What does ASML stand for?

Ever since the company was founded in 1984, our promise of commitment has been consistent with the core values of ASML.

Our commitment is customer-centric and focuses on technology. Commitment to technology leadership. Delivering leading-edge technology. Packing a pipeline of advanced technology. Investing in R&D for next generation technology.

Our commitment is the foundation for our relationships with all our stakeholders:

Commitment to our customers. 2002 marks the company’s renewed customer focus. We will make sure that our customers feel our long-term commitment to making them successful.

Commitment to our employees. Our people, who come from over 45 nations, are committed to ASML’s success and contribute great ideas. To support them, we create an environment for professional development to grow their careers and do their best work.

Commitment to our suppliers. We work in partnerships with suppliers from all over the world. We help our suppliers to succeed so they can help us succeed.

Commitment to our investors. The company’s reputation for transparency in its business and its track record for credibility exemplify ASML’s commitment to investors.
ASML Mission
Providing leading edge imaging solutions
to continuously improve customers’
global competitiveness
Contents

4 About ASML

5 Expanding our Environmental Care Program

7 Highlights from 2001

9 Goals for 2001

10 Waste

11 Energy

12 Packaging

13 Air

14 Water

15 Cooling Capacity

16 Additional Achievements in 2001

17 ASML Sets the Trend on Environmental Issues

19 Continuing Progress on Environmental Issues

21 Summary

22 ASML Worldwide

23 Contact Information
About ASML

ASML is a world leader in the manufacturing of advanced technology systems for the semiconductor industry. The company offers an integrated portfolio of lithography, track and thermal systems, mainly for manufacturing complex integrated circuits (also called ICs or chips).

ASML designs, develops, manufactures, markets and services advanced systems used by the semiconductor industry to fabricate state-of-the-art integrated circuits. ASML's customers include most of the major global semiconductor manufacturers that provide the chips used in a wide array of electronic, communications and information technology products.

ASML's corporate headquarters is in Veldhoven, the Netherlands. Manufacturing sites and research and development facilities are located in Connecticut, California and the Netherlands. Technology development centers and training facilities are located in Japan, Korea, the Netherlands, Taiwan and the United States. To provide optimal service to its customers, ASML has over 50 sales and service organizations in 16 countries.

As of December 31, 2001:

- Number of ASML employees: 7070
- Number of ASML facilities: 50
- Number of countries with ASML representation: 16

Products produced in 2001:

- 360 units (lithography, track and thermal)

Products shipped in 2001:

- 375 units (lithography, track and thermal)

ISO 9001 Certified:
- Corporate headquarters, Veldhoven, the Netherlands
- Lithography facility, Wilton, Connecticut, U.S.
- Track facility, San Jose, California, U.S.
- Tempe office, Tempe, Arizona, U.S.

ISO 14001 Certified:
- Track facility, San Jose, California, U.S.
Every organization, no matter how large or small, has an impact on the environment. We all use energy and water, produce waste, handle packaging materials and paper, emit noise and so on. This report addresses how these environmental issues are managed.

**Merger with Silicon Valley Group, Inc. (SVG)**

In May 2001, we merged with Silicon Valley Group, Inc. (SVG) in the U.S., an event that marked a milestone for ASML. The merger took us overnight from an export-driven, Dutch high technology business to a truly global player.

The merger with SVG has also allowed us to introduce best-practice environmental processes learned and proven successful in one region across the ASML organization.

**ASML’s Concern for the Environment**

ASML is committed to protecting and conserving the environment. During 2001, we made progress in bringing ASML’s environmental program to a higher level.

The development and implementation of a formal management system is key to addressing environmental issues. The management system drives the continual improvement of our environmental performance. Our goal, as a globally operating organization, is to become ISO 14001 certified by an internationally recognized association, as one enterprise operating worldwide. To accomplish this, each ASML location must meet the management system criteria. Our San Jose, California site in U.S., already has an ISO 14001 certified management system in place. All other sites are pursuing ISO 14001 certification.

**Environmental Achievements**

In the Netherlands, we took a step in this direction when we were awarded, in September 2001, a Tailor-made Environmental Permit (by the municipality of Veldhoven). This is the first ever Tailor-made Environmental Permit granted in Veldhoven and has been given to us on the basis of our Environmental Management System.

Other environmental achievements in 2001 include:
- establishment of a nitrogen plant on ASML premises in Veldhoven, the Netherlands. Pure nitrogen is an essential part of the manufacturing process, as it protects the lenses and ensures that they last longer
- introduction of a new building maintenance system that allows us to better calculate and control energy saving initiatives
- establishment of a new Gas Management System (GMS)
- installation of a flue gas condenser in Veldhoven
- continual rebuilding of used machines, which adds years to the lifecycle of our products
- continued investigation into using underground aquifers to save energy
- creation of an extensive risk assessment matrix for all environmental concerns
- closing of former SVG facilities in the U.S., as a result of the merger of ASML and SVG, while keeping within the regulatory requirements on environmental issues

**Future Environmental Focus**

For 2002, we have again established a number of environmental goals. Over the next 12 months, we will focus on:
- preparing all our sites for ISO 14001 certification
- creating a totally new, innovative cleanroom concept
- investigating the recycling of packaging material
- further reducing water consumption by recycling process water
- performing a risk assessment survey of soil contamination in the Netherlands
- analyzing the composition of our waste water through quarterly investigations
ASML's Environmental Policy and Report

Basic Principles

Our environmental policy forms an integral part of ASML's global company policy. It is based on the following principles:

– ASML aims to satisfy environmental legislation and regulations.

– ASML endeavors to minimize the negative environmental effects of its activities. We will control and restrict emissions into the air, water, and soil, as well as control and restrict noise pollution, waste, and energy consumption.

– ASML will shape its environmental policy by using an effective Environmental Management System, conforming to the ISO 14001 standard.

– ASML will ensure that third parties working at ASML comply with our environmental standards.

– ASML aims for open communication with its neighbors, the authorities, and public interest groups.

For these reasons, we will make our environmental efforts public by producing an:

– Environmental program covering a four-year period (1999-2003) for our activities in the Netherlands. This document gives an overview of the goals and the means to achieve those goals.

– Annual environmental plan for our activities in the Netherlands, which describes the practical measures that arise from the environmental program.

– Annual report on global environmental issues, presenting key environmental indicators and comparing our performance to our annual environmental plan.

I look forward to sharing the results of our efforts with you in next year’s report. In the meantime, we invite our customers, suppliers, governmental groups, and environmental bodies to work with us to achieve our goals. I assure you that ASML is doing its part as a concerned partner wherever we do business.

Doug J. Dunn

CEO and Chairman of the Board of Management
ASML Holding N.V.

Veldhoven, January 17, 2002
Some of our accomplishments in the environmental arena are detailed below:

– Our San Jose, California, U.S., site achieved ISO 14001 certification based on its Environmental Management System.

– On September 7, 2001, our corporate headquarters in Veldhoven, the Netherlands was awarded a Tailor-made Environmental Permit by the local government authorities. The Permit is the first ever granted by Veldhoven and indicates that we comply with, and have fulfilled, all legal requirements on environmental issues in the Netherlands.

– We installed an Energy Management System (EMS) that controls all essential installations and allows us to monitor the amount of energy consumed by each individual installation.

– During the last quarter of 2001, ASML and Hoek Loos (our main supplier of gases in the Netherlands) implemented a new Gas Management System (GMS), that regulates the volume, consumption and composition of gases.

– We also had a nitrogen plant designed and built in Veldhoven, the Netherlands. The new plant allows us to control the purity of the nitrogen we are using in a simple and cost-effective manner.

– ASML installed a flue-gas condenser in Veldhoven, which has proven a cost-effective solution to reducing the amount of energy we consume.

– In order to improve our ability to track, measure and contain risks to the environment that can be caused as a result of our operations, ASML created a Risk Assessment Matrix.
In 2001, ASML focused its environmental program on the following activities:

- Further sophistication of the waste registration and monitoring systems;
- Further use of the Energy Management System (EMS);
- Increased reuse of packaging materials;
- Recovery of inert gases;
- Research into limiting water waste by small consumers;
- Application of underground cool storage.

Activities are described in detail on the following pages.
Further sophistication of the waste registration and monitoring systems in Veldhoven, the Netherlands.

Together with waste-disposal expert SITA, ASML is conducting a survey of how waste can be reduced within the organization. Entitled Waste-Optimal, the survey comprises five stages:

- analysis
- planning
- execution
- evaluation
- adjustment

Results of the research are expected to be available during 2002 and should include:

- analysis of the status and composition of our waste
- inventory of ways to further reduce waste
- means of cost reduction
- optimization of logistics
- reduction of storage capacity
- improvement of management reporting

### Waste (Veldhoven only)

<table>
<thead>
<tr>
<th></th>
<th>2000</th>
<th>2001</th>
</tr>
</thead>
<tbody>
<tr>
<td>Domestic waste</td>
<td>500</td>
<td>456</td>
</tr>
<tr>
<td>Paper</td>
<td>168</td>
<td>195</td>
</tr>
<tr>
<td>Wood*</td>
<td>69</td>
<td>123</td>
</tr>
<tr>
<td>Swill**</td>
<td>154</td>
<td>194</td>
</tr>
</tbody>
</table>

[figures in metric tons]

- Wood waste is related to our construction activities.
- Swill waste is typically related to the number of employees.

### Special Waste Flows (veldhoven only)

<table>
<thead>
<tr>
<th></th>
<th>2000</th>
<th>2001</th>
</tr>
</thead>
<tbody>
<tr>
<td>Electronics</td>
<td>10</td>
<td>14</td>
</tr>
<tr>
<td>Sulfuric Acid*</td>
<td>36</td>
<td>48</td>
</tr>
<tr>
<td>Other chemicals</td>
<td>24</td>
<td>15</td>
</tr>
<tr>
<td>Metals</td>
<td>18</td>
<td>29</td>
</tr>
<tr>
<td>Plastic cups</td>
<td>5</td>
<td>5</td>
</tr>
<tr>
<td>Fats</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>

[figures in metric tons]

- Special waste flows are collected at an irregular basis this causes shifts in the annual flows.
Further use of the Energy Management System (EMS) installed in Veldhoven

The manufacturing of ASML systems requires a variety of equipment. We continually strive to use all of our equipment in the most cost-effective and efficient way. We also ensure that our equipment is well maintained and continues to serve our needs at the same high operational standard.

To fulfill this requirement, in 2001 we installed an Energy Management System (EMS) known as PRIVA. This new state-of-the-art system interconnects all Programmable Logic Controls (PLC) units that manage our essential installations. This system, in turn, is linked to the Local Area Network (LAN) of computers and workstations.

The EMS monitors the amount of energy consumed by each individual installation. Performance levels can be controlled and modifications made if necessary. The EMS also allows for greater control of the settings of our co-generation plant (the system we use to burn natural gas to produce heat and electricity).

Output reports from the EMS can be analyzed to monitor changes and show variations in performance of our essential equipment. Disturbances or negative shifts are detected in real time and action can be taken from any location that has access to the LAN. This system enables us to better control our manufacturing conditions and processes. For example, we can monitor and adjust the climate and the quality of the air in the cleanrooms with a minimum of energy, water refrigerant or other auxiliary materials.

We have begun noting levels of energy consumption in order to control consumption more strenuously in the future. Once the system has been in place for a longer period, we will be able to accurately track our consumption levels of these vital elements. The system will then be a cost-effective tool in our ability to limit our consumption of water, electricity, gas and so forth. Moreover, findings can be integrated immediately into other ASML locations all around the world.

To make further progress in 2002, we have agreed to undertake a joint survey with Siemens, one of the world’s largest providers of electrical engineering and electronics solutions. The survey will focus on how we can do even more to lower energy consumption.

### Energy Consumption

<table>
<thead>
<tr>
<th></th>
<th>2000</th>
<th>2001</th>
</tr>
</thead>
<tbody>
<tr>
<td>Electricity (MWh)</td>
<td>121,993</td>
<td>117,700</td>
</tr>
<tr>
<td>Co-generator return supply (MWh)</td>
<td>5,726</td>
<td>4,906</td>
</tr>
<tr>
<td>Natural Gas [1000 m³]</td>
<td>11,238</td>
<td>10,975</td>
</tr>
</tbody>
</table>
Increase the reuse of packaging materials

ASML’s manufacturing process is based on modular assembly. Each module requires numerous sensitive and delicate materials, parts and instruments to form the hightech systems we make. Many of the parts are made by ASML partners and suppliers. While this outsourcing helps to make us an extremely flexible organization, it also means that we use a lot of packaging materials.

To try to reduce waste and cost, we – in partnership with waste-disposal contractor SITA – undertook a study of possible options for the reuse of packaging materials and the consequent reduction of waste. The research is entitled Waste-Optimal. The results of the research are expected to be available in 2002 and will include a list of priorities for action.

In 2002, we will continue to investigate ways to reuse packaging materials in more environmentally useful ways. We will continue to develop reusable packaging for regular shipments of the same parts. This practice already exists for some modules. In addition, we will research the way spare parts, replacements and other servicing goods are packaged and transported. As an example of our efforts of the 22 types of packaging for our latest TWINSCAN platform, 8 are reusable. For the PAS 5500 generation, 3 out of 14 are reusable.

### Noise Pollution

There was no significant change in the level of noise emitted from ASML buildings and plants in 2001 compared to 2000. ASML still continues to keep noise pollution within the permitted limits. ASML has minimized noise pollution by taking noise insulating measures and by carefully positioning buildings and installations.

### Auxiliary Materials

<table>
<thead>
<tr>
<th>Material</th>
<th>2000</th>
<th>2001</th>
</tr>
</thead>
<tbody>
<tr>
<td>Paper</td>
<td>157</td>
<td>107</td>
</tr>
<tr>
<td>Wood</td>
<td>187</td>
<td>180</td>
</tr>
<tr>
<td>Cardboard</td>
<td>94</td>
<td>90</td>
</tr>
<tr>
<td>Pe-film</td>
<td>30</td>
<td>27</td>
</tr>
</tbody>
</table>

[figures in metric tons]
Recovery of inert gases

ASML investigated the use of inert gases (these do not chemically react with materials at different temperatures). However, due to the diffuse emissions no recovery technique proved to be feasible. In order to use gases as efficiently as possible, ASML handed the management of these gases over to Hoek Loos (our main supplier of gases in the Netherlands).

During the last quarter of 2001, Hoek Loos implemented a new Gas Management System (GMS) at our Veldhoven location. We use many specialty gases: helium, krypton, fluorine and so on. Each cleanroom needs these gases in different quantities, with different compositions and different levels of quality. Meeting these needs is an extremely complex process. Using the GMS, Hoek Loos can regulate the volume, consumption and composition of the gases for each facility. The system is being staffed and made operational almost entirely by Hoek Loos. The aim is to reduce the total consumption of specialty gases.

In 2002, ASML will be moving from the usage of simple gas mixtures to more complex ones and from pure to extremely pure quality of gas. This move comes as a result of the evolution in our technology towards Extreme Ultra Violet (EUV) light. In 2002, we also plan to better control the distribution of gases.

Furthermore, ASML had a nitrogen plant designed and built in Veldhoven, the Netherlands. Nitrogen is an inert gas that we use to protect the highly sensitive lithography equipment we manufacture.

The lithography technique exposes a mask with UV-light. The pattern on the mask is then projected onto the wafer through a lens. This UV light converts the oxygen in the air into ozone, which is highly corrosive. Lenses are particularly vulnerable to corrosion. To prevent corrosion, oxygen must be totally eliminated from the exposure section of our Wafer Steppers and Step & Scan systems. The oxygen is eliminated by flushing pure nitrogen through it. The purer the nitrogen used, the longer the lenses will last (the most expensive lens is worth about EUR 3.5 million).

Such a high purity of nitrogen cannot be obtained when nitrogen is delivered to us by truck, since during the emptying of the vehicle some oxygen is inevitably added. That is why in 2001, we decided to build our own nitrogen plant. By liquefying the nitrogen on site, lines remain permanently filled with nitrogen and thereby oxygen-free.

We also have a nitrogen plant at our Scotts Valley, California, U.S., site. These facilities ensure that we can simply and cost-effectively control the purity of the nitrogen we are using.

These facilities also allow us to better serve the environment. By using the purest nitrogen possible, we extend the life of the lens as a raw material and also save energy during the production process. Since we no longer need nitrogen to be transported to our facilities, energy consumption by vehicles is also eliminated. The concrete benefits of the nitrogen plant will be seen in 2002.

### Emissions to Air

<table>
<thead>
<tr>
<th></th>
<th>2000</th>
<th>2001</th>
</tr>
</thead>
<tbody>
<tr>
<td>CO₂ [tons]</td>
<td>19,970</td>
<td>19,500</td>
</tr>
<tr>
<td>NOx [kg]</td>
<td>23,375</td>
<td>22,825</td>
</tr>
</tbody>
</table>

### Special Gases

<table>
<thead>
<tr>
<th></th>
<th>2000</th>
<th>2001</th>
</tr>
</thead>
<tbody>
<tr>
<td>Specialties*</td>
<td>1,637</td>
<td>1,723</td>
</tr>
<tr>
<td>Nitrogen Bulk</td>
<td>2,798</td>
<td>2,758</td>
</tr>
</tbody>
</table>

*figures in metric tons

* mainly mixtures of noble gases
Research into limiting water waste by small consumers in Veldhoven, the Netherlands

A short investigation was carried out by engineering firm Witteveen & Bos to investigate how we can reduce the amount of water we use. In Veldhoven, a general outline of the existing water flow was drafted. The composition and quality of each flow was then investigated, and finally, the quality specifications of the water we needed were reviewed.

The results of the survey, presented in 2001, revealed that we are doing well in limiting the amount of water consumed. There are only three possible flows in which improvements can be made: uncontaminated process water, contaminated process water and sluice-water from the cooling tower. We will continue to evaluate how to make these improvements while maintaining current high standards in manufacturing.

<table>
<thead>
<tr>
<th>Water Consumption</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000</td>
</tr>
<tr>
<td>Total water usage [m³]</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Breakdown of Total Water Consumption</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000</td>
</tr>
<tr>
<td>Water disposed to sewage</td>
</tr>
<tr>
<td>Cooling water to surface</td>
</tr>
<tr>
<td>Moisturizing steam (as 2.5% of total use)</td>
</tr>
</tbody>
</table>

[figures in cubic meters]

New Generation Wafers

ASML’s newest generation of wafer technology, 300 mm (12 inch), provides a 240 percent improvement in productivity. 300 mm wafers use up to 40 percent less energy, water and chemicals than 200 mm (8 inch) wafers.
**Application of underground cool storage in Veldhoven, the Netherlands, to limit energy consumption**

ASML’s research, development and manufacturing processes require large areas of cleanroom space. A cleanroom is a sealed work area where the air is so clean that it contains a limited number of dust particles per unit of volume. To achieve these clean conditions, air from outside the work area is filtered, cooled down, moisturized and then brought up to the required temperature. This process works very much like an ordinary air conditioning unit; however, the quantity of air that passes through our system is immense (2.5 million cubic meters per hour).

Not only does the air have to be treated the first time, but it must be kept permanently clean. To do so, the air is continuously pumped around the room, and dust particles generated within the room are immediately removed by the airflow. Three-quarters of the air used can be recycled, and one quarter must be replenished from the outside (treated for the first time). This effort keeps the systems we manufacture and use, as well as the air around them, as clean as possible.

Even though air is cooled as it enters the room, the temperature rises quickly because the equipment inside the work area produces a great deal of heat. In addition to being continually pumped around the room, the air must be constantly cooled. These two activities use a considerable amount of energy. The surplus heat produced by our co-generation plant (the system through which we burn natural gas to provide heat and electricity) is cooled and used in our offices and, in particular, in our cleanrooms. In winter, less cooling is required, as outside air is naturally at lower temperatures. The surplus of heat produced by the co-generation plant is not converted into cold air. This excess is simply lost in cooling towers. However, in summer, the capacity of the absorption-cooling process is too small, so extra capacity must be provided using normal compression cooling techniques. Ideally, excess cold air produced during winter could be stored effectively so that it could be used in summer, eliminating the need for compression cooling.

In order to achieve a better balance of cooling we have investigated using aquifers (geological formations that can carry water). The water is kept cool by drilling a well in the aquifer, pumping up the water inside, cooling the water and then feeding it back into the aquifer. Pumped back to the surface in the summer when it is needed, this water can cool the air in an extremely cost-effective way, saving significant amounts of energy.

Based on this idea, we have carried out a geological/geohydraulic study to investigate the possibilities of underground storage in a suitable aquifer. However, progress has been slowed by concerns from environmental authorities that this technique would change the level of underground water-flow in the area. A significant change in the water level could endanger the habitat of the local area. To keep within expected limits of change (+/- 20 percent), certain measures would have to be taken that would ultimately negate the value of the project. During 2002, we will make decisions on the progress we can achieve.
In 2001, we fulfilled the legal requirements for environmental concerns and met most of the goals we set at the end of 2000. We also achieved a number of additional successes.

**Flue-gas Condenser**

An example of ASML’s effort to conserve energy is the installation of a flue-gas condenser in Veldhoven, the Netherlands in 2001. Flue gases are hot gases that are emitted from a chimney into the atmosphere. Instead of heating a building or other facility, the gases heat the atmosphere, thereby wasting energy. However, if the flue-gas is passed through a heat-exchanger, some of this energy can be recovered and then reused.

**Risk Assessment Matrix**

In order to better track, measure and contain risks to the environment that can be caused by our operations, we created an extensive Risk Assessment Matrix. The matrix took an inventory of all processes that come into contact with air, water or soil; produce noise and waste; or consume energy. We discovered 76 operating processes that fit these criteria. For each process, the environmental risks involved were defined, along with suggestions for containing the risk. Processes containing significant risk were then highlighted in the company’s global environmental program and targets were set to reduce the risk. The matrix has enabled us to obtain a more accurate and in-depth impression of how we can minimize potential environmental hazards.

**Goals from ASML’s Environmental Plan 2000**

There were a number of goals from our 2000 annual environmental plan that were carried forward into 2001. These include:

- **Monitoring of processing chemicals:**
  Consumption figures for chemicals used by ASML worldwide have been introduced into our Enterprise Resource Planning (ERP) system. This program will make us better able to monitor usage and maintain adequate stock levels. These figures are now checked weekly so that we can control stock closely. During 2002, former SVG usage and stock levels will also be monitored.

- **Registration and stock control of all auxiliary materials:**
  Levels of usage of auxiliary materials have also been entered into the ERP system, and consumption of these materials is now easier to track.

- **Restructuring of the vacuum distribution network:**
  In 2001, we investigated splitting the vacuum distribution network into two parts: vacuum and deep vacuum. However, the results of the research showed no environmental benefits to be gained by restructuring the network.
ASML Sets the Trend on Environmental Issues

Tailor-made Environmental Permit

ASML has been awarded the first Tailor-made Environmental Permit ever granted by the municipality of Veldhoven in the Netherlands. The permit has been awarded on the basis of our state-of-the-art Environmental Management System. The system was independently assessed last year and certified to be ISO 14001 compatible.

On the basis of this assessment, we received the Tailor-made Environmental Permit on September 7, 2001, under the Environmental Management Act and the Surface Water Pollution Act. The permit allows us to forgo regular, time-consuming and costly checks of our management system, as the authorities trust the way we are caring for the environment. Indeed, it indicates that we have fulfilled all legal requirements on environmental issues, and that enough control loops have been built into the system to ensure that measurements are accurate, and mistakes are not repeated. It also signifies that senior management is involved in our environmental care program and checks the system at least once a year to be sure that it is in full working order. Since all these conditions have been met and are guaranteed to be fulfilled in the future, Veldhoven granted us a flexible permit.

Normally, any firm that plans changes in its manufacturing processes, or renovates an existing plant, must apply for a permit from their local authority before any action can begin. This is an extremely time consuming procedure that can delay a company’s expansion and growth. Our Tailor-made Environmental Permit means that we no longer have to go through this process in Veldhoven. When we need to adjust our manufacturing processes or rebuild our existing facilities, we can now simply alert the authorities of our intentions while continuing our work.

The permit also requires us to send an environmental report to the Veldhoven governmental authorities and water board on an annual basis and to provide them with an environmental plan for the following year. In addition, before December 31, 2003, ASML will send the authorities a new four-year environmental program for their approval.

The award of this permit will not only save us time, money and resources, but also further emphasizes our reputation as a company committed to the environment. Our future goal is to have all our facilities across the globe ISO 14001 certified.
For 2002, ASML has set a number of environmental goals.

**Making the Cleanroom Cleaner**

From our investigations and research in 2001, one overriding conclusion has surfaced that will allow us to make significant reductions in energy consumption and limit usage of water, gas and other auxiliary materials: we need to research and develop a new way of manufacturing our state-of-the-art products in the cleanrooms.

We use the latest, most modern technologies; our main buildings, less than three years old, are therefore still new and up-to-date. Thus, few major energy savings can be made by the organization as it currently operates.

However, ASML still wishes to further protect the environment by lessening the negative impact of our activities. To do so, ASML, together with other companies from different industries, will start a project in 2002 to further explore the concept of cleanrooms.

Our current manufacturing process relies heavily on the cleanroom concept. Cleanrooms are work areas in which the air has been made as clean (a limited number of dust particles per cubic meter) as possible. This uses a great deal of energy. We will always need to ensure that our machines are manufactured in a similar clean environment, but the question is: how can we do this while still conserving energy? Can the required utilities be delivered when we need them, while still enabling us to consume less?

**Going Underground**

Given the potential savings that the introduction of an underground cooling system could offer, ASML intends to readdress the issue in 2002 and investigate new ways to save energy, while conserving the environment. We will look for ways to use an aquifer for underground cooling while leaving the water levels unchanged.

**Risk Assessment of Soil Contamination**

ASML in Veldhoven, the Netherlands, stores chemicals in accordance with CPR-15 (fire- and acid-proof storage). Sulfuric acid, the principal chemical used in ASML activities, is stored in a separate bunker in which the floor is acid resistant and sealed. The bunker also includes a cellar, which is again acid resistant and used in the event of accidental spillage. Other chemicals are used in much smaller amounts but all are stored separately too. Lubricants and grease are used only in building installations. As a result of the careful way that we use and store these products, we are confident that the risk of soil contamination is negligible. The Tailor-made Environmental Permit that we were awarded in 2001 requires us to perform an assessment of soil contamination, which we will undertake in 2002.

**Waste Water Composition Analysis**

The Tailor-made Environmental Permit also requires us to analyze the composition of our waste water in Veldhoven. Each quarter we will take samples of all outgoing waste water and its composition will be examined. The analysis will show the amount of “heavy” metals (copper and zinc) in the water, the levels of organic materials and levels of nitrogen containing substances. Following the analysis, ASML and the Veldhoven water authority will agree on a component analysis for monitoring waste water in the future.

**Environmental Management on a Global Scale**

During 2002, we will assess all our existing Environmental, Health and Safety (EHS) management systems against applicable standards and regulations from the ASML regions and from customers and other stakeholders. Our mission is to establish a company-wide integrated EHS management system that enables certification in international and national programs. To do so, we must have a clear roadmap for future planning and global coordination of resources.
Recycling and Revamping of Packaging

ASML has asked an outside waste-disposal expert (SITA) to survey all types of waste emitted by ASML. The research will determine how much waste we produce and the constituent parts of this waste. SITA will then advise us on how to limit the amount of waste we produce.

Decreasing Water Use

ASML plans to investigate how to re-use water from the co-generation cooling process as process water. Before this water can be re-used, all minerals must be eliminated from the water. ASML will also look at how this water can continue to be recycled for use as process water.

When Simple Becomes Complex

In 2002, ASML will be moving from using simple gas mixtures to more complex ones and from pure to extremely pure quality of gas. This move comes as a result of the evolution in our technology towards Extreme Ultraviolet (EUV) light. In 2002, we also aim to better control how gas is delivered in order to use it in a more economical way.
Summary

Continued Commitment to the Environment

ASML has made a firm commitment to preserving the environment around us. In 2001 we took many measures to limit our output of substances that are damaging to the environment and to conserve our consumption of energy resources.

We will continue our efforts into 2002 and beyond for all current and future ASML locations worldwide.
ASML Worldwide

Corporate Headquarters
De Run 1110
5503 LA Veldhoven
The Netherlands

U.S. Main Offices
8555 S. River Parkway
Tempe, AZ 85284
U.S.A.

77 Danbury Road
Wilton, CT 06897
U.S.A.

Asia Main Office
Suite 603, 6/F
One International Finance Center
1, Harbour View Street
Central, Hong Kong, SAR

for more information please visit our website
www.asml.com
Contact Information

ASML Holding N.V.

Corporate Communications
phone: +31 40 268 6494
fax: + 31 40 268 3655
e-mail: corpcom@asml.com

Investor Relations
phone: +31 40 268 3938
fax: +31 40 268 3655
e-mail: investor.relations@asml.com

Office Address
De Run 1110
5503 LA Veldhoven
The Netherlands

Mailing Address
P.O. Box 324
5500 AH Veldhoven
The Netherlands
What does ASML stand for?

Ever since the company was founded in 1984, the promise of commitment has been consistent with the core values of ASML.

Our commitment is customer-centric and includes technology leadership. Delivering leading-edge technology. Packing a pipeline of advanced technology. Investing in R&D for next generation technology.

Our commitment is the foundation for our relationships with all our stakeholders:

- **Commitment to our customers.** ASML’s track record includes customer focus. We will make sure that our customers feel our long-term commitment to making them successful.
- **Commitment to our employees.** Our people, who come from over 45 nations, are committed to ASML’s success and contribute great ideas. To support them, we create an environment for professional development to grow their careers and do their best work.
- **Commitment to our suppliers.** We work in partnerships with suppliers from all over the world. We help our suppliers succeed so they can help us succeed.
- **Commitment to our investors.** The company’s reputation for transparency in its business and its track record for credibility exemplify ASML’s commitment to investors.
Our technology leadership continues...