

# ASML Holding

**TICKER:**  
NASDAQ: ASML

**MARKET CAPITALIZATION:**  
US\$ 47 billion

**HEADQUARTERS:**  
Netherlands

**15 OUT OF 20**  
Company’s Overall Ranking

**26 OUT OF 100**  
Company’s Overall Score

ASML Holding (ASML) ranks fifteenth on the ICT benchmark overall, demonstrating below average disclosure of its approach to managing forced labor risks in its supply chain. ASML demonstrates an awareness of the risks of forced labor across the themes investigated; however, the company performs below the benchmark average across all themes. ASML has a number of opportunities to improve its performance particularly in the themes traceability and risk assessment, worker voice, and recruitment. The largest opportunities for improvement is in its approach to addressing recruitment practices in its supply chain, where the company may consider adopting a supplier requirement that no fees be charged during any recruitment process and that fees are repaid to workers in the event that such fees are discovered to have been paid.

**THEME LEVEL SCORE**

Commitment and Governance	44 out of 100
Traceability and Risk Assessment	25 out of 100
Purchasing Practices	38 out of 100
Recruitment	0 out of 100
Worker Voice	5 out of 100
Monitoring	33 out of 100
Remedy	38 out of 100

**LEADING PRACTICES**

None.

**NOTABLE FINDINGS**

**Commitments and Governance:** In its California Supply Chain Act Disclosure, ASML commits to “...ensuring that all levels of its supply chain comply with the highest international standards of fairness, sustainability and ethical conduct, including a strict prohibition on forced and involuntary labor and illegal trafficking in persons.” ASML’s Corporate Responsibility team coordinates the implementation of the corporate responsibility strategy, policies, and improvement activities, including forced labor standards. This team is part of the Corporate Risk and Assurance Department, which reports to the Board of Management. Furthermore, in 2013 ASML offered its procurement account managers and technology supplier managers training on the Electronic Industry Citizenship



Coalition's (EICC) standards related to conflict minerals and human trafficking.

**Purchasing Practices:** ASML discloses that its Long-Term Supplier Agreements require compliance with the EICC Code of Conduct. ASML further discloses that it asks first-tier suppliers to ensure that the EICC Code of Conduct is cascaded to their suppliers.

**Corrective Action Plans:** ASML discloses that its internal supplier audit management system identifies suppliers that fail to meet the minimum requirement (level 3) for each of the four EICC Code of Conduct elements. When violations are discovered during supplier audits, the company creates non-compliance reports with actions that suppliers must take to remedy the non-conformances. ASML further discloses that it may terminate supplier contracts if "they fail to make efforts to improve over a longer period of time."

## OPPORTUNITIES FOR IMPROVEMENT

**Worker Voice:** ASML is encouraged to ensure that its forced labor standards and expectations are clearly communicated to supply chain workers. The company may consider engaging workers directly or in partnership with other stakeholders, including outside of the factory context. While ASML discloses its support for freedom of association, the company is encouraged to disclose evidence of provisions to ensure supplier compliance especially in environments with regulatory constraints.

**Traceability and Assessment:** ASML discloses in its 2014 Conflict Minerals Report that some of the 3TG minerals (tungsten, tin, and tantalum) included in its system "may have originated in Covered Countries" (i.e., covered by the US Dodd-Frank Act regulations). The company may consider disclosing further information on these raw material suppliers. To strengthen its risk assessment practices, the company is encouraged to disclose forced labor risks identified throughout its supply chain, the names and locations of its first-tier suppliers, as well as information on suppliers beyond its first tier.

**Recruitment:** ASML is encouraged to disclose its standards with respect to the recruitment of workers throughout its supply chain, including policies on no fees charged to workers or fees reimbursed during recruitment processes. ASML may also consider disclosing evidence that it audits recruiters used in its supply chain.

## COMPANY PROVIDED ADDITIONAL DISCLOSURE:

[No.](#)

