
Other	2%	4%	3%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

Besi's principal reporting currency is the euro. Due to its global operations and differences in the foreign currency composition of its revenue and costs and expenses, Besi's results of operations could be adversely affected by fluctuations in the values of, and the relationships between, the euro, the US dollar, Swiss franc, Malaysian ringgit, Chinese renminbi and Singapore dollar. We seek to manage our exposure to currency fluctuations in part by hedging firmly committed sales contracts denominated in US dollars. While management will continue to monitor its exposure to currency fluctuations and may use financial hedging instruments to minimize the effect of such fluctuations, Besi cannot assure that exchange rate fluctuations will not have a material adverse effect on its results of operations or financial condition.

Besi's principal competitors are domiciled in countries utilizing primarily US dollar and/or Japanese yen as their principal currencies for the conduct of their operations. Besi believes that a decrease in the value of the US dollar and US dollar linked currencies or Japanese yen in relation to the euro could lead to intensified price-based competition in the markets in which Besi operates resulting in lower prices and margins and could have a negative impact on our business and results of operations.

#### Changes in taxation could affect our future profitability.

Besi is subject to income taxes in the Netherlands and other countries in which we are active. Besi's effective tax rate has fluctuated in the past and may fluctuate in the future. Changes in Besi's business environment can affect its effective tax rate. The same applies to changes in tax legislation in the countries where Besi operates, together with developments driven by global organizations such as the Organization for Economic Co-operation and Development ("OECD"), as well as any change in approach to tax by fiscal authorities. These initiatives have already resulted in and may result in further increased compliance obligations for us. Additionally, this may result in an increase in our effective tax rate in future years.

Changes in tax legislation may adversely impact Besi's tax position and consequently its net income. Besi's worldwide effective tax rate is influenced by research and development tax credits and incentives offered by many of the countries where Besi has operations. Besi's Dutch, Swiss, Austrian, Singaporean and Malaysian operations each have benefited from such R&D investment programs. The determination of such tax incentives is complex and relies on interpretations of international tax treaties, which may vary from jurisdiction to jurisdiction. As of the date of this Annual Report, Besi is party to a tax proceeding related to, inter alia, transfer pricing associated with R&D subsidies received from 2015 to 2018 and 2019 to 2021 (see [Note 29](#) Income Taxes of the Financial Statements). If any of the jurisdictions in which Besi operates alter their tax policies/laws in this respect, it may increase Besi's out of pocket development spending and have an adverse effect on Besi's worldwide effective tax rate. In addition, jurisdictions levy corporate income tax at different rates. The mix of Besi's revenue over the various jurisdictions in which Besi operates may vary from year to year, resulting in a different mix of corporate income tax rates applicable to our profits. This can also affect Besi's worldwide effective tax rate and net income.

#### Besi's insurance is limited and subject to exclusions.

As of December 31, 2024, Besi operated eight production and R&D facilities in Asia and Europe and 13 sales and service offices across Europe, Asia and North America. Besi currently has a number of different insurance policies in place that cover property damage and losses due to the interruption of its business subject to customary conditions. Besi believes that this coverage is adequate to cover the risk of loss resulting from any damage to its property or the interruption of any of its business operations. The insurance policies are, however, subject to limits and exclusions. There can be no assurance that Besi's insurance policies will be sufficient to cover all potential losses. In addition, Besi may not be able to obtain sufficient levels of property insurance coverage in the future or that such coverage will be available on terms acceptable to us.

#### Besi may not declare dividends at all or any particular amount in any given year.

Besi aims to pay an annual dividend in accordance with its dividend policy and seeks to increase the amount over time. On an annual basis, the Board of Management (with Supervisory Board approval) will submit a proposal for approval at the Annual General Meeting of Shareholders with respect to the dividend amount to be declared for the prior financial year. The proposal in any given year will be subject to (i) Besi's review of (a) its annual and prospective financial performance, liquidity and financing needs, (b) the prevailing market outlook, (c) its strategy, market position and acquisition strategy and/or (ii) a target dividend payout ratio in the range of 40-100% relative to net income to be adjusted accordingly if the factors referred to under (i) so require.

Accordingly, the Board of Management may decide not to pay a dividend, or a lower dividend, with respect to any particular year in the future which could have a material adverse effect on the price of Besi's ordinary shares.



### Sustainability risks

Besi is subject to environmental risks in the form of climate-related transition and physical risks. Besi is subject to environmental rules and regulations in a variety of jurisdictions and from its customers and Besi may be materially and adversely affected by operational disruptions, natural disasters and the impact of climate change on its operations.

Besi has production facilities in multiple jurisdictions and conducts business with its customers worldwide. As the world transitions to a less carbon intensive energy system, Besi's value chain will be subject to a myriad of governmental regulations in response to climate change related issues. Compliance with existing or future environmental rules and regulations may: (i) result in significant costs to us and our suppliers for additional capital equipment or other process requirements, (ii) restrict our ability to expand our operations and/or (iii) cause us to curtail our operations. We also could incur significant costs, including fines or other sanctions and third-party claims, because of violations of, or liabilities under, such laws and regulations.

In addition to regulatory compliance, increasing customer sustainability requirements as well as our own internal targets, could cause us to alter our manufacturing, operations or equipment designs from time to time and incur substantial expense to satisfy such increased regulatory and sustainability requirements. To the extent that higher costs result in higher prices for our products, we may experience a reduction in the demand for such products, which could negatively affect our results of operations. Conversely, we may not be able to pass such increased costs through to customers in the form of higher prices, as a result of which our results of operations may also be adversely affected. Any failure to comply with or meet such environmental rules and regulations, customer requirements or sustainability targets could adversely impact the demand for our products and subject us to significant costs and liabilities and reputational risks that could adversely affect our business, financial condition and results of operations.

Besi's operations, reputation, and ability to attract and retain customers are dependent on the timely delivery and satisfactory performance of its products. Besi is susceptible to potential material and adverse effects from natural disasters and the impact of climate change. Despite Besi's commitment to maintaining operational resilience, its business and operations, along with those of its customers and suppliers, can be disrupted by acute and chronic physical risks. These include flooding, typhoons, droughts, air temperature increases and wildfires. Future disruptions at any of Besi's facilities could result in service interruptions, delivery delays, additional costs and potential order cancellations which could adversely affect its business, financial condition and results of operations. It remains uncertain whether insurance policies would adequately compensate for any losses incurred due to such disruptions.

Such catastrophic events can make it difficult or impossible to manufacture or deliver products, receive materials from suppliers or perform critical functions. If Besi's customers or suppliers cannot resume their operations on a timely basis due to a catastrophic event, we may be unable to fulfil customer orders and/or experience reduced or cancelled orders. For example, significant typhoons and storm surges in the East Asian monsoon region in September 2023 resulted in business operation disruptions at some semiconductor factories and supplier operations in the region which caused difficulties in fulfilling customer orders.

**Besi's business, reputation and financial position may be harmed by health and safety incidents, human rights violations, unethical behavior and non-compliance with Besi's Code of Conduct at its operations.**

Besi seeks to conduct its business in accordance with internationally recognized standards and best practices. We have adopted an environmental, health and safety management structure for our operations that typically exceed minimum legal and regulatory compliance levels and applied European social and ethical standards in the conduct of our operations wherever possible. Besi has established a Code of Conduct which governs the behavior of our employees worldwide on matters such as human rights, integrity, and ethical behavior, all of which are important values to us.

However, Besi has encountered in the past, and may in the future encounter unethical behavior and breaches to our Code of Conduct due to intentional behavior by individual employees. Issues can arise unintentionally or from a lack of adherence to appropriate rules and regulations. Unethical behavior and misconduct could lead to fines, penalties and claims by injured parties as well as material financial loss and damage to Besi's reputation with stakeholders.

Moreover, environmental, social and governance matters continue to evolve rapidly. To the extent such matters have the effect of negatively impacting our reputation, they may also impede our ability to compete as effectively or to recruit and/or retain employees, which may adversely affect our operations.

**Potential and actual negative impacts on sustainability matters such as human rights, working conditions, and health and safety, within Besi's supply chain could adversely impact its reputation, supply of critical materials, and liabilities.**

Besi has an indirect impact on the employees within its supply chain. Besi operates with the highest ethical and sustainability standards while complying with all relevant laws, regulations and standards, and we expect our suppliers to do the same. There is the potential that by conducting business with suppliers, even after significant efforts to ensure that they do not cause negative impacts on their workforce, that they may fail to adhere our high standards in these areas. Potential negative impacts include those related

to human rights, poor working conditions, health and safety issues, and non-compliance with Besi’s Supplier Code of Conduct.

If Besi’s suppliers are to cause such negative impacts on their employees, Besi could be exposed to supply chain disruptions from issues such as labor strikes. Supply chain disruptions based on human rights impacts could interrupt Besi’s operations or delay the delivery of its products and adversely impact Besi’s customer relationships and brand reputation, divert employees’ attention, decrease revenue, increase its liability exposure and could potentially cause order cancellations, any of which could adversely affect Besi’s business, financial condition and results of operations. In addition, non-compliance to safety regulations could result in legal actions, fines and penalties. If litigation occurs, we could incur significant costs and liabilities to defend ourselves against such claims.

Disobedience with the prevention and detection of bribery and corruption could lead to financial loss.

Besi relies on an international supply chain for activities which include the sourcing of raw materials, components and semi-finished products from vendors. In addition, with the significant growth of our business in recent years, including an increase in the complexity of our supply chain, ensuring compliance with our supplier code of conduct and the prevention of bribery and corruption has become more challenging.

A consequence of our expanding international operations could expose us to fines and penalties if we fail to comply with regulations such as anti-bribery laws and local laws prohibiting corrupt payments to governmental officials. Although we have implemented policies and procedures designed to help ensure compliance with such laws, there can be no assurance that our employees, partners and other persons with whom we do business will not take actions in violation of our policies or these laws. Any violations could subject us to civil or criminal penalties including substantial fines or prohibitions on our ability to offer our products and services to one or more countries and could also materially damage Besi’s reputation and brand identity.



Legal and compliance risks

Besi may in the future be involved in legal proceedings, including with regard to its key customers.

While Besi is currently not involved in any material legal proceedings, Besi may be involved in litigation from time to time including lawsuits pertaining to product liability, environmental law, competition law and health and safety matters. We may be also subject to other proceedings, such as regulatory and tax investigations and audits as well as inspections by tax and other regulatory authorities, which may expose Besi to criminal or civil enforcement actions, including penalties and suspension or disqualification from contracting. Any current or future legal proceeding, whether successful or not, could be costly, divert management’s attention and result in reputational damage.

When we determine that a significant risk of a future claim against Besi exists, Besi records provisions in an amount equal to its estimated liability. There can be no assurance that Besi’s provisions will be sufficient to cover its actual litigation costs. Any failure to prevail in current or future litigation or to accurately predict the amounts at stake in a litigation or the likelihood of prevailing in any such litigation could result in unfavorable outcomes. Any of these developments could have a material adverse effect on Besi’s business, financial condition and results of operations.

Besi may not be able to protect its intellectual property rights which could make it less competitive and cause it to lose market share.

Although Besi seeks to protect its intellectual property rights through patents, trademarks, copyrights, trade secrets, confidentiality and assignment of invention agreements and other measures, there can be no assurance that we will be able to protect our technology adequately, that our competitors will not be able to develop similar technology independently, that any of Besi’s pending patent applications will be issued or that intellectual property laws will protect our intellectual property rights. In addition, Besi operates internationally and intellectual property protection varies among the jurisdictions in which we conduct our business operations. In certain jurisdictions, the prevention of theft or copying can be challenging. Litigation may be necessary to enforce our patents, copyrights or other intellectual property rights, to protect our trade secrets, to determine the validity and scope of the proprietary rights of others or to defend against claims of infringement. Litigation could result in substantial costs and a diversion of resources, distract management from operating the business and could have a material adverse effect on our business and operating results.

In addition, third parties may seek to challenge, invalidate or circumvent any patent issued to Besi. Further, the rights granted under any patent issued to Besi may not provide competitive advantages and third parties may assert that our products infringe patents,

copyrights or trade secrets of such parties. Also, third parties may challenge, invalidate or circumvent technology which Besi licenses from third parties. If any party is able to successfully claim that Besi’s creation or use of proprietary technology infringes upon their intellectual property rights, Besi may be forced to pay damages. In addition to any damages Besi may have to pay, a court could require us to stop the infringing activity or obtain a license which may not be available on terms which are favorable to Besi or at all. If Besi fails to obtain or maintain certain technologies or intellectual property licenses, or fail to prevent its intellectual property from being misappropriated, and if litigation relating to alleged intellectual property matters occurs, it could: (i) prevent Besi from manufacturing particular products or selling particular services or applying particular technologies and (ii) reduce our ability to compete effectively against entities benefiting from misappropriated intellectual property, which could reduce Besi’s opportunities to generate revenue.

Furthermore, given the nature of the semiconductor industry, Besi may receive, from time to time, communications from third parties, including non-practicing entities and semiconductor companies, asserting that its technologies, its manufacturing processes, or the design IPs of the systems made by Besi or the use of those semiconductors by Besi’s customers might infringe their patents or other intellectual property rights. The assertions made and lawsuits initiated by litigious, well-funded, non-practicing entities are particularly aggressive in their monetary demands and in seeking court-issued injunctions. Intellectual property cases are uncertain, time-consuming and involve complex legal and factual questions. If we become involved in this type of litigation, whether or not a claim has merit, it could consume significant resources and divert our attention from our business. Such lawsuits and assertions could increase Besi’s cost of doing business and could potentially be extremely disruptive if such asserting entities succeed in blocking the sale of products made, and services offered by Besi.

Anti-takeover provisions could delay or prevent a change of control including a takeover attempt that might result in a premium over the market price for Besi’s ordinary shares.

Besi’s articles of association provide for the possible issuance of preference shares. In April 2000, Besi established the foundation “Stichting Continuïteit BE Semiconductor Industries” (the “Foundation”) whose board consists of five members, three of whom are independent of Besi. Besi has granted the Foundation a call option pursuant to which the Foundation may purchase preference shares in a maximum amount equal to the total number of Besi’s ordinary shares outstanding at the time of exercise of the option minus one. If the Foundation were to exercise the call option, it may result in delaying or preventing a takeover attempt including a takeover attempt that might result in a premium over the market price for Besi’s ordinary shares.



## Shareholder Information



# Shareholder Information

## Euronext Amsterdam listing

Besi’s ordinary shares are listed on Euronext Amsterdam and are included in the Euronext AEX index. The stock symbol is BESI and the ISIN code is NL0012866412.

	At December 31,	
	2024	2023
Number of ordinary shares, net of shares held in treasury	79,312,140	77,015,794
Average daily shares traded*	753,484	958,008
Highest closing price (€)	178.00	140.85
Lowest closing price (€)	97.94	57.32
Year end share price (€)	132.30	136.45

\* Includes Euronext and all secondary markets.

## OTC Markets

Besi’s Level 1 ADRs are traded on the OTC markets (symbol: BESIY).

## Convertible Notes listings

At December 31, 2024, Besi had outstanding (i) € 24.1 million of its 0.75% Senior Unsecured Convertible Notes due 2027 (the “2020 Convertible Notes”) ISIN XS2211511949 and (ii) € 175 million of its 1.875% Senior Unsecured Convertible Notes due 2029 (the “2022 Convertible Notes”) ISIN XS2465773070, all of which are listed on Deutsche Börse’s Freiverkehr market [www.boerse-frankfurt.de](http://www.boerse-frankfurt.de).

## Senior Notes listing

On July 17, 2024, Besi issued € 350 million principal amount of 4.500% Senior Unsecured Notes due 2031 (the “2024 Senior Notes”), Mnemonic: BESEMISN, which are listed on The International Stock Exchange (“TISE”).

## Besi’s equity structure

Besi’s authorized share capital consists of 160,000,000 ordinary shares and 160,000,000 preference shares. At December 31, 2024, Besi had 81,146,738 issued and outstanding ordinary shares of which it held 1,834,598 shares in treasury.

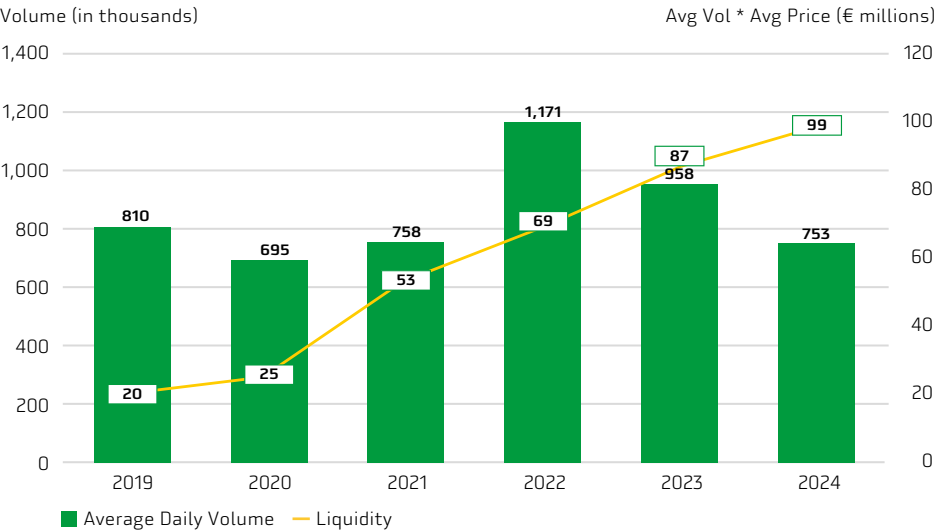
The foundation “Stichting Continuïteit BE Semiconductor Industries” (the “Foundation”) has been granted an option to acquire preference shares, which would, if the option were exercised, allow the Foundation to acquire a maximum of 50% of the total issued share capital including the preference shares.

## BESI MARKET INFORMATION

Symbol/Index	<ul style="list-style-type: none"><li>BESI</li><li>Euronext AEX</li></ul>
Market Cap*	<ul style="list-style-type: none"><li>€ 10.5 billion (\$ 10.9 billion)</li></ul>
Dividend Policy	<ul style="list-style-type: none"><li>Pay-out 40-100% of net income per annum</li></ul>

\* As of December 31, 2024.

## AVERAGE DAILY VOLUME AND LIQUIDITY





### Issuance of ordinary shares and pre-emptive rights

Ordinary shares may be issued pursuant to a resolution of the General Meeting of Shareholders. The General Meeting of Shareholders may grant the authority to issue ordinary shares to the Board of Management for a maximum period of five years. After such designation, the Board of Management may determine the issuance of ordinary shares subject to the approval of the Supervisory Board. The foregoing applies accordingly to the granting of rights to subscribe for ordinary shares but shall not be applicable to the issuance of ordinary shares to a party exercising a previously acquired right to subscribe for ordinary shares.

Currently, the General Meeting of Shareholders has delegated its authority to the Board of Management until October 25, 2025, subject to the approval of the Supervisory Board, to issue ordinary shares and grant rights to subscribe for ordinary shares up to a maximum of 10% of Besi's issued share capital as from April 25, 2024.

Holders of ordinary shares have a pro-rata, pre-emptive right with respect to any ordinary shares issued, which right may be limited or excluded. Such shareholders have no pro-rata pre-emptive right with respect to (i) any ordinary shares issued against contributions other than in cash, (ii) any issuance of preference shares, or (iii) any ordinary shares issued to employees (including members of the Board of Management). The foregoing applies accordingly to the granting of rights to subscribe for ordinary shares but shall not be applicable to the issuance of ordinary shares to a party exercising a previously acquired right to subscribe for ordinary shares. On the basis of a designation by the General Meeting of Shareholders, the Board of Management has the power, subject to the approval of the Supervisory Board, to limit or exclude the pre-emptive right with respect to any ordinary shares issued and rights to subscribe for ordinary shares granted until October 25, 2025, subject to the 10% maximum as described above. The designation may be renewed for a maximum period of five years. In the absence of such designation, the General Meeting of Shareholders has the power to limit or exclude such pre-emptive right.

### Issuance of preference shares

The provisions in Besi's articles of association for the issuance of preference shares are similar to the provisions for the issuance of ordinary shares described herein. However, an issuance of preference shares will require the prior approval of the General Meeting of Shareholders if it would result in an outstanding number of preference shares exceeding 100% of the number of outstanding ordinary shares and the issuance is effected pursuant to a resolution of a corporate body other than the General Meeting of Shareholders such as the Board of Management. Furthermore, within two years after the first issuance of such preference shares, a General Meeting of Shareholders will be held to determine the

repurchase or cancellation of such preference shares. If no resolution to repurchase or cancel the preference shares is adopted, another General Meeting of Shareholders with the same agenda must be convened and held within two years after the previous meeting and this meeting will be repeated until no more preference shares are outstanding. This procedure does not apply to preference shares that have been issued pursuant to a resolution by the General Meeting of Shareholders. In connection with the issuance of preference shares, it may be stipulated that an amount not exceeding 75% of the nominal amount ordinarily payable upon issuance of shares may be paid only if the Company requests payment.

### The Foundation

Under the terms of an agreement entered in April 2002 between Besi and the Foundation, the Foundation has been granted a call option, pursuant to which it may purchase a number of preference shares up to a maximum of the total number of outstanding ordinary shares at the time of exercise of the option minus one. This call option agreement was revised in May 2008 to comply with applicable laws. The purpose of the Foundation is to safeguard the interests of Besi, the enterprise connected therewith and all the parties having an interest therein and to exclude as much as possible influences which could threaten, among other things, Besi's continuity, independence and identity. Until the call option is exercised by the Foundation, it can be revoked by the Company, with immediate effect. The aim of the preference shares is, among other things, to provide a protective measure against unfriendly take-over bids and other possible influences that could threaten Besi's continuity, independence and identity, including, but not limited to, a proposed resolution to dismiss the Supervisory Board or the Board of Management.

The Foundation was established in April 2000. The board of the Foundation currently consists of five members, three of whom are independent of Besi and two of whom are former members of the Supervisory Board. Please refer to the chapter [Other Information](#) for additional information about the Foundation and its board members.

### Voting rights

Each share (whether it is an ordinary share or a preference share) carries the right to cast one vote. Resolutions by the General Meeting of Shareholders require the approval of an absolute majority of votes validly cast, unless otherwise required by Dutch law or Besi's articles of association.

### Repurchase and cancellation of shares

The Board of Management may cause Besi to repurchase for consideration any class of shares in its own share capital which have been paid-up, subject to certain provisions of Dutch law and Besi's articles of association, if (i) the shareholders' equity less the payment required to make the acquisition does not fall below the sum of the paid-up and called part of the issued share capital and any reserves required to be maintained by Dutch law or Besi's articles of association and (ii) Besi and its subsidiaries would thereafter not hold shares (in pledge) with an aggregate nominal value exceeding 50% of its issued share capital. Shares held by Besi or any of its subsidiaries will have no voting rights and the Company may not receive dividends on shares it holds in its own share capital. Any such repurchases may only take place if the General Meeting of Shareholders has granted the Board of Management the authority to effect such repurchases, which authorization may apply for a maximum period of 18 months. The Board of Management, with the approval of the Supervisory Board, is currently authorized to repurchase up to 10% of Besi's issued share capital from April 25, 2024 through October 25, 2025.

Upon a proposal of the Board of Management, with the approval of the Supervisory Board, the General Meeting of Shareholders has the power to reduce Besi's issued share capital by means of cancelling shares held in treasury or by reducing the nominal value of the shares by way of an amendment of its articles of association. Any such proposal is subject to the relevant provisions of Dutch law and Besi's articles of association. Upon the proposal of the Board of Management, with the approval of the Supervisory Board, the General Meeting of Shareholders authorized the cancellation of ordinary shares held in treasury of up to a maximum of 10% of Besi's issued share capital as of April 25, 2024. In accordance therewith, the Board of Management was authorized to determine the exact number of ordinary shares to be so cancelled.

### Change of control provisions in significant agreements

Each of Besi's 2020 and 2022 Convertible Notes contain change of control provisions under which in the event of a change of control of Besi (as defined), the holder of a Convertible Note will have the right to require Besi to redeem that Convertible Note at 100% of its principal amount together with accrued and unpaid interest thereon. Further, Besi's 2024 Senior Notes contain a change of control provision under which in the event of a change of control, Besi will offer a payment to Noteholders in cash equal to 101% of the aggregate principal amount of the Notes repurchased plus accrued and unpaid interest. In addition, Besi's revolving credit facility with a consortium of banks contains a provision requiring the repayment of all borrowings outstanding upon a change of control of Besi (as defined) at 100% of its principal amount outstanding. At December 31, 2024, there was no change of control provision contained in any other of Besi's material agreements.

### Dividend policy

Besi considers the payment of dividends on an annual basis based upon (i) a review of its annual and prospective financial performance, liquidity and financing needs, the prevailing market outlook and Besi's strategy, market position and acquisition strategy and/or (ii) a dividend payout ratio in the range of 40-100% relative to net income to be adjusted if the factors referred to under (i) so require.

Due to Besi's earnings and cash flow generation in 2023, the Board of Management proposed, with the approval of the Supervisory Board, and Besi paid a cash dividend to shareholders equal to € 2.15 per share for 2023 which resulted in cash payments to shareholders of € 171.5 million in 2024.

Due to Besi's earnings and cash flow generation in 2024, the Board of Management will propose, with the approval of the Supervisory Board, a cash dividend to shareholders equal to € 2.18 per share for 2024 for approval at Besi's Annual General Meeting of Shareholders to be held on April 23, 2025.

The payments for the year 2023 and proposed for the year 2024 represent a dividend payout ratio relative to net income of 97% and 95%, respectively.

### Ownership interests in the ordinary shares

Under the Dutch Financial Supervision Act (*Wet op het financieel toezicht*, "Wft"), the following parties have notified the Dutch Authority for the Financial Markets (*Autoriteit Financiële Markten*, "AFM") of their share interests in Besi equal to or exceeding 3%:

	Notification effective	Share interest	Voting rights
BlackRock Inc.	December 13, 2024	10.77%	12.06%
FMR LLC	May 11, 2023	6.00%	6.00%
T. Rowe Price Group, Inc.	December 9, 2024	5.64%	5.21%
Bank of America Corporation	December 23, 2024	3.21%	3.21%
Société Générale S.A.	February 22, 2023	3.05%	3.05%
Sylebra Capital Limited	October 18, 2021	3.04%	3.04%
FIL Limited	December 13, 2024	3.19%	3.11%

A list of share and voting interests in Besi of 3% or more can be found on the AFM website: [www.afm.nl](http://www.afm.nl).

## Analysts

The following sell side analysts cover Besi's shares:

Alliance Bernstein	Sara Russo
Arete Research	Jim Fontanelli
Barclays	Simon Coles
Berenberg	Trion Reid
B of A Securities	Didier Scemama
BNP Paribas Exane	Martin Jungfleisch
Citi	Andrew Gardiner
Degroof Petercam	Michael Roeg
Deutsche Bank	Rob Sanders
Goldman Sachs	Alexander Duval
HSBC	Adithya Metuku
ING	Marc Hesselink
KBC Securities	Thibault Lenéeuw
Kepler Chevreux	Ruben Devos
Morgan Stanley	Nigel van Putten
Needham & Company	Charles Shi
NewStreet Research	Rolf Bulk
ODDO BHF/ABN AMRO	Martin Marandon-Carlhian
Redburn Atlantic	Timm Schulze-Melander
Stifel	Florian Sager
UBS	Madeleine Jenkins
Van Lanschot Kempen	Nikos Kolokotronis

## Investor relations

Besi uses a range of activities to initiate and maintain contact with investors. After publication of its annual and quarterly results, in-person and virtual roadshows are typically held for institutional investors in Europe, the United States and Asia. Planned roadshows and presentations can be found on Besi's website. Contacts with institutional investors are further maintained by means of conference calls, conferences and investor visits. Besi's investor outreach also includes meetings with retail investors, research analysts, private investors, journalists and media outlets to help communicate the Besi story to the investment community and general public. Shareholders are also engaged through quarterly and annual conference calls and participation at Besi's Annual General Meeting of Shareholders.

Investors in European, North American and Asian markets are increasingly considering sustainability themes as part of their investment process. Investors are requesting more sustainability information from us, particularly in the areas of climate change, fossil fuels, carbon emissions, conflict minerals and human rights within the supply chain. Shareholders expect Besi to protect their investment and provide a competitive return on invested capital while operating in a sustainable and responsible manner as a good corporate citizen. Besi has engaged in important dialogue with stakeholders and received valuable feedback about its business and sustainability issues as a result of its investor relations program.

Important investor relations dates in 2025 that are currently planned (subject to change) are as follows:

April 23, 2025	2025 first quarter results
April 23, 2025	Annual General Meeting of Shareholders
July 24, 2025	2025 second quarter results
October 23, 2025	2025 third quarter results
February 2026	2025 fourth quarter and annual results

## Prevention insider trading

Besi has implemented a Code of Conduct governing the use of inside information by the members of the Supervisory Board, the member of the Board of Management and any other designated persons, including key staff members. In addition, there is a separate Code of Conduct governing the use of inside information by Besi employees generally. Designated persons have agreed in writing to observe the relevant Code of Conduct concerning the reporting and regulation of transactions in Besi securities (and other designated securities) and the treatment of price-sensitive information. Besi has appointed a compliance officer who is responsible for monitoring compliance with the Codes of Conduct and communication with the AFM.

## Besi Incentive Plan

Besi may grant performance shares on an annual conditional basis to the member of the Board of Management, key employees and officers under the current Besi Incentive Plan. Further information on this subject is given in the [Remuneration Report](#).

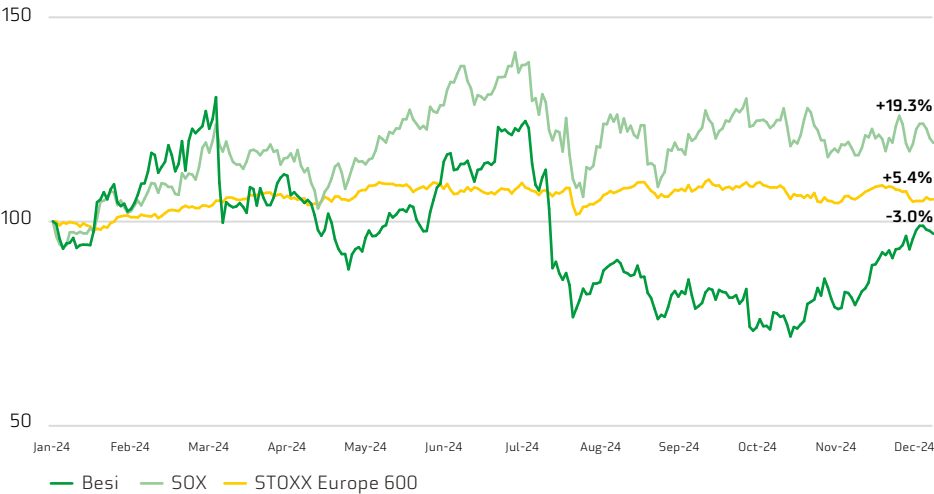
Besi's share price development

**BESI'S SHARE PRICE VERSUS SOX INDEX AND STOXX EUROPE 600 INDEX**  
(Since January 1, 2022 until December 31, 2024; rebased to 100)



Source: Yahoo Finance

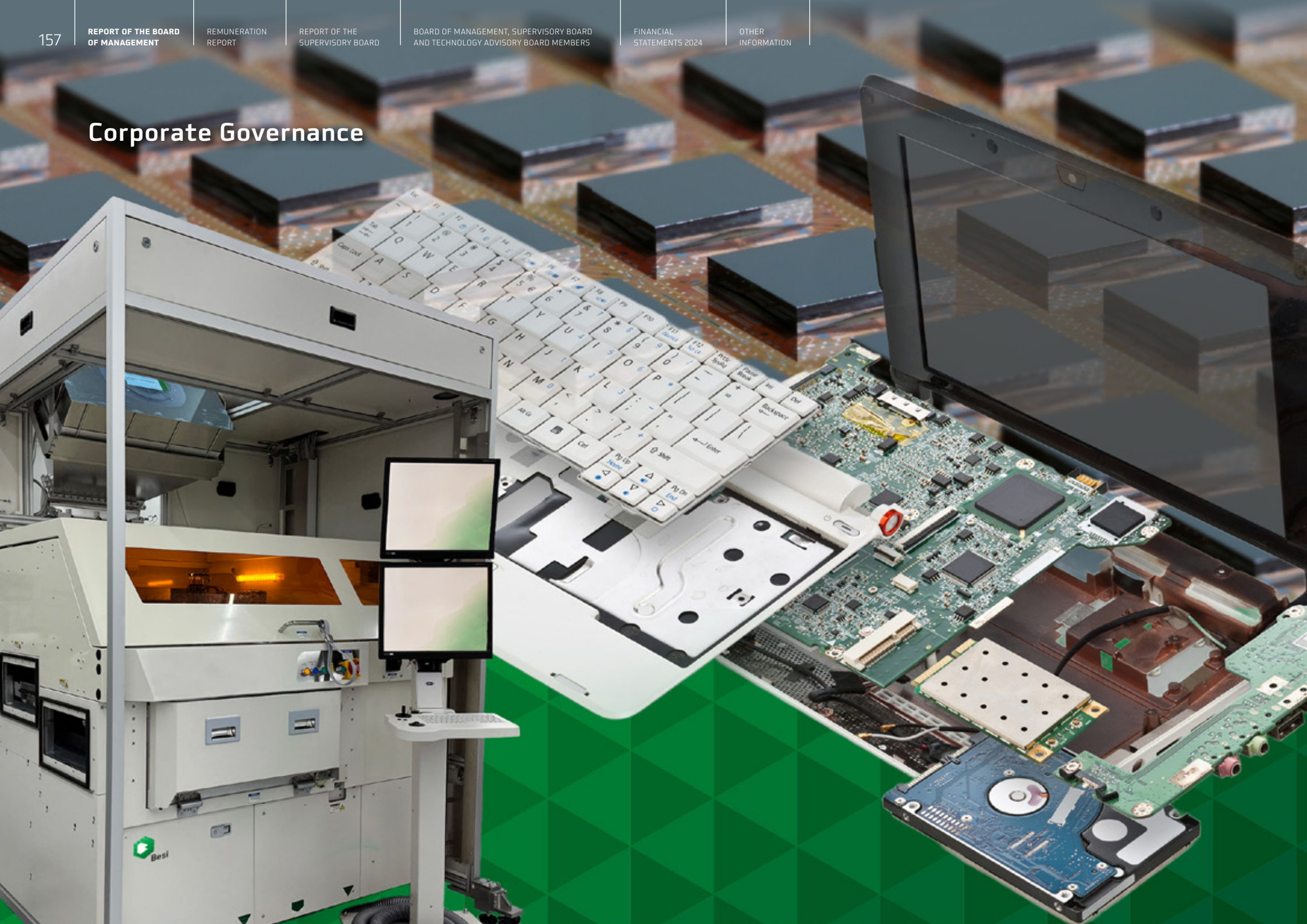
**BESI'S SHARE PRICE VERSUS SOX INDEX AND STOXX EUROPE 600 INDEX**  
(Since January 1, 2024 until December 31, 2024; rebased to 100)



Source: Yahoo Finance



# Corporate Governance



## Corporate Governance

Besi acknowledges the importance of good corporate governance, the most important elements of which are transparency, independence and accountability. Important corporate governance developments in applicable jurisdictions are followed closely and rules are implemented where appropriate.

Besi's ordinary shares are listed on Euronext Amsterdam. Accordingly, Besi complies with all applicable listing rules of Euronext Amsterdam.

Besi has applied the Dutch Corporate Governance Code 2022 which was published on December 20, 2022. Deviations from the Dutch Corporate Governance Code are explained below under [Explanation of Deviations from the Dutch Corporate Governance Code](#). The Dutch Corporate Governance Code can be found at [www.mccg.nl](http://www.mccg.nl).

### Board of Management

The role of the Board of Management is to manage the Company and its affiliated subsidiaries and to ensure their continuity which includes, among other things:

- The formulation of a sustainable long-term value creation strategy.
- The identification, analysis and management of the risks inherent in Besi's business and sustainable long-term value creation strategy and initiatives related thereto.
- The establishment of Besi's risk appetite and implementation of measures necessary to mitigate any risks undertaken.
- The proper regard for sustainability issues relevant to Besi and the global communities in which we operate as further described in our [Sustainability Statement](#).
- The proper regard for the impact of new technologies on our society, products, employees, stakeholders and business model in such areas as digitalization, artificial intelligence and automation, amongst others.

In discharging their role, members of the Board of Management shall be guided by the interests of Besi and its affiliated subsidiaries as well as the interests of its shareholders and other stakeholders. Members of the Board of Management are required to put the interests of Besi ahead of their own interests and to act critically and independently when carrying out their responsibilities. The Board of Management is also charged with establishing and maintaining internal procedures which ensure that all relevant information is provided to the Supervisory Board in a timely manner.

Besi's articles of association provide that certain resolutions of the Board of Management require the prior approval of the Supervisory Board. Pursuant to Dutch law and Besi's articles of association, any decisions of the Board of Management involving a major change in the identity or character of the Company and/or its affiliated subsidiaries are subject to approval by the General Meeting of Shareholders.

### Appointment and replacement of members of the Board of Management

Members of the Board of Management are appointed by the General Meeting of Shareholders. A resolution of the General Meeting of Shareholders to appoint a member of the Board of Management requires an absolute majority of the votes validly cast in the event and to the extent the appointment occurs pursuant to, and in accordance with, a proposal of the Supervisory Board. Such resolution requires at least two-thirds of the votes validly cast representing more than one-third of Besi's issued share capital in the event and to the extent the appointment does not occur pursuant to, and in accordance with, a proposal thereto of the Supervisory Board.

Members of the Board of Management may at any time be suspended or dismissed by the General Meeting of Shareholders. A resolution for suspension or dismissal of a member of the Board of Management requires an absolute majority of the votes validly cast in the event and to the extent the suspension or dismissal occurs pursuant to, and in accordance with, a proposal by the Supervisory Board. Such resolution requires at least two-thirds of the votes validly cast representing more than one-third of the issued share capital in the event and to the extent the suspension or dismissal does not occur pursuant to, and in accordance with, a proposal thereto of the Supervisory Board. Members of the Board of Management may also be suspended by the Supervisory Board.

### Remuneration Report

The [Remuneration Report](#) is included in a separate section in this Annual Report.

### Conflicts of interest – members of the Board of Management

Any appearance of a conflict of interest between Besi and members of the Board of Management should be prevented. If a member of the Board of Management has an actual or potential direct or indirect personal conflict of interest with the Company, he or she shall not participate in the deliberations and the decision-making process of the Board of Management for such matter. If, as a result thereof, no resolution of the Board of Management can be adopted, the resolution may be adopted by the Supervisory Board. No conflict of interest of material significance to Besi and/or the member of the Board of Management was reported in 2024.

### Supervisory Board

The role of the Supervisory Board is to supervise the policies executed by the Board of Management and the general affairs of Besi and its affiliated subsidiaries and to assist the Board of Management by providing advice. In discharging their role, Supervisory Board members shall be guided by the interests of Besi and its affiliated subsidiaries as well as the relevant interests of Besi's shareholders and other stakeholders. Supervisory Board members are required to put the interests of Besi ahead of their own interests and to act critically and independently vis-a-vis one another, the Board of Management and any particular third-party interests involved. Further, the Supervisory Board also has due regard for sustainability issues that are relevant to Besi. The Supervisory Board annually evaluates its own functioning.



Each member of the Supervisory Board is currently considered independent within the meaning of best practice provision 2.1.8 of the Dutch Corporate Governance Code. Each Supervisory Board member has the specific expertise required for the fulfilment of his or her duties. The composition of the Supervisory Board shall be diverse such that the requisite expertise, experience, nationality and cultural or other background, age, gender identity, competencies, other personal qualities and independence are present for it to carry out its duties properly as well as to better promote the interchange of ideas and different points of views amongst members. A Supervisory Board member shall be reappointed only after careful consideration. The profile criteria referred to above shall also be taken into account in the event of a reappointment.

Regulations governing the Supervisory Board ("Regulations Supervisory Board") are posted on Besi's website: [www.besi.com](http://www.besi.com).

#### Appointment and replacement of members of the Supervisory Board

Members of the Supervisory Board are appointed with due observance of the requisite profile for its size and composition as adopted by the Supervisory Board from time to time, subject to the provisions of Dutch law and Besi's articles of association.

Members of the Supervisory Board are appointed by the General Meeting of Shareholders. A resolution for appointment requires an absolute majority of the votes validly cast in the event and to the extent the appointment occurs pursuant to, and in accordance with, a proposal of the Supervisory Board. Such resolution requires at least two-thirds of the votes validly cast representing more than one-third of the issued share capital in the event and to the extent the appointment does not occur pursuant to, and in accordance with, a proposal thereto of the Supervisory Board.

Members of the Supervisory Board may be suspended or dismissed at any time by the General Meeting of Shareholders. A resolution for suspension or dismissal requires an absolute majority of the votes validly cast in the event and to the extent the suspension or dismissal occurs pursuant to, and in accordance with, a proposal of the Supervisory Board. A resolution for suspension or dismissal requires at least two-thirds of the votes validly cast representing more than one-third of the issued share capital in the event and to the extent the suspension or dismissal does not occur pursuant to, and in accordance with, a proposal thereto of the Supervisory Board.

#### Supervisory Board committees

The Supervisory Board has three committees: the Audit Committee, the Remuneration Committee and the Nomination Committee. The function of the committees is to prepare and facilitate the decision-making of the Supervisory Board. The terms of reference of the committees are posted on Besi's website: [www.besi.com](http://www.besi.com).

#### Remuneration Supervisory Board

The General Meeting of Shareholders shall determine the remuneration of Supervisory Board members with due observance of the Remuneration Policy for the Supervisory Board that was adopted at the Annual General Meeting of Shareholders held on April 25, 2024. The remuneration of the members of the Supervisory Board is fixed and does not depend on Besi's results. In addition, Besi does not grant Supervisory Board members any shares or rights to acquire shares in Besi, personal loans, guarantees or advance payments as remuneration. The Remuneration Report contains the information prescribed by applicable Dutch law on the level and structure of the remuneration of individual Supervisory Board members.

Further, none of the members of the Supervisory Board personally maintains a business relationship with Besi other than as a member of the Supervisory Board. As of December 31, 2024, no Supervisory Board member owned shares of Besi.

#### Conflicts of interest – members of the Supervisory Board

Any appearance of a conflict of interest between the Company and Supervisory Board members shall be prevented. If a member of the Supervisory Board has an actual or potential direct or indirect personal conflict of interest with the Company, he or she shall not participate in the deliberations and the decision-making process of the Supervisory Board for such matter. The Supervisory Board is responsible for resolving conflicts of interest involving members of the Board of Management, members of the Supervisory Board and majority shareholders. If all members of the Supervisory Board are conflicted, then the Supervisory Board shall remain authorized to adopt resolutions. No conflicts of interest of material significance to Besi and/or the members of the Supervisory Board were reported in 2024.

#### Diversity and inclusion

The Supervisory Board has a diverse composition in terms of experience, expertise, nationality and cultural or other background, competencies, education, gender identity and age, and is on all those points in alignment with the objectives of its profile and Diversity and Inclusion policy. Diversity and inclusion is a high priority on its agenda. Diversity in general and gender diversity, in particular, are important factors in the selection process of Supervisory Board candidates. When considering new candidates, the Supervisory Board will retain an active and open attitude with respect to the selection of female candidates. Gender is, however, only one factor of diversity. The qualifications of a particular person and the requirements for the position shall in principle always prevail over all other factors and considerations when filling a vacancy, unless otherwise required by Dutch law. The current Supervisory Board's male/female ratio is 60/40 and, as such, is in compliance with the Supervisory Board's profile and Diversity and Inclusion policy as well as with article 2:142b of the Dutch Civil Code.

The Supervisory Board considers its current composition to be aligned with its objective for an adequate and diverse composition and in relation to the technological and global character of Besi’s business as well as an adequate level of knowledge and experience in financial, economic, technological, social and legal aspects of international business and government and public administration.

At present, the Board of Management consists of one person who is Besi’s Chief Executive Officer and Chairman of the Board of Management.

Besi values and encourages diversity and inclusion in its workforce and management. Besi believes diversity and inclusion helps broaden its perspective and contributes to Besi’s growth. It is a priority in Besi’s business strategy with a particular focus on gender diversity across its operations. Besi also recognizes the importance of diversity and inclusion in recruiting. For example, many of its product groups engage with local universities to increase diversity, inclusion and gender representation. Besi’s Code of Conduct also emphasizes equal opportunity for all employees and applicants.

Besi’s Diversity and Inclusion policy is focused on a comprehensive inclusion and equality approach throughout the organization, including management. Gender diversity is one of the key elements of this policy. At December 31, 2024, management consisted of 199 persons of which 18% were female (2023: 17%). Besi has the following objectives to improve diversity and inclusion within management: (i) maintain a sound balance with respect to the various aspects of diversity and inclusion (experience, expertise, nationality and cultural or other background, competencies, education, gender identity and age) within management and (ii) increase gender diversity such that a minimum of 21% of management will consist of women by 2026. Besi intends to achieve these objectives by making diversity and inclusion aspects in general, and gender diversity in particular, important factors in the selection process of candidates for management functions. Besi maintains an active and open attitude with respect to the selection of female candidates. In case of equal qualifications, Besi will choose the female candidate. Diversity objectives are also taken into account for employee recruitment, retention, selection, promotion, mentoring and coaching, succession planning, training and talent development. A professional executive search firm is engaged, when appropriate, to support the search process for new candidates.

**Directors and Officers insurance policy**

Members of the Board of Management and the Supervisory Board and certain senior management members are covered under Besi’s Directors and Officers’ insurance policy. Although the insurance policy provides for broad coverage, members of the Board of Management and the Supervisory Board and certain senior management members may be subject to uninsured liabilities. Besi has agreed to indemnify members of the Board of Management and the Supervisory Board and certain senior management members against certain claims brought against them in connection with their position with the Company provided that such individual acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of Besi and, with respect to any criminal action or proceedings, such individual had no reasonable cause to believe his or her conduct was unlawful.

**Shareholders and the General Meeting of Shareholders**

Good corporate governance requires the participation of shareholders. It is in the Company’s interest that as many shareholders as possible participate in Besi’s decision-making at the Annual General Meeting of Shareholders or any Extraordinary General Meeting of Shareholders. Significant shareholder participation enables the General Meeting of Shareholders to exert such influence on the policies of the Board of Management and the Supervisory Board such that they provide important checks and balances to the conduct of Besi’s business. Pursuant to Dutch law and Besi’s articles of association, any decision of the Board of Management involving a major change in the identity or character of the Company and/or its affiliated subsidiaries are subject to approval of the General Meeting of Shareholders.

The Board of Management provides shareholders and other parties in financial markets with equal and simultaneous information about matters that may influence Besi’s share price. Contacts between the Board of Management on the one hand, and the press, analysts and shareholders on the other hand, should be handled and structured carefully and with due observance of applicable laws and regulations. Besi should do nothing which might compromise the independence of analysts in relation to the Company and vice versa.

The Board of Management and the Supervisory Board shall provide the General Meeting of Shareholders with the information that it requires for the exercise of its powers subject to such limitations allowable under applicable law. If price-sensitive information is provided during a General Meeting of Shareholders or if a response to shareholders’ questions has resulted in the disclosure of price-sensitive information, then such information will be made public without delay. Good corporate governance requires significant attendance by shareholders at Besi’s General Meeting of Shareholders. Therefore, Besi is actively involved in proxy solicitation as a means of increasing the attendance and participation of its shareholders at its General Meeting of Shareholders.

### Amendment of Besi's articles of association

Besi's articles of association may be amended by a resolution of the General Meeting of Shareholders. A resolution of the General Meeting of Shareholders to amend the articles of association may only be adopted by means of a proposal from the Board of Management, which proposal requires the approval of the Supervisory Board. Those who have convened a General Meeting of Shareholders at which a proposal to amend the articles of association will be brought up for discussion must deposit at Besi's office, simultaneously with the convocation, a copy of the proposal in which the proposed amendment has been included for inspection by every person entitled to attend the General Meeting of Shareholders until the end of the relevant meeting. The persons entitled to attend the General Meeting of Shareholders must be given the opportunity to obtain a copy of the proposal free of charge. The proposal will also be published on Besi's website: [www.besi.com](http://www.besi.com).

### External audit

The Board of Management is primarily responsible for the quality and completeness of any publicly disclosed financial reports. The Supervisory Board oversees the Board of Management as it fulfills this responsibility.

The General Meeting of Shareholders appoints the external auditor. The Supervisory Board submits a nomination for the appointment of the external auditor to the General Meeting of Shareholders upon the advice of the Audit Committee and as facilitated by the Board of Management. The Supervisory Board negotiates the terms of engagement of the external auditor, including its remuneration, the scope of the audit and the materiality to be applied, upon the proposal of the Audit Committee and after consultation with the Board of Management. The Chairman of the Audit Committee acts as the principal contact for the external auditor if, during the performance of its audit, it discovers or suspects an instance of misconduct or an irregularity. The external auditor attends the meeting of the Supervisory Board at which the report of the external auditor is discussed. The external auditor also discusses the findings and outcomes of its audit work and the management letter with the Audit Committee and the Board of Management simultaneously. The Audit Committee also meets with the external auditor without the presence of the Board of Management. The Supervisory Board supervises the external auditor's functioning.

### Internal control and risk management

Besi has an internal control and risk management system that is suitable for the Company. The form and structure of this system is outlined under [Risk Management](#) in this Annual Report.

Besi's internal control and risk management function operates under the responsibility of the Board of Management and is monitored on an ongoing basis. The Board of Management reviews the effectiveness of the design and operation of the internal control and risk management system twice a year as part of Besi's internal control procedures. The Supervisory Board oversees the internal control and risk management function and maintains regular contact with the persons fulfilling this function.

Besi's internal control system consists of a formal framework defining key risks and key controls over financial reporting, an internal control charter outlining audit systems and procedures as well as the internal control and audit plan for the year. Operational, IT, compliance, tax and fraud controls are included in this framework. The internal control system over financial reporting also contains clear accounting rules. It has been implemented in substantially all operations and material subsidiaries and supports common accounting and regular financial reporting in standard forms. In 2024, Besi's finance staff carried out all planned internal control activities and reported its findings to the Board of Management and the Audit Committee.

Besi has used an independent audit firm since 2018 to help identify and monitor potential risks of fraud, bribery and corruption in its Asian supply chain, logistics and purchasing activities and seeks to continuously enhance its internal control procedures related thereto. In addition, Besi has enhanced its global internal audit function and systems and procedures for such areas in recent years in view of increased business and risk management activities at our Chinese, Malaysian, Singaporean and Vietnamese operations.

In consideration of the above factors, the Board of Management states that for the year ended December 31, 2024:

- This Annual Report provides sufficient insights into any failings in the effectiveness of Besi's internal control and risk management systems.
- Besi's internal control and risk management systems provide reasonable assurances that the financial reporting contains no material inaccuracies.
- It is justified that Besi's financial reporting is prepared on a going concern basis considering the current state of affairs.
- This Annual Report refers to those material risks and uncertainties which are relevant to Besi's continuity for the twelve months following the preparation of this Annual Report.

### Explanation of deviations from the Dutch Corporate Governance Code

Deviations from the Dutch Corporate Governance Code are listed and explained below.

#### Provision 1.3.1

Since the internal audit function is the responsibility of the Board of Management, the appointment and dismissal of the senior internal auditor by the Board of Management is not submitted for approval to the Supervisory Board. Instead, the Supervisory Board only oversees the appointment and dismissal of the senior internal auditor.

#### Provision 1.4.2 item iv

The sensitivity of Besi's results to material changes in external factors is not provided for competitive reasons. For a detailed description of material risks, reference is made to [Risk Management](#) in this Annual Report.

**Provision 2.2.1**

Besi respects the rights of the member of the Board of Management who was a member at the time of the first implementation of the Dutch Corporate Governance Code. For that reason, there was no adjustment of his employment agreement.

**Provision 3.2.3**

Besi respects the rights of the member of the Board of Management who was a member at the time the Dutch Corporate Governance Code became effective. For that reason, it did not adjust his employment agreement as it was signed prior to that date.

**Provision 4.2.3**

Besi acknowledges the importance of disclosing material information to all shareholders similarly at the same moment in time. It is currently not practically possible to make every meeting and presentation to analysts and investors accessible to all shareholders. As far as practicably possible, meetings and presentations will be announced and posted on Besi's website: [www.besi.com](http://www.besi.com).

**Disclosures required by the Dutch Decree Article 10 of the Takeover Directive**

Under the Dutch Decree Article 10 of the Takeover Directive, the Company, being a company whose securities are admitted to trading on a regulated market, must disclose the following information in its Annual Report:

- As of December 31, 2024, Besi's issued share capital consisted exclusively of ordinary shares. Information about Besi's share capital structure can be found in "Besi's equity structure" in the [Shareholder Information](#) section and in [Note 21](#) Equity in the Consolidated Financial Statements. Information on the rights and obligations attached to such shares can be found in Besi's articles of association.
- The Company has not imposed any limitations on the transfer of ordinary shares.
- The Company is not aware of any shares having been exchanged for depositary receipts for shares.
- The Company's articles of association do stipulate a blocking procedure for the transfer of preference shares.
- The Company is not aware of any agreements with shareholders which may result in restrictions on the transfer of shares or the exercise of any voting rights.
- Information concerning ownership interests in the Company's ordinary shares as per AFM notification can be found in the [Shareholder Information](#) section under "Ownership interests in the ordinary shares".
- There are no special control rights attached to the shares.
- There is no system of control regulating any scheme granting employees' rights to acquire shares in the share capital of the Company or of a subsidiary where the control rights are not exercised directly by the employees.
- No restrictions or deadlines apply to the exercise of voting rights.

- The Company's articles of association contain the following information:
  - The appointment and dismissal of members of the Board of Management or Supervisory Board members which are also summarized in "Appointment and replacement of members of the Board of Management" and "Appointment and replacement of members of the Supervisory Board".
  - The amendment of the Company's articles of association which is also summarized in "Amendment of Besi's articles of association".
  - The powers of the Board of Management.
  - The issuance of shares in the share capital of the Company and the repurchase of shares in the share capital of the Company (including the powers of the Board of Management related thereto) which are also summarized in "Issuance of ordinary shares and pre-emptive rights", "Issuance of preference shares" and "Repurchase and cancellation of shares".
- The Company is not a party to any material agreements which take effect or are altered or terminated upon a change of control of the Company following a takeover bid other than (i) the agreement between the Company and the Foundation by which the Foundation has been granted a call option. Such information is summarized in Besi's equity structure and The Foundation contained in the [Shareholder Information](#) section and in Preference Shares contained in the [Other Information](#) section and (ii) in the indentures governing Besi's € 97.9 million bank lines of credit and in each of its Convertible Notes due 2027 and 2029 and its Senior Notes due 2031.
- There is no agreement between the Company and the member of the Board of Management if his employment ceases due to a takeover bid.

**Director's Statement of Responsibilities**

In accordance with statutory provisions, the member of the Board of Management states, to the best of his knowledge, that:

- The Financial Statements provide a true and fair view of the assets, liabilities, financial position and results for the financial year of Besi and its subsidiaries included in the consolidation as a whole.
- The Report of the Board of Management provides a true and fair view of the position at the balance sheet date and of the performance of the business during the financial year of Besi and its subsidiaries, details of which are contained in the Financial Statements. The Report of the Board of Management provides information on any material risks to which Besi is exposed.

Board of Management  
Richard W. Blickman

February 19, 2025



# Remuneration Report





## 2024 Remuneration Report

### Introduction

We are pleased to present the 2024 Remuneration Report to stakeholders. The Remuneration Committee (the "Committee") concluded that the Board of Management delivered solid results this year with respect to the key metrics most relevant to the Company's short- and long-term sustainable value creation and business objectives despite a challenging mainstream assembly equipment market downturn whose downward phase has extended for more than two years. Besi, under the leadership of the Board of Management, has effectively navigated this adverse environment at peer leading financial performance while significantly increasing its AI-related order growth and development spending to capitalize on revenue opportunities in the next market upturn. In addition, we have significantly increased our revenue and profitability this cycle versus the prior downturn in 2017-2019 due to the success of our leading edge, advanced packaging systems for AI applications and the successful implementation of strategic initiatives to limit overhead development.

### 2024 highlights

The Supervisory Board applied the new Remuneration Policy which was approved by shareholders at Besi's Annual General Meeting on April 26, 2023. The new Remuneration Policy received strong support from shareholders with a favorable vote of 94.7%. The policy seeks to achieve three broad goals in connection with Besi's Remuneration Policy and decisions regarding individual compensation:

- It structures the Company's remuneration programs in a manner it believes will enable Besi to retain, motivate and attract executives capable of achieving its business objectives in an increasingly competitive global market.
- It creates a performance-oriented environment for company executives by linking remuneration to the achievement of specified business, financial and sustainability objectives or related to the member's particular product group or specific area of expertise. Notably, they are linked to, and depend on, the execution of Besi's strategy in a socially responsible and sustainable manner.
- It designs remuneration programs for the Board of Management well aligned with the interests of stakeholders by linking a portion of executive compensation to the long-term performance of Besi's ordinary shares, strategy and financial performance. Scenario analyses are undertaken regularly in accordance with the Remuneration Policy.

### Fixed pay

As disclosed in the 2023 Remuneration Report, the Committee conducted a fixed pay review for the member of the Board of Management and decided to increase his salary from € 650,000 in 2023 to € 700,000 effective as from January 1, 2024. Prior to the increase, the CEO's base salary had remained at a constant level between 2018 and 2022 whereas the remuneration of Besi's general workforce had increased consistent with inflation. Therefore, the increase implemented was considered in alignment with the long-term pay development of the general workforce and the Company's performance, role and scope.

### Variable pay

i) *Short-Term Incentive Plan ("STI") outcome:* The financial metrics set for 2024 which represented 70% of total STI were comprised as follows: (i) Net margin equaled 50%, (ii) Return on average equity represented 25% and (iii) Cash flow from operations as % of revenue represented 25%. The Board of Management delivered results above the maximum target levels for each of the financial measures Net margin, Return on average equity and Cash flow from operations as % of revenue. There were also ten non-financial metrics set for the financial year 2024 which represented 30% of total STI and included topics such as product and market strategy, sustainability, operations, R&D, customers and/or leadership. The performance of the Board of Management exceeded such metrics. As a result, and upon the recommendation by the Committee after satisfactory review of the targets and outcomes achieved related thereto, the Supervisory Board awarded the member of the Board of Management a cash bonus equal to 150% of his annual base salary, or € 1,050,000, and an equity bonus equal to 350% of his annual base salary, or € 2,450,000.

ii) *Long Term Incentive Plan ("LTI") outcome:* The LTI performance share award that will vest in 2025 related to its initial grant in 2022 was based upon two metrics: (i) Net income as a % of revenue which represented 50% and (ii) Relative total shareholder return ("TSR") which represented 50%. Besi (i) delivered results above the maximum target levels for Net income as % of revenue over the three-year performance period 2022-2024 of 31.4% which resulted in a vesting of 75% of the award and (ii) ranked fifth within the TSR comparator group which resulted in a vesting of 58.3% of the total award. As a result, 133.3% of the 13,927 shares related to the 2022 performance share award will vest on April 23, 2025.

Stakeholder engagement

Our outreach with shareholders has increased substantially as more investors and industry analysts have expressed interest in Besi’s market segment, business and progress. The increase has been due, in part, to significant changes in our future prospects, scale, efficiency, profitability, market capitalization, shareholder composition and increased trading liquidity. In addition, the number of research analysts covering the Company more than doubled from 9 in 2020 to 22 currently. Besi maintains extensive and ongoing dialogue with its global shareholder base via an active investor relations program comprised of one-on-one investor calls, fireside chats with groups of investors, conferences in North America, Europe and Asia and frequent conversations with industry analysts on topics including Besi’s business development, prospects, sustainability and corporate governance.

The Remuneration Committee recognizes that the 2023 remuneration report resolution at the 2024 AGM did not receive the requisite majority necessary for approval. Consequently, the Committee evaluated the points of dissent to better align the interests of the Company and shareholders going forward.

The Committee concluded that shareholder dissent resulted from dissatisfaction with the discretionary nature and quantum of the additional LTI performance shares granted to the member of the Board of Management in January 2023 in accordance with the prior Remuneration Policy 2020-2023. In addition, Besi highlighted in the 2023 Remuneration Report that there was a final tranche of 70,000 LTI awards granted by the Committee under the prior Remuneration Policy as it pertained to the Company’s performance in 2023 awarded in January 2024. Besi also provided disclosure as to how exceptional value creation was delivered by the CEO, performance metrics related thereto and the basis and rationale for determining the downward adjustment of the additional LTI grant from a maximum award potential of 120,000 shares. More details related to the award of the last tranche can be found in this report.

In response to concerns expressed by shareholders related to the discretionary nature and quantum of the additional performance shares, we would like to highlight the elimination of additional performance share awards for the member of the Board of Management in the Remuneration Policy 2024. We also note that the total remuneration in 2024 for the member of the Board of Management reflected two components related to the expiring Remuneration Policy 2020 and the new Remuneration Policy 2024:

- The last tranche of additional performance share awards (70,000 shares) under the Remuneration Policy 2020-2023, awarded in January 2024 as described above.
- Fixed and variable cash remuneration and variable compensation associated with performance share awards related to the financial year 2024 in accordance with the Remuneration Policy 2024.

From 2025 onwards, the Board of Management will receive payments from: (i) base salary, (ii) employee benefits, (iii) pension, (iv) cash-based and equity-based STI and (v) a conditional award of LTI performance shares under the Remuneration Policy 2024. The Remuneration Committee regularly monitors the need for appropriate changes to the design and disclosures necessary in Besi’s Remuneration Policy to ensure continued alignment with prevailing best remuneration practices and the interests of all shareholders.

The next two sections in this report include the following topics:

- i) *Remuneration Policy 2024*: reflects a summary of the Remuneration Policy provisions that guide the Committee’s decisions on Board of Management and Supervisory Board pay matters.
- ii) *Application of the Remuneration Policy in 2024*: includes the disclosure of the decisions and rationale supporting the Board of Management’s compensation earned in 2024.

Remuneration Policy 2024

The following is a summary of Besi’s 2024 Remuneration Policy which was adopted on April 26, 2023 and is applicable during the period 2024-2027. For more information, please see the [Remuneration Policy 2024](#) which is available on our website.

Remuneration Reference Group

The components underlying the remuneration of the Board of Management are regularly compared to a remuneration reference group of companies selected based on industry, size, profitability, market capitalization and geography (the “Reference Group”). The following companies are included in the current Reference Group as adjusted per annum for any acquisition or stock delisting related thereto.

Remuneration Reference Group	
Aixtron SE	NXP Semiconductors N.V.
ams Osram AG	Siltronic AG
ASM International N.V.	SMA Solar Technology AG
Elmos Semiconductor SE	Soitec SA
Entegris, Inc.	STM Microelectronics N.V.
FormFactor, Inc.	SUESS MicroTec SE
KLA Corporation	Teradyne Inc.
Kulicke and Soffa Industries, Inc.	

The Supervisory Board will regularly review the composition of the Reference Group to ensure an appropriate composition in the context of a dynamic and competitive semiconductor industry and may adjust it over time.

1. Base Salary

Each year, the Supervisory Board reviews the fixed annual base salaries of members of the Board of Management and will consider adjustments related thereto. The Supervisory Board may consider various factors when determining any changes to base salaries including (i) the development of base salaries for Besi employees globally, (ii) benchmark data using the Reference Group, (iii) business performance, (iv) role, (v) scope, (vi) market practice in relevant countries, (vii) historical salary levels and (viii) the experience and individual contribution of members of the Board of Management. In general, the base salary is set by the Supervisory Board between the median and the 90th percentile of the Reference Group.

2. Benefits

Benefits awarded to the Board of Management such as expense allowance, medical insurance and social security premiums are linked to base pay and are in accordance with generally prevailing market practice.

3. Pension

Different pension arrangements are provided to the Board of Management based on the salaries, local customs and rules existing in their countries of origin. A defined contribution scheme is in place for statutory directors, of whom the CEO is currently the only one. The pension contribution on behalf of the statutory director is based on a premium ladder as in effect from 2014 of which a portion is funded directly to his personal pension account as a tax-exempt contribution and the remaining balance is paid as a taxable pension allowance which can be used to build up his net pension on a voluntary basis.

4. Short-Term Incentive (annual performance-based cash and equity-based bonus)

The annual bonus opportunity is linked to the achievement of pre-determined performance conditions based on financial and non-financial criteria as determined by the Supervisory Board and closely aligned with Besi’s business strategy and long-term value creation. Performance measures are based on a pre-defined list against which targets are set by the Supervisory Board on an annual basis.

The total Target STI level under the 2024 Plan is set at 300% of base salary of which one-third will be cash-based and two-thirds will be share-based. As such, the target for the cash-based STI will equal 100% of base salary with a maximum pay-out equal to 150% of base salary. For the share-based component, the target will be set at 200% of base salary with a maximum equal to 350% of base salary. The share-based component of STI will be determined following the assessment by the Supervisory Board of the STI targets achieved and will be subject to a five-year holding period to further ensure long-term shareholder alignment and value creation.

5. Long-term Incentive (annual conditional award of performance shares)

The Long-Term Incentive for the member of the Board of Management consists of a conditional award of performance shares. The award represents a conditional right to receive a certain number of Besi shares depending on the achievement of pre-determined financial and market performance objectives set by the Supervisory Board as described below, measured over a three-year performance period and subject to continued service.

- *Net income as a percentage of revenue over three calendar years which represents 50% of total LTI:*

Net income expressed as a percentage of revenue over a three-year performance period is considered a key measure for creating sustainable long-term shareholder value and therefore is an important component of Besi’s long-term strategy.

- *Relative Total Shareholder Return (“TSR”) over three calendar years which represents 50% of total LTI:*

The development of Besi’s share price including the reinvestment of dividends over a three-year performance period will be compared to a comparator group of 21 semiconductor equipment companies whereby the three months share price average will be applied at the start and the end of the TSR performance period. The TSR over a three-year performance period is considered a key metric for measuring the development of shareholder value by comparing Besi’s TSR relative to its comparators in the semiconductor equipment industry and is appropriate to align the interests of members of the Board of Management with those of shareholders. The composition of the comparator group will be reviewed annually by the Supervisory Board and, if required, will be adjusted in case of delisting, change of control or changes to the performance, size and market value, among other considerations, of the companies involved which could affect comparability.

The TSR comparator group currently consists of the following companies:

TSR comparator group	
Aixtron SE	Kulicke & Soffa Industries, Inc.
Applied Materials, Inc.	Lam Research Corporation
ASM International N.V.	MKS Instruments, Inc.
ASML Holding NV	Nova Ltd.
ASM Pacific Technology Ltd.	Onto Innovation, Inc.
Axcelis Technologies, Inc.	SÜSS MicroTec SE
Cohu, Inc.	Teradyne Inc.
DISCO Corporation	Tokyo Electron Ltd.
Entegris, Inc.	Tokyo Seimitsu Co., Ltd.
FormFactor, Inc.	Veeco Instruments, Inc.
Jenoptik AG	

### Award of performance shares

The number of annual conditional performance shares to be awarded annually will be determined by the Supervisory Board based on a target level which equals 200% of the individual's gross annual base salary and is calculated based on the average closing price of Besi's ordinary shares for all trading days in the calendar quarter immediately preceding the start of the relevant three-year performance period.

### Vesting of performance shares

The number of performance shares that become unconditional (i.e. vested shares) will be determined at the end of a three-year performance period based on Besi's actual performance during such performance period. Vested shares will be subject to a two-year holding period which means that members of the Board of Management will have to retain such shares for two years following the vesting date. However, members of the Board of Management are allowed to sell sufficient shares to cover their income tax liability following the vesting and transfer of the performance shares.

### Performance versus payout

Metric and weighting as % of total award	At minimum performance	At target performance	At maximum stretched performance
as % of the individual's gross annual base salary			
Net income as % of revenue (50% of LTI)	0%	100%	200%
Relative TSR performance (50% of LTI)	0%	75%	200%
<b>Total number of shares vesting</b>	<b>0%</b>	<b>175%</b>	<b>400%</b>

The number of performance shares that will vest according to Besi's TSR performance is based on the actual absolute ranking of Besi within the comparator group and will vest in a range between 0% and 200% of the total number of performance shares awarded to the individual. Vesting is determined based on the following schedule whereby straight-line vesting percentages are applied for ranking levels between the median range and the Top 3 levels:

Besi TSR ranking relative to comparator group	Vesting percentage
Top 3	200%
Rank 4-10	75-200% (linear interpolation)
Rank 11 (median range)	75%
Rank 12 – Rank 22	0%

### Clawback and ultimate remedium

The Short-Term Incentive and Long-Term Incentive components for members of the Board of Management as described above are subject to clawback provisions. In addition, risk assessment tests are in place and measures are included in the variable remuneration documentation for members of the Board of Management to ensure that shareholders' interests are protected. In this respect, the Supervisory Board holds the discretionary authority to reclaim all or part of the Short-Term Incentive and Long-Term Incentive if such variable remuneration has been made based on incorrect financial data or other data or in the case of fraud, gross negligence, wilful misconduct or any activity deemed detrimental to the Company. This clawback provision is applicable to both the vested and unvested part of Long-Term Incentive components as well as deferred Short-Term Incentive awards (malus).

### Application of the Remuneration Policy in 2024

This section refers to the decisions made during the year under review according to the 2024 Remuneration Policy. The only member of the Board of Management in 2024 was Richard W. Blickman, Besi's CEO.

#### 1. Base Salary

The base salary of the CEO is reviewed annually. At the end of 2023, the base salary of the CEO was reviewed taking into consideration the remuneration reference group as well as developments at the Company and in the industry. The Committee analyzed and considered the outcome of this review and recommended to the Supervisory Board a base salary set between the median and 90th percentile levels of the Reference Group. The Supervisory Board, upon the recommendation of the Committee, decided to increase the 2024 base salary of the CEO from € 650,000 in 2023 to € 700,000 effective as from January 1, 2024. Prior to the increase, the CEO's base salary had remained at a constant level between 2018 and 2022 whereas the remuneration of Besi's general workforce has increased consistent with inflation. Therefore, the increase implemented was considered in alignment with the long-term pay development of the general workforce.

#### 2. Benefits

Other benefits include expense compensation, medical insurance and social security premiums.

#### 3. Pension

Since the CEO has reached the applicable retirement age in the Netherlands, contributions to all of his pension plans have terminated. Any pension contribution is based on the premium ladder in the policy (32% of base salary) and is paid as a taxable allowance.

#### 4. Short-Term Incentive (annual performance-based cash/equity-based bonus)

The Short-Term Incentive awarded to the member of the Board of Management is based on the following predetermined performance conditions: (i) financial performance represents 70% which includes net margin, return on average equity and cash flow from operations as a % of revenue and (ii) non-financial performance represents 30%, which includes product and market strategy, sustainability, operations, R&D, customers and/or leadership measures. The Committee reviewed at year end the quality of the predetermined financial, non-financial and sustainability performance goals and the sustainable value delivered with respect thereto in determining the Short-Term Incentive awarded in 2024. The proportion of the award allocated to cash and equity at target opportunity and maximum opportunity is disclosed in the table below.

	Goals	Target Opportunity (as a % of base salary)			Maximum Opportunity (as a % of base salary)			Realized Opportunity (as a % of base salary)		
		Cash	Equity	Total	Cash	Equity	Total	Cash	Equity	Total
Financial Targets	70%	70	140	210	105	245	350	105	245	350
Personal Targets	30%	30	60	90	45	105	150	45	105	150
	<b>100%</b>	<b>100</b>	<b>200</b>	<b>300</b>	<b>150</b>	<b>350</b>	<b>500</b>	<b>150</b>	<b>350</b>	<b>500</b>

During 2024, the Committee regularly reviewed the progress of the pre-defined personal, non-financial and sustainability performance objectives including the assessment of new initiatives developed during the year. The effectiveness and progress of the objectives set were tested and monitored by the Supervisory Board during the year based on regular business, strategic and financial updates provided. An overall assessment was also completed after year end including other areas such as customer satisfaction, strategic plan execution and effectiveness and sustainability progress achieved.

As a result, and upon the recommendation by the Committee after an extensive review of the targets and outcomes achieved related thereto, the Supervisory Board awarded the member of the Board of Management a cash bonus equal to 150% of his annual base salary, or € 1,050,000, and an equity bonus equal to 350% of his annual base salary, or € 2,450,000.



*(a) Performance versus the financial target levels by the member of the Board of Management (70% of STI)*

The financial performance objectives, their weightings, respective performance target setting and achievements were as follows:

Pre-defined financial performance objectives	Weighting	At threshold	Target	Maximum	Actual achievement
Net margin	50%	5%	12%	20%	30.0%
Return on average equity	25%	15%	20%	25%	39.4%
Cash flow from operations as % of revenue	25%	15%	20%	25%	33.1%

All pre-defined financial performance objectives were above maximum.

*(b) Performance versus non-financial targets by the member of the Board of Management (30% of STI)*

The Committee reviewed the performance realized by the member of the Board of Management with respect to ten equally weighted and pre-defined personal, non-financial and sustainability performance objectives representing 30% of the potential total STI bonus. These pre-defined personal, non-financial and sustainability performance objectives are set forth below along with achievements against such objectives in 2024:

Pre-defined non-financial performance objectives	Weighting	Achievements 2024
<ul style="list-style-type: none"> <li>Update Besi's Strategic Review 2023-2027 and the initiatives related thereto.</li> <li>Identify resources, expenditures and timescale to carry out these initiatives and review quarterly with the Supervisory Board.</li> <li>The Strategic Review should include competitive analysis.</li> </ul>	10%	<ul style="list-style-type: none"> <li>Successful navigation of industry downturn at industry leading profitability levels aided by the execution of strategic cost initiatives.</li> <li>Strategic plan continuously updated.</li> <li>Expansion of operations for completion in 2025 to double cleanroom capacity in Malaysia and advanced packaging capabilities in Singapore in support of anticipated hybrid bonding and TCB Next growth.</li> <li>Planned expansion of Vietnam assembly capabilities follows customer migration from China to Southeast Asia.</li> <li>Technology Advisory Board expanded to further Besi's AI-related advanced packaging strategy.</li> </ul>
<ul style="list-style-type: none"> <li>Define and investigate potential M&amp;A roadmap; big picture and adding additional products.</li> </ul>	10%	<ul style="list-style-type: none"> <li>Several deep dives performed on potential M&amp;A candidates, particularly in wafer level assembly.</li> </ul>
<ul style="list-style-type: none"> <li>Implement Management Development and Succession Planning for CEO, Management Team and key staff, including top performers.</li> <li>Review with the Supervisory Board.</li> </ul>	10%	<ul style="list-style-type: none"> <li>Overall management succession plan reviewed bi-annually including key staff related thereto.</li> <li>No vacancies in senior management at year end 2024.</li> <li>Specific succession topics and planning for the Board of Management and Management Team members discussed with the Supervisory Board.</li> </ul>

Pre-defined non-financial performance objectives	Weighting	Achievements 2024
<ul style="list-style-type: none"> <li>Implement the 2024 R&amp;D programs (below 10 nm) for major customers.</li> <li>Continue to assess requirement, timescales and expenditures and report regularly on these important programs.</li> <li>Include assessment of account penetration.</li> </ul>	10%	<ul style="list-style-type: none"> <li>Next generation hybrid bonding systems with 100 nm accuracy shipped.</li> <li>First fluxless TCB chip to wafer system shipped to leading research institute.</li> <li>First shipments of new in-line flip chip systems for 2.5D HBM/logic applications.</li> <li>First shipments of high cleanliness multi module system for image sensing and photonics assembly.</li> <li>First orders for CIS advanced cameras.</li> <li>First order for diffusion bonding system for SiC die attach in automotive power devices.</li> <li>50 nm accuracy hybrid bonding system scheduled for year end 2025 introduction.</li> </ul>
<ul style="list-style-type: none"> <li>Hybrid bonding:               <ul style="list-style-type: none"> <li>Continue roll-out hybrid bonding to logic and memory applications.</li> <li>Develop partnership with Applied Materials to next level, installing integrated tools at major customers.</li> <li>Establish customer application lab for hybrid bonding and chip to wafer at Besi Singapore.</li> </ul> </li> </ul>	10%	<ul style="list-style-type: none"> <li>Hybrid bonding progress continues.</li> <li>Hybrid bonding revenue approximately tripled and orders more than doubled versus 2023.</li> <li>Cumulative hybrid bonding orders exceeded 100 units. Adoption expanded to 15 customers.</li> <li>Established customer application lab for hybrid bonding and chip to wafer at Besi Singapore.</li> <li>Production ramp confirmed for second large logic customer.</li> <li>First multiple 100 nm accuracy hybrid bonding systems shipped.</li> <li>Installed base of integrated production lines increasing.</li> <li>Developing new areas of advanced packaging.</li> <li>Partnership with Applied Materials successfully continued</li> </ul>
<ul style="list-style-type: none"> <li>Progress on product strategy.</li> </ul>	10%	<ul style="list-style-type: none"> <li>Expanded R&amp;D investment continues. Spending increased to 12.2% of revenue in 2024.</li> <li>Focus on next generation AI applications and assembly market upcycle.</li> <li>Complete wafer level assembly portfolio now available to customers.</li> <li>Successfully completed enhancements as per plan for next generation platforms.</li> <li>Gross margin of 65.2% achieved in 2024. Confirms Besi's leading market position in advanced packaging.</li> <li>Technology Advisory Board actively involved in evaluation of product strategy and advancements to Besi's AI strategy.</li> </ul>
<ul style="list-style-type: none"> <li>Further enhance sustainability strategy as presented in our Annual Report 2023.</li> <li>Prepare for reporting based on CSRD in 2025.</li> <li>Prepare a plan to meet the net zero commitment as set out in the Annual Report.</li> </ul>	10%	<ul style="list-style-type: none"> <li>Successfully preparation for ESR5.</li> <li>Exceeded substantially all 2024 target ratios set in 2022.</li> <li>Scope 1 &amp; 2 and 3 emissions intensity ratios decreased by 8.3 points and 4.8 points, respectively, versus 2023 and 24.8 points and 8.6 points, respectively, versus 2019.</li> <li>Increased energy from renewable sources to 99% versus 71% in 2023 and 18% in 2019.</li> <li>Implementation of Design-to-X initiative to reduce energy consumption of die attach platforms by 10% by 2027.</li> <li>Developed Climate Transition Plan highlighting key emission reduction initiatives.</li> <li>Expanded framework to include public policies on Human Rights and Anti-Corruption and Bribery.</li> <li>Improved ratings with Sustainalytics, ISS ESG and S&amp;P Global.</li> </ul>

Pre-defined non-financial performance objectives	Weighting	Achievements 2024
<ul style="list-style-type: none"> <li>Capital allocation - optimize shareholder value through dividends, share repurchases, acquisitions and external financing.</li> </ul>	10%	<ul style="list-style-type: none"> <li>Capital allocation of € 251.3 million. € 2.2 billion distributed since 2011.</li> <li>€ 60 million share repurchase program completed in August 2024.</li> <li>New € 100 million share repurchase plan initiated in September 2024.</li> <li>Dividend proposed of € 2.18 per share for the financial year 2024. Represents approximately 95% payout ratio.</li> <li>Successful placement of € 350 million 4.500% Senior Notes due 2031. BB+ ratings received from S&amp;P Global and Fitch. Enhances liquidity position on attractive terms.</li> <li>Peer leading return on average equity of 39.4% in 2024 maintained despite extended assembly market downturn.</li> <li>Five-year average return on average equity of 41.6% based on organic growth and effective capital allocation program.</li> <li>Significant improvement in shareholder value. Over past three years, Besi market value has increased by 181% to € 10.5 billion in 2024.</li> <li>TSR of 97% past three years and 353% past five years.</li> <li>Significant outperformance versus direct peers, SOX index and the Reference Group over three-year period.</li> <li>Shareholder value also enhanced via increased shareholder outreach including expanded (i) research coverage to 22 analysts, (ii) number of investor conferences and (iii) number of research and investor calls during the year.</li> </ul>
<ul style="list-style-type: none"> <li>People/wellbeing - diversity and inclusion, employee health and safety, employee development and engagement.</li> </ul>	10%	<ul style="list-style-type: none"> <li>% of female managers was 18%, equal to 2021 but an increase from 14% in 2019.</li> <li>No fatalities in 2024. Two safety incidents in 2024.</li> </ul>
<ul style="list-style-type: none"> <li>Responsible business - ethics and compliance, responsible supply chain, community impact, tax practices.</li> </ul>	10%	<ul style="list-style-type: none"> <li>No reported violations of Besi's Code of Conduct.</li> <li>Compliant with tax obligations where factual economic activities take place.</li> <li>Participated in several community outreach projects.</li> <li>Improved overall responsible supply chain targets.</li> <li>Purchasing Volume ("PV") to sign General Work Agreement or General Procurement Contract increased from 64% in 2021 to 77% in 2024.</li> <li>PV Conflict to sign Free Sourcing Initiative increased from 66% in 2021 to 72% in 2024.</li> </ul>
<b>TOTAL</b>	<b>100%</b>	

The performance of the Board of Management exceeded all metrics.

## 5. Long-Term Incentive (annual conditional award of performance shares)

### Grant of LTI shares

The at target number of conditional performance shares awarded was calculated using 200% of the gross annual base salary of the member of the Board of Management divided by Besi's average closing share price for all trading days in the last calendar quarter of the year immediately preceding the start of the three-year performance period. The number of shares that will actually vest will be based on the following predetermined performance conditions three years subsequent to the initial award date:

- (i) Net income as a percentage of revenue over three calendar years (50% of LTI).
- (ii) Besi's share price development including the reinvestment of dividends during a three-year performance period versus the TSR comparator group of 21 listed companies operating in the semiconductor equipment industry (50% of LTI).

The Long-Term Incentive is subject to continued employment. Outstanding conditional grants, made on an annual basis are as follows:

Conditional grants outstanding as of December 31, 2024	Performance period		
	2024-2026	2023-2025	2022-2024
Conditionally awarded at target	12,350	20,604	13,927
Average share price Q4 preceding year (€)	113.36	55.21	75.39
Year of vesting	2027	2026	2025
Range of shares potential vesting (0-200%/150%)	0-24,700	0-30,906	0-20,891

### Vesting of LTI shares

The vesting of LTI shares (conditional performance shares) for the member of the Board of Management for the 2022-2024 period was based on the following factors:

- (i) Net income as percentage of revenue achieved over the three-year performance period of 31.4% relative to the maximum pre-defined target of 15% which resulted in a vesting of 75% of performance shares associated with this portion of the award (50% of LTI).
- (ii) Besi ranked fifth within the TSR comparator group as disclosed in [Note 25](#) Employee benefits of the Financial Statements which resulted in a vesting of 58.3% associated with this portion of the award (50% of the LTI).

Target	Net Income as % of revenue over 3 years (50% of LTI)	Vesting percentage	Besi TSR ranking relative to comparator group (50% of LTI)	Vesting percentage*	Total LTI award vesting percentage
Maximum	11.7%-15%	50-75%	Top 3	75%	
Target	5%-11.7%	0-50%	Rank 6	50%	
Minimum	< 5%	0%	Rank 12	25%	
			Rank 13 - 20	0%	
<b>Actual</b>	<b>31.4%</b>	<b>75%</b>	<b>Rank 5</b>	<b>58.3%</b>	<b>133.3%</b>

\* Vesting percentage based on linear extrapolation between Top 3, Rank 6 and Rank 12 levels.

As a result, 133.3% of the 13,927 shares, or 18,565 shares, related to the 2022 performance share award will vest on April 23, 2025 subject to the member of the Board of Management's continued employment until such date. The vested shares are subject to a two-year lock-up period except for those shares necessary to be sold to cover any withholding/income tax liabilities arising therefrom.

### Additional performance share awards for the member of the Board of Management awarded in January 2024 related to performance in the financial year 2023

Under the Remuneration Policy 2020-2023, the Supervisory Board may, upon recommendation of the Committee, award additional performance shares to the member of the Board of Management for extraordinary achievements or exceptional performance in the prior year, up to a maximum of 120,000 shares. As noted in the 2023 Remuneration Report, the Supervisory Board awarded the member of the Board of Management 70,000 additional performance shares in January 2024 for achievements realized in 2023. This award was made following the review, inter alia, of quantitative and qualitative financial and strategic/non-financial performance criteria applied for determining whether overperformance was achieved. The criteria used to determine exceptional performance in a particular year represent a broader and more challenging set of financial targets than Besi's STI and LTI financial targets. Such criteria are set forth below.

In addition to the performance criteria under the additional LTI award framework, the Supervisory Board also considered the absolute quantum payment due to the member of the Board of Management resulting from the overperformance of the compensation metrics and the substantial long-term increase in Besi's share price between 2020 and 2023 in their decision to apply a maximum discount of 20%. In addition, they compared executive compensation paid at Besi versus comparable companies with similar business, geographic and market capitalization metrics such as Besi. Further, they considered how

the award would be perceived relative to general workforce pay, the views of society and the use of downward adjustments according to local market practice which resulted in a total downward adjustment of 41.7%. The shares vested on January 25, 2024 and are subject to a five-year lock-up period which means that the member of the Board of Management will have to retain such shares for five years following the vesting date. The value of this award was € 10.4 million.

In addition, the award of additional performance shares to the member of the Board of Management was supported by an analysis of (i) Besi's performance versus the median of all industry peers used in our TSR-comparator group and (ii) its alignment with the median remuneration of all companies used in our remuneration reference group. This analysis included both one-year and three-year rolling performance periods wherein return on average equity, gross margin and the ratio of cash flow as a percentage of revenue were also considered, reviewed and analyzed in addition to the net income as a percentage of revenue metric as applied under the Remuneration Policy.

Additional LTI pre-defined performance objectives		Weighting	Achievements 2023 (related to performance share awards awarded in January 2024)
<b>Financial criteria (90%)</b>			
Financial performance in a challenging business environment			
<ul style="list-style-type: none"> <li>Results of operations resulting in net margin               <ul style="list-style-type: none"> <li>No award net margin &lt;20%</li> <li>50%+ award net margin ≥ 20% &lt; 25%</li> <li>100% max. award net margin ≥ 25%</li> </ul> </li> </ul>		30%	<ul style="list-style-type: none"> <li>2023 Net margin was 30.6% and three-year average (2021-2023) was 34.1%.</li> <li>Revenue, orders and operating profit up 62.5%, 57.2% and 132.2% versus comparable period of last industry downturn.</li> <li>Production model aligned with changing market conditions.</li> <li>2023 Gross margins rose to 64.9% reflecting Besi's leadership position in advanced packaging.</li> <li>2023 Operating and net margins of 36.9% and 30.6% achieved despite 19.9% revenue decrease.</li> </ul>
<ul style="list-style-type: none"> <li>Return on average equity (ROAE)               <ul style="list-style-type: none"> <li>No award ROAE &lt;20%</li> <li>50%+ award ROAE ≥ 20% &lt; 25%</li> <li>100% max. award ROAE ≥ 25%</li> </ul> </li> </ul>		30%	<ul style="list-style-type: none"> <li>2023 ROAE was 33.7% and three-year average (2021-2023) was 42.6%.</li> <li>Peer leading return on average equity of 33.7% in 2023 maintained despite significant assembly market downturn.</li> </ul>
<ul style="list-style-type: none"> <li>Strong cash flow generation               <ul style="list-style-type: none"> <li>No award CFO/revenue &lt;20%</li> <li>50%+ award CFO/revenue ≥ 20% &lt; 25%</li> <li>100% max. award CFO/revenue ≥ 25%</li> </ul> </li> </ul>		30%	<ul style="list-style-type: none"> <li>Solid cash flow from operations of € 208.6 million, equal to 36.0% of revenue.</li> </ul>

Additional LTI pre-defined performance objectives	Weighting	Achievements 2023 (related to performance share awards awarded in January 2024)
<b>Non-financial criteria (10%)</b>		
<ul style="list-style-type: none"> <li>Progress on product strategy.</li> </ul>	2.5%	<ul style="list-style-type: none"> <li>Successfully completed enhancements as per plan for next generation multi module, flip chip, epoxy, soft solder, packaging and plating.</li> <li>New orders for 3D, 2.5D and silicon photonics applications for next generation AI, logic and memory devices.</li> <li>Technology Advisory Board formed to enhance Besi's advanced packaging strategy and competitive position.</li> <li>Gross margin increased to 64.9% in 2023 versus 61.3% in 2022 despite 20% revenue decrease. Re-affirms Besi's leading market position.</li> <li>Besi's market share of its addressable market increased to 32.3% in 2022 and its share of the Die Attach market increased to 40%.</li> </ul>
<ul style="list-style-type: none"> <li>Capital allocation – optimize shareholder value through dividends, share repurchases, acquisitions and external.</li> </ul>	2.5%	<ul style="list-style-type: none"> <li>Capital allocation increased by 4.6% to € 435.5 million. Total capital allocation since 2011 increased to € 1.8 billion. Represented approximately 30% of total revenue since 2011.</li> <li>€ 300 million share buyback program completed. New € 60 million program initiated.</li> <li>€ 1.9 billion returned to shareholders since 2011, including the dividend proposed for 2023.</li> <li>Solid liquidity position with cash of € 413.5 million at year end.</li> <li>2023 dividend of € 2.15 per share. Pay-out ratio of 97%.</li> <li>TSR of 66.7% in 2023. Besi ranked fourth of TSR peer group. Outperformed direct peers and SOX index.</li> <li>Significant long-term value creation achieved.</li> <li>Over past three years, Besi market capitalization increased by 292% to € 10.5 billion at the end of 2023.</li> <li>TSR of 210% past three years and 813% past five years.</li> <li>Significant outperformance versus direct peers, SOX index and the Reference Group over three-year period.</li> <li>Shareholder value also enhanced via increased shareholder outreach including expanded (i) research coverage, (ii) number of investor conferences and (iii) number of research and investor calls during the year.</li> </ul>
<ul style="list-style-type: none"> <li>People/wellbeing – diversity and inclusion, employee health and safety, employee development and engagement.</li> </ul>	2.5%	<ul style="list-style-type: none"> <li>2023 employee survey indicated high levels of participation and engagement. Six of seven categories were above high-tech norm.</li> <li>Participated in several community outreach projects.</li> </ul>
<ul style="list-style-type: none"> <li>Responsible business – ethics and compliance, responsible supply chain, community impact, tax practices.</li> </ul>	2.5%	<ul style="list-style-type: none"> <li>Strategic Plan 2023-2027 finalized to help achieve business, financial and sustainability objectives.</li> <li>No reported violations of Besi's Code of Conduct.</li> <li>Compliant with tax obligations where factual economic activities take place.</li> <li>Improved overall responsible supply chain targets.</li> <li>PV Code of Conduct Self-Assessment questionnaire signed increased from 63% in 2021 to 66% in 2023.</li> <li>PV to sign GWA or GPC increased from 64% in 2021 to 76% in 2023.</li> <li>PV to sign Conflict Free Sourcing Initiative increased from 66% in 2021 to 71% in 2023.</li> </ul>
<b>TOTAL</b>	<b>100%</b>	



The following table presents the shares awarded or due to the member of the Board of Management for the last five reported financial years and unvested or subject to a holding period as of December 31, 2024:

Name of Director, position	The main conditions of share award plans					Information regarding the reported financial year						
						Opening balance	During the year			Closing balance		
	Specification of plan	Performance period	Award date	Vesting date	End of holding period	Shares awarded at the beginning of the year	Shares awarded	Performance adjustments	Shares vested	Shares subject to a performance condition	Shares awarded and unvested at year end	Shares subject to a holding period
R.W. Blickman, CEO	2020 PSP		Jan 23, 2020	Jan 23, 2020	Jan 23, 2025	-	-	-	-	-	-	103,000
	2020 PSP	Jan 1, 2020 - Dec 31, 2022	Apr 30, 2020	Apr 26, 2023	Apr 26, 2025	-	-	-	-	-	-	37,241
	2021 add. PSP		Jan 21, 2021	Jan 21, 2021	Jan 21, 2026	-	-	-	-	-	-	100,000
	2021 PSP	Jan 1, 2021 - Dec 31, 2023	Apr 30, 2021	Apr 25, 2024	Apr 25, 2026	35,620	-	-	35,620	-	-	35,620
	2022 add. PSP		Jan 20, 2022	Feb 17, 2022	Feb 17, 2027	-	-	-	-	-	-	70,000
	2022 PSP	Jan 1, 2022 - Dec 31, 2024	Apr 29, 2022	Apr 23, 2025	Apr 23, 2027	13,927	-	4,638	-	18,565	18,565	-
	2023 add. PSP		Jan 19, 2023	Jan 19, 2023	Jan 19, 2028	-	-	-	-	-	-	88,020
	2023 PSP	Jan 1, 2023 - Dec 31, 2025	Apr 26, 2023	AGM 2026	AGM 2026 + 2 years	20,604	-	-	-	20,604	20,604	-
	2024 add. PSP		Jan 25, 2024	Jan 25, 2024	Jan 25, 2029	-	70,000	-	70,000	-	-	70,000
	2024 PSP	Jan 1, 2024 - Dec 31, 2026	Apr 25, 2024	AGM 2027	AGM 2027 + 2 years	-	12,350	-	-	12,350	12,350	-
<b>Total</b>						<b>70,151</b>	<b>82,350</b>	<b>4,638</b>	<b>105,620</b>	<b>51,519</b>	<b>51,519</b>	<b>503,881</b>

#### Clawback and ultimate remedium

In accordance with Dutch law and the Remuneration Policy, the Short-Term Incentive and Long-Term Incentive components for the member of the Board of Management are subject to clawback provisions and ultimate remedium clauses. During 2024, no circumstances were identified by the Supervisory Board that could result in any adjustments or clawback.

### Remuneration of the Board of Management

Remuneration of the member of the Board of Management recognized by the Company in its Financial Statements for the years ended December 31, 2024 and December 31, 2023 was as follows:

(€, except for performance shares)	Year ended December 31,	
	2024	2023
Base salary	700,000	650,000
Annual cash bonus	1,050,000	975,000
Other benefits <sup>1</sup>	273,133	257,529
<b>Total cash benefits</b>	<b>2,023,133</b>	<b>1,882,529</b>
Annual equity bonus	2,450,000	-
Equity compensation benefits: Incentive Plan <sup>2</sup>	1,762,781	1,547,777
<b>Total remuneration, excluding discretionary elements</b>	<b>6,235,914</b>	<b>3,430,306</b>
Equity compensation benefits: additional performance shares related to prior year <sup>3</sup>	10,419,500	5,529,416
<b>Total remuneration</b>	<b>16,655,414</b>	<b>8,959,722</b>
Conditional performance shares awarded <sup>4</sup>	12,350	20,604

<sup>1</sup> Other benefits include expense compensation, medical insurance, employer social security contributions and for 2024 and 2023 a taxable pension allowance of € 230,360 and € 214,756, respectively.

<sup>2</sup> Expenses recognized in 2024 and 2023 for performance shares awarded from 2020 to 2024 made under the Incentive Plan as determined in accordance with IFRS.

<sup>3</sup> Expenses recognized in 2024 and 2023 for the additional performance share award of 70,000 shares which vested on January 25, 2024 and of 88,020 shares which vested on January 19, 2023 as determined in accordance with IFRS.

<sup>4</sup> Performance shares for 2024 and 2023 may vest in 2027 and 2026, respectively, subject to continued service and the actual performance during the performance period 2024-2026 and 2023-2025, respectively.

### Other remuneration information

The actual cash remuneration paid by the Company to the member of the Board of Management and the value of the vested equity remuneration for the member of the Board of Management for the years ended December 31, 2024 and 2023 were as follows:

(€)	Year ended December 31,	
	2024	2023
Base salary	700,000	650,000
Fringe benefits	273,133	257,529
<b>Total fixed remuneration</b>	<b>973,133</b>	<b>907,529</b>
One-year variable	13,919,500	6,504,416
Equity compensation benefits: Incentive Plan	4,844,320	3,049,293
<b>Total variable remuneration</b>	<b>18,763,820</b>	<b>9,553,709</b>
Pension expense	-	-
<b>Total remuneration</b>	<b>19,736,953</b>	<b>10,461,238</b>
Proportion of fixed and variable remuneration	5%/95%	9%/91%

The difference between the total remuneration paid to the member of the Board of Management in 2024 as recognized in the Company's Financial Statements (€ 16,655,414) and the actual cash remuneration paid and value of the vested equity remuneration for the member of the Board of Management (€ 19,736,953) was primarily due to the share price variation between the grant date and vesting date used for determining the value of LTI share-based compensation.

### Loans

At the end of 2024, no loans, advances or guarantees were provided or outstanding to the CEO in accordance with the Remuneration Policy.

### Summary compensation and key performance metrics 2020-2024

The following table presents the items used to evaluate remuneration and company performance over the last five reported financial years:

	2024	2023	2022	Year ended December 31,	
				2021	2020
<i>Director's actual cash remuneration and value of equity remuneration</i>					
R.W. Blickman, CEO	Board of Management (€)	19,736,953	10,461,238	9,383,482	8,698,528
	Annual change	89%	11%	8%	23%
<i>Company performance</i>					
Net income as % of revenue realized		30.0%	30.6%	33.3%	37.7%
Total shareholder return (base 2018 = 100%)		900%	913%	365%	457%
<i>Average actual cash remuneration and value of equity remuneration</i>					
Employees of the Company, excluding CEO (€ thousands)		90.1	80.4	73.6	70.8
Annual change		12%	9%	4%	4%
Internal pay ratio*		196	115	115	128

\* The internal pay ratio is calculated based on the annual total remuneration of the CEO relative to the average annual remuneration of the employees of the Company as reported in accordance with IFRS and in accordance with the requirements under the Dutch Corporate Governance Code. The Remuneration Committee noted that certain factors influence the internal pay ratio. The internal pay ratio of 196 in 2024 increased as compared to 2023 and 2022 as the total 2024 remuneration of the CEO as reported in accordance with IFRS increased by 86% versus 2023 due to the expenses for the additional performance shares related to the prior year, whereas the average remuneration of other employees in accordance with IFRS increased by 9%. The internal pay ratio is mainly impacted by the value of the equity compensation awarded to the CEO and as such aligned with the share price performance. Given the dependence on the share price development, the Remuneration Committee does not have a preferred ratio. Instead, the remuneration of employees and the CEO should be in line with the relevant internal and external references for the relative weight of the position, responsibilities and performance.

### Shares held by members of the Board of Management

Members of the Board of Management are expected to hold Besi shares as a long-term investment to better align their interests with those of shareholders. As per the 2024 Remuneration Policy, the Chairman of the Board of Management is expected to hold shares in an amount equal to three times his base salary (or € 2,100,000 based on his 2024 salary). Other members of the Board of Management are expected to hold shares in an amount equal to two times their base salary. The table below shows the holdings of the member of the Board of Management as of December 31, 2024:

Board of Management	2024 base salary in €	Number of shares held	Ownership ratio*
R.W. Blickman	700,000	1,347,718	255x

\* The ownership ratio is calculated based on the number of shares held by the member of the Board of Management multiplied by the share price at December 31, 2024 and then divided by the base salary.

### Remuneration members of the Supervisory Board

The remuneration of the members of the Supervisory Board is reviewed on an annual basis. Compensation for members of Besi's Supervisory Board has not been increased for the past six years. Therefore, the Committee reviewed its compensation structure in 2023 with the help of a third-party consultant and concluded that the pay levels for some roles were below the benchmark of market median rates for other reference companies in accordance with the Remuneration Policy 2024. Consequently, a proposal was made at the 2024 AGM, and approved by shareholders, to increase the compensation for members of Besi's Supervisory Board and to approve the Remuneration Policy of the Supervisory Board.

The current remuneration of Supervisory Board members is as follows:

- Member of the Supervisory Board, including committee membership(s): € 86,750.
- Member of the Supervisory Board and Chairperson of a committee: € 91,750.
- Chairperson of the Supervisory Board: € 113,125.
- Meeting attendance fees, including conference calls: None.

The members of the Supervisory Board are not entitled to any performance or equity related compensation and are not entitled to any pension allowance or contribution.

The total cash remuneration of the members of the Supervisory Board for the five years ended December 31, 2024 was as follows, as reported by the Company:

(€)	Year ended December 31,				
	2024	2023	2022	2021	2020
R. Norbruis – Chairperson	113,125	52,800	-	-	-
N. Hoek – Member and Chair Audit Committee	91,750	66,000	66,000	66,000	66,000
C. Bozotti – Member and Chair Remuneration Committee	91,750	66,000	66,000	64,900	62,700
E. Eckstein – Member and Chair Nomination Committee	91,750	66,000	64,900	20,900	-
L. Oliphant – Member	86,750	68,700	62,700	41,800	-
Former members of the Supervisory Board:					
L.J. Hijmans van den Bergh	-	25,800	79,200	79,200	79,200
D.J. Dunn	-	-	-	22,000	66,000
M. ElNaggar	-	-	-	41,800	68,700
<b>Total remuneration</b>	<b>475,125</b>	<b>345,300</b>	<b>338,800</b>	<b>336,600</b>	<b>342,600</b>

### Loans

At the end of 2024, no loans, advances or guarantees were outstanding for any members of Besi's Supervisory Board.

# Report of the Supervisory Board





# Report of the Supervisory Board

## Annual Report

Besi is pleased to present its 2024 Annual Report prepared by the Board of Management. The Annual Report includes Besi’s Financial Statements as prepared by the Board of Management for the financial year ended December 31, 2024. At its meeting on February 19, 2025, the Supervisory Board approved these Financial Statements. EY Accountants B.V. (“EY”), independent external auditors, duly examined the 2024 Besi Financial Statements and issued an unqualified opinion thereon.

The Supervisory Board recommends that the General Meeting of Shareholders adopts the 2024 Financial Statements as submitted by the Board of Management and approved by the Supervisory Board. The Board of Management, with the approval of the Supervisory Board, has also submitted a proposal to declare a cash dividend of € 2.18 per share for the year ended December 31, 2024.

## Supervision

Besi has a two-tier board structure consisting of a Board of Management and a Supervisory Board that is responsible for supervising and guiding the Board of Management. The Board of Management is currently comprised of one member, Mr Richard Blickman. The Supervisory Board is currently comprised of five members, all of whom are considered independent within the meaning of best practice provision 2.1.8 of the Dutch Corporate Governance Code. In the opinion of the Supervisory Board, the independence requirements referred to in best practice provisions 2.1.7 to 2.1.9 (inclusive) of the Dutch Corporate Governance Code have been fulfilled.

Name	Year first appointed	Year reappointed	Term end
Mr Richard Norbruis (Chairperson)	2023	–	2027
Mr Niek Hoek	2018	2022	2026
Mr Carlo Bozotti	2018	2022	2026
Dr Laura Oliphant	2021	–	2025
Ms Elke Eckstein	2021	–	2025

The Supervisory Board will propose to reappoint each of Dr Laura Oliphant and Ms Elke Eckstein as Supervisory Board members for four-year terms at Besi’s Annual General Meeting of Shareholders on April 23, 2025.

## Composition and diversity

The Supervisory Board considers its composition to be aligned with its objective for an adequate mix of knowledge and experience amongst its members in relation to the technological and global character of Besi’s business as well as an adequate level of knowledge and experience in financial, economic, technical, social and legal aspects of international business and government and public administration. The Supervisory Board believes that it has the requisite expertise, background, competencies and independence to carry out its duties properly and that all members have sufficient time to spend on their respective duties and responsibilities.

The Supervisory Board has a diverse composition in terms of experience, expertise, cultural or other background, competencies, education, gender identity, age and nationality. On all such points, its composition is in line with the objectives of the Supervisory Board’s profile and Diversity and Inclusion policy. The current Supervisory Board male/female ratio of 60/40 is in compliance with the Supervisory Board’s profile and Besi’s Diversity and Inclusion policy as well as with Dutch legislation on gender diversity effective January 1, 2022. When considering new candidates, the Supervisory Board will retain an active and open attitude with respect to the selection of female candidates. Gender is, however, only one factor of diversity. The qualifications of a particular person and the requirements for the position shall in principle always prevail over all other factors and considerations when filling a vacancy unless otherwise required by Dutch law.

## Meetings and attendance

In 2024, the Supervisory Board held six meetings (four in-person and two virtually), of which four were combined meetings of the Supervisory Board and the Audit Committee. The Board of Management also organized four virtual update meetings for the Supervisory Board during the year. In addition, the Supervisory Board visited Besi’s facilities in Switzerland, Malaysia and Singapore and met with local management.

During the year, the Audit Committee held four meetings to discuss the topics set forth below and the scope and results of EY’s audit of the Financial Statements. EY attended two meetings of the Audit Committee in 2024. The Audit Committee separately met with EY once without the presence of the member of the Board of Management.

The Remuneration Committee and the Nomination Committee both met once in 2024 to discuss the topics set forth below. The member of the Board of Management was not present during the Remuneration Committee meeting and Nomination Committee meeting.



Meeting attendance by individual Supervisory Board member was as follows:

Name	Supervisory Board	Audit Committee	Remuneration Committee	Nomination Committee
Mr Richard Norbruis	6/6	4/4	1/1	1/1
Mr Niek Hoek	6/6	4/4	1/1	1/1
Mr Carlo Bozotti	6/6	4/4	1/1	1/1
Dr Laura Oliphant	6/6	4/4	1/1	1/1
Ms Elke Eckstein	6/6	4/4	1/1	1/1

### Supervisory Board meeting topics

Key topics discussed by the Supervisory Board during 2024 included:

#### Strategic

- Semi-annual reviews of current strategic planning initiatives and the principal risks associated therewith as well as the implementation of Besi's sustainable long-term value creation strategy.
- Besi's technology roadmap and related research and development programs including a joint meeting with the CEO and the Technology Advisory Board.
- Potential strategic alliances and acquisitions.
- The hybrid bonding joint development agreement with Applied Materials.
- Sustainability related topics including a review of Besi's current policies, strategies and performance more fully discussed in our [Sustainability Statement](#) in this Annual Report.
- Compliance with the CSRD and progress related thereto.
- Status updates related to Besi's strategic plan initiatives 2023-2027.

#### Financial

- Besi's annual budget as well as quarterly revised estimates related thereto.
- Quarterly business reviews and a review and discussion of Besi's 2024 annual budget with the Board of Management and senior management.
- Besi's capital allocation policy including completion of the € 60 million share repurchase program in August 2024 and initiation of a new € 100 million share repurchase program effective September 1, 2024.
- Besi's issuance of € 350 million of 4.500% Senior Notes due 2031.

#### Operations

- The ongoing reductions to Besi's cost structure.
- The general risks associated with Besi's operations.
- The progress of the advanced die placement activities focused on wafer level assembly.
- The planned expansion in 2025 of our Malaysian cleanroom production capacity and Singaporean advanced packaging support capabilities and an expansion of our Vietnam production facility.

- The progress of Besi's development programs including new product introductions and enhancements to Besi's current portfolio.
- The ongoing operational development of Besi's processes, procedures, ERP and IT systems.
- The assessment and review provided by the Board of Management of the structure and operation of Besi's internal control and risk management systems as well as any significant changes thereto.

#### Governance

- The functioning and performance evaluation of the Board of Management, the Supervisory Board, the Audit Committee, the Remuneration Committee and the Nomination Committee and the individual members of the Supervisory Board.
- A self-assessment conducted by the Supervisory Board (without the presence of the member of the Board of Management), the results of which concluded that there is a proper mix of background and skills at the Supervisory Board level and that the Supervisory Board works well as a team with open and direct communication.
- Succession planning and related career development programs for members of senior management and key Besi staff.
- The remuneration of the Board of Management and the Remuneration Report.
- The compensation of the Supervisory Board.

#### Capital allocation policy

The Board of Management is responsible for Besi's optimal capital allocation and has adopted a policy which aims to enhance shareholder returns via dividends and share repurchases.

Due to Besi's earnings and cash flow generation in 2024, the Board of Management, with the approval of the Supervisory Board, will propose a cash dividend to shareholders equal to € 2.18 per share for 2024 for approval at Besi's Annual General Meeting of Shareholders on April 23, 2025.

On October 26, 2023, Besi announced a € 60 million share repurchase program effective November 1, 2023. Under the program, Besi repurchased a total of 451,356 of its ordinary shares between November 1, 2023 (inception) and August 31, 2024 (completion) at an average price of € 132.93, representing an aggregate amount of € 60 million. On August 31, 2024, Besi announced a new € 100 million share repurchase program effective September 1, 2024. The program is aimed at general capital reduction purposes and to help offset dilution related to Besi's Convertible Notes and shares issued under employee stock plans. It is funded using available cash resources and is expected to be completed by October 2025. In 2024, Besi repurchased a total of 261,744 of its ordinary shares between September 1, 2024 (inception) and December 31, 2024 under the new plan at an average price of € 112.28 representing an aggregate amount of € 29.4 million.

### Supervisory Board committees

The Supervisory Board has established three committees, the Audit Committee, the Remuneration Committee and the Nomination Committee. These committees operate under the terms of reference approved by the Supervisory Board.

#### Audit Committee

The Audit Committee consists of all Supervisory Board members. The Chairperson is Mr Niek Hoek who is considered a financial expert. The Audit Committee fulfills its responsibilities by carrying out the activities enumerated under its terms of reference including assistance provided to the Supervisory Board in fulfilling its oversight responsibilities in its review of:

- The effectiveness of Besi's internal control and risk management systems and the internal audit function as described under [Risk Management](#) and in the chapter [Internal control and risk management](#) under Corporate Governance in this Annual Report.
- The analysis and assessment provided by the Board of Management of the structure and operation of Besi's internal control and risk management systems and any significant changes thereto.
- Besi's capital structure, financing and treasury operations.
- Besi's European and global tax structure and transfer pricing policy including, in particular, developments affecting fiscal Base Erosion and Profit Shifting ("BEPS").
- Auditing, accounting and financial reporting processes and critical accounting policies, new accounting pronouncements and the further development of International Financial Reporting Standards as adopted by the EU ("IFRS").
- Auditing, accounting and reporting of non-financial sustainability reporting.
- The quality of work, reporting, expertise and independence of EY, Besi's independent external auditor, on a regular basis including, in particular, the appropriateness of non-audit services provided.
- The terms of EY's engagement including the scope of the audit, the materiality thresholds to be used and the audit fee.
- The approval of non-audit/assurance services by EY.
- The receipt, retention and treatment of complaints and the anonymous submission of confidential concerns by employees involving accounting matters on the basis of Besi's Whistleblower procedure, which can be found on the Company's website: [www.besi.com](http://www.besi.com).
- Information and communication technology deployment including ongoing enhancements to Besi's global ERP system.
- Besi's cyber security profile including risks and measures available to counter the rising threat of cybercrime and cyber terrorism.

The Audit Committee terms of reference are posted on Besi's website: [www.besi.com](http://www.besi.com).

#### Remuneration Committee

The Remuneration Committee consists of all Supervisory Board members. The Chairperson of the Remuneration Committee is Mr Carlo Bozotti. It has the following responsibilities with respect to remuneration for which it fulfills its obligations by:

- The proposal to the Supervisory Board of the Remuneration Policies to be pursued.
- The review and proposal on an annual basis of the corporate goals and objectives related to the remuneration of the Board of Management.
- The proposal to the Supervisory Board for the remuneration of the Board of Management within the scope of the Remuneration Policy as adopted by the General Meeting of Shareholders. Such proposal shall, in any event, deal with:
  - The strategic objectives for the implementation of sustainable long-term value creation.
  - The remuneration structure.
  - The amounts of the fixed and variable remuneration components and the ratio thereof.
  - The performance criteria used.
  - The scenario analyses carried out.
  - Company-wide pay ratios.
  - The terms and conditions governing conditional share awards or share options.
  - The development of the market price of the ordinary shares.
  - The overall compliance with the requirements imposed by the Dutch Civil Code and the Dutch Corporate Governance Code.
- Overseeing Besi's equity incentive plans.
- Preparing the Remuneration Report.

The Remuneration Committee's terms of reference are posted on our website: [www.besi.com](http://www.besi.com).

#### Remuneration Report

The [Remuneration Report](#) is included in a separate section of this Annual Report.

### The Nomination Committee

The Nomination Committee consists of all Supervisory Board members. The Chairperson of the Nomination Committee is Ms Elke Eckstein. It has the following responsibilities with respect to the selection and nomination of Supervisory Board members and members of the Board of Management for which it fulfills its obligations by:

- Determining selection criteria and appointment procedures for Supervisory Board members and members of the Board of Management.
- Periodically assessing the size and composition of the Supervisory Board and the Board of Management and making proposals for the composition profile of the Supervisory Board.
- Periodically assessing the functioning of individual Supervisory Board members and members of the Board of Management and providing reports to the Supervisory Board.
- Creating and updating succession plans for Supervisory Board members and members of the Board of Management.
- Making proposals for appointments and reappointments.
- Supervising the policy of the Board of Management on selection criteria and appointment procedures for senior management.

The Nomination Committee's terms of reference are posted on our website: [www.besi.com](http://www.besi.com).

### Corporate governance

The Supervisory Board acknowledges the importance of good corporate governance, the most important elements of which are transparency, independence and accountability. It continuously reviews important corporate governance developments. Reference is made to the [Corporate Governance](#) section of this Annual Report. Deviations from the Dutch Corporate Governance Code are explained in that section.

The Supervisory Board would like to express its thanks and appreciation to all involved for their hard work and dedication to Besi in 2024. In particular, we would like to thank management and employees for their actions taken this year to help Besi achieve an excellent performance in a challenging industry environment.

The Supervisory Board  
Richard Norbruis, Chairperson

February 19, 2025



## Board of Management, Supervisory Board and Technology Advisory Board Members



## Board of Management, Supervisory Board and Technology Advisory Board Members

### Board of Management

#### Richard W. Blickman (male, 1954)

Dutch nationality  
Appointed since 1995

Chief Executive Officer, Chairman of the  
Board of Management

### Supervisory Board

#### Richard Norbruis (male, 1957)

Chairperson  
Dutch nationality  
Member since 2023  
Current term 2023 – 2027

Partner at Norbruis Clement Advocaten

#### Additional functions

Chairman of Stichting Administratie-  
kantoor van gewone aandelen A Van  
Lanschot Kempen.

#### Carlo Bozotti (male, 1952)

Italian and Swiss nationality  
Member since 2018  
Current term 2022 – 2026

Industrial Partner of FSI, private equity  
firm

#### Additional functions

Non-executive member of the board of  
directors of Nice S.p.A.

#### Laura Oliphant (female, 1963)

American nationality  
Member since 2021  
Current term 2021 – 2025

Managing Partner of Serendibite Partners

#### Additional functions

Non-executive member of the board of  
directors of Aehr Test Systems and USA  
Triathlon.



From left to right: Carlo Bozotti, Elke Eckstein, Niek Hoek, Richard Norbruis, Laura Oliphant and Richard Blickman.

#### Elke Eckstein (female, 1964)

German nationality  
Member since 2021  
Current term 2021 – 2025

Non-executive member of the board of  
directors of Jenoptik, KK Wind, Saferoad,  
u-blox and ViaCon.

#### Niek Hoek (male, 1956)

Dutch nationality  
Member since 2018  
Current term 2022 – 2026

Managing director of Brandaris Capital  
Holding B.V.

#### Additional functions

Chairman of the Supervisory Boards of  
Anthony Veder Group N.V. (Netherlands  
Antilles), Van Oord N.V. and Cabka N.V.,  
Chairman of the Board of Stichting  
Preferente Aandelen Nedap.

The Supervisory Board has formed the  
following committees:

#### Audit Committee

Members: Niek Hoek (Chairperson), Carlo  
Bozotti, Elke Eckstein, Richard Norbruis  
and Laura Oliphant

#### Nomination Committee

Members: Elke Eckstein (Chairperson),  
Carlo Bozotti, Richard Norbruis, Niek  
Hoek and Laura Oliphant

#### Remuneration Committee

Members: Carlo Bozotti (Chairperson),  
Elke Eckstein, Richard Norbruis, Niek  
Hoek and Laura Oliphant



**Technology Advisory Board****Marvin D. Liao (male, 1955)**

Formerly VP Operations/Advanced Packaging Technology and Service of TSMC.

**Frits van Hout (male, 1960)**

Formerly Executive Vice President and Chief Strategy Officer of ASML.

**Vincent DiCaprio (male, 1966)**

Vice President at Applied Materials and Head of Business and Corporate Development for its Heterogeneous Integration and ICAPS Business Unit.

**Mostafa A. Aghazadeh (male, 1959)**

Formerly Advanced Packaging Technology & Manufacturing Executive at Intel.

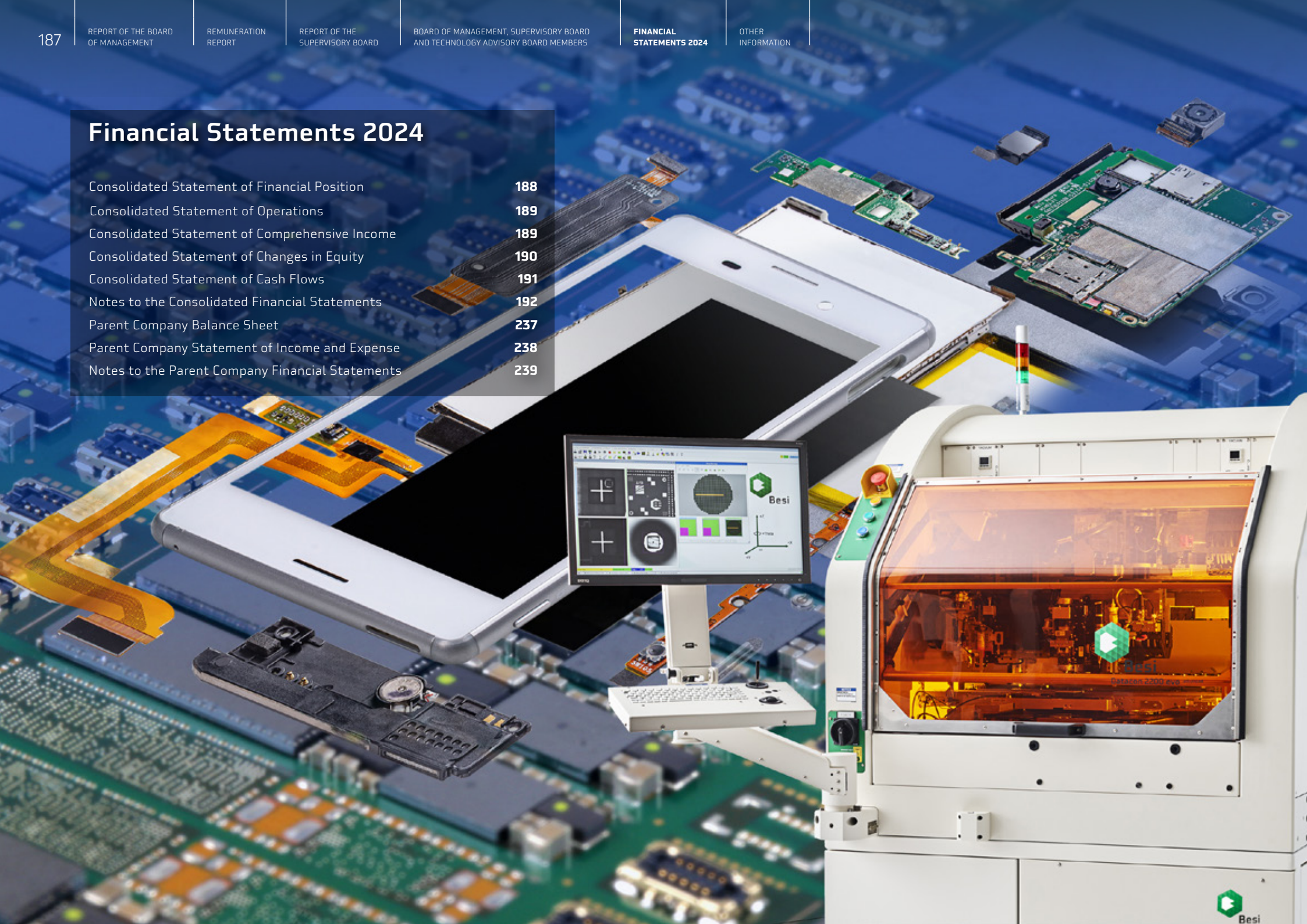


*From left to right: Frits van Hout, Mostafa A. Aghazadeh, Vincent DiCaprio and Marvin D. Liao.*



## Financial Statements 2024

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## Consolidated Statement of Financial Position

(€ thousands)	Note	December 31, 2024	December 31, 2023
<i>Assets</i>			
Cash and cash equivalents	3	342,319	188,477
Deposits	4	330,000	225,000
Trade receivables	5	181,862	143,218
Inventories	6	103,285	92,505
Income tax receivable		8,594	5,956
Other receivables	7	27,741	28,899
Prepayments	8	4,592	4,237
<b>Total current assets</b>		<b>998,393</b>	<b>688,292</b>
Property, plant and equipment	9	44,773	37,516
Right of use assets	19	15,726	18,242
Goodwill	10	46,010	45,402
Other intangible assets	11	96,677	93,668
Deferred tax assets	29	31,567	12,217
Other non-current assets	12	1,330	1,216
<b>Total non-current assets</b>		<b>236,083</b>	<b>208,261</b>
<b>Total assets</b>		<b>1,234,476</b>	<b>896,553</b>

(€ thousands)	Note	December 31, 2024	December 31, 2023
<i>Liabilities and equity</i>			
Bank overdraft		776	-
Current portion of long-term debt	18	2,042	3,144
Trade payables	14	52,630	46,889
Income tax payable		21,393	16,629
Provisions	15	5,681	4,751
Lease liabilities	19	3,888	3,739
Other payables	16	57,635	37,822
Other current liabilities	17	22,934	24,259
<b>Total current liabilities</b>		<b>166,979</b>	<b>137,233</b>
Long-term debt	18	525,653	297,353
Lease liabilities	19	12,350	14,924
Deferred tax liabilities	29	10,320	12,959
Provisions	20, 25	14,355	11,972
Other non-current liabilities	17	3,555	699
<b>Total non-current liabilities</b>		<b>566,233</b>	<b>337,907</b>
Share capital	21	811	811
Share premium		181,433	108,144
Retained earnings		169,998	162,779
Other reserves	21	149,022	149,679
<b>Equity attributable to owners of the Company</b>		<b>501,264</b>	<b>421,413</b>
<b>Total liabilities and equity</b>		<b>1,234,476</b>	<b>896,553</b>

## Consolidated Statement of Operations

(€ thousands, except share and per share data)	Note	Year ended December 31,	
		2024	2023
Revenue	23, 24	607,473	578,862
Cost of sales		211,529	203,074
<b>Gross profit</b>		<b>395,944</b>	<b>375,788</b>
Selling, general and administrative expenses		126,048	105,956
Research and development expenses		74,305	56,440
<b>Total operating expenses</b>		<b>200,353</b>	<b>162,396</b>
<b>Operating income</b>		<b>195,591</b>	<b>213,392</b>
Financial income	28	17,313	13,034
Financial expense	28	(24,384)	(18,737)
<b>Financial income (expense), net</b>		<b>(7,071)</b>	<b>(5,703)</b>
<b>Income before income tax</b>		<b>188,520</b>	<b>207,689</b>
Income tax expense	29	6,528	30,605
<b>Net income</b>		<b>181,992</b>	<b>177,084</b>
Total net income per share			
Basic		2.31	2.28
Diluted <sup>1</sup>		2.30	2.23
Weighted average number of shares used to compute income per share			
Basic	30	78,877,471	77,508,722
Diluted	30	81,889,907	82,800,279

## Consolidated Statement of Comprehensive Income

(€ thousands)	Year ended December 31,	
	2024	2023
<b>Net income</b>	<b>181,992</b>	<b>177,084</b>
<i>Other comprehensive income</i>		
Actuarial gain (loss), net of income tax	(1,403)	(1,191)
Items that will not be reclassified to profit and loss	(1,403)	(1,191)
Currency translation differences	4,250	2,631
Unrealized hedging results, net of income tax	(6,743)	(331)
Items that may be reclassified subsequently to profit or loss	(2,493)	2,300
<b>Other comprehensive income, net of income tax</b>	<b>(3,896)</b>	<b>1,109</b>
<b>Total comprehensive income</b>	<b>178,096</b>	<b>178,193</b>

<sup>1</sup> The calculation of the diluted income per share for the year 2024 and 2023 assumes the exercise of equity-settled share-based payments. The calculation also assumes the conversion of the Company's Convertible Notes due 2024, 2027 and 2029, respectively, as such conversion would have a dilutive effect.



## Consolidated Statement of Changes in Equity

(€ thousands, except for share data)	Number of ordinary shares outstanding <sup>1</sup>	Share capital	Share premium	Retained earnings	Other reserves (Note 21)	Total share- holders' equity
<b>Balance at January 1, 2024</b>	<b>81,146,738</b>	<b>811</b>	<b>108,144</b>	<b>162,779</b>	<b>149,679</b>	<b>421,413</b>
Currency translation differences	-	-	-	-	4,250	4,250
Other comprehensive results	-	-	-	-	(1,403)	(1,403)
Unrealized hedging results	-	-	-	-	(6,743)	(6,743)
Other comprehensive income for the year	-	-	-	-	(3,896)	(3,896)
Net income	-	-	-	181,992	-	181,992
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>181,992</b>	<b>(3,896)</b>	<b>178,096</b>
Dividend paid to owners of the Company	-	-	-	(171,534)	-	(171,534)
Convertible Notes converted into equity	-	-	123,055	-	-	123,055
Changes in legal reserve	-	-	-	(3,239)	3,239	-
Equity-settled share-based payments	-	-	30,067	-	-	30,067
Purchase of treasury shares	-	-	(79,833)	-	-	(79,833)
<b>Balance at December 31, 2024</b>	<b>81,146,738</b>	<b>811</b>	<b>181,433</b>	<b>169,998</b>	<b>149,022</b>	<b>501,264</b>
<b>Balance at January 1, 2023</b>	<b>81,146,738</b>	<b>811</b>	<b>271,350</b>	<b>219,389</b>	<b>136,985</b>	<b>628,535</b>
Currency translation differences	-	-	-	-	2,631	2,631
Other comprehensive results	-	-	-	-	(1,191)	(1,191)
Unrealized hedging results	-	-	-	-	(331)	(331)
Other comprehensive income for the year	-	-	-	-	1,109	1,109
Net income	-	-	-	177,084	-	177,084
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>177,084</b>	<b>1,109</b>	<b>178,193</b>
Dividend paid to owners of the Company	-	-	-	(222,109)	-	(222,109)
Convertible Notes converted into equity	-	-	31,074	-	-	31,074
Changes in legal reserve	-	-	-	(11,585)	11,585	-
Equity-settled share-based payments	-	-	19,107	-	-	19,107
Purchase of treasury shares	-	-	(213,387)	-	-	(213,387)
<b>Balance at December 31, 2023</b>	<b>81,146,738</b>	<b>811</b>	<b>108,144</b>	<b>162,779</b>	<b>149,679</b>	<b>421,413</b>

<sup>1</sup> The outstanding number of ordinary shares includes 1,834,598 and 4,130,944 treasury shares at December 31, 2024 and December 31, 2023, respectively.

## Consolidated Statement of Cash Flows

(€ thousands)	Note	Year ended December 31,	
		2024	2023
<i>Cash flows from operating activities</i>			
Income before income tax		188,520	207,689
<i>Adjustments to reconcile income before income tax to net cash flows</i>			
Depreciation, amortization and impairment	9, 11, 19	28,601	25,732
Share-based payment expense	25	30,067	19,107
Financial expense, net	28	7,071	5,703
<i>Effects on changes in assets and liabilities</i>			
Decrease (increase) in trade receivables		(28,510)	(707)
Increase in inventories		(10,413)	(13,638)
Increase (decrease) in trade payables		3,271	8,024
Changes in provisions		3,956	2,732
Changes in other working capital		(7,399)	(23,230)
Net cash provided by operations		215,164	231,412
Interest received		13,444	9,567
Interest paid		(4,261)	(4,845)
Income tax paid		(23,264)	(27,562)
<b>Net cash provided by operating activities</b>		<b>201,083</b>	<b>208,572</b>
<i>Cash flows from investing activities</i>			
Capital expenditures	9, 11	(12,039)	(6,899)
Capitalized development expenditures	11	(19,437)	(21,121)
Repayment of (investments in) deposits	4	(105,000)	(44,927)
<b>Net cash used in investing activities</b>		<b>(136,476)</b>	<b>(72,947)</b>
<i>Cash flows from financing activities</i>			
Proceeds from bank lines of credit		776	-
Proceeds from notes	18	350,000	-
Transaction costs related to notes	18	(6,424)	-
Payments on lease liabilities	18, 19	(4,314)	(4,307)
Purchase treasury shares		(79,833)	(213,387)
Dividend paid to shareholders		(171,534)	(222,109)
<b>Net cash provided by (used in) financing activities</b>		<b>88,671</b>	<b>(439,803)</b>
Net change in cash and cash equivalents		153,278	(304,178)
Effect of changes in exchange rates on cash and cash equivalents		564	969
Cash and cash equivalents at beginning of the period	3	188,477	491,686
<b>Cash and cash equivalents at end of the period</b>	<b>3</b>	<b>342,319</b>	<b>188,477</b>

# Notes to the Consolidated Financial Statements

## 1. Basis of presentation

### General

BE Semiconductor Industries N.V. ("Besi" or "the Company") was incorporated in the Netherlands in May 1995 as the holding company for a worldwide business engaged in the development, manufacturing, marketing, sales and service of a broad portfolio of advanced packaging solutions to the semiconductor and electronic industries. BE Semiconductor Industries N.V.'s principal operations are in the Netherlands, Switzerland, Austria, Singapore, Malaysia, China and Vietnam. BE Semiconductor Industries N.V.'s principal executive office is located at Ratio 6, 6921 RW Duiven, the Netherlands. Statutory seat of the Company is Amsterdam; number at Chamber of Commerce is 09092395.

The Consolidated Financial Statements of BE Semiconductor Industries N.V. for the year ended December 31, 2024, were authorized for issue in accordance with a resolution of the directors on February 19, 2025. The Consolidated Financial Statements of the Company as at December 31, 2024 will be presented to the Annual General Meeting of Shareholders for their adoption on April 23, 2025.

The Consolidated Financial Statements are prepared on the basis that it will continue to operate as a going concern.

### Ukraine

As a result of the conflict in Ukraine, many countries have imposed, and may continue to impose, new sanctions on specified Russian entities and individuals. The direct impact to the Company in 2024 was negligible from a revenue and sourcing perspective as Besi has no presence in Russia, Ukraine or Belarus. However, the conflict and its direct and indirect consequences have and may continue to exert a drag on the global economy through inflation via energy and commodity prices. The Company implemented price increases on its systems to help compensate for inflationary cost pressures.

### Israel/Hamas

The ongoing conflict between Israel and Hamas has had no direct impact on our Company in 2024, as we do not maintain a presence in that specific region.

### Statement of compliance

The Company's Consolidated Financial Statements have been prepared in accordance with IFRS Accounting Standards as adopted by the European Union. They also comply with the financial reporting requirements included in section 9 of Book 2 of the Netherlands Civil Code, as far as applicable.

## 2. Summary of material accounting principles

### Presentation

The accompanying Consolidated Financial Statements include the accounts of BE Semiconductor Industries N.V. and its consolidated subsidiaries (collectively, "the Company"). The financial statements are presented in thousands of euro, rounded to the nearest thousand, unless stated otherwise. The accounting principles which the Company uses to prepare the Consolidated Financial Statements are based on historical cost, unless stated otherwise. Exceptions to the historical cost basis include derivative financial instruments and share-based compensation which are based on fair value. In addition, for pensions and other post-retirement benefits, actuarial present value calculations are used.

### Principles of consolidation

The Consolidated Financial Statements comprise the financial statements of BE Semiconductor Industries N.V. and its subsidiaries as at December 31, 2024. Subsidiaries are entities controlled by the Company. The Company controls an entity when it is exposed to, or has right to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the Consolidated Financial Statements from the date on which control commences until the date on which control ceases. The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies. All intra-group balances, income and expenses and unrealized gains and losses resulting from intra-group transactions are eliminated in full. Accounting policies, as set out below, have been applied consistently for all periods presented in these Consolidated Financial Statements and by all subsidiaries.



As of December 31, 2024 and 2023, the following subsidiaries are included in the accompanying Consolidated Financial Statements:

Name	Location and country of incorporation	Percentage of ownership
BE Semiconductor Industries Holding GmbH	Radfeld, Austria	100%
BE Semiconductor Industries USA, Inc.	Chandler, Arizona, USA	100%
Besi APac Sdn. Bhd.	Shah Alam, Malaysia	100% <sup>1</sup>
Besi Austria GmbH	Radfeld, Austria	100%
Besi Korea Ltd.	Seoul, South Korea	100%
Besi Leshan Co., Ltd.	Leshan, China	100%
Besi Netherlands B.V.	Duiven, the Netherlands	100%
Besi North America, Inc.	Chandler, Arizona, USA	100%
Besi Philippines, Inc.	Muntinlupa City, Philippines	100%
Besi (Shanghai) Trading Co., Ltd.	Shanghai, China	100%
Besi Singapore Pte. Ltd.	Singapore, Singapore	100%
Besi Switzerland AG	Steinhausen, Switzerland	100%
Besi Switzerland MM AG	Steinhausen, Switzerland	100% <sup>2</sup>
Besi (Thai) S&S Ltd.	Bangkok, Thailand	100% <sup>1</sup>
Besi USA, Inc.	Chandler, Arizona, USA	100%
Cong Ty TNHH Besi Viet Nam	Ho Chi Minh City, Vietnam	100%
Datacon Beteiligungs GmbH	Radfeld, Austria	100%
Esec China Financial Ltd.	Hong Kong, China	100%
Fico Hong Kong Ltd.	Hong Kong, China	100%
Fico International B.V.	Duiven, the Netherlands	100%
Meco Equipment Engineers B.V.	's-Hertogenbosch, the Netherlands	100%

<sup>1</sup> In order to comply with local corporate law, a non-controlling shareholding (less than 0.1%) is held by Company Management.

<sup>2</sup> Besi Switzerland MM AG has been incorporated as of December 16, 2024.

All intercompany profits, transactions and balances have been eliminated in the consolidation.

### Foreign currency translation

The Consolidated Financial Statements are presented in euros, which is the parent company's functional and presentation currency. Each entity in the group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. The principal exchange rates against the euro used in preparing the Consolidated Statement of Financial Position, the Consolidated Statement of Operations and Consolidated Statement of Comprehensive Income are:

	Consolidated Statement of Financial Position		Consolidated Statement of Operations and Consolidated Statement of Comprehensive Income	
	2024	2023	2024	2023
US dollar	1.04	1.11	1.08	1.08
Swiss franc	0.94	0.93	0.95	0.97
Malaysian ringgit	4.65	5.08	4.94	4.90
Chinese renminbi	7.58	7.85	7.79	7.63

Transactions in foreign currencies are initially recorded at the functional currency rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rate of exchange ruling at the balance sheet date. All differences are accounted for into the Consolidated Statement of Comprehensive Income or the Consolidated Statement of Operations. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the closing rate. The assets and liabilities of foreign operations are translated into euros at the rate of exchange ruling at the balance sheet date and their Statement of Operations is translated at the weighted average exchange rates for the year. The exchange differences arising on the translation of assets and liabilities are recognized in other comprehensive income ("OCI"), and presented as legal currency translation adjustment in equity. On disposal of a foreign entity, the deferred cumulative amount recognized in equity relating to that particular foreign operation is recognized in the Consolidated Statement of Operations.

Offsetting

Financial assets and financial liabilities are offset and the net amount is presented in the balance sheet when the Company has a legal right to offset the amounts and intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

Changes in accounting policies

The Company has consistently applied the accounting policies to all periods presented in these Consolidated Financial Statements.

A number of new standards and amendments are effective as from January 1, 2024. They do not have a material effect on the Company’s Consolidated Financial Statements. These new standards and amendments are as follows:

- Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7
- Classification of Liabilities as Current or Non-current - Amendments to IAS 1
- Non-current Liabilities with Covenants - Amendments to IAS 1

Cash and cash equivalents

Cash and cash equivalents consist of highly liquid investments with an original maturity date at the date of acquisition of three months or less or include a notice period of three months or less. Cash and cash equivalents are measured at amortized cost. Money market funds reported under cash and cash equivalents are measured at fair value through profit and loss and are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Deposits

Deposits consist of cash and cash equivalents which have been placed on deposit with an original maturity between 3 and 12 months.

Trade receivables and other receivables

Trade and other receivables are initially measured at transaction price and subsequently at amortized cost less any impairment loss. The Company applies the expected credit loss model to determine any trade receivables impairment losses. The trade receivables do not contain a significant financing component (in accordance with IFRS 15) and therefore the loss allowance is always measured as equal to lifetime expected credit losses. The Company uses a provisioning matrix to calculate the level of the provision and measures lifetime expected credit losses at percentages of amounts outstanding for current trade receivables, 30 days past due, 60 days past due, 90 days past due and over 120 days past due. The total accounts receivable impairment consists of two elements: provision if and when required based on Company estimates and additional provision as determined by the use of the provision matrix. Impairment losses and any subsequent reversals are recognized in the Consolidated Statement of Operations.

Inventories

Inventories are stated at the lower of cost (using moving weighted average costs) or net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and costs to make the sales. Cost includes net prices paid for materials purchased and all expenses to bring the inventory to its current location, charges for freight and custom duties, production labor costs and factory overhead.

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment charges. Costs include expenditures that are directly attributable to the acquisition of the asset, including financing expenses of capital investment projects under construction.

Depreciation is calculated using the straight-line method, based on the following estimated useful lives:

Category	Estimated useful life
Land	Not depreciated
Buildings	15–30 years
Leasehold improvements <sup>1</sup>	1–10 years
Machinery and equipment	2–10 years
Office furniture and equipment	3–10 years

<sup>1</sup> Leasehold improvements are depreciated over the shorter of the lease term or economic life of the asset.

Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment. The residual value, if not insignificant, is reassessed annually.

The Company recognizes in the carrying amount of an item of property, plant and equipment the cost of replacing part of such an item when that cost is incurred if it is probable that the future economic benefit relating to that subsequent expenditure will flow to the Company and the cost can be measured reliably. Other costs are recognized in the Consolidated Statement of Operations as expense, as incurred.

## Right of use assets

### Definition of a lease

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company uses the definition of a lease in IFRS 16.

At commencement or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of its relative stand-alone price.

### Right of use assets

The Company recognizes right of use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right of use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right of use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. The right of use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Category	
Land and buildings	1–10 years
Office furniture and equipment	1–10 years

In addition, the right of use asset is periodically assessed for impairment losses, and adjusted for certain remeasurements of the lease liability.

### Lease liabilities

Lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date discounted using the Company's incremental borrowing rate.

Lease payments included in the measurement of the lease liabilities comprise the following:

- Fixed payments, including in-substance fixed payments.
- Lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option.

In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term and/or a change in the in-substance fixed lease payments. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right of use asset, or is recorded in profit or loss if the carrying amount of the right of use asset has been reduced to zero.

### Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of buildings, machinery and equipment (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered of low value (i.e. below five thousand euro). Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

### Intangible assets

Intangible assets are valued at cost less accumulated amortization and impairment charges. All intangible assets are tested for impairment whenever there is an indication that the intangible asset may be impaired. Other intangible assets, such as goodwill and intangible assets not yet in use, are not amortized, but tested for impairment annually. In cases where the carrying value of the intangibles exceeds the recoverable amount, an impairment charge is recognized in the Consolidated Statement of Operations.

Business combinations and goodwill

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Company. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, the Company takes into consideration potential voting rights that currently are exercisable.

The Company measures goodwill at the acquisition date as:

- The fair value of the consideration transferred; plus
- The recognized amount of any non-controlling interests in the acquiree; plus
- If the business combination is achieved in stages, the fair value of the existing equity interest in the acquiree; less
- The net recognized amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

Costs related to the acquisition, other than those associated with the issue of debt or equity securities, that the Company incurs in connection with a business combination are expensed as incurred.

Any contingent consideration payable is recognized at fair value at the acquisition date. If the contingent consideration is classified as equity, it is not measured and settlement is accounted for within equity. Otherwise, subsequent changes to fair value of the contingent consideration are recognized in profit or loss.

Capitalized development expenses

Expenditures for research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, are recognized in the Consolidated Statement of Operations as an expense, as incurred. Expenditure for development activities, whereby research findings are applied to a plan or design for the production of new or substantially improved products and processes, is capitalized if (i) the product or process is technically and commercially feasible, (ii) the Company has the intention and sufficient resources to complete development, (iii) the Company has the ability to use or sell the development and (iv) the Company has the ability to reliably measure the expenditure attributable to the development during its process.

The expenditure capitalized includes the cost of materials, direct labor and other directly attributable costs. Other development expenditures are recognized in the Consolidated Statement of Operations as an expense, as incurred. Government grants to compensate for the cost of an asset are deducted from the cost of the related asset. Capitalized development expenditures are stated at cost less accumulated amortization and impairment losses.

Other identifiable intangible assets

Other intangible assets that are acquired by the Company are stated at cost (i.e. fair value of the consideration given) at the date of acquisition less accumulated amortization and impairment losses.

Amortization

Amortization is charged to the Consolidated Statement of Operations on a straight-line basis over the estimated useful lives of intangible assets unless such lives are indefinite. Amortization of capitalized development expenses and other intangible assets commence from the date they are available for use.

The estimated useful lives are as follows:

Category	Estimated useful life
Software	3-5 years
Development expenses	3-7 years

The Company does not have any other intangible assets with indefinite lives.

The amortization is recognized in the Consolidated Statement of Operations in cost of sales, selling, general and administrative expenses and research and development expenses.

Impairment of non-financial assets

The carrying amounts of the Company’s non-financial assets are reviewed at each year’s end balance sheet date to determine whether there is any indication of impairment. If such indication exists, the asset’s recoverable amount is estimated. For goodwill and intangible assets that are not yet available for use, the recoverable amount is estimated at each balance sheet date.

An impairment loss is recognized whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognized in the Consolidated Statement of Operations. Impairment losses recognized in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to cash-generating units (group of units) and then to reduce the carrying amount of the other assets in the unit (group of units) on a pro-rata basis.

### Calculation of recoverable amount

The recoverable amount of other assets is the higher of their fair value less costs of disposal and value-in-use. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

### Reversals of impairment

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Impairment losses in respect of goodwill are not reversed. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

### Other non-current assets

Funds with insurance companies for pension liability are stated at fair value.

### Other current liabilities

Other current liabilities consist of notes payable to banks, trade payables and other payables and are initially measured at fair value and subsequently at amortized cost, using the effective interest method.

### Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

### Financial instruments

#### *Initial recognition and measurement*

Trade receivables issued are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace are recognized on the trade date.

On initial recognition, a financial asset is classified as measured at: amortized cost; fair value through other comprehensive income ("FVOCI") or fair value through profit and loss ("FVTPL").

Financial assets are classified and measured at amortized costs or fair value through OCI if the cash flows are solely payments of principal and interest ("SPPI"). Financial assets with cash flows that are not SPPI are classified and measured at FVTPL. On initial recognition, the Company may designate a financial asset that meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates an accounting mismatch.

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition.

Financial instruments are initially measured at fair value plus any directly attributable transaction costs, with the exception of trade receivables. Transaction costs for financial assets at fair value through profit and loss are recognized directly in the Consolidated Statement of Operations.

The Company's financial assets include cash and cash equivalents, deposits, trade receivables, other receivables and prepayments. The Company's financial liabilities include trade and other payables, bank overdrafts, loans and borrowings and compound financial instruments, such as Convertible Notes.

#### *Subsequent measurement and gains and losses*

Financial instruments at FVTPL: These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss. Financial instruments at amortized cost: These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

#### *Derecognition*

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or when it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expired.

## Impairment of financial assets

### *Impairment*

The Company recognizes loss allowances for expected credit losses ("ECLs") for all financial assets measured at amortized cost and measured at FVOCI.

The Company measures loss allowances at an amount equal to lifetime ECLs, except for deposits and bank balances for which credit risk has not increased significantly since initial recognition, which are measured at 12-month ECLs. 12-month ECLs are the portion of ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. Life-time ECLs are the ECLs that result from all possible default events over the expected life of the financial instrument.

Loss allowances for trade receivables are always measured at equal to lifetime expected credit losses. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

### *Measurement of ECLs*

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive). For trade receivables, the Company applies a simplified approach in calculating ECLs.

### *Credit-impaired financial assets*

At each reporting date, the Company assesses whether financial assets carried at amortized cost are credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

### *Presentation of allowance for ECL in the Statement of Financial Position*

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

### *Write-off*

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. The Company individually makes an assessment with respect to the timing and amount of

write-off based on whether there is a reasonable expectation of recovery. The Company expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

## Derivative financial instruments and hedge accounting

In line with its hedging strategy, the Company uses derivative financial instruments to hedge its exposure to foreign currency exchange rate fluctuations relating to operational activities denominated in foreign currencies. In accordance with its treasury and risk policy, the Company does not hold or issue derivative financial instruments for trading purposes. The Company uses cash flow hedge accounting. However, derivatives that do not qualify for hedge accounting are accounted for as trading instruments.

The Company recognizes derivative financial instruments initially at fair value; attributable transaction costs are recognized in the Consolidated Statement of Operations as incurred. Subsequent to initial recognition, derivative financial instruments are measured at fair value. The gain or loss on remeasurement to fair value is recognized immediately in the Consolidated Statement of Operations in financial income (expense). Where derivatives qualify for hedge accounting, recognition of any gain or loss depends on the nature of the item being hedged.

The Company applies the cash flow hedge accounting model. In this hedging model, the effective part of a hedge transaction is reported as a component of other comprehensive income (hedging reserve), which is reclassified to earnings in the same period(s) in which the hedged forecasted transaction affects earnings. The ineffective part of the hedge is recognized directly in the Consolidated Statement of Operations in financial income (expense).

## Convertible Notes

The Company has issued Convertible Notes (compound financial instruments) that can be converted to share capital at the option of the holder, the number of shares to be issued is fixed and does not vary with changes in fair value. The liability component of a compound financial instrument is recognized initially at the fair value of a similar liability that does not have an equity conversion option. The equity component is recognized initially at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts. Subsequent to initial recognition, the liability component of a compound financial instrument is measured at amortized cost using the effective interest method. The equity component of a compound financial instrument is not remeasured. Interest related to the financial liability is recognized in profit or loss. On conversion, the financial liability is reclassified to equity and no gain or loss is recognized.



### Provisions

A provision is recognized in the Statement of Financial Position when the Company has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

### Warranties

A provision for warranties is recognized when the underlying products or services are sold. The provision is based on historical warranty data and a weighting of all possible outcomes against their associated probabilities.

### Revenue recognition

#### Significant accounting policy revenue

Revenue is measured on the consideration specified in the contract with a customer and excludes amounts collected on behalf of third parties. The Company recognizes revenue when it transfers control over a product of service to a customer.

#### Nature of goods and services

The following is a description of principal activities – aggregated into a single reporting segment, the semiconductor's back-end segment – from which the Company generates its revenue.

The main portion of our revenue is derived from contractual arrangements that have multiple deliverables. The Company accounts for individual products and services separately if they are a distinct performance obligation, i.e. if a product or service is separately identifiable from other items in the arrangement and if a customer can benefit from it. The consideration is allocated between separate products and services in the arrangement based on their relative stand-alone selling prices. The relative stand-alone selling prices are determined based on the list prices for products and services that are sold separately or based on the expected costs plus a margin approach. For products and services that are not sold separately, the Company estimates relative stand-alone selling prices using the expected costs plus margin approach.

Products and services	Nature and timing of satisfaction of performance obligations and significant payment terms
Machines, conversion kits and upgrades	After successful internal buy-off, machines are shipped to customers and revenue is recognized when the customer takes control of the goods in accordance with mutually agreed shipment terms. Regular payment terms vary between 30 and 90 days after date of delivery.
Installation, start-up, paid services and training services	These services are separate performance obligations and revenue is recognized at the moment of performance of these services. Paid services revenue is recognized over the contract period. Regular payment terms vary between 30 and 90 days after date of delivery.
Spare parts	Revenue of spare parts is recognized upon transfer of control, based on the applicable shipment terms. Regular payment terms vary between 30 and 90 days after date of delivery.
Extended warranty	Extended warranty is considered a separate performance obligation. Revenue for extended warranty for a warranty term in excess of the standard warranty term is deferred and recognized over the term of the extended warranty period.

#### Contract assets and liabilities

Contract assets primarily relate to the Company's rights to consideration for the fulfilled but not yet invoiced performance obligations at the reported date. Contract liabilities are recognized when advanced consideration is received from a customer or when the Company has outstanding performance obligations relating to extended warranty and installation.

The Company applies the practical expedient in IFRS 15.121 and does not disclose information about the remaining performance obligations that have original expected durations of one year or less.

### Segment reporting

#### Operating segments

The Company is engaged in one line of business, the development, manufacturing, marketing, sales and service of semiconductor assembly equipment for the global semiconductor and electronics industries. The Company identifies three operating segments. The identified operating segments are Die Attach, Packaging and Plating. The chief operating decision maker reviews each operating segment in detail and certain operational functions are allocated to these operating segments: (i) Product Marketing, (ii)

Research and Development, (iii) Customer Project Management, and (iv) General Management. Shared functions (Operations, Sales & Service and Spares) and corporate functions (Finance, Legal, Human Resources and IT) do not qualify as operating segments. Hence, Besi identifies three operating segments which meet the IFRS 8 criteria.

IFRS 8 allows for operating segments to be aggregated into one single operating segment if the operating segments share similar economic characteristics. The Company deems the three operating segments to meet the aggregation criteria, as the nature of the products and services, production processes, classes of customer and methods used to distribute the products and provide services are similar. Hence the three operating segments are aggregated into a single operating segment; the development, manufacturing, marketing, sales and service of assembly equipment for the semiconductor's back-end segment. The basis for aggregation is explained directly below and as a result of the aggregation, the Company has one reportable segment. All financial segment information can be found in the Consolidated Financial Statements.

#### Indicators for aggregation into single operating segment

The similarity of economic characteristics can be evaluated based on future prospects. Within the semiconductor back-end segment the market information is based on TechInsights, a leading independent industry analyst, forecasts. Industry trends are captured in these forecasts and always used as a source when referring to the future developments (e.g., press releases). Demand for semiconductor devices and expenditures for the equipment required to assemble semiconductors is cyclical, depending in large part on levels of demand worldwide for computing and peripheral equipment, telecommunications devices and automotive and industrial components as well as the production capacity of global semiconductor manufacturers. All operating segments move up or down in the same response to the same positive and negative factors like general economic upturns and downturns, changes in interest rates and currency exchange rates.

The nature of products and services within the Besi group is very much the same, all captured in the semiconductor back-end industry and served by one service organization, which is designing and supporting that equipment.

Furthermore, all production processes are organized as manufacturing and assembly of projects and are mainly produced in our Asian production facilities in Malaysia, China and Vietnam. This means that the production for the different operating segments share the same facilities, employees and processes. Also, similar materials are used to produce the systems.

The evaluation of the type or class of customer for products and services leads to the conclusion that the risk exposure profile of the customers is similar because of the fact that all customers are leading US, European and Asian semiconductor manufacturers and assembly subcontractors which in their turn depend on the global market conditions.

One worldwide responsible person for Sales & Customer Support, indicates the centralization of the sales organization and the method used to distribute our products. The Besi name is used throughout the global operations and the Besi logo has been adopted to be used for all Besi products.

Furthermore, in order to assess performance and to make resource allocation decisions based on sufficient detailed information, the chief operating decision maker must have financial information which covers all of the operating segments, including corporate functions, meaning full Consolidated Financial Statements. For example, the total external financing of the Besi group is evaluated on consolidated level and not split into business operations.

Accordingly, all information consolidated is the reportable segment under IFRS 8, reported in the semiconductor back-end industry.

#### Employee benefits

##### Pension plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in future payments is available.

The Company's net obligation in respect of defined benefit pension plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any plan assets is deducted. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the net defined benefit liability (asset).

The calculation is performed by a qualified actuary using the projected unit credit method. When the calculation results in a benefit to the Company, the recognized asset is limited to the present value of economic benefits available in the form of any future refund from the plan or reductions in future contributions paid to the plan. In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements that apply to any plan in the Company. An economic benefit is available to the Company if it is realizable during the life of the plan, or on settlement of the plan liabilities.

Remeasurements arising from defined benefit plans comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest). The Company recognizes them immediately in other comprehensive income and all other expenses related to defined benefit plans in employee benefit expenses in profit or loss. When the benefits of a plan are changed, or when a plan is curtailed, the portion of the changed benefit related to past service by employees, or the gain or loss on curtailment, is recognized immediately in profit or loss when the plan amendment or curtailment occurs.

A majority of the Company's Dutch employees participate in a pension plan operated by an industry-wide pension fund, which classifies as a defined contribution plan under IAS 19.

### Share-based payments

In 2023, the Company's shareholders adopted the Remuneration Policy 2024 which contains specific conditions for the performance shares awarded to the Board of Management. The Company operates a Long-Term Incentive plan for the Board of Management and other employees (the "2024 Framework Incentive Plan"). Further, the annual Short Term Incentive ("STI") will be for one third settled in cash and for two thirds settled in shares under the 2024 Framework Incentive Plan. The portion settled in shares is accounted for as a share-based payment. For more details, reference is made to [Note 25](#).

The grant date fair value of the performance shares and the share-based STI granted to the Board of Management and key employees is measured taking into account the impact of any market performance conditions and non-vesting conditions, but excludes the impact of any service and non-market performance conditions.

The grant date fair value of the equity-settled share-based payment awards is recognized as an employee expense, with a corresponding increase in equity, over the period between the grant date and the vesting date of the awards. The amount recognized as an expense is adjusted to reflect the number of awards for which the related service condition and any non-market performance conditions are expected to be met, such that the amount ultimately recognized as an expense is based on the number of awards that meet the related service and non-market performance conditions at the vesting date.

### Subsidies and other governmental credits

Subsidies and other governmental credits to cover research and development costs relating to approved projects are recorded as research and development credits in the period when the research and development costs to which such subsidy or credit relates occurs. If the related development costs are capitalized, the subsidies and other governmental credits will be offset against capitalization.

### Net financing expenses and borrowing costs

Net financing costs comprise interest payable on borrowings calculated using the effective interest rate method, foreign exchange gains and losses and the net cost of hedging. Interest income is recognized in the Consolidated Statement of Operations as it accrues, using the effective interest method. The interest expense component of lease payments is recognized in the Consolidated Statement of Operations. Borrowing costs that are not directly attributable to the acquisition or production of a qualifying asset are recognized in the Consolidated Statement of Operations using the effective interest method.

### Income taxes

The Company applies the liability method of accounting for taxes. Under the liability method, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carry forwards. Deferred tax assets and liabilities are measured using substantively enactment tax rates expected to apply to taxable income in the years which these temporary differences are expected to be recovered or settled.

The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the Consolidated Statement of Operations or directly in equity in the period that includes the enactment date, depending on how the deferred tax assets and liabilities were initially recognized. A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

### Significant accounting judgements, estimates and assumptions

The preparation of the Company's Consolidated Financial Statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

### Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, apart from those involving estimates, that have the most significant effect on the amounts recognized in the Consolidated Financial Statements.

### Impairment of non-financial assets

The Company assesses whether there are any indicators of impairment for all non-financial assets at each reporting date. Goodwill and other indefinite life intangibles are tested for impairment annually and at other times when such indicators exist. Other non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. When value-in-use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash-generating unit and determine a suitable discount rate in order to calculate the present value of those cash flows. Further details are contained in [Notes 9, 10 and 11](#).

### Deferred tax assets

Deferred tax assets are recognized for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of future taxable profits together with future tax planning strategies. Further details are contained in [Note 29](#).

### Pension and other post-employment benefits

The costs of defined benefit pension plans and other post-employment benefits are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases. Due to the long-term nature of these plans, such estimates are subject to significant uncertainty. Further details are given in [Note 25](#).

### Development costs

Development costs are capitalized in accordance with the accounting policy as reflected before. Initial capitalization of costs is based on management judgement that technological and economic feasibility is confirmed, usually when a product development project has reached a defined milestone according to an established project management model. In determining the amounts to be capitalized, management makes assumptions regarding the expected future cash generation of the assets, discount rates to be applied and the expected period of benefits. Further details are contained in [Note 11](#).

### Inventory obsolescence

Provisions for obsolete inventories are recognized for inventories which are deemed obsolete. Significant management judgement is required to determine the amount which is considered obsolete. Further details are contained in [Note 6](#).

### Lease contracts with renewal options

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised. The Company has the option, under some of its leases to lease the assets for additional terms of one to five years. The Company applies judgement in evaluating whether it is reasonably certain to exercise the option to renew. It considers all relevant factors that create an economic incentive for it to exercise the renewal. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise (or not to exercise) the option to renew.

### New IFRS standards and interpretations

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning on or after January 1, 2025.

In April 2024, the IASB issued IFRS 18, which replaces IAS 1 Presentation of Financial Statements. IFRS 18 introduces new requirements for presentation within the Consolidated Statement of Operations, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the Consolidated Statement of Operations into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new. It also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified "roles" of the primary financial statements ("PFS") and the notes. In addition, narrow-scope amendments have been made to IAS 7 Statement of Cash Flows, which include changing the starting point for determining cash flows from operations under the indirect method, from "profit or loss" to "operating profit or loss" and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards. IFRS 18, and the amendments to the other standards, is effective for reporting periods beginning on or after January 1, 2027, but earlier application is permitted and must be disclosed. IFRS 18 will apply retrospectively. The Company is currently working to identify all impacts the amendments will have on the PFS and notes to the financial statements.

The Company expects no material impact on the Consolidated Financial Statements from other new standards, amendments to standards and interpretations.

### 3. Cash and cash equivalents

(€ thousands)	December 31, 2024	December 31, 2023
Cash at banks	41,617	33,966
Deposits	16,916	43,095
Money market funds and reverse repos	283,786	111,416
<b>Total cash and cash equivalents</b>	<b>342,319</b>	<b>188,477</b>

Interest rates on cash at banks are variable. At December 31, 2024 and 2023, no amount in cash and cash equivalents was restricted. Short-term deposits have a maturity or notice period between one and three months and carry interest at the respective short-term deposit rates. Deposits with initial maturities exceeding three months are reported under deposits.

The money market funds as of December 31, 2024 were readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. The reverse repos have a maturity period less than three months.

### 4. Deposits

At December 31, 2024 and 2023, an amount of € 330.0 million and € 225.0 million, respectively, was placed on deposit for various periods and with initial maturity exceeding three months. The expected credit loss on deposits is considered immaterial.

### 5. Trade receivables

Trade receivables, generally with payment terms of 30 to 90 days, with expected credit losses amounting to € 273 and € 472 at December 31, 2024 and 2023, respectively, are as follows:

(€ thousands)	December 31, 2024	December 31, 2023
Trade receivables	182,135	143,690
Allowance for expected credit losses	(273)	(472)
<b>Total trade receivables, net</b>	<b>181,862</b>	<b>143,218</b>

All trade accounts receivables have an estimated maturity shorter than one year. The carrying values of the recorded receivables are a reasonable approximation of their respective fair values, given the short maturities of the positions and the fact that allowances for expected credit losses have been recognized. Reference is made to [Note 31](#) for additional information on ageing of trade receivables.

The movements in the allowance for expected credit losses are as follows:

(€ thousands)	2024	2023
Balance at January 1	472	855
Additions	37	8
Usage	(246)	(368)
Foreign currency translation	10	(23)
<b>Balance at December 31</b>	<b>273</b>	<b>472</b>

### 6. Inventories

Inventories consist of the following:

(€ thousands)	December 31, 2024	December 31, 2023
Raw materials	33,119	32,025
Work in progress	63,398	54,368
Finished goods	6,768	6,112
<b>Total inventories, net</b>	<b>103,285</b>	<b>92,505</b>

In 2024, raw materials and changes in work in progress and finished goods included in cost of sales amounted to € 166.0 million (2023: € 152.8 million).

The movements in the provision for obsolescence are as follows:

(€ thousands)	2024	2023
Balance at January 1	16,661	15,430
Additions	2,792	2,584
Usage	(644)	(601)
Foreign currency translation	748	(752)
<b>Balance at December 31</b>	<b>19,557</b>	<b>16,661</b>

## 7. Other receivables

Other receivables consist of the following:

(€ thousands)	December 31, 2024	December 31, 2023
Research and development grants	15,089	12,496
Forward foreign currency exchange contracts	581	9,467
VAT receivables	3,553	3,348
Interest to be received	5,808	2,627
Revenue to be invoiced	1,936	493
Other	774	468
<b>Total other receivables</b>	<b>27,741</b>	<b>28,899</b>

Other receivables do not include any amounts with expected remaining terms of more than one year. Reference is made to Note [31](#) for additional information with respect to forward foreign currency exchange contracts.

## 8. Prepayments

Prepayments consist of the following:

(€ thousands)	December 31, 2024	December 31, 2023
Prepaid licenses	2,694	2,082
Prepaid suppliers	481	1,260
Prepaid insurances	417	291
Prepaid pensions and social security	23	22
Other prepayments	977	582
<b>Total prepayments</b>	<b>4,592</b>	<b>4,237</b>

Prepayments do not include any amounts with expected remaining terms of more than one year. Other prepayments consist of prepaid registration and listing fees, prepaid exhibitions, prepaid maintenance and other prepayments.



## 9. Property, plant and equipment

Property, plant and equipment, net consist of the following:

(€ thousands)	Land, buildings and leasehold improvements	Machinery and equipment	Office furniture and equipment	Assets under construction	Total
<i>Balance at January 1, 2024</i>					
Cost	37,211	52,126	9,206	1,045	99,588
Accumulated depreciation and impairment	(21,747)	(32,581)	(7,744)	-	(62,072)
<b>Property, plant and equipment, net</b>	<b>15,464</b>	<b>19,545</b>	<b>1,462</b>	<b>1,045</b>	<b>37,516</b>
<i>Changes in book value in 2024</i>					
Capital expenditures	880	8,655	1,948	463	11,946
Transfers	326	3,722	-	(616)	3,432
Disposals (cost)	(85)	(695)	(357)	(10)	(1,147)
Disposals (accumulated depreciation)	60	713	356	-	1,129
Depreciation	(2,070)	(6,225)	(1,085)	-	(9,380)
Foreign currency translation	528	688	50	11	1,277
<b>Total changes</b>	<b>(361)</b>	<b>6,858</b>	<b>912</b>	<b>(152)</b>	<b>7,257</b>
<i>Balance at December 31, 2024</i>					
Cost	39,540	64,218	10,782	893	115,433
Accumulated depreciation and impairment	(24,437)	(37,815)	(8,408)	-	(70,660)
<b>Property, plant and equipment, net</b>	<b>15,103</b>	<b>26,403</b>	<b>2,374</b>	<b>893</b>	<b>44,773</b>

(€ thousands)	Land, buildings and leasehold improvements	Machinery and equipment	Office furniture and equipment	Assets under construction	Total
<i>Balance at January 1, 2023</i>					
Cost	36,148	47,475	8,930	441	92,994
Accumulated depreciation and impairment	(21,023)	(31,266)	(7,433)	-	(59,722)
<b>Property, plant and equipment, net</b>	<b>15,125</b>	<b>16,209</b>	<b>1,497</b>	<b>441</b>	<b>33,272</b>
<i>Changes in book value in 2023</i>					
Capital expenditures	2,746	2,429	847	565	6,587
Transfers	-	6,406	-	-	6,406
Disposals (cost)	(179)	(482)	(270)	-	(931)
Disposals (accumulated depreciation)	154	452	269	-	875
Depreciation	(1,827)	(5,014)	(866)	-	(7,707)
Foreign currency translation	(555)	(455)	(15)	39	(986)
<b>Total changes</b>	<b>339</b>	<b>3,336</b>	<b>(35)</b>	<b>604</b>	<b>4,244</b>
<i>Balance at December 31, 2023</i>					
Cost	37,211	52,126	9,206	1,045	99,588
Accumulated depreciation and impairment	(21,747)	(32,581)	(7,744)	-	(62,072)
<b>Property, plant and equipment, net</b>	<b>15,464</b>	<b>19,545</b>	<b>1,462</b>	<b>1,045</b>	<b>37,516</b>

### Depreciation and impairment

The depreciation and impairment is recognized in the following line items in the Consolidated Statement of Operations:

(€ thousands)	Year ended December 31,	
	2024	2023
Cost of sales	1,592	1,491
Selling, general and administrative expenses	5,849	5,198
Research and development expenses	1,939	1,018
<b>Total depreciation and impairment</b>	<b>9,380</b>	<b>7,707</b>

## 10. Goodwill

Goodwill, net consists of the following:

(€ thousands)	2024	2023
<i>Balance at January 1</i>		
Cost	65,602	65,946
Accumulated impairment	(20,200)	(20,200)
<b>Goodwill, net</b>	<b>45,402</b>	<b>45,746</b>
<i>Changes in book value</i>		
Foreign currency translation	608	(344)
<b>Total changes</b>	<b>608</b>	<b>(344)</b>
<i>Balance at December 31</i>		
Cost	66,210	65,602
Accumulated impairment	(20,200)	(20,200)
<b>Goodwill, net</b>	<b>46,010</b>	<b>45,402</b>

### Impairment tests for cash-generating units containing goodwill

The Company annually carries out impairment tests on capitalized goodwill, based on the cash-generating units.

The aggregate carrying amounts of goodwill with indefinite lives allocated to each cash-generating unit are as follows:

(€ thousands)	December 31, 2024	December 31, 2023
Die Attach	44,029	43,421
Plating	1,981	1,981
<b>Total</b>	<b>46,010</b>	<b>45,402</b>

The value-in-use of the cash-generating units subject to impairment testing is calculated based on the discounted cash flow method. The value-in-use calculations use discounted cash flow projections based on the budget for the year 2025 and financial projections per cash-generating unit approved by management for the projection period (2026-2029).

The key assumptions used by management underlying the value-in-use calculation per cash-generating unit are as follows.

Cash flows per cash-generating unit for the five-year projection period are based on:

- The Company's budget for 2025.
- Revenue forecasts for 2026-2029 as per market growth estimates from TechInsights, a leading independent analyst for the semiconductor and semiconductor equipment industries, and the Company's estimated market shares.
- Bottom-up estimates for gross profit, research and development and selling, general and administrative expenses as per management's strategic planning.
- A pre-tax discount rate of 11.5% (Die Attach) and 11.4% (Plating) representing the pre-tax weighted average cost of capital is determined using the Capital Asset Pricing Model (in 2023 a pre-tax discount rate of 11.8% (Die Attach) and 11.8% (Plating)).
- Residual value is based on a 1.0% perpetual growth rate (in 2023: 1.0%).
- The risk free rate of 2.5% (in 2023: 3.1%) and equity risk premium of 5.0% (in 2023: 5.0%).

All assumptions used reflect the current market assessment and are based on published indices and management estimates which are challenged by a third party financial advisor. Based on this analysis, management believes that the value-in-use of the cash-generating units subject to impairment testing substantially exceeded their carrying values and that therefore, goodwill was not impaired as of December 31, 2024.

The outcome of a sensitivity analysis was that possible adverse changes in key assumptions of 100 basis points (lower revenue growth rates and higher discount rates, respectively) would not result in other conclusions for the impairment test performed.

## 11. Other intangible assets

Other intangible assets, net consist of the following:

(€ thousands)	Software	Development expenses	Total
<i>Balance at January 1, 2024</i>			
Cost	10,878	122,724	133,602
Accumulated amortization	(10,475)	(29,459)	(39,934)
<b>Other intangible assets, net</b>	<b>403</b>	<b>93,265</b>	<b>93,668</b>
<i>Changes in book value in 2024</i>			
Capitalized development expenses	-	19,437	19,437
Capital expenditures	93	-	93
Disposals (cost)	-	(8,493)	(8,493)
Disposals (accumulated depreciation)	-	8,493	8,493
Amortization	(258)	(14,973)	(15,231)
Foreign currency translation	(1)	(1,289)	(1,290)
<b>Total changes</b>	<b>(166)</b>	<b>3,175</b>	<b>3,009</b>
<i>Balance at December 31, 2024</i>			
Cost	10,970	132,025	142,995
Accumulated amortization	(10,733)	(35,585)	(46,318)
<b>Other intangible assets, net</b>	<b>237</b>	<b>96,440</b>	<b>96,677</b>

(€ thousands)	Software	Development expenses	Total
<i>Balance at January 1, 2023</i>			
Cost	10,539	105,178	115,717
Accumulated amortization	(10,165)	(24,334)	(34,499)
<b>Other intangible assets, net</b>	<b>374</b>	<b>80,844</b>	<b>81,218</b>
<i>Changes in book value in 2023</i>			
Capitalized development expenses	-	21,121	21,121
Capital expenditures	312	-	312
Disposals (cost)	-	(13,896)	(13,896)
Disposals (accumulated depreciation)	-	13,896	13,896
Amortization	(310)	(13,635)	(13,945)
Foreign currency translation	27	4,935	4,962
<b>Total changes</b>	<b>29</b>	<b>12,421</b>	<b>12,450</b>
<i>Balance at December 31, 2023</i>			
Cost	10,878	122,724	133,602
Accumulated amortization	(10,475)	(29,459)	(39,934)
<b>Other intangible assets, net</b>	<b>403</b>	<b>93,265</b>	<b>93,668</b>

At December 31, 2024 an amount of € 59.8 million (2023: € 49.7 million) relates to capitalized development expenses not available for use, which have been tested for impairment based on the key assumptions as outlined in [Note 10](#). The impairment tests did not indicate any required impairment of capitalized development expenses. The outcome of a sensitivity analysis was that possible adverse changes in key assumptions (10% lower revenue and 100 basis points higher discount rates) would not result in other conclusions for the impairment tests performed.

The disposals of software and development expenses relate to intangible assets that have been fully amortized.

### Amortization

The amortization charge is recognized in the following line items in the Consolidated Statement of Operations:

(€ thousands)	Year ended December 31,	
	2024	2023
Cost of sales	5	11
Selling, general and administrative expenses	169	181
Research and development expenses	15,057	13,753
<b>Total amortization</b>	<b>15,231</b>	<b>13,945</b>

## 12. Other non-current assets

Other non-current assets consist of the following:

(€ thousands)	December 31, 2024	December 31, 2023
Marketable securities for pension liability	566	549
Guarantee deposits	764	667
<b>Total other non-current assets</b>	<b>1,330</b>	<b>1,216</b>

Reference is made to [Note 25](#) for more details on the marketable securities for pension liability. The guarantee deposits mainly relate to deposits made as part of rental agreements and obligations.

13. Borrowing facilities

At December 31, 2024, Besi and its subsidiaries had available lines of credit aggregating € 97.9 million (2023: € 97.7 million), under which € 0.6 million (2023: € 1.1 million) was utilized related to bank guarantees. In general, interest is charged at the banks’ base lending rates or ESTR/SOFR plus an increment. There were no defaults at December 31, 2024.

A summary of Besi’s principal credit lines is as follows:

- A € 80 million committed revolving credit facility (“the Facility”) with a consortium of European banks, which matures in 2026. Outstanding amounts under the Facility will bear interest at ESTR/SOFR plus a margin that depends on the Company’s financial position. The agreement can be increased to € 136 million. Borrowings under the Facility can be repaid at any time at 100% of principal amount and can be used for working capital and other corporate purposes. The principal covenants associated with the Facility include a maintenance test of consolidated debt to equity and a limitation on the incurrence of additional permitted indebtedness. The Facility is granted without securities.
- An uncommitted overdraft facility of € 10.0 million for the purpose of short-term overdrafts (maximum of 15 days) in current accounts. The facility has no contractual maturity date.
- A credit line of € 1.0 million for bank guarantees is granted without securities. The borrowing facility has no contractual maturity date.
- A credit line of € 0.5 million related to Besi APac Sdn. Bhd. for bank guarantees is granted without securities, however, with the requirement that BE Semiconductor Industries N.V. holds, directly or indirectly, an interest of at least 51%. The borrowing facility has no contractual maturity date.
- A credit line of € 3.5 million related to Besi Singapore Pte. Ltd. for bank guarantees is granted without securities, however, with the requirement that BE Semiconductor Industries N.V. holds, directly or indirectly, an interest of at least 51%. The credit facility is secured by a parent company guarantee. The borrowing facility has no contractual maturity date.
- A credit line of € 2.9 million related to Besi Leshan Co., Ltd. is granted without securities, however, with the requirement that BE Semiconductor Industries N.V. holds, directly or indirectly, an interest of at least 51%. The credit facility is secured by a guarantee of BE Semiconductor Industries N.V. The borrowing facility has no contractual maturity date.

14. Trade payables

Trade payables are non-interest bearing and are normally settled on 30-90 day terms.

15. Provisions

Warranty provision

A summary of activity in the warranty provision is as follows:

(€ thousands)	2024	2023
Balance at January 1	4,751	5,578
Additions	8,052	6,016
Usage	(5,905)	(5,894)
Releases	(1,181)	(1,175)
Foreign currency translation	(36)	226
Balance at December 31	5,681	4,751

A provision for warranty is recognized when the underlying products or services are sold and presented in selling, general and administrative expenses. The provision is based on historical warranty data and a weighting of all possible outcomes against their associated probabilities. The warranty provision encompasses the standard warranty provided to customers only. The provision at December 31, 2024 is expected to be fully utilized during 2025.

## 16. Other payables

(€ thousands)	December 31, 2024	December 31, 2023
Payroll accruals	22,352	19,716
Forward foreign currency exchange contracts	9,825	443
Interest expenses	8,165	1,370
Volume rebate and commissions	5,623	5,758
Project costs	3,298	3,589
Audit and consultancy fees	2,540	1,940
Invoices to be received	2,390	1,746
Temporaries	1,022	991
Freight and packaging costs	420	383
Other payables	2,000	1,886
<b>Total other payables</b>	<b>57,635</b>	<b>37,822</b>

Other payables are non-interest bearing and have an average term of three months. Interest payable is normally settled quarterly throughout the year with the exception of the Convertible Notes and Senior Notes on which interest is settled semi-annually. Reference is made to [Note 31](#) for additional information with respect to forward foreign currency exchange contracts.

## 17. Other current liabilities

(€ thousands)	December 31, 2024	December 31, 2023
Contract liabilities	14,916	12,168
Advances from customers	6,360	8,175
Payroll liabilities	4,447	4,258
Other	766	357
<b>Total other liabilities</b>	<b>26,489</b>	<b>24,958</b>
Contract liabilities non-current portion	(3,555)	(699)
<b>Total other current liabilities</b>	<b>22,934</b>	<b>24,259</b>

Other current liabilities are non-interest bearing and are not expected to be settled in cash.

## 18. Long-term debt

(€ thousands)	December 31, 2024	December 31, 2023
<i>Long-term debt</i>		
Convertible Notes	181,724	298,455
Senior Notes	343,929	-
Research and development loan from Österreichische Forschungsförderungsgesellschaft mbH, Wien, Austria (interest rate at 0.75% at December 31, 2024)	2,042	2,042
<b>Total</b>	<b>527,695</b>	<b>300,497</b>
Less: current portion	(2,042)	(3,144)
<b>Total long-term debt</b>	<b>525,653</b>	<b>297,353</b>

Aggregate required principal payments due on long-term debt, assuming no further conversion of the Convertible Notes for the next years are as follows:

(€ thousands)	Long-term debt
2025	2,042
2027	24,100
2029	175,000
2031	350,000
<b>Total</b>	<b>551,142</b>
Less: current portion of long-term debt	(2,042)
<b>Non-current portion of long-term debt (principal value)</b>	<b>549,100</b>

The Company and its subsidiaries had no defaults for its long-term debt at December 31, 2024.

### Convertible Notes

In December 2016, the Company issued € 125 million principal amount of Convertible Notes with a maturity date of December 2, 2023 (the "2016 Convertible Notes"). The 2016 Convertible Notes carry a nominal interest rate of 2.5% per year, payable semi-annually.

In 2023, the remaining € 2.4 million principal amount of the 2016 Convertible Notes were converted into 129,929 ordinary shares at request of Bondholders. The carrying value of the liability at conversion amounted to € 2.4 million and was reclassified to equity and no gain or loss was recognized on conversion.



The amount of the 2016 Convertible Notes classified as equity of € 11,310 is net of attributable debt issuance cost of € 215.

In November 2017, the Company issued € 175 million principal amount of Convertible Notes with a maturity date of December 6, 2024 (the "2017 Convertible Notes"). The 2017 Convertible Notes carry a nominal interest rate of 0.5% per year, payable semi-annually.

In 2024, the remaining € 3.2 million principal amount of the 2017 Convertible Notes were converted into 69,941 ordinary shares at request of Bondholders. The carrying value of the liability at conversion amounted to € 3.2 million and was reclassified to equity and no gain or loss was recognized on conversion.

The amount of the 2017 Convertible Notes classified as equity of € 18,479 is net of attributable debt issuance cost of € 292.

In August 2020, the Company issued € 150 million principal amount of Convertible Notes with a maturity date of August 5, 2027 (the "2020 Convertible Notes"). The 2020 Convertible Notes carry a nominal interest rate of 0.75% per year, payable semi-annually. Bondholders can convert the bonds into ordinary shares at a conversion price of € 48.95 (subject to adjustments). The 2020 Convertible Notes will be repaid at maturity at a price of 100% of their principal amount plus accrued and unpaid interest. If not converted, at any time from August 26, 2024, the Company may redeem the outstanding 2020 Convertible Notes at their principal amount, subject to giving a minimum of 30 days' and a maximum of 60 days' prior notice to Bondholders, if the value of the shares underlying the 2020 Convertible Notes equals or exceeds 130% of the then effective conversion price for at least 20 out of 30 consecutive dealing days. The 2020 Convertible Notes may be redeemed at the option of the holder (i) on August 5, 2025 at their principal amount plus accrued interest and (ii) in the event of a change of control, at the principal amount plus accrued interest.

In 2024, € 125.9 million principal amount of the 2020 Convertible Notes were converted into 2,572,036 ordinary shares at request of Bondholders. The carrying value of the liability at conversion amounted to € 118.1 million and was reclassified to equity and no gain or loss was recognized on conversion. As a result, the principal amount outstanding of the 2020 Convertible Notes declined from € 150.0 million at December 31, 2023 to € 24.1 million at December 31, 2024.

The amount of the 2020 Convertible Notes classified as equity of € 16,528 is net of attributable debt issuance cost of € 251.

In April 2022, the Company issued € 175 million principal amount of Convertible Notes with a maturity date of April 6, 2029 (the "2022 Convertible Notes"). The 2022 Convertible Notes carry a nominal interest rate of 1.875% per year, payable semi-annually. Bondholders can convert the bonds into ordinary shares at a conversion price of € 115.50 (subject to adjustments). The 2022 Convertible Notes will be repaid at maturity at a price of 100% of their principal amount plus accrued and unpaid interest. If not converted, at any time from April 27, 2026, the Company may redeem the outstanding 2022 Convertible Notes at their principal amount, subject to giving a minimum of 30 days' and a maximum of 60 days' prior notice to Bondholders, if the value of the shares underlying the 2022 Convertible Notes equals or exceeds 130% of the then effective conversion price for at least 20 out of 30 consecutive dealing days. The 2022 Convertible Notes may be redeemed at the option of the holder (i) on April 6, 2027 at their principal amount plus accrued interest and (ii) in the event of a change of control, at the principal amount plus accrued interest.

The amount of the 2022 Convertible Notes classified as equity of € 22,334 is net of attributable debt issuance cost of € 366.

### Senior Notes

In July 2024, the Company issued € 350 million principal amount of Senior Notes with a maturity date of July 15, 2031 (the "2024 Senior Notes"). The 2024 Senior Notes carry a nominal interest rate of 4.500% per year, payable semi-annually. The 2024 Senior Notes will be repaid at maturity at a price of 100% of their principal amount plus accrued and unpaid interest. The Company may redeem the outstanding 2024 Senior Notes on or after January 15, 2031 at their principal amount plus accrued and unpaid interest. Prior to this date, the Company may redeem the 2024 Senior Notes at their principal amount plus a "make-whole" premium plus accrued and unpaid interest, subject to giving a minimum of 10 days' and a maximum of 60 days' prior notice to Bondholders. The 2024 Senior Notes may be redeemed at the option of the holder in the event of a change of control, at 101% of the principal amount plus accrued and unpaid interest.

### Reconciliation of liabilities arising from financing activities

The tables below detail the changes in the Company's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Company's Consolidated Statement of Cash Flows as cash flows from financing activities.

(€ thousands)	January 1, 2024	Financing cash flows	Additional lease liabilities	Amortization/ accretion of interest	Conversion of Convertible Notes	Foreign currency translation	December 31, 2024
Convertible Notes	298,455	-	-	4,532	(121,263)	-	181,724
Senior Notes	-	343,576	-	353	-	-	343,929
Government loans	2,042	-	-	-	-	-	2,042
Lease liabilities	18,663	(4,314)	1,406	401	-	82	16,238
<b>Total</b>	<b>319,160</b>	<b>339,262</b>	<b>1,406</b>	<b>5,286</b>	<b>(121,263)</b>	<b>82</b>	<b>543,933</b>

(€ thousands)	January 1, 2023	Financing cash flows	Additional lease liabilities	Amortization/ accretion of interest	Conversion of Convertible Notes	Foreign currency translation	December 31, 2023
Convertible Notes	323,134	-	-	6,173	(30,852)	-	298,455
Government loans	2,042	-	-	-	-	-	2,042
Lease liabilities	17,709	(4,307)	4,587	423	-	251	18,663
<b>Total</b>	<b>342,885</b>	<b>(4,307)</b>	<b>4,587</b>	<b>6,596</b>	<b>(30,852)</b>	<b>251</b>	<b>319,160</b>

## 19. Leases

The Company has lease contracts for various facilities and other equipment used in its operations. Leases of facilities generally have lease terms between one and ten years, while motor vehicles and other equipment generally have lease terms between one and four years. The Company's obligations under its leases are secured by the lessor's title to the leased assets. There are several lease contracts that include extension options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Company's business needs. Management exercises significant judgement in determining whether these extension options are reasonably certain to be exercised. The Company also has certain leases of machinery and offices with lease terms of 12 months or less and leases of office equipment with low value. The Company applies the short-term lease and lease of low-value assets recognition exemptions for these leases.

### Right of use assets

Right of use assets consists of the following:

(€ thousands)	Land and buildings	Office furniture and equipment	Total
Balance at January 1, 2024	17,542	700	18,242
Additions	1,119	287	1,406
Depreciation	(3,592)	(398)	(3,990)
Foreign currency translation	61	7	68
<b>Balance at December 31, 2024</b>	<b>15,130</b>	<b>596</b>	<b>15,726</b>

(€ thousands)	Land and buildings	Office furniture and equipment	Total
Balance at January 1, 2023	16,660	820	17,480
Additions	4,313	274	4,587
Depreciation	(3,712)	(368)	(4,080)
Foreign currency translation	281	(26)	255
<b>Balance at December 31, 2023</b>	<b>17,542</b>	<b>700</b>	<b>18,242</b>

The following amounts are recognized in the Consolidated Statement of Operations:

(€ thousands)	Year ended December 31,	
	2024	2023
Depreciation expense of right of use assets	3,990	4,080
Interest expenses on lease liabilities	401	423
Expenses related to short-term leases	145	154
Expenses related to leases of low-value assets	72	119
<b>Total</b>	<b>4,608</b>	<b>4,776</b>

### Lease liabilities

Lease liabilities consist of the following:

(€ thousands)	December 31, 2024	December 31, 2023
Current	3,888	3,739
Non-current	12,350	14,924
<b>Total lease liabilities</b>	<b>16,238</b>	<b>18,663</b>

The incremental borrowing rates used to determine the lease liabilities range between 0% and 6.79%.

Principal payments due on lease liabilities for the next five years and thereafter are as follows:

(€ thousands)	Lease liabilities
2025	4,210
2026–2029	7,540
2030 and thereafter	5,858
<b>Total payments due on lease liabilities</b>	<b>17,608</b>
Discount	(1,370)
<b>Lease liabilities</b>	<b>16,238</b>

### Extension options

Below schedule provides an overview of the contractually agreed extension options and the Company's assessment and accounting treatment:

(€ thousands)	Within 5 years	More than 5 years	Total
Extension option reasonably certain to be exercised - included in lease liabilities	1,340	-	1,340
Extension option not reasonably certain to be exercised - excluded from lease liabilities	2,099	900	2,999
<b>Total (undiscounted)</b>	<b>3,439</b>	<b>900</b>	<b>4,339</b>

## 20. Provisions

Provisions consist of the following:

(€ thousands)	December 31, 2024	December 31, 2023
Pension liabilities Switzerland	6,654	4,837
Pension liabilities Austria	493	490
Severance obligations Austria	4,172	3,896
Severance obligations Korea	2,039	2,049
Other provisions	997	700
<b>Provisions</b>	<b>14,355</b>	<b>11,972</b>

Reference is made to [Note 25](#) for more details.

## 21. Equity

At December 31, 2024 and December 31, 2023, Besi's authorized share capital consisted of 160,000,000 ordinary shares, nominal value € 0.01 per share, and 160,000,000 preference shares, nominal value € 0.01 per share.

At December 31, 2024 and December 31, 2023, 79,312,140 and 77,015,794 ordinary shares were outstanding, excluding treasury shares of 1,834,598 and 4,130,944, respectively. No preference shares were outstanding at December 31, 2024 and December 31, 2023. All issued shares have been paid in full.

Changes in other reserves during 2024 and 2023 are as follows:

(€ thousands)	Accumulated other comprehensive income (loss)	Legal reserve currency translation adjustment	Legal reserve capitalized R&D expenses	Legal reserve cash flow hedging	Legal reserve subsidiaries	Total other reserves
Balance at January 1, 2024	(8,283)	56,869	93,266	4,143	3,684	149,679
Total comprehensive income (loss) for the period	(1,403)	4,250	-	(6,743)	-	(3,896)
Transfer from retained earnings	-	-	3,174	-	65	3,239
<b>Balance at December 31, 2024</b>	<b>(9,686)</b>	<b>61,119</b>	<b>96,440</b>	<b>(2,600)</b>	<b>3,749</b>	<b>149,022</b>
Balance at January 1, 2023	(7,092)	54,238	80,844	4,474	4,521	136,985
Total comprehensive income (loss) for the period	(1,191)	2,631	-	(331)	-	1,109
Transfer from retained earnings	-	-	12,422	-	(837)	11,585
<b>Balance at December 31, 2023</b>	<b>(8,283)</b>	<b>56,869</b>	<b>93,266</b>	<b>4,143</b>	<b>3,684</b>	<b>149,679</b>

Accumulated other comprehensive income (loss) consists of:

(€ thousands)	December 31, 2024	December 31, 2023
Actuarial gains (losses)	(11,391)	(9,924)
Deferred taxes	942	878
Other	763	763
<b>Accumulated other comprehensive income (loss)</b>	<b>(9,686)</b>	<b>(8,283)</b>

### Dividends

Proposed for approval at the Annual General Meeting of Shareholders to be held on April 23, 2025 (not recognized as a liability as at December 31, 2024 and December 31, 2023):

(€ thousands)	December 31, 2024	December 31, 2023
<b>€ 2.18 per ordinary share (2023: € 2.15)</b>	<b>172,900</b>	<b>165,584</b>

The Board of Management proposes to allocate the part of the net income for the year 2024 remaining after payment of the dividend to the retained earnings. The Supervisory Board has approved this proposal.

For further notes to the Company's equity, reference is made to the [Notes to the Parent Company Financial Statements](#).

## 22. Commitments and contingencies

The Company has an unconditional obligation related to the purchase of materials and equipment totaling € 88.3 million and € 97.5 million as of December 31, 2024 and 2023, respectively.

## 23. Revenue

### Disaggregation of revenue

The following table disaggregates the geographical distribution of the Company's revenue billed to customers:

(€ thousands)	Year ended December 31,	
	2024	2023
China	204,275	205,303
United States	110,333	50,970
Taiwan	67,115	37,443
Malaysia	48,728	48,658
Ireland	29,159	43,492
Korea	24,852	42,189
Other Asia Pacific <sup>1</sup>	62,122	89,277
Other Europe <sup>1</sup>	32,974	47,862
Rest of the World <sup>1</sup>	27,915	13,668
<b>Total revenue</b>	<b>607,473</b>	<b>578,862</b>

<sup>1</sup> Countries with revenue representing more than 5% of consolidated revenue in 2024 or 2023 are separately disclosed.

The following table disaggregates the Company's revenue of the three different operating segments:

(€ thousands)	Year ended December 31,	
	2024	2023
Die Attach	490,542	444,601
Packaging	99,981	100,417
Plating	16,950	33,844
<b>Total revenue</b>	<b>607,473</b>	<b>578,862</b>

The Company's revenue is generated by shipments to leading North American, European and Asian multinational chip manufacturers, foundries, assembly subcontractors and electronics and industrial companies.

### Contract balances

The following table provides information about receivables, contract liabilities and other payables from contracts with customers:

(€ thousands)	December 31, 2024	December 31, 2023
Receivables, which are included in trade receivables and other receivables	183,798	143,711
Contract liabilities	14,916	12,168
Volume rebates	5,623	5,396

Significant changes in the contract liabilities are as follows:

(€ thousands)	2024	2023
Balance at January 1	12,168	14,825
Revenue recognized that was included in the contract liability balance at the beginning of the period	(10,944)	(13,465)
Increases due to cash received, excluding amounts recognized as revenue during the period	13,733	10,327
Foreign currency translation	(41)	481
<b>Balance at December 31</b>	<b>14,916</b>	<b>12,168</b>

An amount of € 3,555 in the contract liabilities as per December 31, 2024 is expected to be recognized after more than one year and is presented under other non-current liabilities.

### Transaction price allocated to the remaining performance obligations

The following table includes revenue expected to be recognized in the future related to performance obligations that are unsatisfied (or partly unsatisfied) at the reporting date. The Company applies the practical expedient in IFRS 15.121 and does not disclose information about the remaining performance obligations that have original expected durations of one year or less:

(€ thousands)	December 31, 2024	December 31, 2023
Within 12 months	43,395	22,853
From 12-36 months	2,623	648
<b>Total</b>	<b>46,018</b>	<b>23,501</b>



## 24. Segment, geographic and customer information

### Geographical information

The following table summarizes revenue, non-financial assets and total assets of the Company's operations in the Netherlands, Switzerland, Austria, Singapore and Malaysia, the significant geographic areas in which the Company operates. Intra-area revenues are based on the sales prices at arm's length:

(€ thousands)	The Netherlands	Switzerland	Austria	Singapore	Malaysia	Other	Total
<i>Year ended December 31, 2024</i>							
Total revenue	95,913	413,377	9,420	610,611	130,644	65,694	1,325,659
Intercompany revenue	(95,154)	(413,377)	(9,420)	(4,885)	(130,626)	(64,724)	(718,186)
<b>External revenue</b>	<b>759</b>	<b>-</b>	<b>-</b>	<b>605,726</b>	<b>18</b>	<b>970</b>	<b>607,473</b>
Non-financial assets	12,165	143,421	19,234	10,970	8,791	8,605	203,186
Capital expenditures	378	119	5,166	2,330	1,277	2,769	12,039
<i>Year ended December 31, 2023</i>							
Total revenue	107,016	373,145	13,430	577,751	118,962	59,142	1,249,446
Intercompany revenue	(106,216)	(373,073)	(12,347)	(1,534)	(118,838)	(58,576)	(670,584)
<b>External revenue</b>	<b>800</b>	<b>72</b>	<b>1,083</b>	<b>576,217</b>	<b>124</b>	<b>566</b>	<b>578,862</b>
Non-financial assets	17,723	138,946	15,816	10,051	8,350	6,942	194,828
Capital expenditures	205	152	1,875	3,284	840	543	6,899

### Major customer(s)

For the year ended December 31, 2024, one customer represented more than 10% of the Company's revenue. This customer represented 14.7% of the Company's revenue. For the year ended December 31, 2023, no customer represented more than 10% of the Company's revenue.

## 25. Employee benefits

### Post-employment benefits

Employee post-employment benefit plans have been established in many countries in accordance with legal requirements, customs and local practices in the countries involved.

### Pension plan parent company

Type: Defined contribution plan.  
Company obligations: No continuing obligations other than the annual payments.  
Contributions: € 0.2 million in 2024 and € 0.2 million in 2023.

### Pension plan Dutch subsidiaries

Type: Defined contribution plan.  
Industry-wide pension plan managed by *Bedrijfstakpensioen-fonds Metalektro* and excident plan for certain employees.  
Company obligations: No continuing obligations other than the annual payments.  
Contributions: € 1.5 million in 2024 and € 1.5 million in 2023.

### Pension plan Switzerland

Type: Defined benefit plan for guaranteed pension payments.  
Insured with an independent insurance company.  
Company obligations: The contributions required are based on the agreement with the insurer. The Company does not hold any transferable financial instruments as plan assets.  
Duration: The weighted average duration of the plan is 15 years.  
Valuation: The pension assets related to this defined benefit plan are netted with the pension liability. The cost of providing benefits under the defined benefit plan is calculated using the project unit cost method. Remeasurements are reported in accumulated other comprehensive income (loss).  
Discount rate: The discount rate is based on the available information at December 31, 2024 and determined as follows: Swiss franc bonds with rating AA as included in the Swiss Bond Index. These bonds are used to determine a yield curve for durations up to 10 years. This yield curve is extended based on the government bond rates for longer duration.

Principal actuarial assumptions at the reporting date:

	December 31, 2024	December 31, 2023
Discount rate	0.95%	1.50%
Future salary increases	1.75%	2.50%
Future pension increases	0.10%	0.10%

Movement in the present value of the defined benefit obligations:

(€ thousands)	2024	2023
Liability for defined benefit obligations at January 1	50,204	43,105
Current service cost	1,066	987
Interest expense	717	955
Actuarial loss (gain) arising from changes in economic assumptions	4,510	3,408
Actuarial loss arising from experience	671	104
Plan participants' contribution	557	508
Plan amendments	1,442	(1,442)
Benefits paid through pension assets	(788)	(345)
Foreign currency translation	(664)	2,924
<b>Liability for defined benefit obligations at December 31</b>	<b>57,715</b>	<b>50,204</b>

Total defined benefit cost (benefit) recognized in the Consolidated Statement of Operations and Consolidated Statement of Comprehensive Income:

(€ thousands)	Year ended December 31, 2024	2023
Current service costs	1,066	987
Interest expense on benefit obligation	717	955
Interest income on plan assets	(659)	(860)
Plan amendments	1,442	(1,442)
Administration expenses	39	35
<b>Defined benefit cost (benefit) recognized in net income</b>	<b>2,605</b>	<b>(325)</b>
Remeasurement from changes in financial assumptions and experience	5,181	3,512
Return on plan assets (excluding amounts in net interest)	(3,321)	(2,693)
<b>Defined benefit cost (benefit) recognized in comprehensive income</b>	<b>4,465</b>	<b>494</b>

Movement in the fair value of plan assets:

(€ thousands)	2024	2023
Fair value of plan assets at January 1	45,367	37,936
Interest income	659	860
Return on plan assets (excluding amounts included in net interest)	3,321	2,693
Plan participants' contribution	557	508
Company contributions	2,640	1,105
Benefits paid through pension assets	(788)	(345)
Administration expenses	(39)	(35)
Foreign currency translation	(656)	2,645
<b>Fair value of plan assets at December 31</b>	<b>51,061</b>	<b>45,367</b>

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

	December 31, 2024	December 31, 2023
Qualified insurance policies	26%	29%
Bonds	21%	20%
Real estate	20%	20%
Equities	25%	23%
Other/cash	8%	8%
<b>Total</b>	<b>100%</b>	<b>100%</b>

The insurance policies cover in principle the minimum funding requirements. Future contributions can be increased due to changes in the annuity factors. This is subject to decision of the Company.

Net pension liability:

(€ thousands)	December 31, 2024	December 31, 2023
Defined benefit obligations	57,715	50,204
Fair value of plan assets	(51,061)	(45,367)
<b>Net liability</b>	<b>6,654</b>	<b>4,837</b>

Total expected payments or contributions to the defined benefit plan for 2025 amount to € 1.3 million.

### Sensitivity analysis

The calculation of the defined benefit obligations is sensitive to the assumptions as set out above. The following table summarizes how the defined benefit obligation at the end of the reporting period would have increased (decreased) as a result of a change in the respective assumptions by 0.5%.

(€ thousands)	Defined benefit obligations	
	0.5% increase	0.5% decrease
Discount rate	(3,803)	4,331
Salary increase	338	(322)

The above sensitivities are based on the average duration of the defined benefit obligations determined at the date of the last full actuarial valuation at December 31, 2024 and are applied to adjust the defined benefit obligation at the end of the reporting period of the assumptions concerned.

**Pension plan Austria**

Type:	Voluntary defined benefit plan for guaranteed pension payments covering certain persons, as well as a defined benefit plan for severance payments in accordance with Austrian labor law. Both plans are insured with an independent insurance company.
Company obligations:	The contributions required based on the agreement with the insurer. The Company does not hold any transferable financial instruments as plan assets.
Duration:	The weighted average duration of the pension plan is 3 years and the plan for severance payments is 14 years.
Valuation:	The pension assets related to this defined benefit plan do not qualify as plan assets and are therefore presented separately, not netted with the pension liability. The cost of providing benefits under the defined benefit plans is determined separately for each plan using the project unit cost method. Remeasurements are recognized in accumulated other comprehensive income (loss). There were no gains or losses from changes in demographic and financial assumptions for either pension or severance payment plan.
Discount rate:	The discount rate was derived by reference to appropriate benchmark yields on high quality corporate bonds.

Principal actuarial assumptions at the reporting date:

	December 31, 2024	December 31, 2023
Discount rate	3.45%	3.40%
Future salary increases (severance payments)	2.70%	3.10%

Movements in the present value of the defined benefit and severance obligations recognized in the Consolidated Statement of Financial Position are as follows:

(€ thousands)	Pension liabilities	Severance obligations	2024 Total
Liability for defined benefit and severance obligations at January 1	490	3,896	4,386
Current service cost	7	155	162
Interest expense	17	124	141
Actuarial loss (gain) recognized	(13)	140	127
Benefits paid	(8)	(143)	(151)
<b>Liability for defined benefit and severance obligations at December 31</b>	<b>493</b>	<b>4,172</b>	<b>4,665</b>

(€ thousands)	Pension liabilities	Severance obligations	2023 Total
Liability for defined benefit and severance obligations at January 1	454	3,617	4,071
Current service cost	6	149	155
Interest expense	18	132	150
Actuarial gain recognized	20	(2)	18
Benefits paid	(8)	-	(8)
<b>Liability for defined benefit and severance obligations at December 31</b>	<b>490</b>	<b>3,896</b>	<b>4,386</b>

The accumulated defined benefit obligation amounts to € 4.7 million at December 31, 2024. Future expected benefit payments to (former) employees regarding pensions and leave over the next five years are considered immaterial.

A summary of the components of the defined benefit cost (benefit) recognized in the Consolidated Statement of Operations and Statement of Comprehensive Income is as follows:

(€ thousands)	Year ended December 31,	
	2024	2023
Current service cost	162	155
Interest expense on benefit obligation	141	150
<b>Defined benefit cost recognized in net income</b>	<b>303</b>	<b>305</b>
Remeasurement loss (gain) recognized	127	18
<b>Defined benefit cost (benefit) recognized in comprehensive income</b>	<b>430</b>	<b>323</b>

Changes in assets related to the liability for defined benefit and severance obligations recognized in the Consolidated Statement of Financial Position are as follows:

(€ thousands)	2024	2023
Fair value of plan assets at January 1	549	522
Return on assets	17	27
<b>Fair value of assets at December 31</b>	<b>566</b>	<b>549</b>

The plan assets consisted of investment funds.

Total expected payments or contributions to the defined benefit plan for 2025 amount to € 0.3 million.

### Sensitivity analysis

The calculation of the defined benefit and severance obligations is sensitive to the assumptions as set out earlier. The following table summarizes how the defined benefit and severance obligation at the end of the reporting period would have increased (decreased) as a result of a change in the respective assumptions by 0.5%.

(€ thousands)	Defined benefit and severance obligations	
	0.5% increase	0.5% decrease
Discount rate	(262)	285
Salary increase	253	(235)

The above sensitivities are based on the average duration of the defined benefit and severance obligations determined at the date of the last full actuarial valuation at December 31, 2024 and are applied to adjust the defined benefit and severance obligations at the end of the reporting period of the assumptions concerned.

### Severance plan Korea

Type:	Defined benefit plan for severance payments in accordance with Korean law. The plan is partially covered through an independent insurance company.
Company obligations:	The current plan is unfunded and the Company is responsible for the payment of the severance payment upon the termination of the employee contract.
Duration:	The weighted average duration for severance payments is 4 years.
Valuation:	The assets related to this defined benefit plan are netted with the liability. The cost of providing benefits under the defined benefit plan is calculated using the project unit cost method. Remeasurements are reported in accumulated other comprehensive income (loss).
Discount rate:	The discount rate was derived by reference to appropriate benchmark yields on high quality corporate bonds.

Principal actuarial assumptions at the reporting date:

	December 31, 2024	December 31, 2023
Discount rate	3.30%	4.10%
Future salary increases	3.00%	3.00%

Movements in the present value of the severance obligations recognized in the Consolidated Statement of Financial Position are as follows:

(€ thousands)	2024	2023
Liability for severance obligations at January 1	2,218	2,050
Current service cost	165	162
Interest expense	81	98
Actuarial loss (gain) recognized	124	73
Benefits paid	(241)	(33)
Foreign currency translation	(147)	(132)
<b>Liability severance obligations at December 31</b>	<b>2,200</b>	<b>2,218</b>

The accumulated defined benefit obligation amounts to € 2.2 million at December 31, 2024. Total expected benefits payable under this plan amount to € 0.3 million in 2025.

A summary of the components of the defined benefit cost recognized in the Consolidated Statement of Operations and Consolidated Statement of Comprehensive Income is as follows:

(€ thousands)	Year ended December 31,	
	2024	2023
Current service cost	165	162
Interest expense on severance obligation	81	98
Administration expenses	1	1
Interest income on plan assets	(6)	(9)
<b>Defined benefit cost recognized in net income</b>	<b>241</b>	<b>252</b>
Remeasurement loss (gain) recognized	124	73
Return on plan assets (excluding amounts in net interest)	2	6
<b>Defined benefit cost recognized in comprehensive income</b>	<b>367</b>	<b>331</b>

Changes in assets related to the liability for severance obligations recognized in the Consolidated Statement of Financial Position are as follows:

(€ thousands)	2024	2023
Fair value of plan assets at January 1	169	177
Interest income	6	9
Return on plan assets (excluding amounts included in net interest)	(2)	(6)
Administration expenses	(1)	(1)
Foreign currency translation	(11)	(10)
<b>Fair value of plan assets at December 31</b>	<b>161</b>	<b>169</b>

Net liability:

(€ thousands)	December 31, 2024	December 31, 2023
Severance obligations	2,200	2,218
Fair value of plan assets	(161)	(169)
<b>Net liability</b>	<b>2,039</b>	<b>2,049</b>

### Sensitivity analysis

The calculation of the severance obligations is sensitive to the assumptions as set out earlier. The following table summarizes how the severance obligation at the end of the reporting period would have increased (decreased) as a result of a change in the respective assumptions by 0.5%.

(€ thousands)	Severance obligations	
	0.5% increase	0.5% decrease
Discount rate	(41)	43
Salary increase	43	(41)

The above sensitivities are based on the average duration of the severance obligations determined at the date of the last full actuarial valuation at December 31, 2024 and are applied to adjust the severance obligations at the end of the reporting period of the assumptions concerned.



Pension plan - other countries

The Company’s US, Malaysian, Chinese and Singapore subsidiaries have defined contribution plans that supplement the governmental benefits provided under local legislation.

Share-based payments

Remuneration Policy

In 2024, the Company applied the Remuneration Policy 2024, which was adopted by the General Meeting of Shareholders on April 26, 2023. The total number of ordinary shares that will be awarded by the Company to eligible and selected participants may not exceed 1.5% of the total number of outstanding shares at December 31 of the year prior to the year in which the award is made.

Under the current Remuneration Policy 2024, the total target Short Term Incentive (“STI”) level will be for one-third settled in cash and for two-thirds settled in shares under the Framework Incentive Plan. Following the assessment of the Supervisory Board on the STI targets achieved, the share-based STI will be converted into shares which are subject to a five-year holding period for the Board of Management.

Under the previous Remuneration Policy 2020-2023, the Supervisory Board may, at its own discretion and upon recommendation of the Remuneration Committee, award additional shares to a member of the Board of Management as a reward for extraordinary achievements of excellent performance in the previous year, up to a maximum of 120,000 shares. In January 2024, the Supervisory Board at its own discretion and upon recommendation by the Remuneration Committee, awarded the member of the Board of Management 70,000 shares, which vested on January 25, 2024.

Framework Incentive Plan

The performance shares awarded to the member of the Board of Management and other employees under the Framework Incentive Plan will vest at the end of the three-year performance period, depending on the actual performance of the Company. If at target performance is achieved, 100% of the performance shares awarded will vest. The maximum number of shares that can vest amounts to 150% for awards made under the previous Remuneration Policy 2020-2023 and 200% for awards made under the current Remuneration Policy 2024 of the target number of performance shares conditionally awarded.

After the three-year performance period the actual number of performance shares that vests, subject to continued employment, will be determined based on:

- Net income as a percentage of revenue (“NIR”) over a three-year performance period (50%).
- The Company’s Total Shareholder Return (“TSR”) relative to that of the TSR peer group consisting of 19 peer companies operating in the semiconductor industry (50%).

The 2020-2023 TSR comparator group consists of the following companies:

TSR comparator group (excluding Besi)	
Aixtron SE	Kulicke & Soffa Industries, Inc.
Applied Materials, Inc.	Lam Research Corporation
ASM International N.V.	MKS Instruments, Inc.
ASML Holding NV	Nova Ltd.
ASM Pacific Technology Ltd.	Onto Innovation, Inc.
Axcelis Technologies, Inc.	SÜSS MicroTec SE
Cohu, Inc.	Tokyo Electron Ltd.
DISCO Corporation	Tokyo Seimitsu Co., Ltd.
Entegris, Inc.	Veeco Instruments, Inc.
FormFactor, Inc.	

Based on the Remuneration Policy 2024, the TSR comparator group has been expanded to 21 peer companies. As a result, the TSR comparator group applicable for the performance shares granted in 2024 includes two additional companies, namely Jenoptik AG and Teradyne inc.

Vesting is determined based on the following schedule, whereby as from the 2020 Framework Incentive Plan the straight-line vesting percentages are being applied on a pro-rata basis between rank 12 and rank 3 for awards made as from 2020:

Besi TSR ranking relative to comparator group	Vesting percentage
Top 3	75%
Rank 4 – Rank 6	50% (at target)
Rank 7 – Rank 12	25%
Rank 13 – Rank 20	0%

### Summary of outstanding performance shares

Following is a summary of changes in performance shares:

	2024	2023
Outstanding at January 1	288,050	312,587
Performance shares granted (at target level)	58,982	112,007
Shares discretionary granted to the Board of Management	70,000	88,020
Shares discretionary granted to key employees	41,650	57,800
Performance adjustments	66,519	39,724
Performance shares settled in equity instruments (re-issued from treasury shares)	(289,717)	(322,088)
Performance shares forfeited	(17,906)	-
<b>Outstanding at December 31</b>	<b>217,578</b>	<b>288,050</b>

The market price of the Company's ordinary shares at the date of grant of the performance shares in 2024 and 2023 was € 136.00 and € 81.88, respectively. The market price of the Company's ordinary shares at the date of grant of the additional shares to the member of the Board of Management was € 148.85 (2023: € 62.82) and the market price at the date of grant to key employees was € 141.80 (2023: € 73.66).

The following table shows the outstanding at target number of performance shares conditionally awarded to the Board of Management and selected key employees, in accordance with the Besi 2020 and 2024 Framework Incentive Plan:

Performance shares	Year of grant	Three-year performance period	Number of performance shares
	2022	2022-2024	66,246
	2023	2023-2025	97,249
	2024	2024-2026	54,083
<b>Total</b>			<b>217,578</b>

### Fair value measurement performance shares

For the awards made in 2024, the fair value at the grant date of the 50% portion with a TSR performance condition was € 139.45 (2023: € 80.32) and has been derived using a Monte Carlo Simulation model. The significant inputs into the model were:

	2024	2023
Market price of the Company's ordinary shares (in euro)	136.00	81.88
Expected volatility	47.1%	45.7%
Expected dividend yield	1.57%	3.42%
Vesting period (in years)	3	3
Risk-free interest rate	2.776%	2.490%

For the 2024 awards, the fair value at the grant date of the 50% portion with a NIR performance condition was € 129.75 (2023: € 73.89). This fair value has been derived from the market price of the Company's ordinary shares at the grant date, adjusted based on the present value for expected dividends over the three-year vesting period.

The expenses related to share-based payment plans recognized in the Consolidated Statement of Operations are as follows:

(€ thousands)	Year ended December 31,	
	2024	2023
Performance shares granted and delivered to the Board of Management	10,420	5,529
Performance shares granted and delivered to key employees	5,906	4,258
Annual equity bonus Board of Management	2,450	-
Annual equity bonus key employees	3,865	-
Conditional performance shares Board of Management	1,763	1,548
Conditional performance shares key employees	5,663	7,772
<b>Total expense recognized as personnel expenses</b>	<b>30,067</b>	<b>19,107</b>

## 26. Related-party transactions

BE Semiconductor Industries N.V. and all its subsidiaries are consolidated and all transactions between these entities have been eliminated in these financial statements. There are no non-consolidated companies considered as related parties.

The Board of Management and the Supervisory Board are considered “Key Management Personnel” in accordance with IAS 24. The remuneration of the Board of Management and the Supervisory Board is as follows.

### Remuneration of the Board of Management

The remuneration of the member of the Board of Management is determined by the Supervisory Board, all with due observance of the Remuneration Policy adopted by the General Meeting of Shareholders. The Supervisory Board is required to present any scheme providing for the remuneration of the member of the Board of Management in the form of shares or options to the General Meeting of Shareholders for adoption.

The total cash remuneration and related costs of the member of the Board of Management for the years ended December 31, 2024 and 2023, are as follows:

(€)	Year ended December 31,	
	2024	2023
Salaries and other short-term employee benefits <sup>1</sup>	2,023,133	1,882,529
Equity compensation benefits: Incentive Plan LTI	1,762,781	1,547,777
Equity compensation benefits: Incentive Plan - share-based STI	2,450,000	-
Equity compensation benefits: Discretionary grant	10,419,500	5,529,416
<b>Total</b>	<b>16,655,414</b>	<b>8,959,722</b>

<sup>1</sup> Salaries include a bonus earned over the applicable year, which will be payable in the second quarter of the year thereafter. Furthermore, other benefits include expense compensation, medical insurance and social security premiums.

### Remuneration of the Supervisory Board

The aggregate remuneration paid to current members of the Supervisory Board was € 475 in 2024 and € 345 in 2023. The remuneration of the Supervisory Board is determined by the General Meeting of Shareholders.

For further details for the remuneration of the Board of Management and the Supervisory Board reference is made to the [Remuneration Report](#) in this Annual Report.

## Ordinary shares and performance shares held by the member of the Board of Management

The aggregate number of ordinary shares held by the current member of the Board of Management is as follows:

Ordinary number of shares		December 31, 2024	December 31, 2023
<b>Board of Management</b>		<b>1,347,718</b>	<b>1,342,098</b>
Performance shares	Year of grant	Three-year performance period	Number of performance shares
Board of Management	2022	2022-2024	13,927
	2023	2023-2025	20,604
	2024	2024-2026	12,350
<b>Total</b>			<b>46,881</b>

The performance shares awarded will vest at the end of the three-year performance period, depending on the actual performance of the Company.

## 27. Selected operating expenses and additional information

Personnel expenses for all employees are as follows:

(€ thousands)		Year ended December 31,	
		2024	2023
Wages and salaries		117,120	106,827
Social security expenses		14,028	13,487
Pension and retirement expenses defined contribution		6,643	6,131
Pension and retirement expenses defined benefit		2,797	1,389
Pension plan amendments		1,442	(1,442)
Share-based compensation plans		30,067	19,107
<b>Total personnel expenses</b>		<b>172,097</b>	<b>145,499</b>

The average number of fulltime equivalent employees during 2024 and 2023 was 1,782 and 1,700, respectively. For pension and retirement expenses, reference is made to [Note 25](#).

The total number of fulltime equivalent employees per department is:

	December 31, 2024	December 31, 2023
Sales and Marketing	462	454
Manufacturing and Assembly	709	676
Research and Development	473	444
General and Administrative	168	162
<b>Total number of personnel</b>	<b>1,812</b>	<b>1,736</b>

As of December 31, 2024 and 2023, a total of 159 and 157 fulltime equivalent employees, respectively, were employed in the Netherlands.

## 28. Financial income and expense

The components of financial income and expense are as follows:

(€ thousands)	Year ended December 31,	
	2024	2023
Interest income	17,313	12,260
Net foreign currency gains	-	774
<b>Subtotal financial income</b>	<b>17,313</b>	<b>13,034</b>
Interest expense	(16,667)	(11,664)
Net cost of hedging	(6,858)	(7,073)
Net foreign currency losses	(859)	-
<b>Subtotal financial expense</b>	<b>(24,384)</b>	<b>(18,737)</b>
<b>Financial income (expense), net</b>	<b>(7,071)</b>	<b>(5,703)</b>

The increase in interest income is related to increased interest rates on the Company's cash balances outstanding and the increased cash position resulting from the issuance of the Senior Notes. Increased interest expenses relate to the issuance of the Senior Notes.

## 29. Income taxes

Deferred tax assets (liabilities) consist of the following:

(€ thousands)	December 31, 2024	December 31, 2023
Deferred tax assets	31,567	12,217
Deferred tax liabilities	(10,320)	(12,959)
<b>Total deferred tax assets (liabilities), net</b>	<b>21,247</b>	<b>(742)</b>

The items giving rise to the deferred tax assets (liabilities), net are as follows:

(€ thousands)	December 31, 2024	December 31, 2023
<i>Deferred tax assets (liabilities)</i>		
Swiss tax credits	28,067	10,443
Lease liabilities	2,432	2,773
Provision for pensions	2,239	1,936
Operating losses carry forward	1,608	1,543
Inventories	959	1,378
Interest	17	-
Right of use assets	(2,354)	(2,704)
Convertible Notes	(4,005)	(6,827)
Intangible assets	(9,295)	(9,176)
Other items	1,579	(108)
<b>Total deferred tax assets (liabilities), net</b>	<b>21,247</b>	<b>(742)</b>

Following is a summary of changes in items giving rise to deferred tax assets (liabilities), net:

(€ thousands)	January 1, 2024	Profit and loss 2024	Other comprehensive income	Equity	Foreign currency translation	December 31, 2024
<i>Deferred tax assets (liabilities), net</i>						
Swiss tax credits	10,443	17,582	-	-	42	28,067
Lease liabilities	2,773	(371)	-	-	30	2,432
Provision for pensions	1,936	84	254	-	(35)	2,239
Operating losses carry forward	1,543	6	-	-	59	1,608
Inventories	1,378	(441)	-	-	22	959
Interest	-	17	-	-	-	17
Right of use assets	(2,704)	377	-	-	(27)	(2,354)
Convertible Notes	(6,827)	800	-	2,022	-	(4,005)
Intangible assets	(9,176)	(62)	-	-	(57)	(9,295)
Other items	(108)	586	1,071	-	30	1,579
<b>Total</b>	<b>(742)</b>	<b>18,578</b>	<b>1,325</b>	<b>2,022</b>	<b>64</b>	<b>21,247</b>

(€ thousands)	January 1, 2023	Profit and loss 2023	Other comprehensive income	Equity	Foreign currency translation	December 31, 2023
<i>Deferred tax assets (liabilities), net</i>						
Swiss tax credits	17,429	(7,732)	-	-	746	10,443
Lease liabilities	3,008	(236)	-	-	1	2,773
Provision for pensions	1,885	(66)	100	-	17	1,936
Operating losses carry forward	1,660	(113)	-	-	(4)	1,543
Inventories	1,677	(293)	-	-	(6)	1,378
Interest	593	(623)	-	30	-	-
Right of use assets	(2,962)	261	-	-	(3)	(2,704)
Convertible Notes	(8,417)	1,371	-	219	-	(6,827)
Intangible assets	(9,182)	14	-	-	(8)	(9,176)
Other items	569	(600)	-	-	(77)	(108)
<b>Total</b>	<b>6,260</b>	<b>(8,017)</b>	<b>100</b>	<b>249</b>	<b>666</b>	<b>(742)</b>

Up to and including 2019, Besi's Swiss operations had a mixed company status on Cantonal and Communal level. Effective January 1, 2020, the Federal Act on Tax Reform and AHV Financial ("Swiss Tax Reform") became effective, abolishing the current privileged corporate tax regimes. Upon transition, the Company has decided to use the current law step up method, which creates tax free reserves. These tax free reserves can be depreciated against taxable income on Cantonal and Communal level for a period of five years (years 2020 up to and including 2024) and to a maximum of 70% of the taxable income. The last amortization occurred in 2024 and the remaining deferred tax asset dissolved in a tax neutral manner.

As part of the Swiss Tax Reform, effective January 1, 2020, this regime was abolished and upon transition, tax free reserves were created on Swiss Federal level which can be depreciated against taxable income for a period of ten years in equal installments (years 2020 up to and including 2029).

In 2024, due to a domestic Swiss restructuring, the Company obtained an approval on Cantonal and Communal level to recognize a tax asset which can be dynamically amortized over a period of five years. For this deductible temporary difference, the Company recorded a deferred tax asset of € 23.5 million. As a result of the restructuring, the Company also incurred a current tax expense of € 8.0 million.

The deferred tax assets for operating losses carry forward are related to the US and Austrian operations of the Company. In assessing the recoverability of deferred tax assets, the Company considers whether it is probable that sufficient taxable profits will be available to realize some portion or all of the deferred tax assets. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible. The total of the US and Austrian carry forwards amounted to € 1.6 million as of December 31, 2024 and expire during the period of 2025 and thereafter. The net deferred tax asset related to the US and Austrian carry forward amounts are expected to be fully recovered. As of December 31, 2024, an amount of € 0.2 million related to withholding taxes is not recognized, as the Company does not regard the realization of these withholding taxes probable within five years.

Under the Dutch innovation box regime, qualifying income that results from endeavors in the field of research and development, is taxed at an effective Dutch corporation tax rate of 9%. In 2019, the Company has been granted the Dutch innovation box regime, effective January 1, 2015 for the years up to and including 2022, which has been extended from January 1, 2023 up to and including 2027.

The distinction in recognized and unrecognized tax losses carry forward and tax credits is as follows:

(€ millions)	2024		2023	
	Recognized	Unrecognized	Recognized	Unrecognized
USA	0.8	-	1.3	-
Austria	0.8	-	0.2	-
Vietnam	-	0.2	-	-
<b>Total tax losses carried forward</b>	<b>1.6</b>	<b>0.2</b>	<b>1.5</b>	<b>-</b>
Switzerland tax free reserves	28.0	-	10.4	8.7
Withholding taxes	-	0.2	-	0.5
<b>Total</b>	<b>29.6</b>	<b>0.4</b>	<b>11.9</b>	<b>9.2</b>

The aggregate deferred tax related to items recognized outside of profit and loss amounts to € 3.3 million.



The Dutch domestic statutory tax rate is 25.8% for the year ended December 31, 2024 and 2023. The reconciliation between the actual income tax shown in the Consolidated Statement of Operations and the expense (benefit) that would be expected based on the application of the domestic tax rate to income before income tax is as follows:

(€ thousands)	Year ended December 31, 2024		Year ended December 31, 2023	
	in % of income before taxes		in % of income before taxes	
Expected income tax expense				
based on domestic rate	48,638	25.8%	53,584	25.8%
Foreign tax rate differential	(22,577)	(12.0%)	(23,563)	(11.3%)
Recognition of Swiss tax credit	(15,512)	(8.2%)	-	-
Non-deductible expenses	4,870	2.6%	3,363	1.6%
Tax incentive	(3,457)	(1.8%)	(4,176)	(2.0%)
Tax exempt income	(1,395)	(0.7%)	(1,337)	(0.6%)
Valuation allowance adjustments	(907)	(0.5%)	2,279	1.1%
Adjustments prior years	(2,647)	(1.4%)	(114)	(0.1%)
Other	(485)	(0.3%)	569	0.2%
<b>Income tax expense reported</b>	<b>6,528</b>	<b>3.5%</b>	<b>30,605</b>	<b>14.7%</b>

The difference between the effective tax rate and the statutory rate in the Netherlands is mainly due to different statutory tax rates in the countries in which the Company operates outside the Netherlands, primarily in Switzerland. The recognition of Swiss tax credit of € 15.5 million in 2024 relates to the net tax effect of the restructuring in Switzerland. The tax incentives mainly relates to the application of the innovation box regime in the Netherlands and preferential tax rate in Singapore. The adjustments prior years relate primarily to deduction of foreign currency results in the Netherlands in previous years.

The income tax expense shown in the Consolidated Statement of Operations consists of the following:

(€ thousands)	Year ended December 31,	
	2024	2023
Current	25,106	22,588
Deferred	(18,578)	8,017
<b>Total</b>	<b>6,528</b>	<b>30,605</b>

There are no income tax consequences attached to the proposed payment of dividends by the Company to its shareholders.

The Company is currently not in scope of Pillar Two legislation.

## Tax risk

Given the international business structure of the Company and the increasing number and amounts of intercompany transactions certain tax risks hereto may exist. Profits are allocated to countries where factual economic activities are executed in accordance with national and international rules and standards and intragroup transactions have a business rationale. Besi has controls and procedures in place, including oversight, to manage its tax risks. These risk management and governance arrangements are embedded in an Internal Besi Framework. Besi has appropriate tax knowledge in-house to deal with its tax affairs, supplementing this with external advice where appropriate. Besi monitors new and developing tax legislation, ensures appropriate training is provided to its staff, and adapts procedures and processes to comply with changes.

In 2024, the Austrian Tax Authorities finalized the tax audit over the period 2019 to 2021 and issued final assessments. Together with the final tax assessments for the period 2015 to 2018, this has led to a total additional € 4.5 million tax payable. The assessments are related to an adjustment with respect to the transfer pricing policy implemented. The Company is of the view that the transfer pricing policy historically applied is in line with the arm's length principle as set forth by the OECD Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrations and Austrian transfer pricing regulation. The assessments issued by the Austrian Tax Authorities would trigger double taxation for the Company. As such, in order to defend the Company's tax filing position in Austria and, if applicable, to avoid any remaining double taxation, a Mutual Agreement Procedure ("MAP") request has been filed for the period 2015 to 2018 and will be filed for the period 2019 to 2021 with the relevant Competent Authorities. This process can extend to several years until it comes to conclusion.

As the Company has applied the same transfer pricing policy for the subsequent years, it is likely that the Austrian Tax Authorities will challenge the applied transfer pricing practice also for the subsequent years based on the assessment issued for the 2015 to 2018 and 2019 to 2021 tax audit period. The total potential additional tax expenses related to the period 2015 to 2024 amounts to approximately € 4.9 million being the single best estimate of the uncertainty and includes an offsetting corresponding adjustment on the Swiss taxable income.

Based on the relevant facts and circumstances, the Company has determined that it is probable that the MAP will confirm the Company's transfer pricing policy and as such determined the taxable profit consistently with the tax treatment used in its income tax filings, not reflecting these additional tax expenses associated with the uncertainty.

### 30. Earnings per share

The following table reconciles ordinary shares outstanding at the beginning of the year to average shares outstanding used to compute income per share.

	2024	2023
Shares outstanding at beginning of the year	77,015,794	78,487,926
Shares re-issued from treasury shares for the vesting of performance stock awards (LTI)	178,067	176,268
Shares re-issued from treasury shares for the vesting of shares discretionary granted	111,650	145,820
Shares re-issued from treasury shares for partial conversion of the 2016, 2017 and 2020 Convertible Notes	2,641,977	762,445
Shares bought under the share repurchase program	(635,348)	(2,556,665)
<b>Shares outstanding at end of the year</b>	<b>79,312,140</b>	<b>77,015,794</b>
<b>Average shares outstanding - basic</b>	<b>78,877,471</b>	<b>77,508,722</b>
Dilutive effect of outstanding performance shares	288,107	370,874
Dilutive effect of all outstanding Convertible Notes	2,724,329	4,920,683
<b>Average shares outstanding - diluted</b>	<b>81,889,907</b>	<b>82,800,279</b>

Net income in 2024 used in calculating dilutive earnings per share amounts to € 188.1 million (2023: € 185.0 million) and is adjusted for the after tax effects of interest charges related to the 2016, 2017, 2020 and 2022 Convertible Notes amounting to € 6.1 million in 2024 (2023: € 7.9 million).

### 31. Financial instruments, financial risk management objectives and policies

#### Fair value of financial instruments

The Company assumes that the book value of the Company's financial instruments, which consist of cash and cash equivalents, deposits, trade receivables and accounts payable, does not significantly differ from their fair value due to the short maturity of those instruments and to the fact that interest rates are floating or approximate the rates currently available to the Company. For the valuation of the Convertible Notes reference is made to [Note 18](#).

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: Techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

The fair values of other financial assets and financial liabilities, together with the carrying amounts in the Consolidated Statements of Financial Position, are as follows:

(€ thousands)			December 31, 2024	
	Note	Carrying amount	Level	Fair value
<i>Financial assets</i>				
Forward foreign currency exchange contracts	7	581	2	581
Marketable securities for pension liability	12	566	1, 2	566
<b>Total</b>		<b>1,147</b>		<b>1,147</b>
<i>Financial liabilities</i>				
Forward foreign currency exchange contracts	16	9,825	2	9,825
Long-term debt <sup>1</sup>	18	527,695	1	597,563
<b>Total</b>		<b>537,520</b>		<b>607,388</b>

<sup>1</sup> The fair value of the Convertible and Senior Notes included in the long-term debt are based on the closing prices of the Notes on the Deutsche Börse Freiverkehr market.

(€ thousands)	Note	Carrying amount	December 31, 2023	
			Level	Fair value
<i>Financial assets</i>				
Forward foreign currency exchange contracts	7	9,467	2	9,467
Marketable securities for pension liability	12	549	1, 2	549
<b>Total</b>		<b>10,016</b>		<b>10,016</b>
<i>Financial liabilities</i>				
Forward foreign currency exchange contracts	16	443	2	443
Long-term debt <sup>1</sup>	18	300,497	1	661,308
<b>Total</b>		<b>300,940</b>		<b>661,751</b>

<sup>1</sup> The fair value of the Convertible Notes included in the long-term debt are based on the closing prices of the Notes on the Deutsche Börse Freiverkehr market.

There were no transfers between levels during the years ended December 31, 2024 and December 31, 2023.

The recurring fair value measurement is applicable to the valuation of forward exchange contracts for hedging purposes. According to IFRS 13 this measurement is categorized as Level 2. Non-recurring fair value measurements were not applicable in the reporting period.

## Financial risk management objectives and policies

### Risk management framework

The Company, being a multinational corporation, is inherently exposed to a variety of financial risks, such as foreign currency risk, interest rate risk, credit risk, market risk, liquidity risk and capital risk.

The Company's overall risk management policy is established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to risk limits. Risk management policies and systems are managed at central level and reviewed regularly to reflect changes in market conditions and the Company's activities.

All material findings that result from the use of the Company's risk management policy are discussed with the Audit Committee and Supervisory Board.

The Company, through its training, management standards and procedures, such as guidelines and instructions governing hedging of financial risks, developed a disciplined and constructive control environment in which all employees understand their roles and obligations. In addition, the Company performs several reviews at all significant operating companies, such as reviews of the foreign currency positions. The Company's policies, specifically regarding foreign currency hedging, interest rate, credit, market and liquidity risks, are further described in the remainder of this Note.

### Foreign currency risk

Due to the international scope of the Company's operations, the Company is exposed to the risk of adverse movements in foreign currency exchange rates. These movements typically also affect economic growth, inflation, interest rates, government actions and other factors. These changes can cause the Company to adjust its financing and operating strategies. The Company is primarily exposed to fluctuations in the value of the euro, Swiss franc, Singapore dollar, Malaysian ringgit and Chinese renminbi against the US dollar. Furthermore, due to the Company's ongoing transfer of the supply chain to Asia, the Company is increasingly exposed to fluctuations of the Malaysian ringgit, Chinese renminbi and Singapore dollar against the euro, Swiss franc and US dollar.

As a consequence of the global nature of the Company's businesses, its operations, reported financial results and cash flows are exposed to the risks associated with fluctuations in exchange rates between the euro and other major world currencies.

The Company's currency risk exposure primarily occurs because a portion of its revenue is generated in currencies other than the euro while the major share of the corresponding cost of sales is incurred in euro, Swiss franc, Malaysian ringgit and Chinese renminbi. The percentage of its consolidated net revenue which is represented in US dollar amounted to approximately 71% and 75% of total revenue for the years ended December 31, 2024 and 2023, respectively, whereas revenue denominated in euro amounted to approximately 29% in 2024. Approximately 37% of its costs and expenses were denominated in euro, 22% in Malaysian ringgit, 12% in Chinese renminbi, 8% in US dollar and the remaining 21% in various currencies. In order to mitigate the impact of currency exchange rate fluctuations, the Company continually assesses its remaining exposure to currency risks and hedges such risks through the use of derivative financial instruments.

The Company seeks to protect itself from adverse movements in foreign currency exchange rates by hedging firmly committed sales contracts, which are denominated in foreign currencies through the use of forward foreign currency exchange contracts. In addition, the Company also uses forward foreign currency exchange contracts to hedge balance sheet positions that are denominated in a foreign currency. During 2024 and 2023, the Company did not have any derivative financial instruments that were held for trading or speculative purposes. Furthermore, the Company does not use financial instruments to hedge the translation risk related to equity and intercompany loans of a permanent nature. The Company has adopted the cash flow hedge model in line with IFRS 9. In this hedging model, the effective part of a hedge transaction is reported as a component of other comprehensive income, which is reclassified to earnings in the same period(s) in which the hedged forecasted transaction affects earnings.

Due to cash flow hedge transactions, (€ 2,838) was reported as other comprehensive income at December 31, 2024. The amount in 2024 released from equity in revenue in the Consolidated Statement of Operations was € 7,153. The cash flow hedging reserve included in equity comprises the effective portion of the cumulative net change in the fair value of cash flow hedges related to hedged transactions that have not yet occurred. The ineffective part of the hedges recognized, directly in the Consolidated Statement of Operations was a gain of € 22 in 2024 and € 156 in 2023.

The movement of the cash flow hedging reserve is as follows:

(€ thousands)	2024	2023
Balance at January 1	4,675	4,830
Amount recognized in equity	(7,153)	(9,416)
Amount recycled in Consolidated Statement of Operations	(338)	9,417
Amount reclassified to Consolidated Statement of Operations due to ineffectiveness	(22)	(156)
<b>Balance at December 31</b>	<b>(2,838)</b>	<b>4,675</b>

The Company has exposure to credit risk to the extent that the counterparty of the transaction fails to perform according to the term of the contract. The amount of such credit risk, measured as the fair value of all forward foreign currency exchange contracts that have a positive fair value position, was € 581 and € 9,467 at December 31, 2024 and 2023, respectively. The Company believes that the risk of significant loss from credit risk is remote, because it deals with credit-worthy financial institutions. The Company does not, in the normal course of business, demand collateral from its counterparties.

A summary of the Company's most important forward foreign currency exchange contracts at foreign currency contract rate is set forth below:

(€ thousands)	Nominal value	Average rate	Maturity	Fair value, net
<i>December 31, 2024</i>				
To sell US dollars for Swiss francs	166,755	1.156	< 4 months	(6,895)
To sell US dollars for euros	48,666	1.093	< 4 months	(2,368)
To sell euros for Swiss francs	44,143	1.074	< 2 months	(376)
To sell Malaysian ringgits for US dollars	23,604	4.446	< 1 month	116
To buy Malaysian ringgits for US dollars	17,480	4.455	< 2 months	(54)
To sell Chinese renminbi for Swiss francs	16,606	8.233	< 1 month	321
Other FX pair contracts	51,452		< 1 month	12
<b>Total</b>	<b>368,706</b>			<b>(9,244)</b>
<i>December 31, 2023</i>				
To sell US dollars for Swiss francs	135,261	1.139	< 4 months	7,187
To sell US dollars for euros	47,409	1.075	< 4 months	1,167
To buy Malaysian ringgits for Swiss franc	16,316	5.436	< 1 month	(146)
To buy Malaysian ringgits for euros	14,128	5.114	< 2 months	32
To sell Malaysian ringgits for euros	28,163	5.080	< 1 month	(4)
To sell euros for Swiss francs	35,924	0.948	< 2 months	925
Other FX pair contracts	16,497		< 1 month	(137)
<b>Total</b>	<b>293,698</b>			<b>9,024</b>

The contracts to sell US dollars for euros and Swiss francs predominantly apply for hedge accounting. All other forward foreign currency exchange contracts are economic hedges. At December 31, 2024 and 2023, the unrealized gain (loss) on forward foreign currency exchange contracts that were designated as a hedge of firmly committed transactions amounted to (€ 9,244) and € 9,024, respectively.

The fair value of the Company's forward foreign currency exchange contracts, which are categorized as Level 2 is as follows:

(€ thousands)	2024		2023	
	Positive	Negative	Positive	Negative
<i>Forward foreign currency exchange contracts</i>				
<b>Fair value</b>	<b>581</b>	<b>9,825</b>	<b>9,467</b>	<b>443</b>

The fair value of the forward foreign currency exchange contracts is included in the Company's other receivables and the other payables. The Company recorded no changes in the fair value of the financial instruments that were attributable to changes in the credit risk of the forward exchange contracts. All foreign exchange currency contracts have a maturity of less than twelve months. The cash flows related to foreign currency contracts with positive fair values and related to foreign currency contracts with negative fair values may be settled gross or net and are expected to occur as follows:

(€ thousands)	December 31, 2024	December 31, 2023
Proceeds	359,462	302,722
Payments	(368,706)	(293,698)
<b>Net</b>	<b>(9,244)</b>	<b>9,024</b>

The Company's principal financial liabilities, other than derivatives, comprise of bank loans and overdrafts, Convertible Notes, financial leases and trade payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company has various financial assets such as trade receivables and cash and short-term deposits, which arise directly from its operations.

The Company enters into derivative transactions exclusively with forward currency contracts. The purpose of these transactions is to manage the currency risks arising from the Company's operations.

The following table presents a sensitivity analysis of the Company's profit before tax (due to changes in the fair value of monetary assets and liabilities) and the Company's equity (due to changes in the fair value of forward exchange contracts) related to reasonable potential changes in the US dollar exchange rate compared to the euro, Swiss franc and Malaysian ringgit, with all other variables held constant. This comparison is done as most transactions are in US dollar and are hedged against the local currencies of the main operations in the Netherlands, Switzerland and Malaysia. The analysis includes the effects of fair value changes of the financial instruments used to hedge the currency exposures and focuses only on balance sheet positions.

The discussion below of changes in currency exchange rates does not incorporate other economic factors. For example, the sensitivity analysis does not take into account the possibility that rates can move in opposite directions and that gains from one category may or may not be offset by losses from another category. As currency exchange rates

change, translation of the statements of operations of the Company's international business into euro affects year over year comparability.

(€ thousands)		Effect on profit before tax	2024 Effect on equity	Effect on profit before tax	2023 Effect on equity
Increase/decrease in US dollar rate compared to euro	+10%	-	(2,400)	-	(2,500)
	-10%	-	2,400	-	2,500
Increase/decrease in US dollar rate compared to Swiss franc	+10%	-	(7,300)	-	(8,000)
	-10%	-	7,300	-	8,000

The current outstanding forward exchange contracts have been included in this calculation.

### Interest rate risk

The Company has interest-bearing assets and liabilities exposing it to fluctuations in market interest rates. The Company is hardly exposed to the risk of changes in market interest rates through borrowing activities due to very limited debt with floating interest rates. Given the Company's cash position, fluctuations in market interest rates are affecting the Company's results. An increase of interest rates will have a positive effect, while a decrease of market interest rates will negatively impact the Company's results. No derivative interest rate related swaps have been entered into for trading or speculative purposes or to manage interest exposures.

### Credit risk

Credit risk is the risk that the counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily for trade receivables) and from its financing activities for cash and cash equivalents and derivative financial instruments. With its treasury and cash investment policies the Company manages exposure to credit risks on an ongoing basis including monitoring of the creditworthiness of counterparties. The Company does not anticipate on non-performance by counterparties given their strong creditworthiness expressed in good credit rates.

The Company's maximum exposure to credit risk for financial instruments are the carrying amounts of financial assets as illustrated in the table at the beginning of [Note 31](#). The Company does not hold collateral as security.

### Cash and cash equivalents

The Company is managing the credit risk from balances with banks and cash equivalents in accordance with the Company's cash investment policy. In addition to preserving the principal amount, the main objectives of this policy are maintaining appropriate liquidity for business operations, diversifying cash investments to minimize risk from inappropriate investments and concentrating the Company's cash at the highest level, i.e. BE Semiconductor Industries N.V. Diversification is aimed by distributing the cash and cash equivalents over at least five counterparties including money market funds. Cash pool arrangements based on zero-balancing are in place to concentrate cash enabling BE Semiconductor Industries N.V. to fulfil the role of internal bank.

The Company invests cash and cash equivalents in (short-term) deposits with financial institutions that have good credit ratings and in AA and AAA money market funds that invest in highly rated short-term debt securities of governments, financial institutions and corporates. These investments are readily convertible to cash due to high market liquidity and are subject to an insignificant risk of change in value.

### Trade receivables and other receivables

The Company has established a credit policy under which credit evaluations are performed on all customers requiring credit over specified thresholds. The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the demographics of the Company's customer base, including the default risk of the industry and country in which customers operate, as these factors may have an influence on credit risk. As the Company's revenue is generated by shipments to Asian manufacturing operations of leading US, European and Asian semiconductor manufacturers and subcontractors, an industry and geographical concentration of credit risk exists, however, this risk is reduced through the long-term relationships with its customers.

Ageing of trade receivables and other receivables:

(€ thou- sands)	Total	Impaired	Current					Past due
			< 30 days	30-60 days	60-90 days	90-120 days	> 120 days	
2024	209,603	(273)	172,418	18,708	8,443	5,491	1,557	3,259
2023	172,117	(472)	139,536	13,018	11,174	3,765	1,675	3,421

### Expected credit loss assessment

The Company recognizes an allowance for expected credit losses ("ECLs"). ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. For trade receivables, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Company has established provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. In addition, the Company has compared the outcome based on historical losses with the credit ratings of its largest individual customers.

Based on the above, an amount of € 273 of impairment has been recognized on trade receivables and contract assets as per December 31, 2024.

### Forward exchange contracts

The forward exchange contracts are with multiple counterparties that have high credit ratings. Currently, the Company does not expect any counterparty to fail to meet its obligations.

### Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices, will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing returns. The Company buys and sells derivatives, and also incurs financial liabilities, in order to manage market risks. All such transactions are carried out within the guidelines set by the Company.

### Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's liquidity needs are affected by many factors including uncertainties of the global economy and the semiconductor industry resulting in fluctuating cash requirements. The Company believes that it will have sufficient liquidity to meet its current liabilities including expected capital expenditures and repayment obligations. The Company monitors its risk to a shortage of funds by reviewing cash flows of all entities throughout the year. The Company intends to return cash to its shareholders on a regular basis in the form of dividend payments and, subject to actual and anticipated liquidity requirements and other relevant factors, share buybacks.



The table below summarizes the maturity profile of the Company's financial liabilities at December 31, 2024 and 2023, based on contractual undiscounted payments:

(€ thousands)	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
<i>December 31, 2024</i>						
Convertible Notes (assuming no conversion)	-	-	-	199,100	-	199,100
Other long-term debt	-	-	2,042	-	350,000	352,042
Lease liabilities (Note 19)	-	1,093	3,117	7,540	5,858	17,608
Interest payable Notes	-	7,965	11,247	74,846	31,500	125,558
Trade payable	26,417	26,213	-	-	-	52,630
Other payables	108	13,996	25,654	-	-	39,758
<b>Total</b>	<b>26,525</b>	<b>49,267</b>	<b>42,060</b>	<b>281,486</b>	<b>387,358</b>	<b>786,696</b>
<i>December 31, 2023</i>						
Convertible Notes (assuming no conversion)	-	-	3,200	150,000	175,000	328,200
Other long-term debt	-	-	-	2,042	-	2,042
Lease liabilities (Note 19)	-	1,044	3,075	9,669	6,610	20,398
Interest payable Notes	-	563	3,860	16,500	1,641	22,564
Trade payable	13,149	33,740	-	-	-	46,889
Other payables	140	10,534	25,335	-	-	36,009
<b>Total</b>	<b>13,289</b>	<b>45,881</b>	<b>35,470</b>	<b>178,211</b>	<b>183,251</b>	<b>456,102</b>

It is not expected that the cash flows included in the maturity profile could occur significantly earlier, or at significantly different amounts.

Capital management

The primary objective of the Company’s capital management is to ensure healthy capital ratios, with focus on liquidity and financial stability throughout the industry cycles, in order to support its business and maximize shareholder value.

The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may make a dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the years ended December 31, 2024 and December 31, 2023. The Company only regards equity as capital. This capital is managed using solvency ratio (excluding intangible assets) and return on investment.

(€ thousands, except for percentages)	2024	2023
Equity	501,264	421,413
Solvency ratio <sup>1</sup>	40.6%	47.0%
Solvency ratio (excluding intangible fixed assets) <sup>2</sup>	32.8%	37.3%
Return on average equity <sup>3</sup>	39.4%	33.7%

<sup>1</sup> Solvency ratio is defined as total equity (€ 501.3) divided by total assets (€ 1,234.5).  
<sup>2</sup> Solvency ratio (excluding intangible assets) is defined as total equity (€ 501.3) divided by total assets (€ 1,234.5), both under subtraction of intangible assets (€ 142.7).  
<sup>3</sup> Return on average equity is defined as net income (€ 182.0) divided by the average of the total equity at January 1, 2024 (€ 421.4) and total equity at December 31, 2024 (€ 501.3).

The total number of ordinary shares that will be awarded under the Framework Incentive Plan may not exceed 1.5% of the total number of outstanding shares at December 31 of the year prior to the year in which the award is made.

32. Events after the balance sheet date

There are no events to report.

## Parent Company Balance Sheet

(Before appropriation of the result)

(€ thousands)	Note	December 31, 2024	December 31, 2023
<i>Assets</i>			
<b>Intangible fixed assets</b>	3	<b>10</b>	<b>100</b>
<b>Tangible fixed assets</b>	4	<b>43</b>	<b>19</b>
Investments in subsidiaries	5	380,363	355,828
Loans due from subsidiaries	5	15,854	11,913
<b>Financial fixed assets</b>		<b>396,217</b>	<b>367,741</b>
<b>Total fixed assets</b>		<b>396,270</b>	<b>367,860</b>
Amounts due from subsidiaries	10	46,876	31,158
Other receivables		9,605	4,773
<b>Receivables</b>		<b>56,481</b>	<b>35,931</b>
<b>Deposits</b>	6	<b>330,000</b>	<b>225,000</b>
<b>Cash and cash equivalents</b>	6	<b>315,296</b>	<b>149,736</b>
<b>Total current assets</b>		<b>701,777</b>	<b>410,667</b>
<b>Total assets</b>		<b>1,098,047</b>	<b>778,527</b>
<i>Shareholders' equity, provisions and liabilities</i>			
Share capital	7	811	811
Share premium	7	181,433	108,144
Retained earnings	7	(11,994)	(14,305)
Legal reserves	7	158,708	157,962
Other comprehensive income (loss)	7	(9,686)	(8,283)
Undistributed result	7	181,992	177,084
<b>Shareholders' equity</b>		<b>501,264</b>	<b>421,413</b>
Deferred tax liabilities	14	3,404	5,702
<b>Provisions</b>		<b>3,404</b>	<b>5,702</b>
Long-term debt	9	525,653	295,311
<b>Non-current liabilities</b>		<b>525,653</b>	<b>295,311</b>
Bank overdraft		776	-
Current portion of long-term debt		-	3,144
Trade payables		4,962	4,746
Income tax payable		-	1,157
Amounts due to subsidiaries	10	51,299	43,925
Other payables		10,689	3,129
<b>Current liabilities</b>		<b>67,726</b>	<b>56,101</b>
<b>Total shareholders' equity, provisions and liabilities</b>		<b>1,098,047</b>	<b>778,527</b>

## Parent Company Statement of Income and Expense

(€ thousands)	Note	Year ended December 31, 20242023	
General and administrative expenses		16,685	9,809
<b>Total operating expenses</b>		<b>16,685</b>	<b>9,809</b>
<b>Operating income (loss)</b>		<b>(16,685)</b>	<b>(9,809)</b>
Financial income	12	19,533	13,237
Financial expense	12	(17,436)	(12,138)
<b>Financial income (expense), net</b>		<b>2,097</b>	<b>1,099</b>
<b>Loss before income tax and income from subsidiaries</b>		<b>(14,588)</b>	<b>(8,710)</b>
Income tax expense (benefit)	14	(1,925)	1,115
Income from subsidiaries, after taxes	5	194,655	186,909
<b>Net income</b>		<b>181,992</b>	<b>177,084</b>

# Notes to the Parent Company Financial Statements

## 1. General

BE Semiconductor Industries N.V. acts as a holding company. The description of the activities and the structure of the Company, as included in the Notes to the Consolidated Financial Statements also apply to the Parent Company Financial Statements. BE Semiconductor Industries N.V.'s principal executive office is located at Ratio 6, 6921 RW Duiven, the Netherlands. Statutory seat of the Company is Amsterdam; number at Chamber of Commerce is 09092395.

## 2. Summary of significant accounting policies

The Financial Statements of the parent company have been prepared using the option of article 362.8 of Book 2 of the Netherlands Civil Code, meaning that the accounting principles used are the same as for the Consolidated Financial Statements.

Foreign currency amounts have been translated, assets and liabilities have been valued, and net income has been determined, in accordance with the principles of valuation and determination of income presented in the summary of significant accounting policies included in the Notes to the Consolidated Financial Statements. Subsidiaries of the parent company are accounted for using the net equity value. The net equity value is determined on the basis of IFRS accounting principles applied in the Consolidated Financial Statements. In case of a negative net equity value of a subsidiary, the negative value is deducted from the loan due from the respective subsidiary. The loans due from subsidiaries are considered as part of the net investments in subsidiaries.

In addition, the Company will apply the option provided to eliminate the impact of IFRS 9 on intercompany receivables and payables in the Parent Company Financial Statements against their book value of these receivables and payables in order to have no impact on the reconciliation between the consolidated equity and company equity position.

BE Semiconductor Industries N.V. is parent of the fiscal unity BE Semiconductor Industries N.V. All current and deferred tax positions attributable to the fiscal unit are reported at the level of BE Semiconductor Industries N.V., whereby income tax expense is allocated to the Dutch subsidiaries based on the individual income before tax and the statutory tax rate taking the innovation box regime into account.

## 3. Intangible fixed assets

Intangible assets, net consist of the following:

(€ thousands)	2024	2023
<i>Balance at January 1,</i>		
Cost	2,856	2,856
Accumulated amortization	(2,756)	(2,701)
<b>Intangible fixed assets, net</b>	<b>100</b>	<b>155</b>
<i>Changes in book value</i>		
Capital expenditures	-	-
Disposals (cost)	-	-
Disposals (accumulated depreciation)	-	-
Amortization	(90)	(55)
<b>Total changes</b>	<b>(90)</b>	<b>(55)</b>
<i>Balance at December 31,</i>		
Cost	2,856	2,856
Accumulated amortization	(2,846)	(2,756)
<b>Intangible fixed assets, net</b>	<b>10</b>	<b>100</b>

The intangible fixed assets consist of capitalized licenses and are amortized in three to five years.

## 4. Tangible fixed assets

The tangible fixed assets include right of use assets for leased cars.

## 5. Financial fixed assets

The movement is as follows:

(€ thousands)	Investment in subsidiaries	Loans due from subsidiaries	Total
Balance at January 1, 2024	355,828	11,913	367,741
Income for the period	194,655	-	194,655
Negative equity adjustments	(1,454)	1,454	-
Dividend payments	(163,855)	-	(163,855)
Repayment of loans	-	(4,715)	(4,715)
Loans to subsidiaries	-	6,269	6,269
Changes in accumulated other comprehensive income	(8,146)	-	(8,146)
Currency translation adjustment	3,335	933	4,268
<b>Balance at December 31, 2024</b>	<b>380,363</b>	<b>15,854</b>	<b>396,217</b>

(€ thousands)	Investment in subsidiaries	Loans due from subsidiaries	Total
Balance at January 1, 2023	490,021	10,683	500,704
Income for the period	186,909	-	186,909
Negative equity adjustments	(1,243)	1,243	-
Dividend payments	(322,303)	-	(322,303)
Establishment of Besi Vietnam	612	-	612
Loans to subsidiaries	-	452	452
Merger of group companies	244	-	244
Changes in accumulated other comprehensive income	(1,522)	-	(1,522)
Currency translation adjustment	3,110	(465)	2,645
<b>Balance at December 31, 2023</b>	<b>355,828</b>	<b>11,913</b>	<b>367,741</b>

### Investments in subsidiaries

The negative equity adjustments in the movement schedule are adjustments of the income for the period related to the net income of the subsidiaries with a negative equity value.

## Loans due from/to subsidiaries

Interest on loans due from subsidiaries is calculated based on monthly base rates plus a market-conform mark-up. An amount of € 11.8 million relates to loans granted by BE Semiconductor Industries N.V. to its US subsidiaries. These loans are repaid upon lenders' demand for repayment. Therefore, no interest is calculated on these loans.

Following is an overview of all direct subsidiaries:

Name	Location and country of incorporation	Percentage of ownership
BE Semiconductor Industries Holding GmbH	Radfeld, Austria	100%
BE Semiconductor Industries USA, Inc.	Chandler, Arizona, USA	100%
Besi Leshan Co., Ltd.	Leshan, China	100%
Besi Switzerland AG	Steinhausen, Switzerland	100%
Cong Ty TNHH Besi Viet Nam	Ho Chi Minh City, Vietnam	100%
Fico International B.V.	Duiven, the Netherlands	100%
Meco Equipment Engineers B.V.	's-Hertogenbosch, the Netherlands	100%

## 6. Cash and cash equivalents and deposits

Interest rates on cash at banks are variable. Short-term deposits have a maturity or notice period between one and three months and carry interest at the respective short-term deposit rates and are reported as part of the cash and cash equivalents. Deposits with initial maturities longer than three months are reported under deposits and deposits with a remaining maturity exceeding twelve months are reported under financial fixed assets. The expected credit loss on cash and cash equivalents and deposits is considered immaterial.

At December 31, 2024 and 2023, no amount in cash and cash equivalents and deposits was restricted.



## 7. Shareholder's equity

Besi's authorized share capital consisted of 160,000,000 ordinary shares, nominal value € 0.01 per share, and 160,000,000 preference shares, nominal value € 0.01 per share.

(€ thousands, except for share data)	Number of ordinary shares outstanding <sup>1</sup>	Share capital	Share premium	Retained earnings	Legal reserves	Other comprehensive income (loss)	Undistributed result	Total share- holders' equity
<b>Balance at January 1, 2024</b>	<b>81,146,738</b>	<b>811</b>	<b>108,144</b>	<b>(14,305)</b>	<b>157,962</b>	<b>(8,283)</b>	<b>177,084</b>	<b>421,413</b>
Total comprehensive income for the period	-	-	-	-	(2,493)	(1,403)	181,992	178,096
Dividend paid to owners of the Company <sup>2</sup>	-	-	-	-	-	-	(171,534)	(171,534)
Convertible Notes converted into equity <sup>3</sup>	-	-	123,055	-	-	-	-	123,055
Changes in legal reserve	-	-	-	(3,239)	3,239	-	-	-
Appropriation of the result	-	-	-	5,550	-	-	(5,550)	-
Equity-settled share-based payments expense <sup>4</sup>	-	-	30,067	-	-	-	-	30,067
Purchase of treasury shares <sup>5</sup>	-	-	(79,833)	-	-	-	-	(79,833)
<b>Balance at December 31, 2024</b>	<b>81,146,738</b>	<b>811</b>	<b>181,433</b>	<b>(11,994)</b>	<b>158,708</b>	<b>(9,686)</b>	<b>181,992</b>	<b>501,264</b>

<sup>1</sup> The outstanding number of ordinary shares includes 1,834,598 and 4,130,944 treasury shares at December 31, 2024 and December 31, 2023, respectively.

<sup>2</sup> Represents € 2.15 dividend per share, approved at Besi's AGM on April 25, 2024 and paid in cash in May 2024.

<sup>3</sup> Represents the carrying amount of the 2017 and 2020 Convertible Notes upon conversion by bondholders. Further reference is made to the Notes to the Consolidated Financial Statements, [Note 18](#).

<sup>4</sup> Reference is made to the Notes to the Consolidated Financial Statements, [Note 25](#).

<sup>5</sup> The Company repurchased 635,348 ordinary shares in 2024 for an aggregate value of € 79.8 million.

<b>Balance at January 1, 2023</b>	<b>81,146,738</b>	<b>811</b>	<b>271,350</b>	<b>(21,258)</b>	<b>144,077</b>	<b>(7,092)</b>	<b>240,647</b>	<b>628,535</b>
Total comprehensive income for the period	-	-	-	-	2,300	(1,191)	177,084	178,193
Dividend paid to owners of the Company	-	-	-	-	-	-	(222,109)	(222,109)
Convertible Notes converted into equity	-	-	31,074	-	-	-	-	31,074
Changes in legal reserve	-	-	-	(11,585)	11,585	-	-	-
Appropriation of the result	-	-	-	18,538	-	-	(18,538)	-
Equity-settled share-based payments expense	-	-	19,107	-	-	-	-	19,107
Purchase of treasury shares	-	-	(213,387)	-	-	-	-	(213,387)
<b>Balance at December 31, 2023</b>	<b>81,146,738</b>	<b>811</b>	<b>108,144</b>	<b>(14,305)</b>	<b>157,962</b>	<b>(8,283)</b>	<b>177,084</b>	<b>421,413</b>

Changes in legal reserves during 2024 and 2023 are as follows:

(€ thousands)	Currency translation adjustment	Capitalized research and development expenses	Reserves for subsidiaries	Cash flow hedging	Total legal reserves
Balance at January 1, 2024	56,869	93,266	3,684	4,143	157,962
Total comprehensive income (loss) for the period	4,250	-	-	(6,743)	(2,493)
Transfer from retained earnings	-	3,174	65	-	3,239
<b>Balance at December 31, 2024</b>	<b>61,119</b>	<b>96,440</b>	<b>3,749</b>	<b>(2,600)</b>	<b>158,708</b>
Balance at January 1, 2023	54,238	80,844	4,521	4,474	144,077
Total comprehensive income (loss) for the period	2,631	-	-	(331)	2,300
Transfer from retained earnings	-	12,422	(837)	-	11,585
<b>Balance at December 31, 2023</b>	<b>56,869</b>	<b>93,266</b>	<b>3,684</b>	<b>4,143</b>	<b>157,962</b>

### Preference shares

Besi's authorized share capital consists of 160,000,000 ordinary shares, nominal value € 0.01 per share, and 160,000,000 preference shares, nominal value € 0.01 per share.

No preference shares were outstanding at December 31, 2024 and December 31, 2023.

In April 2000, the foundation "Stichting Continuïteit BE Semiconductor Industries" (the "Foundation") was established. The Foundation is an independent legal entity and is not owned or controlled by any other legal person. The purpose of the Foundation is to safeguard the interests of the Company, the enterprise connected therewith and all the parties having an interest therein and to exclude as much as possible influences which could threaten, among other things, the continuity, independence and identity of the Company contrary to such interests. The aim of the preference shares is, among other things, to provide a protective measure against unfriendly take-over bids and other possible unsolicited influences which could threaten the Company's continuity, independence and identity. The issue of preference shares would enable the Company to consider its position in the then-existing circumstances.

By agreement of May 19, 2008, between the Company and the Foundation, which replaces a similar agreement dated April 19, 2002, the Foundation has been granted a call option pursuant to which it may purchase a number of preference shares up to a maximum of the number of ordinary shares issued and outstanding at the time of exercise of this option, minus one.

The Company has also granted to the Foundation the right to file an application for an inquiry into the policy and conduct of business of the Company with the Enterprise Chamber of the Amsterdam Court of Appeal (*Ondernemingskamer*). The Company believes that this may be a useful option in the period before the issuance of preference shares, without causing a dilution of the rights of other shareholders at that stage.

### Foreign currency translation adjustment

The foreign currency translation adjustment comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

### Accumulated other comprehensive income (loss)

Accumulated other comprehensive income (loss) consists of:

(€ thousands)	December 31, 2024	December 31, 2023
Actuarial gains (losses)	(11,391)	(9,924)
Deferred taxes	942	878
Others	763	763
<b>Accumulated other comprehensive income (loss)</b>	<b>(9,686)</b>	<b>(8,283)</b>

#### Actuarial gains (losses)

The reserve for actuarial gains and losses arises from the actuarial calculations for the defined benefit pension plans.

#### Deferred taxes

The deferred taxes in accumulated other comprehensive income (loss) primarily relate to the deferred tax on the recognized actuarial gains and losses on the pension plans, cash flow hedges and share based payments.

### Dividends

Proposed for approval at the Annual General Meeting of Shareholders to be held on April 23, 2025 (not recognized as a liability as at December 31, 2024 and December 31, 2023):

(€ thousands)	December 31, 2024	December 31, 2023
<b>€ 2.18 per ordinary share (2023: € 2.15)</b>	<b>172,900</b>	<b>165,584</b>

The Board of Management proposes to allocate the part of the net income for the year 2024 remaining after payment of the dividend to the retained earnings. The Supervisory Board has approved this proposal.

### 8. Borrowing facilities

A summary of Besi's principal credit lines is as follows:

- A € 80 million committed revolving credit facility with a consortium of European banks ("the Facility"), which matures in 2026. Outstanding amounts under this credit facility will bear interest at ESTR/SOFR plus a margin that depends on the Company's financial position. The agreement can be increased to € 136 million. Borrowings under the Facility can be repaid at any time at 100% of principal amount and can be used for working capital and other corporate purposes. The principal covenants associated with the Facility include a maintenance test of Consolidated Debt to Equity and a limitation on the incurrence of additional permitted indebtedness. The Facility is granted without securities.
- An uncommitted overdraft facility of € 10.0 million for the purpose of short-term overdrafts (maximum of 15 days) in current accounts. The facility has no contractual maturity date.
- A credit line of € 1.0 million for bank guarantees is granted without securities. The borrowing facility has no contractual maturity date.

No borrowings were utilized.

### 9. Long-term debt

Reference is made to the Notes to the Consolidated Financial Statements, [Note 18](#).

### 10. Amounts due from/due to subsidiaries

Amounts due from/due to subsidiaries consist of non-interest bearing short-term receivables and payables and interest bearing cash pool positions, which are calculated based on market-rates.

### 11. Commitments and contingencies

BE Semiconductor Industries N.V. has assumed joint and several liabilities in accordance with article 403 Part 9 of Book 2 of The Dutch Civil Code with respect to all its Dutch subsidiaries.

BE Semiconductor Industries N.V. is parent of the fiscal unit BE Semiconductor Industries N.V. and is therefore liable for the liabilities of the fiscal unit as a whole. The fiscal unit consists of BE Semiconductor Industries N.V., Fico International B.V., Besi Netherlands B.V. and Meco Equipment Engineers B.V.

The credit facilities of Besi Leshan Co. Ltd. and Besi Singapore Pte. Ltd. for an aggregate value of € 6.4 million are secured by a parent company guarantee.

## 12. Financial income and expense

The components of financial income and expense are as follows:

(€ thousands)	Year ended December 31,	
	2024	2023
Interest income	17,101	11,439
Interest income from subsidiaries	2,226	1,269
Net cost of hedging	206	529
Net foreign currency results	-	-
<b>Subtotal financial income</b>	<b>19,533</b>	<b>13,237</b>
Interest expense	(16,079)	(10,984)
Interest expense to subsidiaries	(1,252)	(1,140)
Net foreign currency results	(105)	(14)
<b>Subtotal financial expense</b>	<b>(17,436)</b>	<b>(12,138)</b>
<b>Financial income (expense), net</b>	<b>2,097</b>	<b>1,099</b>

## 13. Selected operating expenses and additional information

Personnel expenses for all employees are as follows:

(€ thousands)	Year ended December 31,	
	2024	2023
Wages and salaries	2,970	2,745
Social security expenses	201	158
Pension and retirement expenses	391	349
Share-based compensation plans	30,067	19,107
Other personnel costs	682	555
<b>Total personnel expenses</b>	<b>34,311</b>	<b>22,914</b>

Certain selected operating expenses are recharged to subsidiaries.

The average number of employees during 2024 and 2023 was 13 and 12, respectively.

The remuneration paragraph is included in [Note 25](#) of the Consolidated Financial Statements and reference is also made to the [Remuneration Report](#) included in this Annual Report.

## 14. Income taxes

The deferred tax liabilities of € 3.4 million at December 31, 2024 is mainly related to temporary difference in the fiscal and commercial valuation on the Convertible Notes and inventories. A summary of the changes is as follows:

(€ thousands)	2024	2023
Balance at January 1	5,702	5,720
Movement through profit and loss	(276)	201
Movement through equity	(2,022)	(219)
<b>Deferred tax liabilities December 31</b>	<b>3,404</b>	<b>5,702</b>

The reconciliation of income tax benefit is as follows:

(€ thousands)	Year ended December 31, 2024		Year ended December 31, 2023	
	in % of loss before taxes		in % of loss before taxes	
Expected income tax expense				
(benefit) based on domestic rate	(3,764)	25.8%	(2,247)	25.8%
Non-deductible expenses	4,825	(33.1%)	3,120	(35.8%)
Tax incentive	(120)	0.8%	62	(0.7%)
Other	(2,866)	19.7%	180	(2.1%)
<b>Income tax expense (benefit) reported</b>	<b>(1,925)</b>	<b>13.2%</b>	<b>1,115</b>	<b>(12.8%)</b>

15. Additional information

Cost of services provided by external auditor

EY Accountants B.V. has served as our independent registered public accounting firm for the year 2024 and 2023. The following table sets out the aggregated fees for professional audit services and other services rendered by EY Accountants B.V. and its member firms and/or affiliates in 2024 and 2023.

(€ thousands)	EY Accountants B.V.	EY Network	Year ended December 31, 2024	EY Accountants B.V.	EY Network	Year ended December 31, 2023
Audit services	543	220	763	436	213	649
Other assurance services	757	6	763	154	7	161
Other non-audit services	-	-	-	-	-	-
Total costs	1,300	226	1,526	590	220	810

16. Events after the balance sheet date

There are no events to report.

Duiven, February 19, 2025

**Board of Management**  
Richard W. Blickman

**Supervisory Board**  
Richard Norbruis  
Carlo Bozotti  
Elke Eckstein  
Niek Hoek  
Laura Oliphant



## Other Information





# Corporate Information

## Corporate Office

BE Semiconductor Industries N.V.  
Ratio 6, 6921 RW Duiven  
The Netherlands  
Tel. (31) 26 319 4500  
[www.besi.com](http://www.besi.com)  
e-mail: [info@besi.com](mailto:info@besi.com), [investor.relations@besi.com](mailto:investor.relations@besi.com)

For addresses of Besi's offices and manufacturing facilities worldwide, please visit Besi's website: [www.besi.com](http://www.besi.com).

## Transfer Agent

Ordinary shares (euro)  
ABN AMRO Bank N.V., Amsterdam, the Netherlands

## Independent Auditors

EY Accountants B.V., Eindhoven, the Netherlands

## Legal Counsels

Freshfields Bruckhaus Deringer, Amsterdam, the Netherlands  
Taylor Wessing N.V., Amsterdam, the Netherlands

## Trade Register

Chamber of Commerce, Arnhem, the Netherlands  
Number 09092395

## Statutory Financial Statements

The statutory financial statements of BE Semiconductor Industries N.V. will be filed with the Chamber of Commerce, Arnhem, the Netherlands.

## Annual General Meeting

The Annual General Meeting of Shareholders will be held on April 23, 2025, 10.30 a.m.

## Board of Management

### Richard W. Blickman (1954)

Chief Executive Officer,  
Chairman of the Board of Management

## Management Team Members

### Chris Scanlan (1969)

SVP Technology

### Christoph Scheiring (1970)

SVP Die Attach

### Peter Wiedner (1970)

SVP Sub Micron Die Attach

### Jeroen Kleijburg (1974)

SVP Packaging

### Bart Berenbak (1971)

VP Plating

### Henk Jan Jonge Poerink (1970)

SVP Global Operations

### Jong Kwon Park (1966)

SVP Sales & Customer Service APac

### René Hendriks (1961)

SVP Sales Europe/North America

### Andrea Kopp-Battaglia (1978)

SVP Finance

## Other Members of Management

### Kin Mun Kok (1980)

VP Besi Product Asia

### Seng Poh Ho (1972)

VP Support Center Asia

### Thomas Lokay (1975)

VP Strategic Supply Management

# Independent Auditor’s Report

To: the shareholders and Supervisory Board of BE Semiconductor Industries N.V.

## Report on the audit of the Financial Statements 2024 included in the Annual Report

### Our opinion

We have audited the accompanying Financial Statements 2024 of BE Semiconductor Industries N.V. based in Amsterdam. The Financial Statements comprise the Consolidated Financial Statements and the Parent Company Financial Statements.

In our opinion:

- The Consolidated Financial Statements give a true and fair view of the financial position of BE Semiconductor Industries N.V. as at December 31, 2024 and of its result and its cash flows for 2024 in accordance with International Financial Reporting Standards as adopted in the European Union (EU-IFRSs) and with Part 9 of Book 2 of the Dutch Civil Code.
- The Parent Company Financial Statements give a true and fair view of the financial position of BE Semiconductor Industries N.V. as at December 31, 2024 and of its result for 2024 in accordance with Part 9 of Book 2 of the Dutch Civil Code.

The Consolidated Financial Statements comprise:

- The Consolidated Statement of Financial Position as at December 31, 2024.
- The following statements for 2024: the Consolidated Statement of Operations, Consolidated Statement of Comprehensive Income, the Consolidated Statements of Changes in Equity and the Consolidated Statement of Cash Flows.
- The Notes comprising material accounting policy information and other explanatory information.

The Parent Company Financial Statements comprise:

- The Parent Company Balance Sheet as at December 31, 2024.
- The Parent Company Statement of Income and Expense for 2024.
- The Notes comprising a summary of the accounting policies and other explanatory information.

### Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the Our responsibilities for the audit of the Financial Statements section of our report.

We are independent of BE Semiconductor Industries N.V. (“the Company”) in accordance with the EU Regulation on specific requirements regarding statutory audit of public-interest entities, the *Wet toezicht accountantsorganisaties* (“Wta”, Audit firms supervision act), the *Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten* (“ViO”, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the *Verordening gedrags- en beroepsregels accountants* (“VGBA”, Dutch Code of Ethics for professional accountants).

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Information in support of our opinion

We designed our audit procedures in the context of our audit of the Financial Statements as a whole and in forming our opinion thereon. The following information in support of our opinion and any findings were addressed in this context, and we do not provide a separate opinion or conclusion on these matters.

### Our understanding of the business

BE Semiconductor Industries N.V. is the holding company for a worldwide business engaged in the development, production, marketing and sales of back-end equipment for the semiconductor industry. The group is structured in components, and we tailored our group audit approach accordingly. We paid specific attention in our audit to a number of areas driven by the operations of the group and our risk assessment.

We determined materiality and identified and assessed the risks of material misstatement of the Financial Statements, whether due to fraud or error in order to design audit procedures responsive to those risks and to obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

### Materiality

Materiality	€ 9,400,000 (2023: € 10,000,000)
Benchmark applied	Around 5% of income before income tax
Explanation	Based on our professional judgement we have considered an earnings-based measure as the appropriate basis to determine materiality. We consider income before income tax to be the most relevant measure given the nature of the business and the users of the Financial Statements. We determined materiality consistent with prior financial year.

We have also taken into account misstatements and/or possible misstatements that in our opinion are material for the users of the Financial Statements for qualitative reasons.

We agreed with the Supervisory Board that misstatements in excess of € 470,000, which are identified during the audit, would be reported to them, as well as smaller misstatements that in our view must be reported on qualitative grounds.

### Scope of the group audit

BE Semiconductor Industries N.V. is at the head of a group of entities. The financial information of this group is included in the Financial Statements.

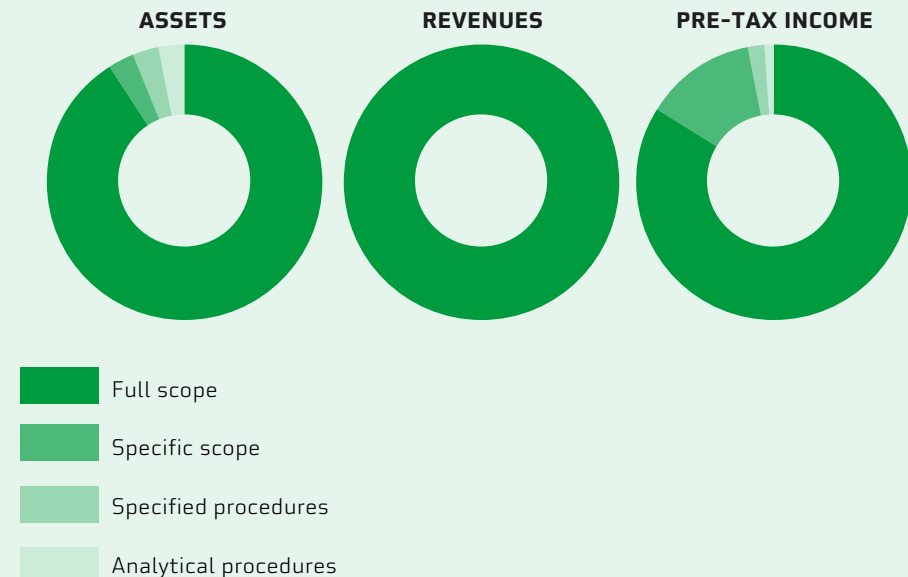
We are responsible for planning and performing the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the Financial Statements. We are also responsible for the direction, supervision, review and evaluation of the audit work performed for purposes of the group audit. We bear the full responsibility for the auditor's report.

Based on our understanding of the group and its environment, the applicable financial framework and the group's system of internal control, we identified and assessed risks of material misstatement of the Financial Statements and the significant accounts and disclosures. Based on this risk assessment, we determined the nature, timing and extent of audit work performed, including the entities or business units within the group (components) at which to perform audit work. For this determination we considered the nature of the relevant events and conditions underlying the identified risks of material misstatements for the Financial Statements, the association of these risks to components and the materiality or financial size of the components relative to the group.

We communicated the audit work to be performed and identified risks through instructions for component auditors as well as requesting component auditors to communicate matters related to the financial information of the component that is relevant to identifying and assessing risks.

We selected the components in Austria, China, Malaysia, the Netherlands, Singapore and Switzerland to perform audits for group reporting purposes because we identified a significant risk of material misstatement for one or more account balances and/or disclosures. The central audit team performed audit procedures on accounting areas managed centrally, such as the key audit matter related to revenue recognition, the assessment of forward-looking information, the majority of the audit procedures of the Swiss and Dutch components and other centralized accounts. We used EY offices in the other countries for the remaining full scope and specific scope components.

This resulted in the following coverage:



For other components, we performed analytical procedures to corroborate that our risk assessment and scoping remained appropriate throughout the audit.

We performed site visits to meet with local management and component teams, observe the component operations, discuss the group risk assessment and the risks of material misstatements for Malaysia and Singapore. We reviewed and evaluated the adequacy of the deliverables from component auditors and reviewed key working papers for selected components to address the risks of material misstatement. We held planning meetings, key meetings required based on circumstances and we attended closing meetings with local management and component teams for all components. During these meetings and calls, amongst others, the planning, procedures performed based on risk assessments, findings and observations were discussed and any further work deemed necessary by the primary or component team was then performed.

By performing the audit work mentioned above at components of the group, together with additional work at group level, we have been able to obtain sufficient and appropriate audit evidence about the group's financial information to provide an opinion on the Financial Statements.

### Teaming and use of specialists

We ensured that the audit teams both at group and at component levels included the appropriate skills and competences which are needed for the audit of a listed client in the semiconductor industry. We included specialists in the areas of IT audit, forensics, sustainability, treasury, share-based payments and income tax and have made use of our own experts in the areas of transfer pricing and valuations.

### Our focus on climate-related risks and the energy transition

Climate change and the energy transition are high on the public agenda. Issues such as CO<sub>2</sub> reduction impact financial reporting, as these issues entail risks for the business operation, the valuation of assets (stranded assets) and provisions or the sustainability of the business model and access to financial markets of companies with a larger CO<sub>2</sub> footprint. The Board of Management summarized BE Semiconductor industries N.V.'s commitments and obligations, and reported in the Sustainability Statement how the Company is addressing climate-related and environmental risks.

As part of our audit of the Financial Statements, we evaluated the extent to which climate-related risks and the effects of the energy transition and the Company's commitments and (constructive) obligations, are taken into account in estimates and significant assumptions, especially in the area of impairment of goodwill, as well as in the design of relevant internal control measures. Furthermore, we read the Report of the Board of Management and considered whether there is any material inconsistency between the non-financial information in the Sustainability Statement and the Consolidated Financial Statements.

Based on the audit procedures performed, we do not deem climate-related risks to have a material impact on the financial reporting judgements, estimates or significant assumptions as at December 31, 2024.

### Our focus on fraud and non-compliance with laws and regulations

#### Our responsibility

Although we are not responsible for preventing fraud or non-compliance and we cannot be expected to detect non-compliance with all laws and regulations, it is our responsibility to obtain reasonable assurance that the Financial Statements, taken as a whole, are free from material misstatement, whether caused by fraud or error. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

### Our audit response related to fraud risks

We identified and assessed the risks of material misstatements of the Financial Statements due to fraud. During our audit we obtained an understanding of the Company and its environment and the components of the system of internal control, including the risk assessment process and management's process for responding to the risks of fraud and monitoring the system of internal control and how the Supervisory Board exercises oversight, as well as the outcomes. We refer to the "Risk Management" section of the Report of the Board of Management for management's fraud risk assessment.

We evaluated the design and relevant aspects of the system of internal control and in particular the fraud risk assessment, as well as the Code of Conduct, whistleblower procedures and incident registration. We evaluated the design and the implementation of internal controls designed to mitigate fraud risks.

As part of our process of identifying fraud risks, we evaluated fraud risk factors with respect to financial reporting fraud, misappropriation of assets and bribery and corruption, in close co-operation with our forensic specialists. We evaluated whether these factors indicate that a risk of material misstatement due to fraud is present.

We incorporated elements of unpredictability in our audit. We also considered the outcome of our other audit procedures and evaluated whether any findings were indicative of fraud or non-compliance.

We addressed the risks related to management override of controls, as this risk is present in all organizations. For these risks we have performed procedures among other things to evaluate key accounting estimates for management bias that may represent a risk of material misstatement due to fraud, in particular relating to important judgement areas and significant accounting estimates as disclosed in Note 2 to the Financial Statements. We have also used data analysis to identify and address high-risk journal entries and evaluated the business rationale (or the lack thereof) of significant extraordinary transactions, including those with related parties. Additionally, in order to respond to the identified risks of management override of controls, we specifically tested manual journal entries in revenues with supporting evidence.

The following fraud risks identified required significant attention during our audit.

Presumed risks of fraud in revenue recognition

Fraud risk	Our audit approach
When identifying and assessing fraud risks, we presume that there are risks of fraud in revenue recognition. The Company recognizes revenue when it transfers control over a product or service to a customer. Revenue recognition is considered a fraud risk as revenue is a focus area for the Company. These revenues are disclosed in Note 2 and 23 to the Consolidated Financial Statements for the significant accounting policies on revenue recognition.	We describe the audit procedures responsive to the presumed risk of fraud in revenue recognition in the description of our audit approach for the key audit matter “Revenue Recognition”.

We considered available information and made enquiries of relevant executives, directors, internal audit, and regional directors and the Supervisory Board.

The fraud risks we identified, enquiries and other available information did not lead to specific indications for fraud or suspected fraud potentially materially impacting the view of the Financial Statements.

Our audit response related to risks of non-compliance with laws and regulations

We performed appropriate audit procedures regarding compliance with the provisions of those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the Financial Statements. Furthermore, we assessed factors related to the risks of non-compliance with laws and regulations that could reasonably be expected to have a material effect on the Financial Statements from our general industry experience, through discussions with the Board of Management, reading minutes, inspection of internal audit and compliance reports and performing substantive tests of details of classes of transactions, account balances or disclosures.

We also inspected lawyers’ letters and were informed by the Board of Management that there was no correspondence with regulatory authorities and remained alert to any indication of (suspected) non-compliance throughout the audit. Finally, we obtained written representations that all known instances of non-compliance with laws and regulations have been disclosed to us.

Our audit response related to going concern

As disclosed in Note 1 to the Consolidated Financial Statements and the “Internal control and risk management” section in the Report of the Board of Management, the Financial Statements have been prepared on a going concern basis. When preparing the Financial Statements, the Board of Management made a specific assessment of the Company’s ability to continue as a going concern and to continue its operations for the foreseeable future.

We discussed and evaluated the specific assessment with the Board of Management exercising professional judgement and maintaining professional skepticism. We considered whether the Board of Management’s going concern assessment, based on our knowledge and understanding obtained through our audit of the Financial Statements or otherwise, contains all relevant events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion.

Based on our procedures performed, we did not identify material uncertainties about going concern. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause a company to cease to continue as a going concern.

Our key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Statements. We have communicated the key audit matters to the Supervisory Board. The key audit matters are not a comprehensive reflection of all matters discussed.

In comparison with previous year, the nature of our key audit matters did not change.

## Revenue recognition

Risk	Our audit approach	Key observations
<p>The Company recognizes revenue when it transfers control over a product or service to a customer. Revenue recognition is considered a key audit matter as revenue is a focus area for the Company.</p> <p>We identified the following fraud risks related to improper revenue recognition for the Company:</p> <ol style="list-style-type: none"> <li>1. Cut-off of sales transactions before year end for machine sales.</li> <li>2. Issuance of invoices and manual journal entries for fictitious transactions in external revenues (which are never settled in cash).</li> </ol> <p>Reference is made to Note 2 and 23 to the Consolidated Financial Statements for the significant accounting policies on revenue recognition.</p>	<p>We have assessed the appropriateness of the Company's revenue recognition accounting policies, understanding the internal control environment and assessed compliance with IFRS 15. Our audit procedures included, amongst others, testing individual sales orders and transactions to assess proper identification of the identifiable performance obligations in the contracts and correct allocation of the transaction price to these performance obligations and recognition hereof.</p> <p>We also tailored our audit procedures to address our fraud risk. We used data analytics to correlate revenues to cash receipts and performed subsequent collection testing on trade receivables. Furthermore, we tested manual journal entries with supporting evidence. We also selected sales transactions before and after year end to assess whether revenue was recognized in the correct period by, amongst others, inspection of sales contracts, client acceptance documents and shipping documents. We also evaluated the adequacy of the disclosures provided by the Company in Note 2 and 23.</p>	<p>We assessed that the Company's revenue recognition accounting policies were appropriately applied.</p>



## Report on other information included in the Annual Report

The Annual Report contains other information in addition to the Financial Statements and our auditor's report thereon.

Based on the following procedures performed, we conclude that the other information:

- Is consistent with the Financial Statements and does not contain material misstatements.
- Contains the information as required by Part 9 of Book 2 of the Dutch Civil Code for the management report (excluding the Sustainability Statement) and the other information as required by Part 9 of Book 2 of the Dutch Civil Code and as required by Sections 2:135b and 2:145 sub section 2 of the Dutch Civil Code for the Remuneration Report.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the Financial Statements or otherwise, we have considered whether the other information contains material misstatements. By performing these procedures, we comply with the requirements of Part 9 of Book 2 and Section 2:135b sub-Section 7 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the Financial Statements.

The Board of Management is responsible for the preparation of the other information, including the management report in accordance with Part 9 of Book 2 of the Dutch Civil Code and other information required by Part 9 of Book 2 of the Dutch Civil Code. The Board of Management and the Supervisory Board are responsible for ensuring that the Remuneration Report is drawn up and published in accordance with Sections 2:135b and 2:145 sub section 2 of the Dutch Civil Code.

## Report on other legal and regulatory requirements and ESEF

### Engagement

We were engaged by the general meeting as auditor of BE Semiconductor Industries N.V. on April 26, 2018, as of the audit for the year 2018 and have operated as statutory auditor ever since that date.

### No prohibited non-audit services

We have not provided prohibited non-audit services as referred to in Article 5(1) of the EU Regulation on specific requirements regarding statutory audit of public-interest entities.

## European Single Electronic Reporting Format ("ESEF")

BE Semiconductor Industries N.V. has prepared the Annual Report in ESEF. The requirements for this are set out in the Delegated Regulation (EU) 2019/815 with regard to regulatory technical standards on the specification of a single electronic reporting format (hereinafter: the RTS on ESEF).

In our opinion the Annual Report prepared in the XHTML format, including the (partially) marked-up Consolidated Financial Statements as included in the reporting package by BE Semiconductor Industries N.V., complies in all material respects with the RTS on ESEF.

The Board of Management is responsible for preparing the Annual Report, including the Financial Statements, in accordance with the RTS on ESEF, whereby the Board of Management combines the various components into a single reporting package.

Our responsibility is to obtain reasonable assurance for our opinion whether the Annual Report in this reporting package complies with the RTS on ESEF.

We performed our examination in accordance with Dutch law, including Dutch Standard 3950N, *Assurance-opdrachten inzake het voldoen aan de criteria voor het opstellen van een digitaal verantwoordingsdocument* (assurance engagements relating to compliance with criteria for digital reporting). Our examination included amongst others:

- Obtaining an understanding of the entity's financial reporting process, including the preparation of the reporting package.
- Identifying and assessing the risks that the Annual Report does not comply in all material respects with the RTS on ESEF and designing and performing further assurance procedures responsive to those risks to provide a basis for our opinion, including:
  - Obtaining the reporting package and performing validations to determine whether the reporting package containing the Inline XBRL instance document and the XBRL extension taxonomy files, has been prepared in accordance with the technical specifications as included in the RTS on ESEF.
  - Examining the information related to the Consolidated Financial Statements in the reporting package to determine whether all required mark-ups have been applied and whether these are in accordance with the RTS on ESEF.

## Description of responsibilities regarding the Financial Statements

### Responsibilities of the Board of Management and the Supervisory Board for the Financial Statements

The Board of Management is responsible for the preparation and fair presentation of the Financial Statements in accordance with EU-IFRSs and Part 9 of Book 2 of the Dutch Civil Code. Furthermore, the Board of Management is responsible for such internal control as the Board of Management determines is necessary to enable the preparation of the Financial Statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the Financial Statements, the Board of Management is responsible for assessing the Company's ability to continue as a going concern. Based on the financial reporting framework mentioned, the Board of Management should prepare the Financial Statements using the going concern basis of accounting unless the Board of Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Management should disclose events and circumstances that may cast significant doubt on the Company's ability to continue as a going concern in the Financial Statements.

The Supervisory Board is responsible for overseeing the Company's financial reporting process.

### Our responsibilities for the audit of the Financial Statements

Our objective is to plan and perform the audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material misstatements, whether due to fraud or error during our audit.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgement and have maintained professional skepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. "The Information in support of our opinion" section above includes an informative summary of our responsibilities and the work performed as the basis for our opinion.

Our audit further included among others:

- Performing audit procedures responsive to the risks identified, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Management.
- Evaluating the overall presentation, structure and content of the Financial Statements, including the disclosures.
- Evaluating whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

### Communication

We communicate with the Supervisory Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit. In this respect we also submit an additional report to the Audit Committee of the Supervisory Board in accordance with Article 11 of the EU Regulation on specific requirements regarding statutory audit of public-interest entities. The information included in this additional report is consistent with our audit opinion in this auditor's report.

We provide the Supervisory Board with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Supervisory Board, we determine the key audit matters: those matters that were of most significance in the audit of the Financial Statements. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, not communicating the matter is in the public interest.

Eindhoven, February 19, 2025

EY Accountants B.V.

Signed by N. van Es

## Limited assurance report of the independent auditor on the Sustainability Statement

To: the shareholders and Supervisory Board of BE Semiconductor Industries N.V.

### Our conclusion

We have performed a limited assurance engagement on the consolidated Sustainability Statement for 2024 of BE Semiconductor Industries N.V. based in Amsterdam (hereinafter: "the Company") in section Sustainability Statement of the accompanying report of the Board of Management (hereinafter: "the Sustainability Statement").

Based on our procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the Sustainability Statement is not, in all material respects:

- prepared in accordance with the European Sustainability Reporting Standards ("ESRS") as adopted by the European Commission and compliant with the Double Materiality Assessment process carried out by the Company to identify the information reported pursuant to the ESRS; and
- compliant with the reporting requirements provided for in Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation).

Our conclusion has been formed on the basis of the matters outlined in this limited assurance report.

### Basis for our conclusion

We have performed our limited assurance engagement on the Sustainability Statement in accordance with Dutch law, including Dutch Standard 3810N, *Assurance-opdrachten inzake duurzaamheidsverslaggeving* (Assurance engagements relating to sustainability reporting), which is a specified Dutch standard that is based on the International Standard on Assurance Engagements ("ISAE") 3000 (Revised), "Assurance engagements other than audits or reviews of historical financial information".

Our assurance engagement was aimed to obtain a limited level of assurance that the Sustainability Statement is free from material misstatements. The procedures vary in nature and timing from, and are less in extent, than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our responsibilities in this regard are further described in the section "Our responsibilities for the limited assurance engagement on the Sustainability Statement" of our report.

We are independent of BE Semiconductor Industries N.V. in accordance with the *Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten* ("ViO", Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. This includes that we do not

perform any activities that could result in a conflict of interest with our independent assurance engagement and we are not involved in the preparation of the Sustainability Statement, as doing so may compromise our independence. Furthermore, we have complied with the *Verordening gedrags- en beroepsregels accountants* ("VGBA", Dutch Code of Ethics for Professional Accountants). The ViO and VGBA are at least as demanding as the International code of ethics for professional accountants (including International independence standards) of the International Ethics Standards Board for Accountants (the IESBA Code) as relevant to limited assurance engagements on sustainability statements of public interest entities in the European Union.

We believe that the assurance evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

### Emphasis of matter

The Sustainability Statement has been prepared in a context of new sustainability reporting standards, requiring entity-specific interpretations and addressing inherent measurement or evaluation uncertainties. In this context, we want to emphasize the following matters:

#### Emphasis on the most significant uncertainties affecting the quantitative metrics and monetary amounts

We draw attention to section Sources of estimation and outcome uncertainty in the Sustainability Statement that identifies the quantitative metrics and monetary amounts that are subject to a high level of measurement uncertainty and discloses information about the sources of measurement uncertainty and the assumptions, approximations and judgements the Company has made in measuring these in compliance with the ESRS.

The comparability of sustainability information between entities and over time may be affected by the lack of historical sustainability information in accordance with the ESRS and by the absence of a uniform practice on which to draw, to evaluate and measure this information. This allows for the application of different, but acceptable, measurement techniques, especially in the initial years.

#### Emphasis on the Double Materiality Assessment process

We draw attention to section Double Materiality Assessment in the Sustainability Statement. This disclosure explains future improvements in the ongoing due diligence and Double Materiality Assessment process, including robust engagement with affected stakeholders. Due diligence is an on-going practice that responds to and may trigger changes in the Company's strategy, business model, activities, business relationships, operating, sourcing and selling contexts. The Double Materiality Assessment process requires the Company to make key judgements and use thresholds and may also be impacted in time by sector-specific standards to be adopted.

Therefore, the Sustainability Statement may not include every impact, risk and opportunity or additional entity-specific disclosure that each individual stakeholder (group) may consider important in its own particular assessment.

Our conclusion is not modified in respect of these matters.

### Comparative information not assured

Sustainability information up to year 2024 included in the Sustainability Statement, has not been part of this limited assurance engagement. Consequently, we do not provide any assurance on the comparative information and thereto related disclosures in the Sustainability Statement for years up to 2024.

Our conclusion is not modified in respect of this matter.

### Limitation to the scope of our assurance engagement

In reporting forward-looking information in accordance with the ESRs, the Board of Management describes the underlying assumptions and methods of producing the information, as well as other factors that provide evidence that it reflects the actual plans or decisions made by the Company (actions). Forward-looking information relates to events and actions that have not yet occurred and may never occur. The actual outcome is likely to be different since anticipated events frequently do not occur as expected. We do not provide assurance on the achievability of forward-looking information. Our conclusion is not modified in respect of this matter.

### Responsibilities of the Board of Management and the Supervisory Board for the Sustainability Statement

The Board of Management is responsible for the preparation of the Sustainability Statement in accordance with the ESRs, including the Double Materiality Assessment process carried out by the Company as the basis for the Sustainability Statement and disclosure of material impacts, risks and opportunities in accordance with the ESRs. As part of the preparation of the Sustainability Statement, the Board of Management is responsible for compliance with the reporting requirements provided for in Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation).

Furthermore, the Board of Management is responsible for such internal control as it determines is necessary to enable the preparation of the Sustainability Statement that is free from material misstatement, whether due to fraud or error.

The Supervisory Board is responsible for overseeing the sustainability reporting process including the Double Materiality Assessment process carried out by the Company.

### Our responsibilities for the limited assurance engagement on the Sustainability Statement

Our responsibility is to plan and perform the limited assurance engagement in a manner that allows us to obtain sufficient and appropriate assurance evidence for our conclusion.

We apply the applicable quality management requirements pursuant to the *Nadere voorschriften kwaliteitsmanagement* ("NVKM", regulations for quality management) and the International Standard on Quality Management ("ISQM") 1, and accordingly maintain a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and other relevant legal and regulatory requirements.

Our limited assurance engagement included amongst others:

- Performing inquiries and an analysis of the external environment and obtaining an understanding of relevant sustainability themes and issues, the characteristics of the Company, its activities and the value chain and its key intangible resources in order to assess the Double Materiality Assessment process carried out by the Company as the basis for the Sustainability Statement and disclosure of all material sustainability-related impacts, risks and opportunities in accordance with the ESRs.
- Obtaining through inquiries a general understanding of the internal control environment, the Company's processes for gathering and reporting entity-related and value chain information, the information systems and the Company's risk assessment process relevant to the preparation of the Sustainability Statement and for identifying the Company's activities, determining eligible and aligned economic activities and prepare the disclosures provided for in Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation), without obtaining assurance information about the implementation or testing the operating effectiveness of controls.
- Assessing the Double Materiality Assessment process carried out by the Company and identifying and assessing areas of the Sustainability Statement, including the disclosures provided for in Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation), where misleading or unbalanced information or material misstatements, whether due to fraud or error, are likely to arise ("selected disclosures"). Designing and performing further assurance procedures aimed at assessing that the Sustainability Statement is free from material misstatements responsive to this risk analysis.
- Considering whether the description of the Double Materiality Assessment process in the Sustainability Statement made by the Board of Management appears consistent with the process carried out by the Company.
- Performing analytical review procedures on quantitative information in the Sustainability Statement, including consideration of data and trends.

- Assessing whether the Company’s methods for developing estimates are appropriate and have been consistently applied for selected disclosures. We considered data and trends, however our procedures did not include testing the data on which the estimates are based or separately developing our own estimates against which to evaluate the Board of Management’s estimates.
- Analyzing, on a limited sample basis, relevant internal and external documentation available to the Company (including publicly available information or information from actors throughout its value chain) for selected disclosures.
- Reading the other information in the Annual Report to identify material inconsistencies, if any, with the Sustainability Statement.
- Considering whether the disclosures provided to address the reporting requirements provided for in Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation) for each of the environmental objectives, reconcile with the underlying records of the Company and are consistent or coherent with the Sustainability Statement, appear reasonable, in particular whether the eligible economic activities meet the cumulative conditions to qualify as aligned and whether the technical screening criteria are met, and whether the key performance indicators disclosures have been defined and calculated in accordance with the Taxonomy reference framework, and comply with the reporting requirements provided for in Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation), including the format in which the activities are presented.
- Considering the overall presentation, structure and fundamental qualitative characteristics of information (relevance and faithful representation: complete, neutral and accurate) reported in the Sustainability Statement, including the reporting requirements provided for in Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation).
- Considering, based on our limited assurance procedures and evaluation of the evidence obtained, whether the Sustainability Statement as a whole, is free from material misstatements and prepared in accordance with the ESR5.

**Communication**

We communicate with the Supervisory Board regarding, among other matters, the planned scope and timing of the assurance engagement and significant findings that we identify during our assurance engagement.

Amsterdam, February 19, 2025

EY Accountants B.V.

Signed by J. Niewold

## Other Information

### Preference shares

At December 31, 2024, the Company's authorized capital consisted of 160,000,000 ordinary shares, nominal value € 0.01 per share, and 160,000,000 preference shares, nominal value € 0.01 per share.

No preference shares were outstanding at December 31, 2024.

In April 2000, the foundation "Stichting Continuïteit BE Semiconductor Industries" (the "Foundation") was established. The Foundation is an independent legal entity and is not owned or controlled by any other legal person. The purpose of the Foundation is to safeguard the interests of the Company, the enterprise connected therewith and all the parties having an interest therein and to exclude as much as possible influences which could threaten, among other things, the Company's continuity, independence and identity. The aim of the preference shares is, amongst other things, to provide a protective measure against unfriendly take-over bids and other possible unsolicited influences that could threaten the Company's continuity, independence and identity, including, but not limited to, a proposed resolution to dismiss the Supervisory Board or the Board of Management. The issue of preference shares would enable the Company to consider its position in the then-existing circumstances.

By agreement of May 19, 2008 between the Company and the Foundation, which replaced a similar agreement dated April 19, 2002, the Foundation has been granted a call option pursuant to which it may purchase a number of preference shares up to a maximum of the number of outstanding ordinary shares at the time of exercise of the option minus one.

The Company has also granted to the Foundation the right to file an application for an inquiry into the policy and conduct of the business of the Company with the Enterprise Chamber of the Amsterdam Court of Appeal (*"Ondernemingskamer"*). The Company believes that this may be a useful option in the period before the issuance of preference shares, without causing a dilution of the rights of other shareholders at that stage.

The members of the board of the Foundation are W.L.J. Bröcker (Chairman), J.N. de Blécourt, D.J. Dunn, T. de Waard and B. Nauta. Except for Mr De Waard and Mr Dunn who are former Supervisory Board members, none of the other members of the board of the Foundation are connected to the Company. The Foundation therefore qualifies as an independent legal entity within the meaning of section 5:71 paragraph 1 sub c of the Dutch Financial Supervision Act (*"Wet op het financieel toezicht"*).

### Appropriation of the result

The Articles of Association provide that the Company can only distribute profits from its free distributable reserves. The Board of Management, with the approval of the Supervisory Board, will propose to the Annual General Meeting of Shareholders to determine the total dividend over 2024 at € 2.18 per ordinary share, amounting to a total of € 172.9 million. The Board of Management proposes to allocate the part of the net income for the year 2024 remaining after payment of the dividend to the retained earnings. The Supervisory Board has approved this proposal.

The General Meeting of Shareholders approved the 2023 statutory financial statements on April 25, 2024.



