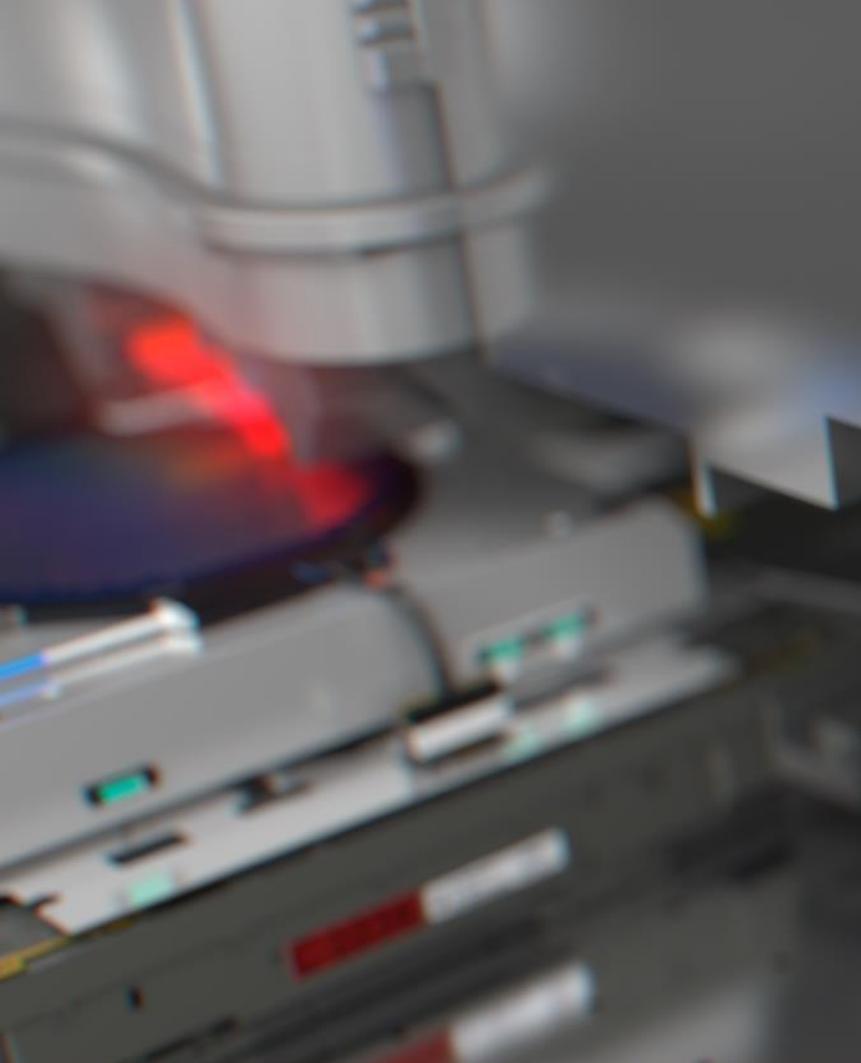


The ASML logo is displayed in white, bold, sans-serif capital letters against a solid blue background. The 'S' is stylized with a white outline.

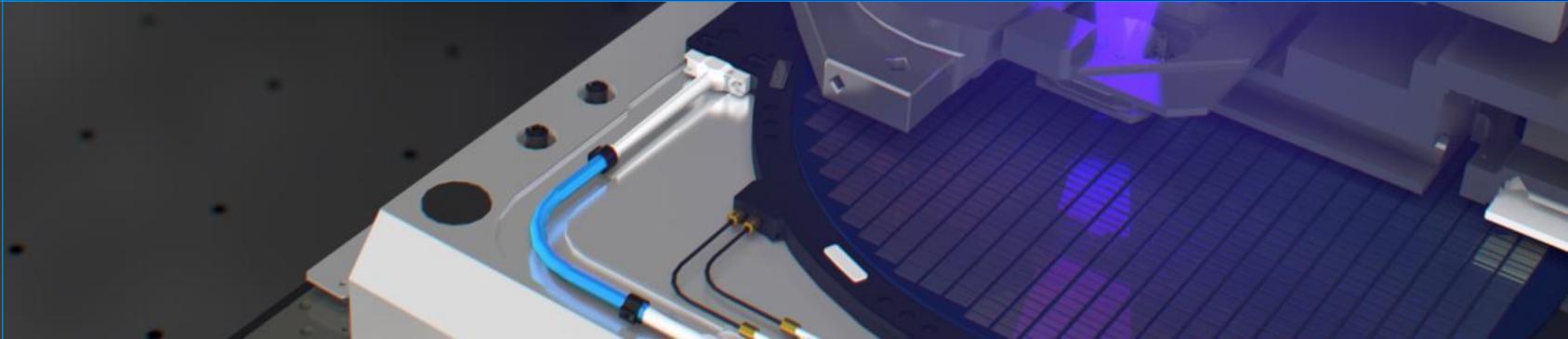
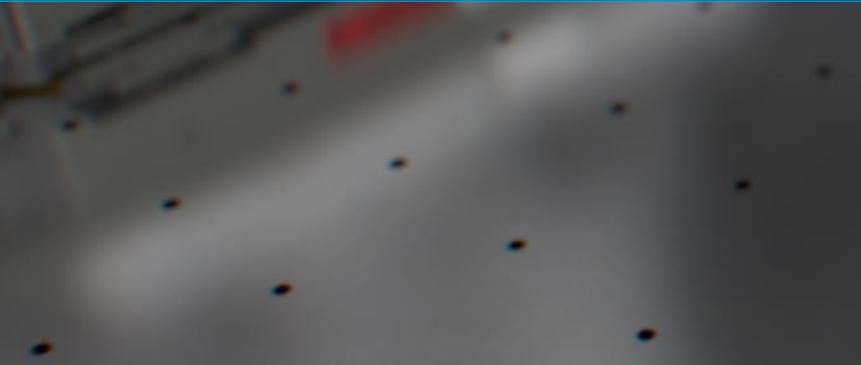
**ASML**

A close-up, slightly blurred photograph of a complex industrial machine, likely a lithography system. It features a large, white, cylindrical component at the top, with a bright red light source or sensor emitting a glow. Below this, there are various mechanical parts, including a horizontal bar with green and red markings, and a red and white striped safety bar.

# Annual General Meeting

Veldhoven, the Netherlands

April 29, 2022



# Forward looking statements

This document and related presentation contains statements that are forward-looking, including statements with respect to expected trends, including trends in end markets and technology industry and business environment trends, rising business costs, outlook and expected financial results, including expected net sales, gross margin, R&D costs, SG&A costs and estimated annualized effective tax rate, bookings, expected growth in net sales, full year 2022 expectations including revenue, shipments and expectations for EUV, DUV, IBM and expectations by market segment, statements made at our 2021 Investor Day including revenue and gross margin opportunity for 2025 and growth opportunities beyond 2025, expected annual revenue growth rate for the period of 2020-2030, and our plan to revisit these expectations presented at the 2021 Investor Day, expected revenue recognition, including estimates of revenue to be recognized in periods after shipment, expected shipments, plans and strategies, including plans to increase capacity and plans to build additional cleanrooms, customer demand and plans to meet increasing demand, statements with respect to dividends and share buybacks and financial policy including statements with respect to the 2021-2023 share buyback program, including the amount of shares intended to be repurchased under the program, expected system performance and availability and increase in capacity, ESG strategy improvement and other non-historical statements. You can generally identify these statements by the use of words like "may", "will", "could", "should", "project", "believe", "anticipate", "expect", "plan", "estimate", "forecast", "potential", "intend", "continue", "target", "future", "progress", "goal" and variations of these words or comparable words. These statements are not historical facts, but rather are based on current expectations, estimates, assumptions and projections about our business and our future financial results and readers should not place undue reliance on them. Forward-looking statements do not guarantee future performance and involve a number of substantial known and unknown risks and uncertainties. These risks and uncertainties include, without limitation, economic conditions, product demand and semiconductor equipment industry capacity, worldwide demand and manufacturing capacity utilization for semiconductors, the impact of general economic conditions on consumer confidence and demand for our customers' products, performance of our systems, the impact of the COVID-19 outbreak and measures taken to contain it on us, our suppliers, the global economy and financial markets, the impact of the Russian military actions in the Ukraine and measures taken in response on the global economy and global financial markets and other factors that may impact ASML's financial results, including customer demand and ASML's ability to obtain parts and components for its products and otherwise meet demand, the success of technology advances and the pace of new product development and customer acceptance of and demand for new products, production capacity and our ability to increase capacity to meet demand, the impact of inflation, the number and timing of systems ordered, shipped and recognized in revenue, and the risk of order cancellation or push out, supply chain capacity and logistics and constraints on our ability to produce systems to meet demand, trends in the semi-conductor industry, our ability to enforce patents and protect intellectual property rights and the outcome of intellectual property disputes and litigation, availability of raw materials, critical manufacturing equipment and qualified employees, trade environment, import/export and national security regulations and orders and their impact on us, changes in exchange and tax rates, available liquidity and liquidity requirements, our ability to refinance our indebtedness, available cash and distributable reserves for, and other factors impacting, dividend payments and share repurchases, results of the share repurchase programs and other risks indicated in the risk factors included in ASML's Annual Report on Form 20-F for the year ended December 31, 2021 and other filings with and submissions to the US Securities and Exchange Commission. These forward-looking statements are made only as of the date of this document and presentation. We undertake no obligation to update any forward-looking statements after the date of this report or to conform such statements to actual results or revised expectations, except as required by law.

# Agenda

Of the Annual General Meeting of ASML Holding N.V. (the “Company”), to be held on Friday 29 April 2022 at 14.00 hrs. CET

1. Opening
2. Overview of the Company’s business, financial situation and sustainability **(non-voting)**

## Financials

Roger Dassen, Executive Vice President and CFO

April 29, 2022

# 2021 Highlights

ASML delivered a sales growth of 33%, reflecting the continued strong global demand for a digital infrastructure

Full Year 2021	
Net sales	€18.6 billion
Net system sales	€13.7 billion
Installed Base Management <sup>1</sup>	€5 billion
Gross Margin	52.7%

## EUV lithography

- EUV system sales grew 41% to €6.3 billion, in support of high-volume manufacturing for Logic and Memory
- High-NA progressing well, both technically and commercially

## DUV lithography

- DUV system sales grew by 25% to €6.9 billion, as part of our continued capacity ramp

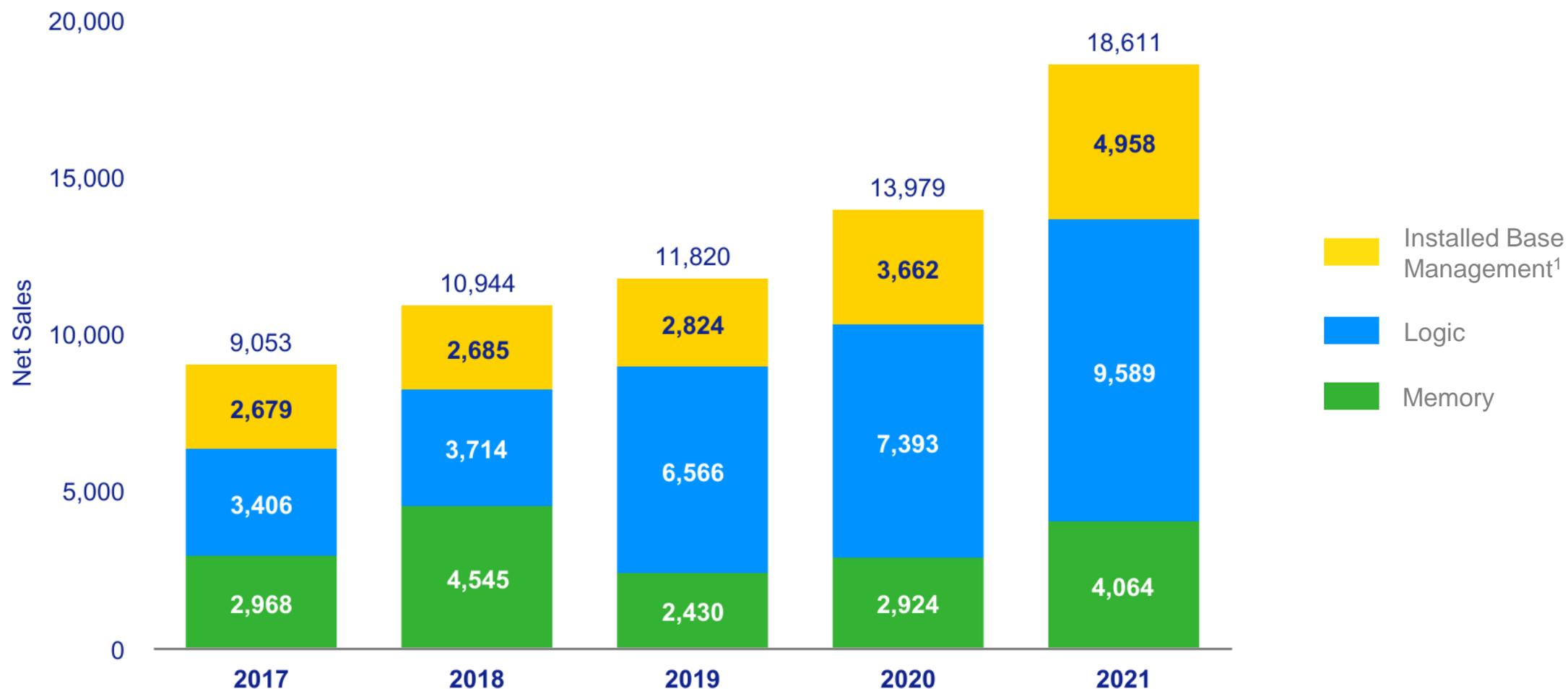
## Applications

- Our Metrology & Inspection systems sales grew 47% to €514 million
- Finalized our first eScan 1100 Multibeam system (5x5 beams), shipment in Q1 2022

## Installed Base<sup>1</sup>

- Our Installed Base business grew around 35% to €5.0 billion providing our customers services and upgrade capabilities in order to get more wafer capacity out of their installed base systems

# Total net sales € million by End-use



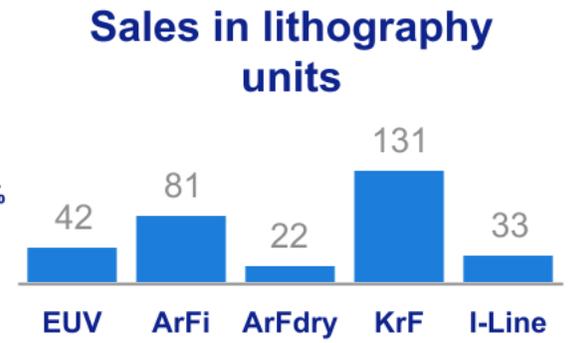
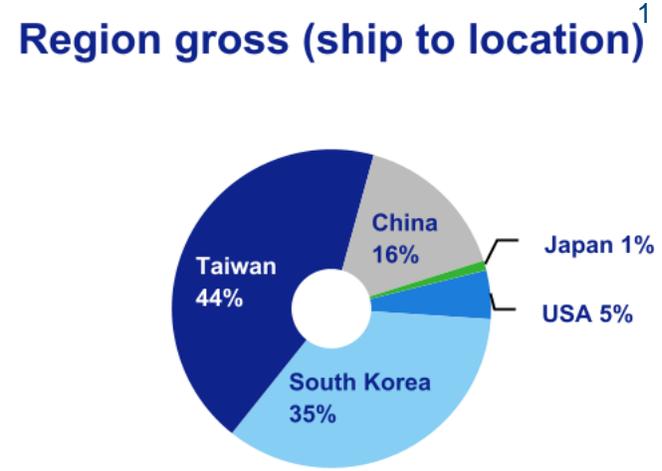
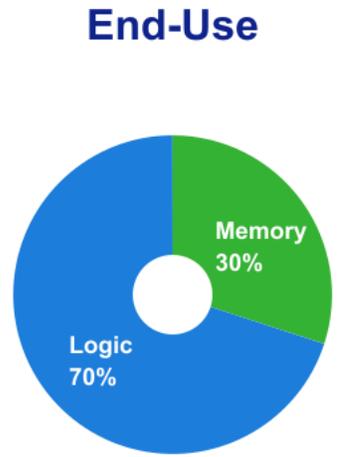
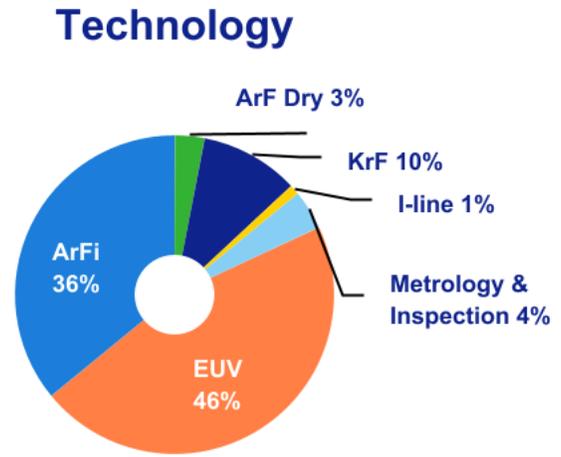
As of January 1, 2018, ASML has adopted the new Revenue Recognition Standard (ASC 606) and Lease Standard (ASC 842).

The comparative 2017 numbers presented above have not been adjusted to reflect these changes in accounting policy.

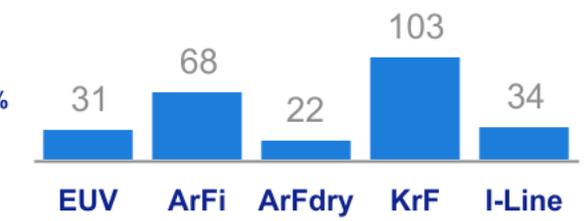
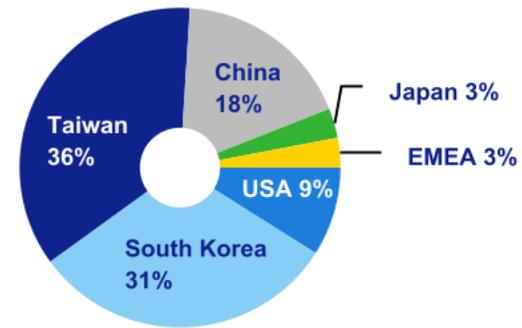
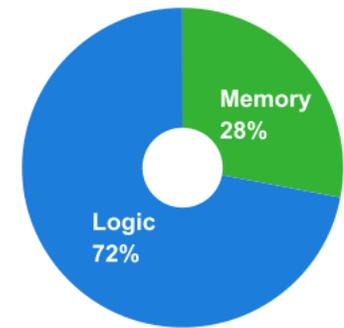
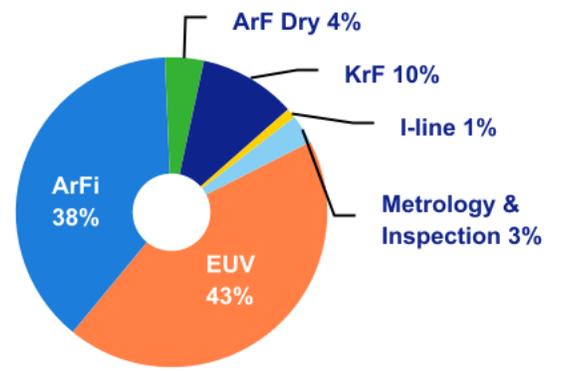
<sup>1</sup> Installed Base Management equals our net service and field option sales

# Net system sales breakdown (Yearly)

**2021**  
total system sales  
€13,653 million



**2020**  
total system sales  
€10,317 million



<sup>1</sup> 2021: Excluding EMEA region which represents negative 1% as we bought back two unused systems previously sold to a customer, which we counted for as a revenue reversal.

# Consolidated statements of operations € million

Year on Year

	2017	2018	2019	2020	2021
Net sales	8,963	10,944	11,820	13,979	18,611
Gross profit	4,020	5,029	5,280	6,798	9,809
Gross margin %	44.9	46.0	44.7	48.6	52.7
Other income <sup>1</sup>	96	—	—	—	214
R&D costs	(1,260)	(1,576)	(1,968)	(2,201)	(2,547)
SG&A costs	(417)	(488)	(521)	(545)	(726)
Income from operations	2,440	2,965	2,791	4,051	6,750
Operating income as a % of net sales	27.2	27.1	23.6	29.0	36.3
Net income	2,067	2,592	2,592	3,554	5,883
Net income as a % of net sales	23.1	23.7	21.9	25.4	31.6
Earnings per share (basic) €	4.81	6.10	6.16	8.49	14.36
Earnings per share (diluted) €	4.79	6.08	6.15	8.48	14.34
Lithography systems sold (units) <sup>2</sup>	197	224	229	258	309
Net booking value <sup>3</sup>	9,358	8,181	11,740	11,292	26,240

<sup>1</sup> Other income in 2017 relates to the Customer Co-Investment Program. In 2021, Other income includes the gain on the sale of Berliner Glas subsidiaries.

<sup>2</sup> Lithography systems do not include metrology and inspection systems.

<sup>3</sup> Our systems net bookings include all system sales orders for which written authorizations have been accepted. As of Q4 2021 and for FY 2021, this includes EUV 0.55 NA (High-NA) systems. We have not restated comparable periods for previously received EUV 0.55 NA (High-NA) sales orders. Our 2018 and 2019 systems net bookings include 1 EUV and 1 DUV order shipped to our collaborative Research Center (Imec). These systems were not recognized in revenue.

# Consolidated statements of cash flows € million

Year on Year

	2017	2018	2019	2020	2021
Cash and cash equivalents, beginning of period	2,907	2,259	3,121	3,532	6,049
Net cash provided by (used in) operating activities	1,818	3,073	3,276	4,628	10,847
Net cash provided by (used in) investing activities	(1,229)	(492)	(1,158)	(1,352)	(72)
Net cash provided by (used in) financing activities	(1,209)	(1,724)	(1,712)	(753)	(9,892)
Effect of changes in exchange rates on cash	(28)	5	5	(5)	20
Net increase (decrease) in cash and cash equivalents	(648)	862	411	2,517	903
Cash and cash equivalents, end of period	2,259	3,121	3,532	6,049	6,952
Short-term investments	1,029	913	1,186	1,302	638
Cash and cash equivalents and short-term investments	3,288	4,034	4,718	7,351	7,590
Purchases of property, plant and equipment and intangible assets	(358)	(610)	(885)	(1,001)	(940)
Free cash flow <sup>1</sup>	1,460	2,463	2,391	3,627	9,906

<sup>1</sup> Free cash flow, which is a non-GAAP measure, is defined as net cash provided by (used in) operating activities minus purchases of Property, plant and equipment and intangible assets), see US GAAP Consolidated Financial Statements.

# Consolidated balance sheets € million

Year on Year

	<b>Assets</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
Cash & cash equivalents and short-term investments		3,288	4,034	4,718	7,352	7,590
Net accounts receivable and finance receivables		1,958	2,384	2,773	3,421	4,597
Contract assets		270	96	231	119	165
Inventories, net		2,956	3,440	3,809	4,569	5,179
Other assets		1,219	1,579	1,673	1,753	2,010
Tax assets		94	316	624	739	1,141
Equity method investments		982	916	833	821	893
Goodwill		4,541	4,541	4,541	4,629	4,556
Other intangible assets		1,166	1,104	1,105	1,049	952
Property, plant and equipment		1,601	1,589	1,999	2,470	2,983
Right-of-use assets		114	138	324	345	165
<b>Total assets</b>		<b>18,189</b>	<b>20,137</b>	<b>22,630</b>	<b>27,267</b>	<b>30,231</b>
<b>Liabilities and shareholders' equity</b>						
Current liabilities		3,170	3,792	4,694	6,604	12,298
Non-current liabilities		4,243	4,704	5,344	6,798	7,792
Shareholders' equity		10,776	11,641	12,592	13,865	10,141
<b>Total liabilities and shareholders' equity</b>		<b>18,189</b>	<b>20,137</b>	<b>22,630</b>	<b>27,267</b>	<b>30,231</b>

# Q1 2022 results and business view

- We continue to see that the demand for our systems is higher than our current production capacity
- We accommodate our customers through offering high-productivity upgrades and reducing cycle time in our factories, and we continue to offer a fast shipment process

## 2022 outlook<sup>2</sup>

- For the full year, we continue to expect a revenue growth of around 20%
- Gross Margin: 52%
- Estimated annualized effective tax rate: between 15% and 16%

Q1 2022	
Net sales	€3.5 billion
Net system sales	€2.3 billion
Installed Base Management <sup>1</sup>	€1.2 billion
Gross Margin	49.0%
Net income	€695 million
Net bookings	€7.0 billion

<sup>1</sup> Installed Base Management equals our net service and field option sales

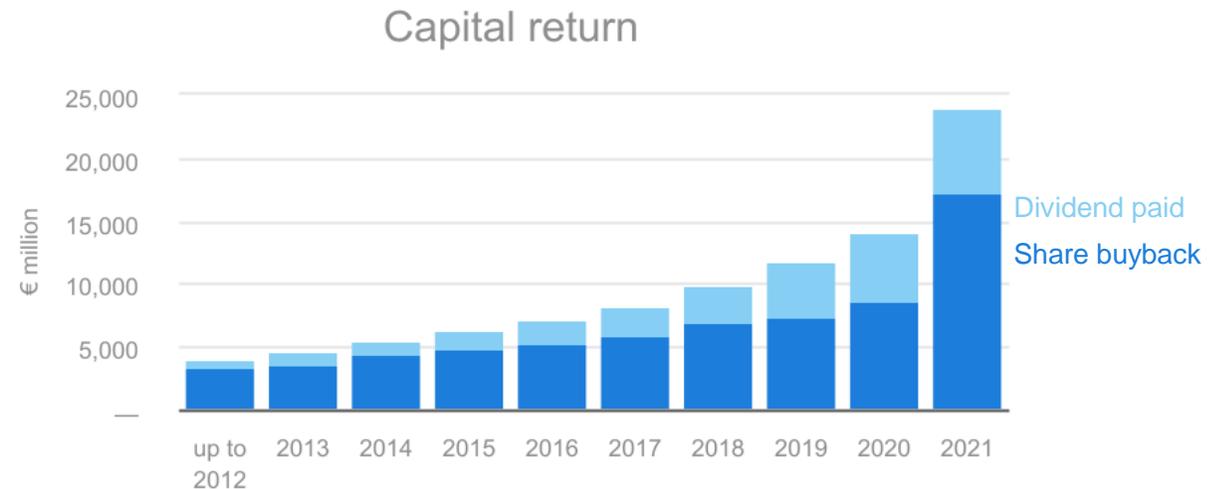
<sup>2</sup> As announced in the Q1 2022 earnings release

# Capital return to shareholders

- Paid total dividends of €1.4 billion, consisting of FY2020 final dividend and FY2021 interim dividend, and purchased €8.6 billion of shares in 2021
- ASML intends to declare a total dividend in respect of 2021 of €5.50 per ordinary share. Recognizing the interim dividend of €1.80 per ordinary share paid in November 2021, this leads to a final dividend proposal to the General Meeting of Shareholders of €3.70 per ordinary share
- Total 2021 dividend is a 100% increase compared to the 2020 total dividend of €2.75 per ordinary share



The dividend for a year is paid in the subsequent year, except interim



Capital return is cumulative dividend + share buyback

## Industry developments

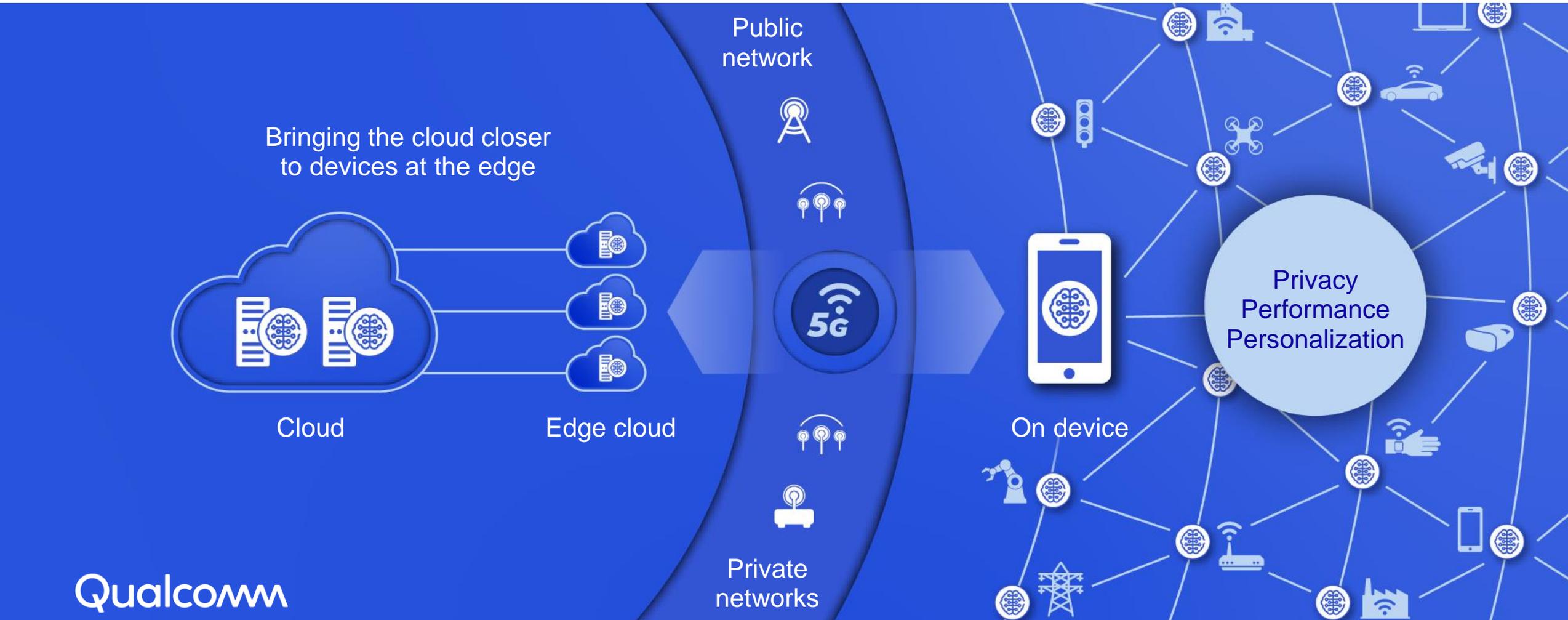
Peter Wennink, President and CEO

April 29, 2022

# Our world continues to change



# The future will be all about distributed computing



Source: Ziad Asghar, Qualcomm, "Qualcomm AI leading the way with distributed intelligence, Embedded vision summit, Sept 2020

# The electronics industry just keeps going

There are an estimated **40 billion connected devices** in use today



Roughly **5 for every person** on the planet (7.8 billion people)



In ten years, this number is **expected to grow** to



# 350 billion

That's **41 per person** (assuming population growth to 8.5 billion)

...generating **huge amounts of data:**



# 175 zettabytes

(that's 175,000,000,000,000,000,000,000 bytes) **by 2025**

## Countries push for “technological sovereignty”

Biden doubles down on a \$50 billion plan to invest in chips

Fortune (April 2021)

EU aims to be independent chip power with 20% global share

Nikkei (March 2021)

South Korea joins global chipmaking race with \$450 billion spending plan

Fortune (May 2021)

Japan lays out National Project for chips after lost decades

Bloomberg (June 2021)

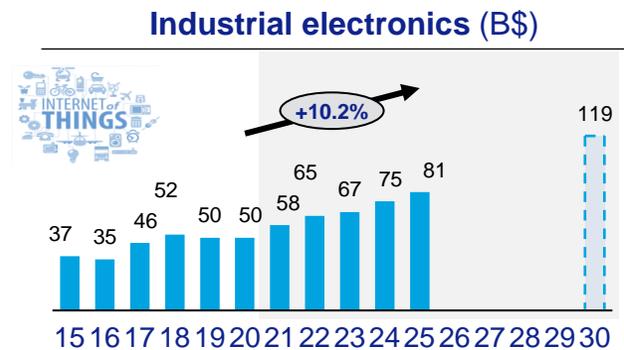
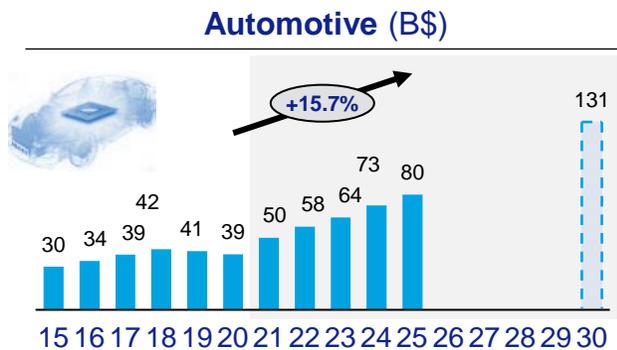
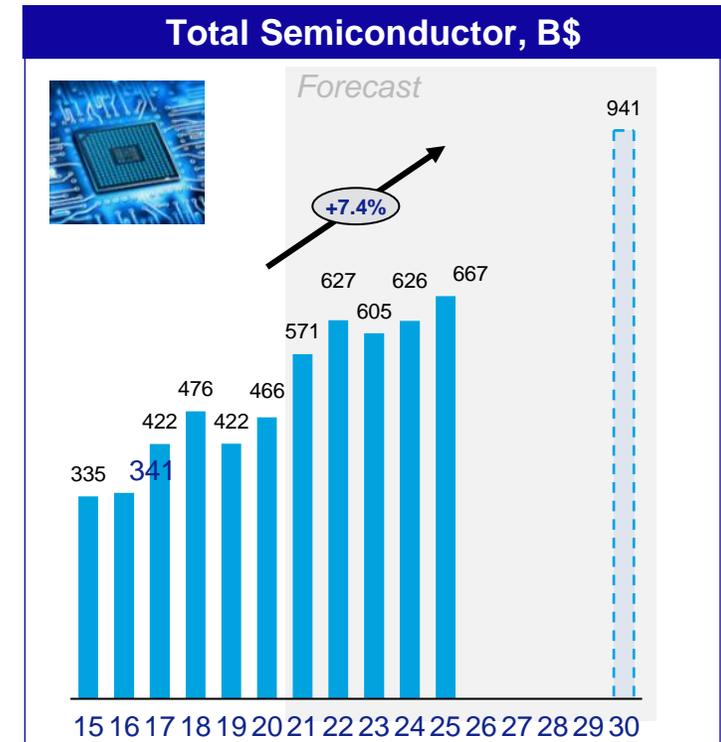
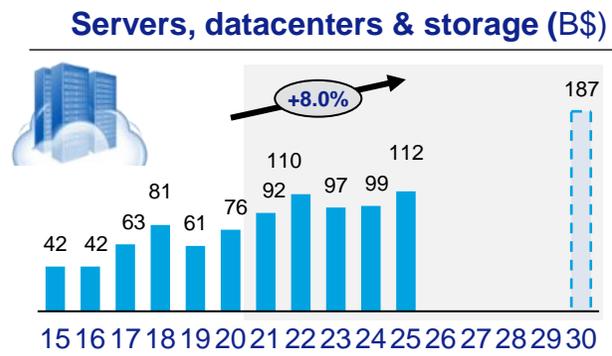
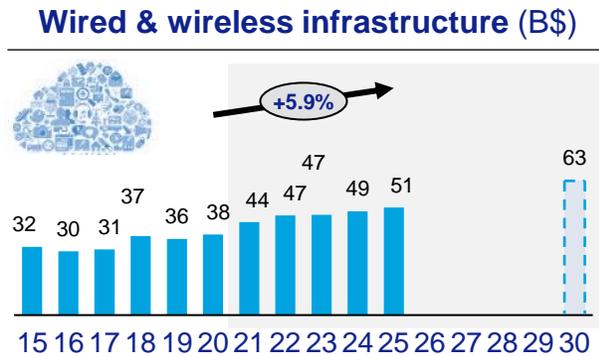
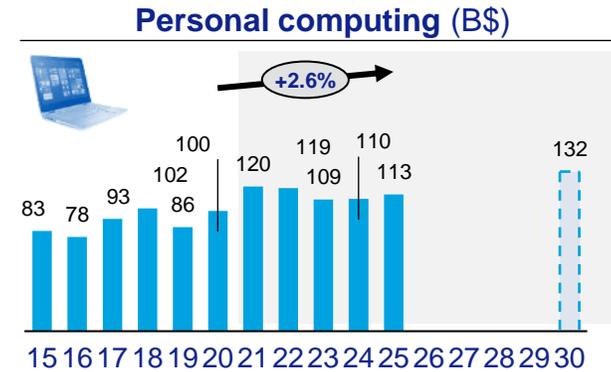
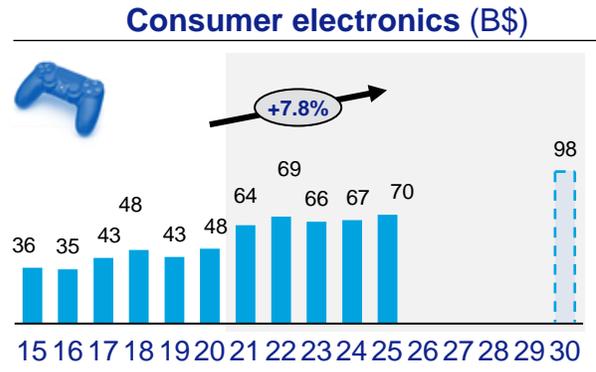
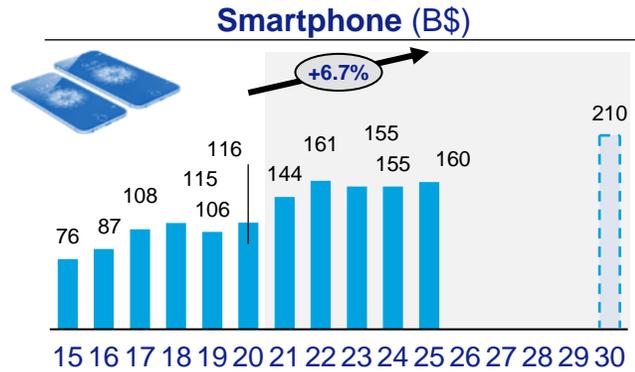
Intel pours €30bn into chip manufacturing in Europe

FT (March 2022)

Chinese companies continue to increase investment in domestic chip production as Beijing keeps focus on self-sufficiency

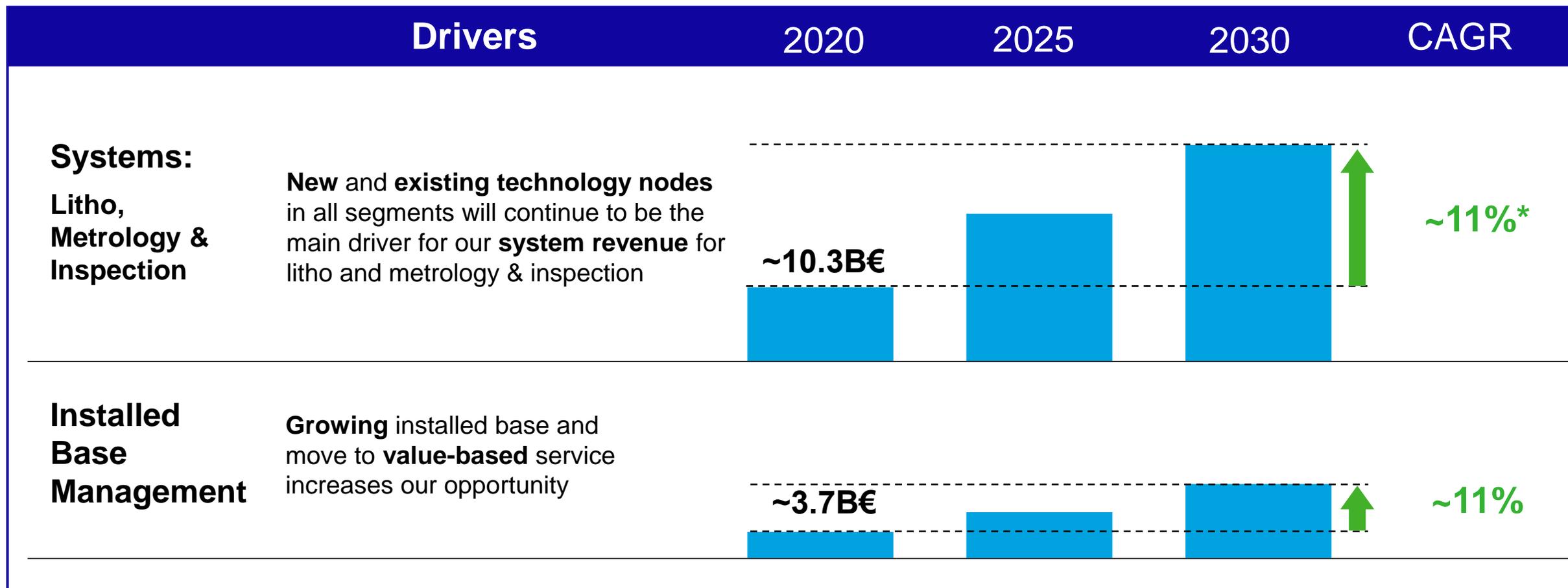
SCMP (March 2022)

# Semi end markets expected to grow 7% longer-term



CAGR  
2020-2025

# Market opportunities support another 10 years of growth



Source: VLSI Research, with ASML analysis; As presented at ASML 2021 Investor Day. As announced in our Q1 earnings release, in light of the demand and our plans to increase capacity, we expect to revisit our scenarios for 2025 and growth opportunities beyond. We plan to communicate updates in the second half of the year.

Installed Base Management : ASML service and field upgrades sales;

\* Assumes litho intensity (litho % of WFE) and litho market share in 2030 similar to 2025;

\* Systems revenue CAGR, includes ASML Metrology & Inspection system revenue CAGR 2020-2030 ~15%

# The chip industry – including ASML – is setting the bar higher and higher

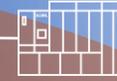


# ASML's roadmap supports the industry's growth and relentless innovation

EUV  
High-NA



DUV

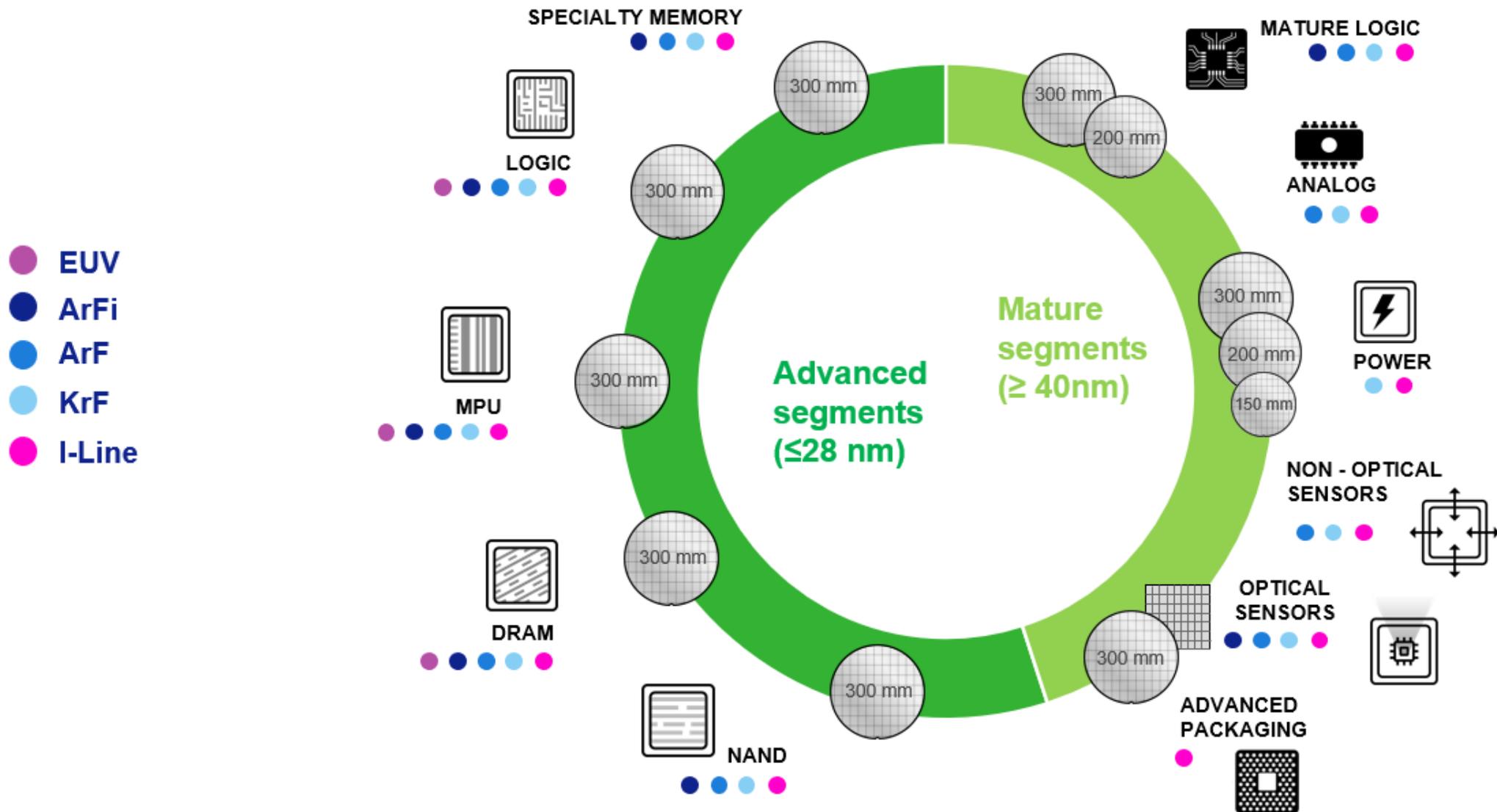


Affordable  
scaling and yield



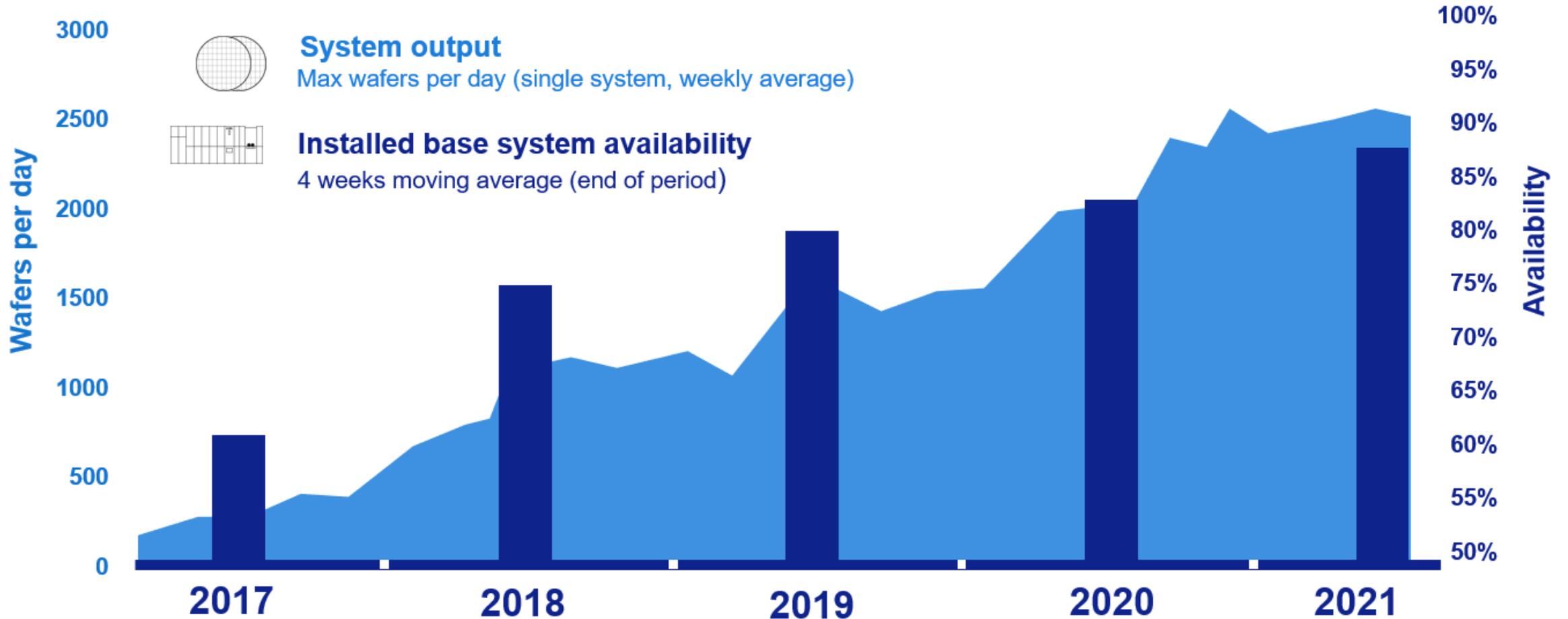
Metrology, inspection,  
and patterning control

# DUV addresses numerous market segments



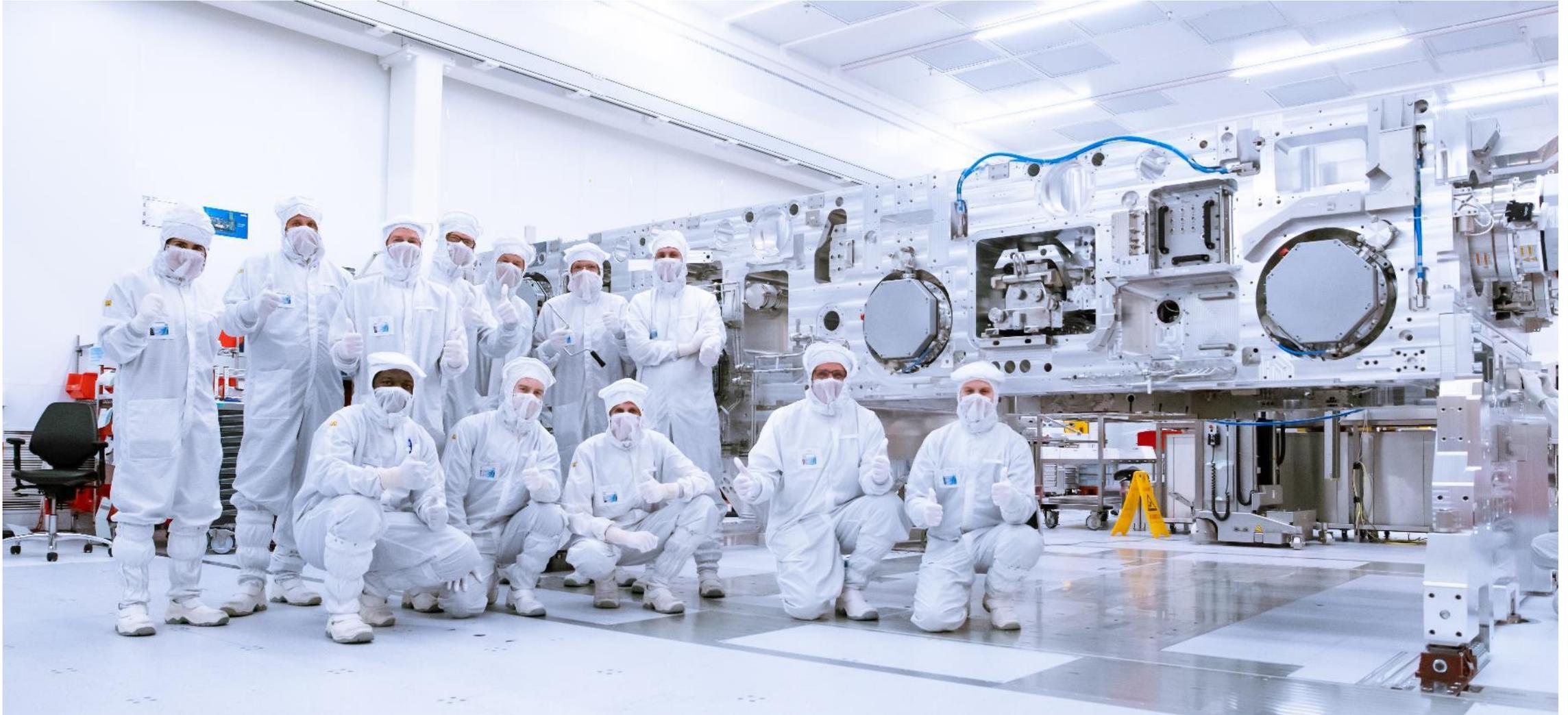
# EUV adoption enabled by maturity of the platform in high volume manufacturing

We intend to bring EUV availability to >95% and increase wafer/day output by >50% by 2025



# Our next-gen High-NA systems are now coming together in Veldhoven

We expect to have our first early-access system available in H1 2023



# Planning for growth

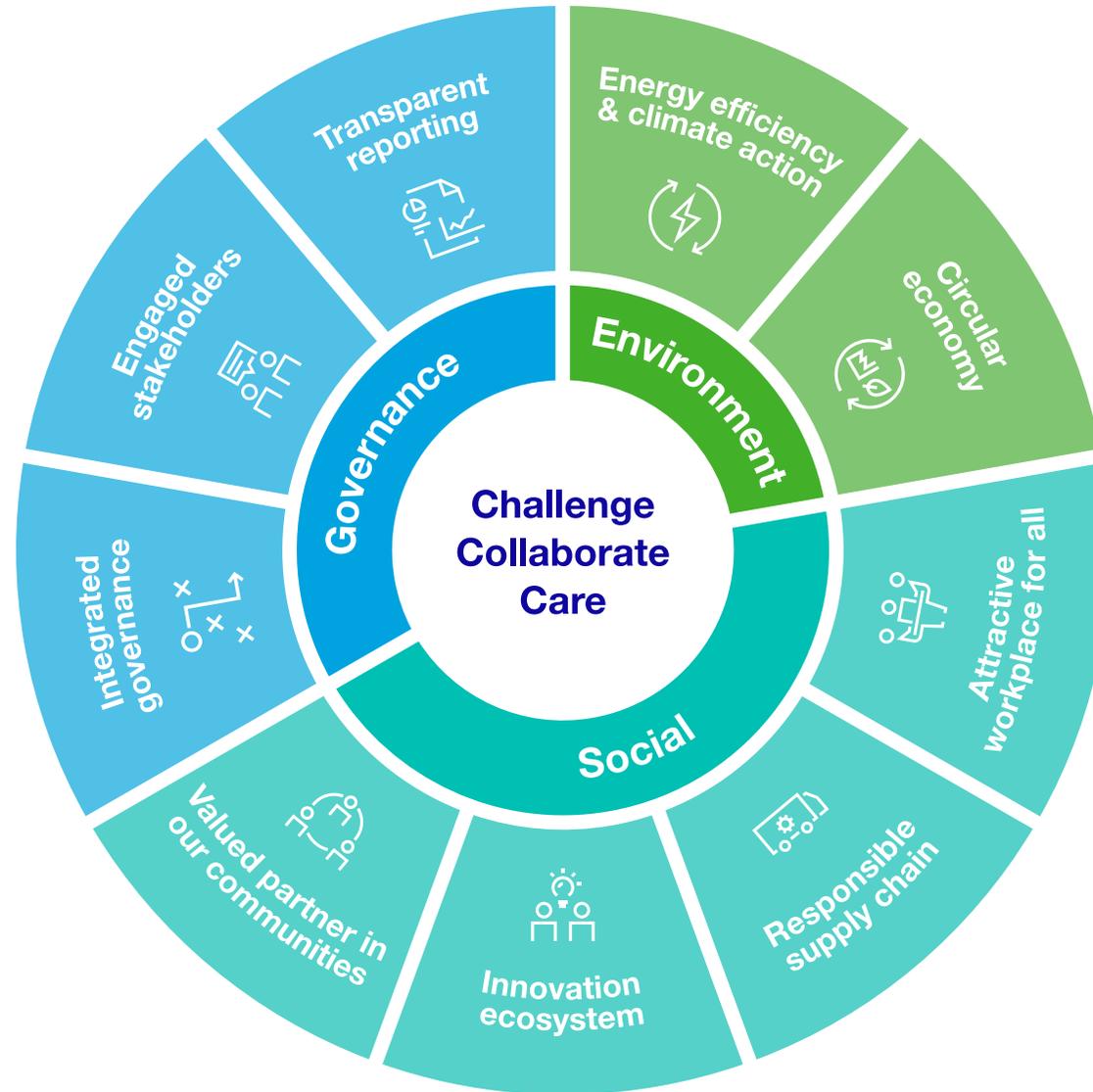
## Update in Q4 2022

- Unprecedented demand is exceeding our capacity.
- We are actively working to significantly expand our capacity together with our supply chain partners.
- We are investigating the feasibility of increasing our annual capacity to 90 EUV and 600 DUV units by 2025. For medium term, 20 units for High-NA.
- We expect to revisit our scenarios for 2025 and growth opportunities beyond.
- We plan to provide an update to the capital markets in the Q4 timeframe.



# ESG Sustainability strategy

Based on 9 themes



# Growth in numbers of employees worldwide (end year)

## US

2020: 5,710  
**2021: 6,180**

## Europe

2020: 14,715  
**2021: 18,410<sup>1</sup>**  
(incl. NL: 16,860)

## Asia

2020: 6,050  
**2021: 7,430**

## Total worldwide

2020: 28,075<sup>1</sup>  
**2021: 32,020<sup>1</sup>**  
122 nationalities  
18% female

# Agenda

2. Overview of the Company's business, financial situation and sustainability **(non-voting)**

# Agenda

- 3a. Advisory vote on the remuneration report for the Board of Management and the Supervisory Board for the financial year 2021 (**Voting Item**)

# Remuneration Report 2021 (1/3)

- The Remuneration Report 2021 for the BoM and SB complies with the revised EU Shareholder Rights Directive.
- It contains a report on the implementation of the 2021 Remuneration Policy for the BoM (as adopted by the General Meeting on April 29, 2021, effective per January 1, 2021)
- Based on stakeholder feedback, the transparency of the Remuneration Report has been further improved compared to prior years
  - Target levels and actual achievements disclosed for STI and LTI, except when commercially sensitive
  - More extensive qualitative disclosure on the Technology Leadership Index and Market Position targets

Main elements of the execution of the Remuneration Policy in 2021 are:

1. Base salaries of the Board of Management members remained flat in 2021
2. Variable remuneration in the form of a Short-Term Incentive (STI) and a Long-Term Incentive (LTI) – details on next pages

# Remuneration Report 2021 (2/3)

STI payout over 2021 has been 134.5% of target (80%), hence 107.6% of base salary

Performance metric	Weight	Performance Targets <sup>2</sup>			Actual Outcome	Payout <sup>4</sup> % target
		Threshold	Target	Stretch		
<b>Market Position</b>						
Availability & market share	10%		*			122.5%
VLSI Survey	10%	Top 5	Top 3	Top 2	Top 2	150.0%
<b>Total Market Position</b>	20%					136.3%
<b>Technology Leadership Index</b>						
	20%	4	6	10	8	125.0%
<b>EBIT Margin (%)<sup>3</sup></b>						
	20%	24%	27%	30%	36%	150.0%
<b>EUV Gross Margin %</b>						
	20%	43.5%	45.5%	47.5%	46%	111.3%
<b>Free Cash Flow (€, in millions)<sup>1</sup></b>						
	20%	1,000	2,000	3,000	8,158	150.0%
<b>Total</b>	<b>100%</b>					<b>134.5%</b>

- Free Cash Flow target levels and actuals are excluding early payments received in this financial year from clients without a contractual payment obligation in 2021. Actual Outcome Free Cash Flow (Non-GAAP measure) is calculated as Cash Flow from Operating Activities of €10,846 million minus Purchase of property, plant and equipment of €901 million, minus purchases of Intangible assets of €39.6 million and minus early payments received in this financial year from clients without a contractual payment obligation in 2021 of €1,747 million resulting in an Actual Outcome of €8,158 million.
- Certain performance targets (\*) are not disclosed due to strategic or commercial sensitivity.
- Actual Outcome EBIT Margin % (Non-GAAP measure), is calculated as Income from Operations of €6,750 million divided by Total net sales of €18,611 million resulting in an Actual Outcome of 36%.
- The Payout % is based on the payout levels as included in the section Summary of 2021 Remuneration Policy Board of Management.

## Remuneration Report 2021 (3/3)

LTI payout over performance period 2019-2020-2021 has been 180.3% of target (90.2% of max)

Performance metric	Performance Targets					Actual Performance	Payout % <sup>2</sup>
	Weight	Threshold	Target	Exceed	Stretch		
Relative TSR	30%	(20)%	0%	n/a	20%	161.1%	200.0%
ROAIC <sup>1</sup>	40%	27.0%	29.5%	32.0%	34.5%	34.2%	193.3%
Technology Leadership Index	20%	4	6	8	10	8.3	157.5%
Sustainability	10%	≤ 16%	≤ 13%	n/a	≤ 7%	12.1%	115.2%
<b>Total</b>	<b>100%</b>						<b>180.3%</b>

1. Actual Performance score ROAIC of 34.2% is the Normalized score. ROAIC is calculated by dividing the Income after income taxes by the Average Invested Capital.
2. The Payout % is based on the payout levels as included in the section Summary of 2021 Remuneration Policy Board of Management.
3. Total Actual Performance score of 180.3% is based on weighting of individual performance metrics multiplied with the payout %.

# Agenda

- 3a. Advisory vote on the remuneration report for the Board of Management and the Supervisory Board for the financial year 2021 (**Voting Item**)

# Agenda

- 3b. Proposal to adopt the financial statements of the Company for the financial year 2021, as prepared in accordance with Dutch law **(Voting item)**

# Independent auditor's report



## IFRS Financial statements



- Auditor's report on consolidated and parent company financial statements
- Our opinion: unqualified
- Financial statements give a true and fair view and are in accordance with EU-IFRS and Part 9 of Book 2 of the Dutch Civil Code
- Management report and other information

## US GAAP Financial statements

- Auditor's report on the US GAAP financial statements and effectiveness of internal control over financial reporting
- Our opinions: unqualified

## Sustainability information

- Assurance report (limited assurance) on sustainability information



## Key audit matter

### Revenue recognition

Identification of distinct performance obligations and allocation of the total contract consideration, and revenue cut-off



## Materiality of EUR 210 million

- 3.0% of 2021 income before income taxes
- Misstatements in excess of EUR 10.5 million are reported to the Audit Committee of the Supervisory Board



## Consideration was given to:

- Going concern
- Fraud and non-compliance with laws and regulations
- Climate-related risks



## Group Audit

- Centrally performed audit
- Instructions to component auditor
- Involvement of specialists
- Audit coverage of 91% of total assets and 88% of total net sales

# Agenda

- 3b. Proposal to adopt the financial statements of the Company for the financial year 2021, as prepared in accordance with Dutch law **(Voting item)**

# Agenda

- 3c. Clarification of the Company's reserves and dividend policy (**non-voting**)

# Agenda

- 3d. Proposal to adopt a dividend in respect of the financial year 2021 **(non-voting)**

# Agenda

- 4a. Proposal to discharge the members of the Board of Management from liability for their responsibilities in the financial year 2021 (**Voting item**)

# Agenda

- 4b. Proposal to discharge the members of the Supervisory Board from liability for their responsibilities in the financial year 2021 (**Voting item**)

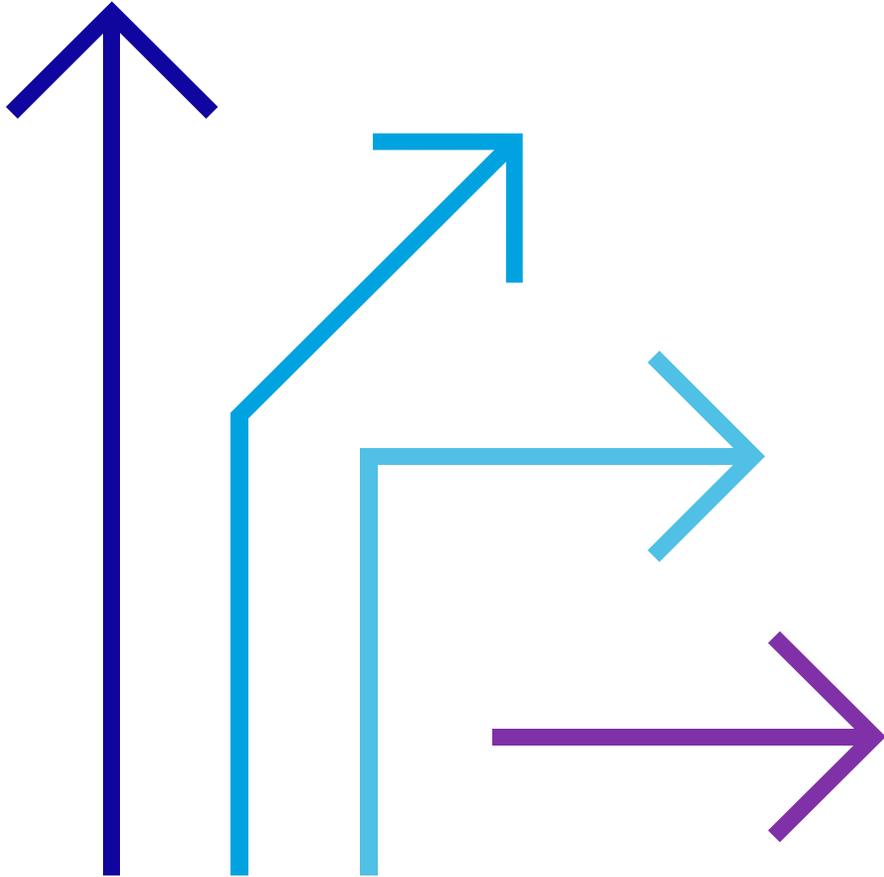
# Agenda

5. Proposal to approve the number of shares for the Board of Management (**Voting item**)

# Agenda

6. Proposal to amend the Remuneration Policy for the Board of Management (**Voting item**)

# Why an update to the policy?



- It's been ~5 years since a major policy revision has taken place
  - Expectations of stakeholders have changed, including the desire for more transparency
  - ASML has grown significantly in size and scope over this period
- The current policy has some limitations related to stated incentive measures and alignment with key drivers of ASML's long-term growth
- ESG is increasingly an important area of focus, and we want to reflect this in the updated policy and incentive measures
- The market for talent is highly competitive and we want to remain attractive to top talent

# Further background

- A formal review of the Board of Management Remuneration Policy was originally scheduled for 2020, but was postponed due to the COVID-19 pandemic
- A comprehensive remuneration policy review was undertaken in 2021 with the support of an external remuneration adviser

## Key objectives of the policy review:



# 2022 Remuneration policy of the Board of Management

## Overview of the proposed new policy and changes

- We have developed a policy which reflects the key performance drivers for ASML in the coming years, while being mindful to the external and corporate governance environment in the Netherlands and to all our stakeholders (shareholders, customers, suppliers, employees and broader societal context):

Element	2021 Remuneration Policy	2022 Remuneration policy
<b>Remuneration benchmarking</b>		
Reference Group	<ul style="list-style-type: none"> <li>Consisting of similar-sized European companies from various industry sectors</li> </ul>	<ul style="list-style-type: none"> <li>Consisting of 20 most relevant technology and R&amp;D oriented companies including ASML's talent competitors and business peers and (indirect) customers</li> <li>Composition of companies in the reference group takes into account ASML's geographic location – it's weighted towards European companies (75% weighting), with some US companies (25% weighting)</li> </ul>
<b>Incentive Levels</b>		
STI	<ul style="list-style-type: none"> <li>Target: 80% base salary (presidents and other BoM members)</li> </ul>	<ul style="list-style-type: none"> <li>Phased increase from 80% of base salary to 120% (95% in 2022) of base salary for the presidents and 100% for the other BoM members (90% in 2022)</li> </ul>
LTI	<ul style="list-style-type: none"> <li>Target: 120% base salary (presidents and other BoM members)</li> </ul>	<ul style="list-style-type: none"> <li>Phased increase from 120% of base salary to 200% of base salary for the presidents and other BoM members (160% in 2022)</li> </ul>
<b>Performance measures</b>		
STI	<ul style="list-style-type: none"> <li>60% Financial</li> <li>20% Technology Leadership Index</li> <li>20% Market Position</li> </ul>	<ul style="list-style-type: none"> <li>60% Financial – EBIT margin proposed for 2022</li> <li>20% Technology Leadership Index</li> <li>20% Customer orientation</li> </ul>
LTI	<ul style="list-style-type: none"> <li>Relative TSR                             <ul style="list-style-type: none"> <li>Threshold pay-out at -20% versus the PHLX index (Threshold pay-out as 50% of target)</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Proposed performance incentive zone adjusted into percentile-based relative TSR ranking approach instead of fixed range</li> <li>Reduced vesting level pay-out with 25th percentile performance at 25% of target</li> </ul>
	<ul style="list-style-type: none"> <li>40% ROAIC</li> <li>30% Relative TSR</li> <li>20% Technology Leadership Index</li> <li>10% Sustainability</li> </ul>	<ul style="list-style-type: none"> <li>20% - 30% Strategic value drivers – Cash Conversion Rate proposed for 2022 (30%)</li> <li>30% Relative TSR</li> <li>20% - 30% Technology Leadership Index – 20% for 2022</li> <li>20% - 30% ESG – 20% for 2022</li> </ul>

# Main implications of the proposed changes

## • I. Reference Group

- ❖ The new group is more aligned with ASML's size and competitive landscape

## • II. Short-Term Incentive (STI)

- ❖ The new design enhances emphasis on our customer experience
- ❖ Increased incentive levels enhance our ability to attract/retain talent and further aligns with pay-for-performance

## • III. Long-Term Incentive (LTI)

- ❖ The new design enhances our focus on ASML's long-term investment and return cycles
- ❖ Minimizes the need for discretionary adjustments
- ❖ Provides more flexibility to utilize key strategic value drivers
- ❖ Increased incentive levels enhance our ability to attract/retain talent and further aligns with pay-for-performance
- ❖ The maximum cap on the LTI opportunity reflects the sensitivities of the local environment
- ❖ The adjusted Total Shareholder Return (TSR) measurement aligns more with market practice
- ❖ The importance of ESG measures is further emphasized

## Stakeholder feedback on the proposed BoM Remuneration Policy - Shareholders and Shareholder representatives

- Outreach to major shareholders (Top 20), proxy advisors and shareholder interest organizations
- Positive feedback about how the Supervisory Board proposes to address the **sensitivities with higher pay levels**. Concerns were raised as to whether ASML would be able to attract and retain the right talent looking at the pay package of ASML versus the companies it competes with in the highly competitive labor market for senior executives
- Positive feedback on the **increased level of disclosure** on remuneration in the 2021 Remuneration Report and the 2022 Remuneration Policy
- Questions as to why the **cash conversion rate** had been selected as the strategic value driver for 2022-2024. The Supervisory Board will continue to evaluate other strategic value drivers that best align with ASML's long-term growth aspirations.
- The proposed **Relative TSR measurement method** was generally seen as an improvement compared to the current method; however, some investors expressed a preference for not enabling vesting below the median level. The Supervisory Board will consider a further adjustment of the Relative TSR measurement method in a next policy review.

# Stakeholder feedback on the proposed BoM Remuneration Policy – advice Works Council

The Works Council took the position that it does not fully support the proposed amendment of the Remuneration Policy.

- The Works Council:
  - understands ASML's challenges in ensuring that ASML can continue to attract, motivate and retain qualified industry professionals
  - is positive about the improved flexibility for aligning the LTI performance parameters to ASML's strategic priorities on a yearly basis
  - is positive about the incorporation of the ESG measures most relevant for ASML
  - understands that the reference group needed a revision due to ASML's growth and changed market positioning
- The Works Council also expressed that it had some serious concerns:
  - The Works Council believes that the current STI build-up insufficiently reflects the challenges on the work floor and ASML values (challenge, collaborate, care) and that internal factors (e.g. process efficiency, employee wellbeing) that are felt by all ASML employees worldwide, are not explicitly taken into account in the STI
  - The Works Council is of the opinion that in the current proposal the incentive level of the BoM remuneration is only defined via the comparison with the reference group and that there are no explicit criteria on internal fairness and societal fairness. The Works Council indicated that it struggles to see the internal fairness in remuneration developments for the BoM compared to the total ASML workforce and that it believes the added complexity of the work should be reevaluated, assessed and fairly rewarded across all functions and salary groups. The Works Council urged the Supervisory Board to address these concerns and recommended including additional structural criteria on internal and societal fairness

## Stakeholder feedback on the proposed BoM Remuneration Policy – response Supervisory Board to advice Works Council

- Employee wellbeing: no changes applied to proposed Remuneration Policy and target setting for 2022, as employee wellbeing is already explicitly taken into account in the LTI (employee engagement target in new ESG measures). The Supervisory Board thinks that employee engagement lends itself more for a longer-term goal than for inclusion in the short-term incentive.
- Process efficiency: not explicitly included in the STI/LTI criteria, but indirectly taken into account by the customer satisfaction target (STI). The Supervisory Board will continue its dialogue with the Works Council to hear its views on how to measure process efficiency more directly and is open to consider adjusting the target setting accordingly in the future.
- Internal/ societal fairness: The Supervisory Board is very aware of the sensitivities within ASML and in society regarding the levels of executive remuneration and has taken this into account diligently in its proposal. The Supervisory Board has decided to balance between external competitiveness and internal and societal fairness in several ways, e.g. limiting the US companies in the reference group to 25%, capping the maximum target levels of LTI at 200%, applying a gradual increase to the higher levels of STI and LTI, rather than a direct full adjustment
- Internal fairness of the remuneration policy as it relates to the broader employee base beyond the Board of Management: ASML will continue to review whether its internal pay policies also follow our overarching remuneration philosophy.
- The Works Council and a delegation of the Supervisory Board agreed to continue the dialogue on these topics.

# Agenda

6. Proposal to amend the Remuneration Policy for the Board of Management (**Voting item**)

# Agenda

- 7. Composition of the Board of Management (**Discussion items**)
  - 7a. Notification of the intended reappointment of Mr. P.T.F.M. Wennink
  - 7b. Notification of the intended reappointment of Mr. M.A. van den Brink
  - 7c. Notification of the intended reappointment of Mr. F.J.M. Schneider-Maunoury
  - 7d. Notification of the intended reappointment of Mr. C.D. Fouquet
  - 7e. Notification of the intended reappointment of Mr. R.J.M. Dassen

# Agenda

- 8. Composition of the Supervisory Board
  - 8a. Notification of Supervisory Board vacancies (**Discussion item**)
  - 8b. Opportunities to make recommendations by the General Meeting (**Discussion item**)
  - 8c. Announcement of the Supervisory Board's recommendation to reappoint Ms. T.L. Kelly and appoint Mr. A.F.M. Everke Ms. A.L. Steegen as members of the Supervisory Board (**Discussion item**)
  - 8d. Proposal to reappoint Ms. T.L. Kelly as a member of the Supervisory Board (**Voting item**)
  - 8e. Proposal to appoint Mr. A.F.M. Everke as a member of the Supervisory Board (**Voting item**)
  - 8f. Proposal to appoint Ms. A.L. Steegen as a member of the Supervisory Board (**Voting item**)
  - 8g. Composition of the Supervisory Board in 2023 (**Discussion Item**)

# Agenda

9. Proposal to appoint KPMG Accountants N.V. as external auditor for the reporting years 2023 and 2024  
**(Voting item)**

# Agenda

10. ~~Proposal to appoint Delloitte Accountants B.V, as external auditor for the reporting year 2025 (Voting item)~~

This agenda item has been withdrawn and removed from the agenda

# Agenda

11. Proposal to amend the Articles of Association of the Company (**Voting item**)

# Agenda

12. Proposals to authorize the Board of Management to issue ordinary shares or grant rights to subscribe for ordinary shares, as well as to restrict or exclude the preemption rights accruing to shareholders  
**(Voting items)**
  - a) Authorization to issue ordinary shares or grant rights to subscribe for ordinary shares up to 5% for general purposes and up to 5% in connection with or on the occasion of mergers, acquisitions and/or (strategic) alliances
  - b) Authorization of the Board of Management to restrict or exclude pre-emption rights in connection with the authorizations referred to in item 12 a)

# Agenda

13. Proposal to authorize the Board of Management to repurchase ordinary shares up to 10% of the issued share capital (**Voting item**)

# Agenda

14. Proposal to cancel ordinary shares (**Voting item**)

# Agenda

15. Any other business (**non-voting**)

