



# Modern Slavery Statement



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## Modern Slavery Statement for financial year ending 31 March 2023

As a company whose mission is to create transformational technology as a force for good, Arm welcomes the requirements of Section 54 of the UK Modern Slavery Act 2015. The transparency that the Act seeks to encourage is in line with the way we operate at Arm as reflected by our Code of Conduct and our company culture.

### About Arm

Arm technology is building the future of computing. Our energy-efficient processor designs and software platforms have enabled advanced computing in more than 250 billion chips and our technologies securely power products from the sensor to the smartphone and the supercomputer. Together with 1,000+ technology partners, we are enabling artificial intelligence to work everywhere, and in cybersecurity, we are delivering the foundation for trust in the digital world – from chip to cloud. The future is being built on Arm.

We are headquartered in Cambridge UK and are part of the SoftBank Group Corp (SBG).

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This statement covers Arm Holdings plc and their group companies including Arm Limited.

## Our Values and Policies

At Arm, Corporate Responsibility is underpinned by:

### – **Our Code of Conduct**

The Arm Code of Conduct supports how we manage our business in a responsible way consistent with our Core Beliefs<sup>1</sup>. It translates legal and regulatory requirements into the behaviors that we expect of all Arm employees, directors and agents and guides us to make ethical decisions that promote trust. Everyone at Arm is required to demonstrate on an annual basis that they have read and understand the Code of Conduct and completed the mandatory Code of Conduct training.

### – **Our Sustainability Strategy**

Increasing digital connectivity and delivering decarbonization are two global priorities that require constant action across all economies. Driven by our sustainability framework, Arm is working to enable cross-sector technology advancement and reduce our own environmental footprint, while increasing our societal impact.

Arm has signed the Universal Declaration of Human Rights and our Human Rights Policy is incorporated in our Code of Conduct.

In alignment with best reporting practices, Arm reports annually “with reference to” the Global Reporting Initiative (GRI) 2021 Universal Standards. The GRI Standards cover our environmental, social and governance disclosures and progress. For details of our reporting on these areas, please see our Sustainability reports [here](#).

Arm is a participant member of the UN Global Compact (UNGC), which asks companies to operate in ways that, at a minimum meet fundamental

<sup>1</sup>Arm’s Core Beliefs describe how we act as part of a global community. Together, they articulate Arm’s culture:

- ‘We, not I’ means collaboration first, egos last
- ‘Passion for progress’ means innovation to make lives better for the individual and for Arm
- ‘Be your brilliant self’ means skilful individuality, performance, and fun

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responsibilities for governance, human rights, labour, environment, and anti-corruption. UNGC companies commit to incorporating Ten Principles into their strategies, policies, and procedures to demonstrate their commitment and integrity. We submit an annual enhanced Communication on Progress Questionnaire which focuses on the five disclosure areas of governance, human rights, labour, environment and anti-corruption and is designed to help participating companies monitor performance across the Ten Principles. Our annual Communication on Progress against the United Nations Global Compact Principles can be found [online](#).

- Arm has been a supporter of the UK Living Wage Campaign since 2015. The Living Wage is a voluntary higher rate of base pay (based on the cost of living) which we, as an accredited Living Wage Employer, have committed to paying all our direct employees as a minimum.

### **Our Supply Base: Assessing and Managing Risk**

As an IP company, we do not have an extensive tiered supply base for the provision of raw materials coming into the business. We do, however, purchase a wide range of goods and services from approximately 3000 diverse suppliers who operate globally, regionally, and locally. Our suppliers provide products and services to Arm's revenue generating components and its enabling functions. Our suppliers help our people to innovate and operate successfully. We attach great importance to the supply side of our value chain.

#### **– Our Supplier Code of Conduct**

All of our suppliers who are registered on our Procure-to-Pay platform are asked to confirm their acceptance of our Supplier Code of Conduct which includes requirements that suppliers should not employ child labour, should not participate in human trafficking, the use of forced labour or themselves purchase goods or services from supplier who employ such practices. This code of conduct also includes the requirement for suppliers to comply with local labour and wage laws. Arm requires suppliers

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who provide products or services to Arm and its subsidiaries and their employees to commit to the principles in this Code as a condition of doing business.

– **Our Supplier Diversity Project**

Arm has developed a Responsible Procurement strategy which supports our UN Sustainable Development Goals (SDGs) and harnesses the potential of diversity, equity and inclusion through working with our supplier base. As part of this US suppliers to Arm will be required to define their federally prescribed diversity category. Arm will then analyze and review the supplier results to determine the level of Arm’s supplier diversity spend.

In 2014, we added requirements relating to responsible labour practices into our standard supplier Terms of Business. These referred to the requirement that suppliers respect and promote the rights set out in the International Labour Organisation’s International (ILO) Labour Standards and the provisions of the United Nations’ Universal Declaration of Human Rights in relation to both its personnel and its suppliers. In 2018, we strengthened these requirements by reference to the UK Modern Slavery Act 2015 specifically, i.e. suppliers are required to conduct proper checks on any agency person and Arm reserves the right to require the supplier to remove from performance of the work any of the supplier’s officers, employees, agents or subcontractors whom Arm believes to be engaging in any Modern Slavery Practice, and take such action as Arm considers necessary to ensure Arm and the supplier fully comply with all applicable laws relating to modern slavery.

We adopted an updated Supplier Code of Conduct in 2021. As part of our standard new supplier onboarding process, suppliers are required to confirm that they comply with our Supplier Code of Conduct, which sets out our key expectations of our Suppliers.

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In relation to Employment Standards, these are:

– **Child labour**

We are opposed to the use of any form of child labour or practices that inhibit the development of children. Suppliers must comply with all child labour laws and should not employ anyone under the age of 15, or where it is higher, the mandatory school leaving age in the local country.

– **Forced or involuntary labour**

Suppliers must not participate in human trafficking; use forced, involuntary, or slave labour; or purchase materials or services from companies using forced, involuntary, or slave labour. They must be able to certify that materials included in their products comply with the slavery and human trafficking laws of the country or countries in which they do business.

– **Compensation and working hours**

Suppliers must comply with the applicable wage and hour labour laws and regulations governing employee compensation and working hours. Suppliers should conduct operations in ways that limit overtime to a level that ensures a humane and productive work environment.

– **Diversity and equality**

Suppliers should aim to provide equality of opportunity and treatment regardless of race, colour, gender, religion, nationality, sexual orientation, age, or disability. Suppliers are expected to support equal pay for work of equal value. Suppliers must oppose discrimination or intimidation towards employees including all forms or threats of physical and psychological abuse.

For more information on our Supplier Code of Conduct, please go to [suppliers](#).

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Further, we expect our suppliers to:

- Monitor their compliance with the Supplier Code of Conduct and with the law, and identify and mitigate related operational risks in addition to facilitating continuous improvement.
- Have a process to communicate the Supplier Code of Conduct requirements to next-tier suppliers and to monitor their compliance to the Supplier Code of Conduct and all applicable laws and regulations.
- Assist us in enforcing the Supplier Code of Conduct by communicating its principles to their supervisors, employees, and suppliers.

The Supplier Code of Conduct includes the details of a whistle-blower hotline for confidential reporting of violations of the Supplier Code of Conduct. Non-compliance within our supply base will be reviewed on a case-by-case basis by our Procurement and/or Legal Compliance team, with action to be taken as appropriate.

### Next Steps

We continue our focus on maturing our centre-led procurement organisation, and embedding these processes, controls, performance, risk management and general practices, including Responsible Procurement, across the business. This includes ensuring the business continues to evolve its supplier performance and relationship management capabilities, which enable us to be vigilant and actively consider steps that we can take to mitigate key risks such as modern slavery and human trafficking.

The Arm Board of Directors approved this statement on 16 August 2023. Please direct any questions on this statement to Spencer Collins, Chief Legal Officer at [legalethics@arm.com](mailto:legalethics@arm.com).



**Rene Haas**, Chief Executive Officer  
Arm Holdings plc