

Government & External Affairs Report - June 2022

A strong culture of integrity and compliance underpins ASML's business success. We operate with integrity, which we define 'integrity' as acting with honesty, sincerity, care and reliability. Compliance not only means complying with laws and regulations but also adhering to our high ethical standards. ASML is committed to preventing any improper influencing of others or letting others improperly influence us. [\[Read more: ASML Code of Conduct \]](#)

Global semiconductor ecosystem

We are a global innovation leader in the chip industry. We provide chipmakers with hardware, software and services to mass produce patterns on silicon through lithography. Fabricating a chip requires an elaborated process of the global semiconductor ecosystem. As a crucial manufacturer of lithography equipment, ASML is a vital part of this ecosystem chain. But our systems are just one part of the process involving numerous suppliers and chip-making equipment. Every step and every machine in the process is important. That's why collaboration and innovation are key.

In order to reliably deliver the best and latest technology to our customers around the world, collaboration with the global ecosystem is essential as such we invest heavily in R&D and drive our innovation advancements continuously.

Strategic advisory

Operating in an international industry with a global value chain where strong incentives to compete and drive innovation are, it is important to represent ASML's interests towards governments in support of ASML's strategic objectives.

We engage in policy influencing to achieve our business objectives and we collaborate with consultancy and advocacy firms to achieve the following objectives:

- Act as catalyser for the whole value chain by optimizing (R&D) government grants and incentives, and support for Start- and Scale-up companies
- Engage with policymakers on key public policy challenges in key markets for ASML
- Engaging with political, governmental stakeholders and industry partners
- Inform government officials on ASML, semiconductor industry & technology

Focus areas 2021

Chip shortages: Driven by the accelerated digital transformation and growth of Internet of Things (IoT) applications, the semiconductor industry has reached new records of demand fueling the need for more and more distributed computing solutions. Despite major investments by the semiconductor industry, still being unable to satisfy the demand for semiconductors. The electronic industries around the world are severely affected by this lack of supply. Recent chip shortages highlight the regional interdependencies in the complex global semiconductor ecosystem. [\[Read more: Global chip shortage challenge \]](#)

Technological sovereignty: The global pandemic has alerted governments around the world that global supply chains can create significant geographical dependencies for semiconductors. Semiconductors play an increasingly important role in the growth and continuity of large industrial complexes, governments have turned their attention to securing sufficient semiconductor supply to support their local industries, creating higher levels of technological sovereignty and planning significant investments in the semiconductor industry. [\[Read more: ASML position paper on EU chips act \]](#)

Being part of the global semiconductor ecosystem which relies on mutual dependencies, a continued open dialogue among the governments of countries active in the semiconductor domain remains

therefore vital. Hence, ASML actively engages with policymakers on this topics like market access & export controls, innovation & manufacturing incentives, knowledge (IP) protection, tax and company growth.

Transparency

- ASML is subscribed to the European Union Transparency register.
- ASML US is registered according to the lobbying Disclosure Act.
- All Employees engaging in advocacy activities familiarized themselves with the contents of the ASML Code of Conduct and adhere to the requirements.

ASML's contributions and other spending in past years

	2020	2021
<p>VNO-NCW (NL) Type: Membership contribution Activity: The policy of the Member States of the European Union is increasingly determined in Brussels. The VNO-NCW Brussels office represents the interests of the Dutch business community and industry in the European Union by maintaining contacts with the European Commission, the European Parliament, the Permanent Representation of the Netherlands to the EU, Business Europe, the international trade union movement and the media. In addition, the Brussels office follows and analyzes developments in European politics for the members of VNO-NCW and opens doors where necessary. [Read more]</p>	€ 297,000	€ 350,000
<p>FME (NL) Type: Membership contribution Activity: To strengthen the position of the technological industry, FME focuses on achieving an impact on three major transitions: technological transitions, social transitions and labor market transitions. The technology industry plays a major role in these transitions. Our membership provides us the opportunity for networking with Dutch industry peers, industry joined policy influence and policy matters in the Netherlands and Europe. [Read more]</p>	€ 200,000	€ 150,000
<p>Aeneas (EU) Type: Membership contribution Activity: The object of the Association for European NanoElectronics Activities is to promote Research, Development and Innovation in order to strengthen the competitiveness of European industry across the electronics components and systems (ECS) value chain. Our membership provides us the opportunity for networking, policy influence and supported access to funding to all types RD&I participants in the field of micro and nanoelectronics. [Read more]</p>		€ 180,000
<p>SEMI (US) Type: Membership contribution Activity: SEMI is the global industry association representing the electronics manufacturing and design supply chain, serving as the empowering catalyst for the sustainable growth of SEMI members to enable diverse technology innovations that universally enhance societal and economic benefits. SEMI advocates for a free and open global marketplace, leads workforce development efforts, connects members to new business opportunities in high-growth markets, nurtures pre-competitive collaboration, and helps accelerate innovation. [Read more]</p>	€ 73,000	€ 76,000

<p>SIA (US) Type: Membership contribution Activity: The Semiconductor Industry Association (SIA) advances policies that help the industry grow and unites semiconductor companies around common challenges. SIA seeks to strengthen U.S. leadership in semiconductor manufacturing, design, and research by working with Congress, the Administration, and key industry stakeholders to encourage policies and regulations that fuel innovation, propel business, and drive international competition. [Read more]</p>	€ 44,000	€ 42,000
<p>Brunswick (US) Type: Advisory Activity: Advisory activities related to semiconductor development, manufacturing and trade, including with respect to the U.S. Innovation and Competition Act (S. 1260) and the CHIPS for America Act (H.R. 7178; S. 3933)</p>		€ 300,000
<p>Wepublic (NL) Type: Advisory Activity: Advocacy activities related to policy changes that affect ASML's business in The Netherlands. Strengthen relationship with Dutch government and parliament after the March 2021 General elections and the following formation</p>	€ 114,000	€ 77,000
<p>FTI Consulting (EU) Type: Advisory Activity: Advisory on understanding geopolitical changes, predictions and events that affect ASML's business. Strengthen relationships with Europe and EU Member States so that developments can be responded to, in line with ASML's objectives.</p>		€ 63,000
<p>Other Type: Membership contribution and local sponsoring Activity: Membership contribution for various industry associations such as Business Europe, HighTechXL, Shanghai Integrated Circuit Industry Association, MakeNext Platform and European Round Table of Industries (ERT). Local sponsoring such as Avond van de Wetenschap and Dutch Embassy.</p>	€ 51,000	€ 120,000
Total spending	€ 779,000	€ 1,360,000