

SASB alignment index

The purpose of the Sustainability Accounting Standards Board (SASB) standards is to identify a minimum set of sustainability issues that most likely to impact the operating performance or financial condition of a typical company in an industry, regardless of location. SASB standards are designed to enable communications on corporate performance on industry-level sustainability issues in a cost-effective and decision-useful manner using existing disclosure and reporting mechanisms.

Our stakeholders are located around the world, where different frameworks are considered best practice. Our basis for reporting on our sustainability performance, is prepared in the accordance with the GRI Sustainability Reporting Standards - 'core' option. Based on stakeholder engagement feedback, we understand the need for alignment with the SASB framework. To facilitate this, below, we have outlined how our existing disclosures align with the recommended metrics for the SASB Technology and Communications Sector – Semiconductor Standard by use of the Sustainable Industry Classification System® (SICS®). In this definition the Semiconductors industry includes companies that design or manufacture semiconductor devices, integrated circuits, their raw materials and components, or capital equipment. Some companies in the industry provide outsourced manufacturing, assembly, or other services for designers of semiconductor devices.

General	SASB Code	Accounting metric	Unit of measure	Link to GRI Standard	Reference to ASML disclosure and performance 2020
Activity metric	TC-SC-000.A	Total production Note: For semiconductor equipment manufacturers the total production shall be reported per unit basis.	Per unit	General disclosure 102-6: Markets served	The total number of net systems sales in units is 395 lithography systems in 2020. <i>Read more in Annual Report 2020: Consolidated financial statements - Note 3</i>
Activity metric	TC-SC-000.B	Percentage of production from owned facilities	Percentage (%)	General disclosure 102-4: Location of operations	All lithography systems are assembled in our manufacturing facilities.

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Greenhouse Gas Emissions	TC-SC-110a.1	(1) Gross global Scope 1 emissions and (2) amount of total emissions from perfluorinated compounds	Metric tons (t) CO2-e	Emissions 305-1: Direct scope 1 GHG emissions	(1) Gross global direct (scope 1) emissions: 15,400 tons (2) n/a, we do not use PFCs. As a manufacturer of lithography equipment, our main direct CO ₂ emissions come from the fossil fuels (natural gas) we use in the testing phase after the assembly of our immersion lithography systems. Emissions are calculated in accordance with the best practice guidelines from GHG Protocol. <i>Read more in Annual Report 2020: Climate and energy - Scope 1 emissions, Climate and energy KPIs, Non-financial indicators: Climate and energy - Energy and CO₂ emissions, Circular economy - Hazardous waste</i>

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Greenhouse Gas Emissions	TC-SC-110a.2	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	n/a	Management approach 103-1, 103-2 and 103-3: Climate and energy	<p>We developed a Climate & Renewable Energy Sustainability program 2021-2025. Our target is to achieve carbon neutrality in our operations for both scope 1 and scope 2. We are doing this by enhancing the energy efficiency of our buildings, energy efficient technical installations and improvements in production processes and, where possible, shifting to renewable energy.</p> <p>Over the past 10 years, we have realized over 260 TJ savings, representing 28% of our energy footprint since 2010. Over the same period, our natural gas consumption has dropped in absolute term from 382 TJ to 293 TJ as a result of energy savings measures – and this despite the growth and constructions of new facilities (cleanrooms and offices).</p> <p><i>Read more in Annual Report 2020: Climate and energy - Carbon footprint of our operations, Climate and energy KPIs</i></p>
Energy Management in Manufacturing	TC-SC-130a.1	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	Gigajoules (GJ), Percentage (%)	Energy 302-1: Energy consumption, Energy 302-4: Reduction energy consumption, Emissions 305-1: Direct (Scope 1) GHG emissions Emissions 305-2: Indirect (Scope 2) GHG emissions	<p>(1) Total energy consumption: 1,412,000 GJ (Scope 1 and 2)</p> <p>(2) Percentage grid electricity (purchased electricity) from total energy consumption: 79% (1,118,000 GJ purchased electricity - Scope 2)</p> <p>(3) Percentage renewable from total energy consumption: 79% (1,118,000 GJ from Energy Attribute Certificates - Scope 2)</p> <p><i>Read more in Annual Report 2020: Climate and energy KPIs, Non-financial indicators: Climate and energy - Energy and CO₂ emissions</i></p>
Water Management	TC-SC-140a.1	(1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	Thousand cubic meters (m ³), Percentage (%)	n/a. Topic is deemed not material for GRI compliance purpose	<p>(1) Total water withdrawn: 860 thousand m³ (municipal supply)</p> <p>(2) Total water consumption: 860 thousand m³ (total water consumption from municipal water supply)</p> <p>We have seven manufacturing sites, of which the four main facilities are Veldhoven (NL), San Diego (US), Wilton (US), Linkou (TW). Our main facilities are not located water high or extreme stress areas as classified by the World Resources Institute (WRI). The other facilities are located in Beijing (CN), Pyeongtaek (KO) and San Jose (US). Activities in these location relates to the assembly of modules for our lithography systems.</p> <p><i>Read more in Annual Report 2020: Climate and energy - Climate change risk and opportunities, Climate and energy - Water management, Non-financial indicators: Climate and energy - Water management</i></p>

Topic	SASB Code	Accounting metric	Unit of measure	Link to GRI Standard	Reference to ASML disclosure and performance 2020
Waste Management	TC-SC-150a.1	Amount of hazardous waste from manufacturing, percentage recycled	Metric tons (t), Percentage (%)	Effluents and Waste 306-2: Waste by type and disposal method	<p>Total waste from operations: 5,026 tons from</p> <p>a) Non-hazardous waste: 4,654 tons b) Hazardous waste: 372 tons</p> <p>Total waste recycled: 85% material recycling rate</p> <p>a) Non-hazardous waste: 84% (3,911 tons recycling) b) Hazardous waste: 94% (349 tons recycling)</p> <p><i>Read more in Annual Report 2020: Circular economy - Reduce waste, Non-financial indicators: Circular economy - Waste management</i></p>
	Note to TC-SC-150a.1	The entity shall disclose the legal or regulatory framework(s) used to define hazardous waste and recycled hazardous waste, and the amounts of waste defined in accordance with each applicable framework.	n/a	n/a	<p>We categorize our waste stream based on Lansink's Ladder Waste hierarchy. We report on these categories in accordance with GRI Standard 306-2.</p> <p><i>Read more in Annual Report 2020: Circular economy - Reduce waste</i></p>
Employee Health & Safety	TC-SC-320a.1	Description of efforts to assess, monitor, and reduce exposure of employees to human health hazards	n/a	n/a. Topic is deemed not material for GRI compliance purpose	<p>We take responsibility for protecting our employees by making ASML a safe place to work. Our employee health and safety (EHS) program includes, among others:</p> <p>a) Governance structure: Corporate EHS committee to oversee and approve the EHS strategy b) EHS management system c) Incident management and risk management d) Hazard and risk evaluation with a focus on preventing employee's potential exposure to hazards such as chemicals, fire, radiation, mechanical handling, and ergonomic risks. e) Training and awareness</p> <p><i>Read more in Annual Report 2020: Our people - Ensuring employee safety</i></p> <p>In addition, ensuring product safety is top of our mind. In our products and processes, we think about how to supply machines where all safety risks are mitigated to guarantee a safe place to work and deliver accordingly. We do this at every stage of a product lifecycle: research, development, production, transport, installation, maintenance, upgrades and decommissioning. We create safe products through our technical capabilities and design to guard against the human factor becoming a risk factor. At the start of each design, we conduct a Safety Risk Assessment covering nine key risk areas.</p> <p><i>Read more in Annual Report 2020: Technology and innovation ecosystem - Product safety</i></p>

Topic	SASB Code	Accounting metric	Unit of measure	Link to GRI Standard	Reference to ASML disclosure and performance 2020
Employee Health & Safety	TC-SC-320a.2	Total amount of monetary losses as a result of legal proceedings associated with employee health and safety violations	Reporting currency	n/a. Topic is deemed not material for GRI compliance purpose	<p>We did not incur any significant fines or monetary losses related to legal proceedings associated with employee health and safety.</p> <p>We disclose additional employee safety metrics that we believe are more effective for assessing this aspect of our performance. Examples of our employee safety metrics are:</p> <ul style="list-style-type: none"> a) Recordable incident rate b) Number of fatalities c) Number of recordable incidents d) Number of first-aid incidents e) Number of near misses <p><i>Read more in Annual Report 2020: Our people - Ensuring employee safety, Non-financial indicators: Our people - Employee safety</i></p>
	Note to TC-SC-320a.2	The entity shall briefly describe the nature, context, and any corrective actions taken as a result of the monetary losses.	n/a	n/a	n/a. We did not incur any significant fines or monetary losses related to legal proceedings associated with employee health and safety.
Recruiting & Managing a Global & Skilled Workforce	TC-SC-330a.1	Percentage of employees that are (1) foreign nationals and (2) located offshore	Percentage (%)	<p>General disclosure 102-8: Information on employees and other workers</p> <p>Diversity 405-1: Diversity and inclusion indicators</p>	<p>(1) Number of foreign nationals: we disclose a breakdown of our workforce by region. Our total workforce consist of 26,481 FTE, the foreign nationals breakdown is as follow:</p> <ul style="list-style-type: none"> a) Asia: 6% b) Europe: 32% c) US: 27% <p>(2) Located offshore: we disclose a breakdown of our workforce by region. Our total workforce consist of 26,481 FTE, the breakdown is as follow:</p> <ul style="list-style-type: none"> a) Asia: 23% b) Europe: 55% c) US: 22% <p><i>Read more in Annual Report 2020: Non-financial indicators: Our people - Workforce indicators and Diversity & inclusion indicators</i></p>

Topic	SASB Code	Accounting metric	Unit of measure	Link to GRI Standard	Reference to ASML disclosure and performance 2020
Recruiting & Managing a Global & Skilled Workforce	Note to TC-SC-330a.1	Disclosure shall include a description of potential risks of recruiting foreign nationals and/or offshore employees, and management approach to addressing these risks.	n/a	n/a	<p>The semiconductor industry is challenged with a global race for talent. Highly skilled people with a technical background are scarce in the labor market and competition is growing. Top-tier talent select their employer of choice, not the other way around. Employer branding is a vital strategy to ensure ASML, gets its share of this talent. Our employee value proposition forms the basis of our recruitment strategy and Labor Market Communication program.</p> <p><i>Read more in Annual Report 2020: Our people - Strong employer branding, Risk factors - People</i></p> <p>As a member of the Responsible Business Alliance (RBA), we have adopted the RBA Code of Conduct, which is an industry standard for corporate social responsibility. It covers the aspects of labor (including human rights), health and safety, environment and ethics. To underpin our commitment to the RBA Code of Conduct, we expect our suppliers including recruitment suppliers to acknowledge and adopt the RBA Code of Conduct.</p> <p><i>Read more in Annual Report 2020: Our supply chain - RBA Code of Conduct commitment</i></p> <p>In addition, we assess salient human rights issues in our operations and in our supply chain. The inherent risk of human rights vulnerabilities in ASML's own operations are working hours and overtime, health and safety, and workplace harassment. The salient issues we have defined in our supply chain relates to working conditions (forced and bonded labor), health and safety, and trade union rights. However, operating in the high-tech industry the majority of our suppliers operate in countries with a strong rule of law and are law abiding. We view this inherent risk as low.</p> <p><i>Read more in Annual Report 2020: Responsible business - Respecting human rights</i></p>

Topic	SASB Code	Accounting metric	Unit of measure	Link to GRI Standard	Reference to ASML disclosure and performance 2020
Product Lifecycle Management	TC-SC-410a.1	Percentage of products by revenue that contain IEC 62474 declarable substances	Percentage (%)	n/a. Topic is deemed not material for GRI compliance purpose	<p>We use a different metric for evaluating risk, performance and compliance in this area. We are committed to complying with EU guidelines for handling hazardous materials and chemicals, the so-called RoHS directive and the REACH regulation, even though the products we manufacture are currently excluded from the RoHS directive. We aim to, whenever possible, reduce and eliminate any use of hazardous substances and replace non-compliant parts with RoHS-compliant alternatives.</p> <p>As ASML machines consists of thousands of parts not manufactured at ASML locations, we need to keep in very close communication with our suppliers to identify the Substances of Very High Concern (SVHC) content of our products.</p> <p>We monitor the percentage of RoHS compliant parts in our systems, and we work with our suppliers to replace non-compliant parts. 96% of the parts in our products are RoHS compliant.</p> <p><i>Read more in Annual Report 2020: Technology and innovation ecosystem - Product safety, Non-financial indicators: Technology and innovation ecosystem - Product safety</i></p>
	Note to TC-SC-410a.1	Disclosure shall include a discussion of efforts to minimize usage of these substances.	n/a	n/a	See in TC-SC-410a.1
Product Lifecycle Management	TC-SC-410a.2	Processor energy efficiency at a system-level for: (1) servers, (2) desktops, and (3) laptops	Various, by product category	n/a. Topic is deemed not material for GRI compliance purpose	<p>We are a manufacturer of lithography equipment for the microchip manufacturers, B-to-B. Our customers are Memory and Logic chipmakers. We do not manufacture end-use/consumer products.</p> <p>We disclose an own metric to evaluate the energy efficiency of our lithography systems. Lithography is one of the driving forces in creating more powerful, faster, and cheaper chips. Our innovations enables lithography-enabled shrink allowing chipmakers to produce higher density chips. We enhance energy efficiency of the chips that are more powerful and consume less energy for their end-markets. Our KPI is the energy efficiency per wafer pass and our target is to reduce this by 60% by 2025 compared to the baseline model NXE:3400B.</p> <p><i>Read more in Annual Report 2020: Climate and energy - Energy efficiency of our products, Climate and energy KPIs</i></p>

Topic	SASB Code	Accounting metric	Unit of measure	Link to GRI Standard	Reference to ASML disclosure and performance 2020
Materials Sourcing	TC-SC-440a.1	Description of the management of risks associated with the use of critical materials	n/a	General disclosure 102-9: Supply chain General disclosure 102-11: Precautionary principle or approach Management approach 103-1, 103-2 and 103-3: Responsible supply chain	<p>We are a member of the Responsible Business Alliance (RBA), the world's largest industry coalition dedicated to corporate social responsibility in the global electronics supply chain. We have adopted the RBA Code of Conduct. It covers the aspects of labor (including human rights), health and safety, environment (including sourcing of miners, materials, and substances) and ethics.</p> <p>Like many companies in the electronics industry, our products contain minerals and metals essential to the manufacturing process. Examples of these are tantalum, tungsten, tin and gold (3TG), so-called conflict minerals. Although we do not use a significant amount of these minerals, we need certain 3TG minerals to make our products, and for them to function. Gold, for example, is used in coating critical electronic connectors, and tin is used for welding electronic components and creating EUV light.</p> <p>We are committed to a conflict-free minerals policy and have established a series of compliance measures including a due diligence process to monitor usage in our supply chain.</p> <p><i>Read more in Annual Report 2020: Our supply chain - Responsible supply chain, Our supply chain - Conflict minerals</i></p>
Intellectual Property Protection & Competitive Behavior	TC-SC-520a.1	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations	Reporting currency	Ethics and integrity 102-16: Values, principles, standards, and norms of behavior	<p>Information on legal proceedings is disclosed in our Annual Report. As of December 31, 2020, management has determined that ASML does not have any material contingency which is considered probable or reasonably probable for each year presented in our Consolidated Balance Sheets.</p> <p><i>Read more in Annual Report 2020: Consolidated financial statements - Note 17</i></p> <p>We are committed to conducting our business in compliance with applicable laws and regulations in all the countries we operate in. We adhere to a wide variety of regulatory compliance related areas, such as anti-bribery and anti-corruption, and competition law (antitrust).</p> <p><i>Read more in Annual Report 2020: How we manage risk - risk developments, Responsible business - Business ethics, Anti-Bribery and Anti-Corruption, Competition Law Compliance Policy</i></p> <p>Our Code of Conduct, Anti-Bribery and Anti-Corruption Policy, and Competition Law Compliance Policy are available on our website www.asml.com</p>

Special note regarding forward-looking statements

This document contains statements that are forward-looking, including statements with respect to sustainability and other SASB targets and goals including climate neutrality, plan to reduce and eliminate hazardous substances, energy efficiency targets, conflicts minerals policy and commitment to comply with laws and regulations, including guidelines for handling hazardous materials and chemicals 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", 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 risks and uncertainties. These risks and uncertainties include, without limitation, risks relating to our ability to comply with our SASB goals and targets and the risk factors included in ASML's Annual Report on Form 20-F 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. We do not undertake to update or revise the forward-looking statements, whether as a result of new information, future events or otherwise.