

2022 Annual General Meeting ASML Holding N.V. (“ASML”)

Stakeholder feedback on the proposal to amend the Remuneration Policy of the Board of Management of ASML Holding N.V. (the “Remuneration Policy”)

ASML values the views of the relevant stakeholders on the Remuneration Policy. Prior to the submission of the proposed Remuneration Policy to the general meeting, the Remuneration Committee engaged extensively with various stakeholders to obtain their perspectives. These stakeholders included ASML’s shareholders, shareholder interest organizations, proxy advisors, the Works Council of ASML Netherlands B.V. The feedback of our stakeholders is summarized below.

In line with the Dutch corporate governance code, the members of the Board of Management have been asked to share their views on the proposed amendments of their own remuneration.

The Supervisory Board aims to balance the various interests when preparing the proposed Remuneration Policy. This appears from the balance between external competitiveness and internal fairness by applying a phased approach towards the maximum STI and LTI levels and by including a cap on the number of US companies in the reference group and a cap on the maximum policy level for the LTI. Furthermore, the updated performance measures in the short- and long-term incentives ensure a continued and stronger link with ASML’s long term financial ambitions and key strategic drivers of growth.

Shareholders and shareholder representatives

The key items of discussion with shareholders and their representatives concerned the balance between external competitiveness and internal fairness as referred to above. Shareholders were generally positive about the ways in which the Supervisory Board proposes to address the sensitivities with higher pay levels, i.e. the phased approach to maximum policy levels and the caps applied to the US companies in the reference group and the LTI level, but some shareholders expressed concerns 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 was also given on the increased level of disclosure on remuneration in the 2021 Remuneration Report and the 2022 Remuneration Policy. The fact that ASML will provide more explanation as to how the Technology Leadership Index is measured was positively received, but some shareholders would like to see more disclosure on the specific targets included in the index. ASML still views this as commercially sensitive information, but the Supervisory Board will continue to look for opportunities to provide additional disclosures, where appropriate.

Also discussed was the rationale behind replacing the return on average invested capital (“ROAIC”) performance metric in the LTI by other strategic value drivers. Some shareholders asked questions as to why cash conversion rate had been selected as the strategic value driver for the 2022-2024 performance period. While it was explained that the selection of cash conversion rate is reflective of ASML's focus on

the balance sheet and cash generation capability, the Supervisory Board will continue to evaluate other strategic value drivers that best align with ASML's long-term growth aspirations.

Another important discussion item with shareholders and their representatives was the level of ambition of the performance metrics in the LTI, in particular Relative Total Shareholder Return ("Relative TSR") and employee engagement. 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 decided to leave the proposed Remuneration Policy unchanged on this point, given that the adjustment proposed is already an improvement compared to the current methodology and also considering market practice. The Supervisory Board however will consider a further adjustment of the Relative TSR measurement method in a next policy review. With regard to employee engagement, the Supervisory Board decided to increase the threshold level for the 2022-2024 target based on the shareholder feedback, thereby ensuring that the target is sufficiently challenging.

Works Council of ASML Netherlands B.V.

The Works Council of ASML Netherlands B.V. was provided the opportunity to render advice on the proposed Remuneration Policy and subsequently a constructive dialogue took place between representatives of the Supervisory Board and the Works Council. After this dialogue, the Works Council took the position that it does not fully support the proposed amendment of the Remuneration Policy. In its advice, the Works Council concluded that it understands the challenge ASML faces in ensuring that ASML can continue to attract, motivate and retain qualified industry professionals. The Works Council is positive about the improved flexibility for aligning the LTI performance parameters to ASML's strategic priorities on a yearly basis. Furthermore, the Works Council is positive about the incorporation of the ESG measures most relevant for ASML. The Works Council understands that the reference group needed a revision due to the growth of the company and the changed market positioning of ASML.

The Works Council also expressed that it had some serious concerns. The Works Council believes that the current STI build-up is insufficiently reflecting the challenges on the work floor and the ASML values (challenge, collaborate, care). The Works Council is further of the opinion that internal factors like process efficiency and employee wellbeing, that are felt by all ASML employees worldwide, are not explicitly taken into account in the STI. Regarding employee wellbeing, the Supervisory Board has decided to leave the proposed Remuneration Policy and target setting for 2022 unchanged. The reason is that employee wellbeing is already explicitly taken into account in the LTI, by including an employee engagement target in the 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 is indeed not explicitly included in the STI or LTI criteria. However, indirectly it is taken into account by the customer satisfaction target that is included in the STI criteria. The Supervisory Board will, however,

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.

The Works Council is furthermore of the opinion that in the current proposal the incentive level of the Board of Management 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 Board of Management 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.

The Supervisory Board is very aware of the sensitivities within ASML and in society (especially the Netherlands) regarding the levels of remuneration of boards of management of multinational companies, and has taken this into account diligently in its proposal. When determining remuneration levels, as a first step, the Supervisory Board has applied the same pay philosophy for the Board of Management as is applied for all other employees of ASML. In this pay philosophy, 'fair' pay levels are levels similar to what our peers are paying, with peers being defined as labor market competitors. In other words: what other companies are paying for a similar role. That first step has led to the reference group as proposed. As a next step, it was considered what pay position to take in the reference group. As long as ASML positions around the median of the reference group in terms of size, a position around the median in terms of remuneration could be considered appropriate. The Supervisory Board, however, decided to deviate from this and apply a more conservative position in several ways:

- It has decided to limit the US companies in the reference group to 25%, although there are more comparable peers for ASML in the US than in Europe.
- It has decided for the two presidents not to compare to pure CEO levels in the market, but instead take a lower market reference into account, equal to the average of the CEO and that of the other Board members. This is because of the dual presidency of ASML, which is not common in the market. However, ASML has considered several cases where more than one CEO are in place, and noticed that in those cases a much lower discount was applied than by ASML, if at all.
- Compared to this chosen reference point between a single CEO and the other board of management members in the market, the Supervisory Board capped the maximum target levels of LTI at 200%, although median market levels exceed 300%, even if the US companies are excluded.
- Furthermore, the Supervisory Board has proposed a gradual increase to the higher levels of STI and LTI, rather than a direct full adjustment.

The result of this conservative approach is that the new total remuneration levels for the presidents, compared back to the single CEO remuneration levels in the reference group, end up in the lower quartile of the reference group of twenty companies. With that, the Supervisory Board has decided on the balance between external competitiveness on the one hand, and internal and societal fairness on the other.

With respect to the 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 in the period to come.

The Works Council will not make use of its right to explain its position at the 2022 AGM.