ASML's affordable housing program kicks off with announcement of two Brainport region projects

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ASML announces two initiatives to create hundreds of affordable homes in Brainport Eindhoven region

Veldhoven, the Netherlands

ASML announced two initiatives this week that will add 379 affordable homes to the Brainport Eindhoven region. Social rent and mid-rent apartments will be created in the city of Eindhoven and the municipality of Veldhoven through collaboration with Focus On Impact and Stichting TAC, and BPD | Bouwfonds Gebiedsontwikkeling and Van Santvoort, respectively, as part of ASML's program to boost long-term affordable housing.

The private initiative in Veldhoven called Springplank includes the development and construction of 40 social rent and 90 mid-rent apartments, as well as a community center and 130 car parking spaces. BPD and Van Santvoort will develop and realize the Springplank project. In Eindhoven, ASML will work together with Focus On Impact and Stichting TAC to create an 11-story residential tower and fully renovate the adjacent Temporary Art Centre (TAC) building, adding 249 affordable homes and providing young talents with a state-of-the-art creative and cultural meeting place. Both Eindhoven's and Veldhoven's local governments were closely involved in the selection of the respective plans.

To compensate the partners' contribution to ASML's affordable housing program, ASML covers part of a loss if the project is loss-making upon delivery, thereby de-risking the project that was threatened to get stuck at an earlier stage, and accelerating construction. ASML's affordable housing program is a social initiative as it focuses on the low- and middle-income segment in general, whereas the initiative isn't focused on the company's employees. ASML's support for the two projects is driven by the shared view that affordable housing needs to be urgently boosted in the Brainport Eindhoven region, so that it remains attractive and inclusive to all members of the community.

"To be able to announce two projects in such a short time, shows the sense of urgency all the partners feel toward solving the affordable housing shortage, and is proof that collaboration is one of the Brainport region's main strengths. We want all stakeholders in our communities to benefit from the growth and the success of the high-tech sector in Brainport and ASML,'' says ASML Vice President Society & Community Engagement Lucas van Grinsven. "We recognize that the industry's and ASML's dynamic development puts additional pressure on the housing market, and we look forward to announcing more affordable housing projects in the future that will help alleviate that pressure."

"As area developers, we are always open to collaboration, both with public and private parties," says Erik Leijten, BPD south regional director on behalf of the BPD/Van Santvoort collaboration. "With the right partners, you can achieve fast and good results. And that is desperately needed these days. With ASML, but also the Veldhoven municipality and Woonstichting 'thuis as partners, we can really make a lot of leaps to boost affordable housing in Veldhoven. This collaboration can therefore be righteously considered a springboard!"

"Despite challenges and changing market conditions, we are on the eve of realizing this complex project," says Freek Boeijen, Focus on Impact Director, on behalf of the Focus On Impact/Stichting TAC collaboration. "Creativity, perseverance and collaboration were essential to this success. Thanks to open communication and a solution-oriented approach from all partners, we contribute to a more beautiful, affordable and inclusive Eindhoven."

Both projects meet ASML's affordable housing requirements that the apartments' monthly rent will be below €1,100 (2023 price level), and that the apartments will remain available for their respective target groups for at least 15 years. Construction of the 130 apartments in Veldhoven is scheduled to start in the course of 2024, with completion planned by the end of 2025. Housing corporation Thuis has agreed to acquire the 40 social rent apartments after planned completion of the construction project.

The apartment building in Eindhoven, to be named TAC Living, will comprise 85% social rent and 15% mid-rent apartments. Construction of the residential tower is expected to begin in the second quarter of 2024, while the renovation of the TAC building will start towards the end of this year. Delivery of both structures is planned for the second quarter of 2026. The TAC Living apartment tower will be acquired by the Woonbedrijf housing corporation upon completion.

ASML will pay a compensation of up to €2 million for possible losses of the TAC (Living) project. If there is a better-than-expected financial result, Focus on Impact will donate part of it to the Brainport voor Elkaar fund. In this fund, local government, social organizations and the business community work on social projects that promote equal opportunities for residents in the Brainport Eindhoven region.

In the Veldhoven construction project, ASML has committed to compensating up to €1.84 million of possible losses. In return, BPD will donate any surplus profit to Brainport voor Elkaar if the gross profit margin exceeds the 10% threshold. To prevent the support from disrupting the market, the compensation will only be paid out if the projects have been finalized and are loss-making.

In addition to the private initiatives ASML drives, the Veldhoven-based company is also a significant contributor to four Brainport Eindhoven region-wide initiatives aimed at further structuring, increasing and accelerating contributions to various social objectives in the areas of sustainable mobility and infrastructure, talent, affordable housing and broad welfare.

About ASML

ASML is a leading supplier to the semiconductor industry. The company provides chipmakers with hardware, software and services to mass produce the patterns of integrated circuits (microchips). Together with its partners, ASML drives the advancement of more affordable, more powerful, more energy-efficient microchips. ASML enables groundbreaking technology to solve some of humanity's toughest challenges, such as in healthcare, energy use and conservation, mobility and agriculture. ASML is a multinational company headquartered in Veldhoven, the Netherlands, with offices across Europe, the US and Asia. Every day, ASML's more than 41,500 employees (FTE) challenge the status quo and push technology to new limits. ASML is traded on Euronext Amsterdam and NASDAQ under the symbol ASML. Discover ASML – our products, technology and career opportunities – at www.asml.com.

Contact information

Monique Mols

Media relations manager

monique.mols@asml.com

+31652844418

Kelsey Zeegers

Media relations manager

kelsey.zeegers@asml.com

+31621135749