

## 2023 Annual General Meeting ASML Holding N.V. (“ASML”)

### Stakeholder feedback on the proposals related to the remuneration of the Supervisory Board of ASML

At the 2023 AGM, ASML will propose to amend the Remuneration Policy of the Supervisory Board (“Remuneration Policy”) and to amend the remuneration of the Supervisory Board. ASML values the views of the relevant stakeholders on Supervisory Board remuneration. As part of the preparation process related to these proposals, the Remuneration Committee engages with various stakeholders to obtain their perspectives. These stakeholders include ASML’s shareholders, shareholder interest organizations, proxy advisors and the Works Council of ASML Netherlands B.V. (‘Works Council’). The stakeholder engagement process is still ongoing.

With respect to the engagement with the Works Council, in conformity with Dutch statutory requirements and our internal processes, we met on several occasions and provided the Works Council with the opportunity to render advice on the proposed Remuneration Policy. The advice of the Works Council is set out in Annex 1.

The main topics discussed during our stakeholder engagements are summarized below:

#### Quantum of remuneration

The Supervisory Board is aware of the sensitivities within ASML and in society (especially the Netherlands) regarding executive and non-executive remuneration. As part of its review process and in preparing the new remuneration proposal, the Supervisory Board has paid special attention to these sensitivities and has taken this into account in its proposal.

When determining remuneration levels, the Supervisory Board has applied the same pay philosophy for the Supervisory Board as is applied for the Board of Management and the broader workforce of ASML. In this pay philosophy, ‘fair’ pay levels are levels similar to what our peers are paying. However, a key difference in approach compared to the Board of Management is that for the Supervisory Board we decided to define the primary reference group as consisting only of companies with a two-tier board structure listed on the AEX Index on the Euronext Amsterdam Stock Exchange. Taking into account market cap, revenue and number of employees, ASML positions at the 77<sup>th</sup> percentile in this reference group, reflecting growth since the previous benchmark. Given the international character of ASML and ASML’s Supervisory Board, a benchmark was also carried out of the Supervisory Board remuneration of against the international Board of Management reference group, which showed that ASML’s Supervisory Board fees remain modest in the international context.

Furthermore, the Supervisory Board also considered the development of remuneration of the ASML workforce. In the last two years, global salary increase levels have been higher than in previous years, also driven by shortage of required skills and inflation impacts. Since for Supervisory Board remuneration a benchmark group is used consisting of two-tier companies listed on the AEX Index of Euronext Amsterdam, the Supervisory Board specifically looked at ASML’s workforce in the Netherlands that is subject to the collective labor agreement (CAO Metalektro). For this group of employees, a collective increase has been agreed as of December 1, 2022: over a period of 18 months salaries are going to be increased with a total percentage of 9%; including other allowances the total increase amounts to 11%. In addition, ASML provides merit increases on top of the collective increases.

Taking into account the facts and circumstances set out above, the Supervisory Board proposes to increase the Supervisory Board remuneration, which has not changed since 2021, with approximately

7%. By doing so, the Supervisory Board believes that it can retain market competitiveness, while at the same time taking into consideration the societal context.

#### Limiting the Remuneration Policy to providing guidelines for the Supervisory Board remuneration

In our engagement meetings we discussed that, similar to the remuneration policy for the Board of Management, the Remuneration Policy for the Supervisory Board is limited to providing the guidelines for the supervisory board remuneration and limitations to the type of remuneration that can be received by Supervisory Board members. This is also how this is envisaged by Dutch law and our articles of association, which make a specific distinction between the adoption of the Remuneration Policy by the General Meeting and the determination by the General Meeting of the remuneration of Supervisory Board within the scope of such policy.<sup>1</sup> In view thereof, it is proposed that the amounts of the Supervisory Board remuneration will no longer be included in the Supervisory Board Remuneration Policy. Hearing the feedback from stakeholders, the Supervisory Board clarified in the proposed Remuneration Policy that the actual amounts of the Supervisory Board remuneration will be determined by the General Meeting within the scope of the Remuneration Policy. The Supervisory Board also clarified that any future change to the fees proposed at the 2023 AGM will require the approval from the General Meeting.

#### Remuneration in special circumstances

In our engagement meetings we discussed the possibility for the Supervisory Board to grant additional remuneration in special circumstances, based on which the Supervisory Board may, upon recommendation of the Remuneration Committee, grant increased Supervisory Board and/or Committee fees, depending on the character of the circumstances, for instance in case a significant increase in time investment by its members. Having heard the feedback and input from our stakeholders, we made certain amendments to the relevant clause in the proposal, which includes amongst others a cap on the additional annual remuneration per member amounting to one time the amount of the annual Supervisory Board membership fee payable to such member. Furthermore, the Supervisory Board clarified that, as a starting point, it considers an increase in time investment of at least 25% a significant increase.

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<sup>1</sup> See articles of association ASML Holding N.V., sections 26.1 and 26.2.

**Annex 1****Integral Advice of the Works Council of ASML Netherlands B.V. regarding the proposal to amend the Remuneration Policy of the Supervisory Board of ASML Holding N.V.**

“Reference is made to your memo of February 15, 2023, with respect to the proposal by the Supervisory Board to revise the Remuneration Policy for the Supervisory Board of ASML Holding N.V.

Based on Article 135a, paragraph 3 of Book 2 of the Dutch Civil Code, the Works Council has reviewed the proposal on remuneration policy for the SB. As usual, the Works Council appreciates the opportunity to review and give advice. The clarifying meeting with Terri Kelly, chair of the Remuneration Committee, provided additional answers to our questions.

In the current revision, the key changes to the policy are:

1. Similar to the remuneration policy for the Board of Management, the remuneration policy for the Supervisory Board is limited to providing the guidelines for the supervisory board remuneration. As a result, the amounts of the Supervisory Board remuneration will no longer be included in the Supervisory Board remuneration policy. The actual amounts will be determined by the general meeting within the scope of the remuneration policy, such in conformity with article 26.2 of ASML's articles of association.
2. A derogation clause is included to provide for additional flexibility in case of certain exception circumstances. As a result, the Supervisory Board may, upon recommendation of the Remuneration Committee, temporarily derogate from the remuneration policy in exceptional circumstances. This may concern granting increased Supervisory Board and/or Committee fees, depending on the character of the circumstances, for instance in case a significant increase in time investment by its members.

We note that in a number of policy items, actual numbers are removed and only general statements are kept.

1. Providing guidelines for remuneration instead of amounts

The SB uses a reference group as a critical tool in assessing their remuneration. Given ASML's listing in the Netherlands, the primary reference market is defined as consisting of companies with a two-tier board structure listed on the AEX Index of the Euronext Amsterdam Stock Exchange. To determine the appropriate positioning within this group, market cap, revenue and number of employees will be taken into account. In addition, given the international character of ASML and ASML's Supervisory Board, a market benchmark is also conducted against the international Board of Management reference group to provide broader market reference and context.

The Works Council recognizes the need for ASML to attract and retain qualified Supervisory Board members. Where the goal is to have a Supervisory Board that is both diverse and balanced, the Works Council understands that a market comparison is used as a criteria for remuneration. However, the Works Council would also like to see the societal dimension being taken more into consideration, as is also included in the Works Council advice for the Board of Management remuneration policy.

The proposed policy is a guideline, however the guideline is not strictly formulated and leaves room for interpretation. The Works Council therefore advises to keep the actual remuneration as part of the policy.

The Work Council observes the increasing economic difficulties across society both within and outside of the Netherlands. Combined with the lack of consideration within the remuneration policy of the societal dimension, the Works Council feels that there is insufficient cause to raise the Supervisory Board remuneration.

2. Introduction of a derogation clause

The Works Council recognizes that circumstances may arise that warrant additional fees being paid. The Works Council would like to be informed the moment the derogation clause is invoked and advises that a specific list of circumstances that would lead to derogation be added to the remuneration policy. Alternatively, the remuneration policy might specify how many hours normally would be required and which percentage increase would lead to derogation from the remuneration policy. Furthermore, the Work Council advises the need to indicate some boundaries for the potential increases.

Finally, please be informed that the Works Council will make use of its right to explain its position at the Annual General Meeting of Shareholders (AGM) on April 26, 2023. "