



Key differences between the current Remuneration Policy for management board members as approved in 2020, and the Remuneration Policy for management board members as proposed to the Annual General Meeting of Shareholders at May 16, 2022.

Item	Current Policy (2020)	Proposed MB policy (2022 - onwards)	Comment
<p>1. Extension of the Remuneration Policy for the CTO position</p>	<p>The current remuneration policy is shaped based on the current board structure with a CEO and CFO.</p>	<p>The CTO will be eligible for a bonus up to 80% of base salary in case of target performance, and up to a maximum of 125% in case of outperformance.</p> <p>The target level of the LTI is set at 450% of base salary for this CTO, to be competitive in the US semiconductor market.</p>	<p>This modification relates to Mr. M'Saad who has been working for ASM since 2015 and who is based in the US.</p> <p>The expansion of the board to include Mr. M'Saad as CTO is crucial in driving ASM's Growth through Innovation strategy for the coming years. The proposed remuneration package and LTI takes into account his current compensation as Executive Vice President and General Manager Global Products which is already based on US labor market practices and reflects the benchmark level as conducted by PWC for the US semiconductor market. This requires an amendment of the Remuneration Policy. For a detailed explanation, please see the explanatory notes to</p>

			the agenda, more specifically agenda items 8 and 9.
2. Disclosure in the Remuneration Report.	The current remuneration policy does not explicitly state that the performance indicators used for the STI and their relative weighting will be disclosed in the Remuneration Report. Furthermore, the current remuneration policy only states that the actual short-term incentive payout is disclosed in the Remuneration Report.	The performance indicators used and their relative weighting will be disclosed in the Remuneration Report. The actual short-term incentive payout following the attainment of each of the (non) financial performance criteria is annually disclosed in the Remuneration Report.	Clarification that the performance indicators used for the STI (including their relative weighting) and the actual STI pay-out following the attainment of each of the (non) financial performance will be disclosed in the Remuneration Report.
3. Forfeiture of pay-out STI and LTI.	The current Remuneration Policy does not include specific wording regarding situations in which the MB members will forfeit pay-out of their STI or LTI.	For the short term cash incentive members of the Management Board will forfeit payout for the current cycle if not actively providing services on the last day of the performance year. A prorated amount may be paid in the event of the Management Board member's death, disability or retirement or equivalent (as approved by the Supervisory Board). Under the long-term share incentive, the Management Board members will forfeit their award if they are not actively providing services on the date of vesting as a result of: (i) given notice of termination for cause or (ii) voluntary resignation. An at target vesting may occur in the event of	Clarification of situations in which MB members will in any case forfeit pay-out of their STI or LTI.

		the Management Board member's death, disability or retirement or equivalent (as approved by the Supervisory Board).	
4. New appointments	The current Remuneration Policy does not elaborate on compensation scenarios with regard to new appointments.	The Supervisory Board may decide to grant a sign-on award in cash and/or shares, to compensate for the loss of remuneration that a new incoming Management Board member would face upon transfer, with due observance of the General Meeting's right of approval under section 2:135(5) DCC if the award is granted in shares. A sign-on award in shares will be disclosed prior to appointment and will be subject to appointment as a Management Board member by the General Meeting. Such a sign-on award would be limited to a comparable value to the arrangements forfeited and the rationale and detail of any such award will be disclosed in the remuneration overview when proposing the appointment of such new Management Board member to the General Meeting. In addition, the Supervisory Board can consider providing a relocation budget covering actual relocation cost, an Arrangement to reimburse	Based on experiences in the recent past, updating the Remuneration Policy to include a specific provision for new appointments.

		<p>international schooling and/or temporary housing.</p> <p>In case of an internal promotion or an appointment following a corporate transaction (e.g. merger or acquisition), the Supervisory Board may also offer a continuation of any remuneration arrangements that were already in place prior to his/her appointment as Management Board member. Any such continued arrangement will be disclosed in the remuneration overview when proposing the appointment of such new Management Board member to the General Meeting.</p>	
<p>5. Deleting the current provision to temporarily deviate from the remuneration policy in exceptional circumstances.</p>	<p>For the remuneration of the Management Board, the Supervisory Board may in accordance with article 2:135a under 4 and 5 of the Dutch Civil Code, in exceptional circumstances only, decide to temporarily deviate from the Remuneration Policy. Exceptional circumstances shall cover only situations in which the deviation from the Remuneration Policy is necessary to ensure the long-term interests and sustainability of the Company as a whole or to assure its viability, such</p>		<p>Discussions with stakeholders have shown that the current provision is perceived as too broad and insufficiently concrete.</p>

	as a change of control at the level of the Company.		
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Additional Information

- PwC acted as independent professional advisor to ASMI in connection with current and proposed remuneration policies.