Welcome to Our Annual Sustainable Business Report

This report aims to provide transparent and meaningful information on how our business operations create positive impact for our people, the environment, and society.

It collates Arm’s key environmental, social, and governance (ESG) progress for the 2022/23 Financial Year (FYE23). We are currently in the process of conducting a double materiality assessment to enhance our disclosures.

In alignment with best reporting practices, we have gathered content “with reference to” the Global Reporting Initiative (GRI) 2021 Universal Standards. Our FYE23 GRI Index is available to view in this report.

We have updated our Scope 1 figures and all figures that include Scope 1 to exclude the impact of renewable gas certificates (RGGOs) provided by our gas supplier for our UK offices. We have historically calculated Scope 1 both with and without the gas certificates. We previously used the data with gas certificates in our GRI reporting and without in our CDP reporting. This restatement aligns our Scope 1 GRI and CDP reporting. We have included both data sets in this report to show the impact of this change and to allow easy comparison with past reports.

FYE23 and comparative financial or market information have been presented to align key performance indicators (KPIs) and US Generally Accepted Accounting Principles (GAAP) accounting results with the content in Arm’s public SEC filings. This has resulted in restatement of revenue, research and development (R&D) expense, and market-share measures presented.
Message From Our CEO

Semiconductor technology powers the electronic devices that have redefined how we work, play, live, and learn. At the center of each of those devices is a CPU, and Arm is the world’s most pervasive CPU technology.

Arm technology is everywhere, and with that comes responsibility. That’s why we are guided by our North Star: Building the future of computing, on Arm. Together. For everyone.

For everyone means we see it as our responsibility to ensure we are a sustainable business that minimizes its negative environmental impact and maximizes its positive societal impact. In FYE2023, we continued our progress toward these goals with programs including Decarbonizing Compute, Closing the Digital Divide, and Responsible Technology.

Decarbonizing Compute is built into Arm’s DNA. The first Arm CPU was so efficient it worked without being connected directly to a power supply—ever since, power efficiency has been a fundamental requirement of the technology we design. We’re also reducing our own carbon emissions, targeting net zero carbon emissions by 2030. We made great progress this year, achieving an 86 percent reduction in emissions versus our baseline, and 100 percent renewable electricity consumption.

We believe that technology can build a better world for everyone by developing solutions that help to address critical environmental and social issues. Our commitment to Closing the Digital Divide means working with private and public sector partners on social impact initiatives that leverage technology to address inequalities and provide technology access to underserved populations. One example of this is our partnership with UNHCR, the UN Refugee Agency. Arm is providing technical and capacity-building support to UNHCR’s Innovation Service, which works to ensure the agency’s humanitarian response is fit for the future and covers a range of areas, including data, digital inclusion, refugee-led innovation, and environmental resilience.

The more people whose lives are impacted by technology, the more important it is that we produce Responsible Technology that considers ethics, security, and safety. From building security into the core of the Armv9 architecture to leading industry-wide initiatives such as PSA Certified, we follow a multi layered approach to combating digital threats and helping our partners deliver secure experiences.

For everyone also refers to our Diversity, Equity, and Inclusion (DEI) Strategy of co-creating an inclusive environment in which representation matters, people are valued, diverse perspectives are heard, and everyone’s skills are fully utilized. This year, we’ve continued embedding DEI practices into everything we do, from our hiring practices through to how we collaborate internally.

I’m immensely proud of everything we’re achieving with our partners and the impact we’re having on people’s lives. And with the age of artificial intelligence (AI) creating endless new possibilities for the technology industry to be a force for good in the world, I’m excited about the leading role our company and technology can play.

Rene Haas
CEO, Arm
FYE23 Key Highlights

87\% reduction achieved in emissions in FYE23 versus net zero baseline (FYE20)\(^1\)

100\% renewable electricity consumption in FYE23

$1.13bn spend on R&D in FYE23

30.6bn chips shipped in FYE23

+250bn cumulative number of chips shipped as of FYE23

$2.68bn revenue in FYE23

91 nationalities across Arm’s employee network as of March 31, 2023\(^2\)

5,963 established employees as of March 31, 2023\(^2\)

$1.13bn spend on R&D in FYE23

5,963 established employees as of March 31, 2023\(^2\)

30.6bn chips shipped in FYE23

$2.68bn revenue in FYE23

91 nationalities across Arm’s employee network as of March 31, 2023\(^2\)

87\% reduction achieved in emissions in FYE23 versus net zero baseline (FYE20)\(^1\)
About Arm

As the world’s leading semiconductor intellectual property (IP) supplier, Arm’s technology is at the core of computing and data innovation to transform society.

Our Technology

Arm is defining the future of computing. Semiconductor technology has become one of the world’s most critical resources, as the enabler of all electronic devices. At the heart of these devices is the central processing unit (CPU), and Arm is the industry leader of CPU development. We architect, develop, and license high-performance, low-cost, energy-efficient CPU products and related technology—solutions many of the world’s leading semiconductor companies and original equipment manufacturers (OEMs) rely on to develop their own products.

Our energy-efficient CPUs have enabled advanced computing in over 99 percent of the world’s smartphones as of March 2023, and since our inception, our customers have shipped more than 250 billion Arm-based chips. Today, Arm CPUs run most of the world’s software, from operating systems and applications for smartphones, tablets, and personal computers to data centers, networking equipment, and vehicles.

Partnerships for Positive Impact

We partner with organizations that enhance our potential to help create a more connected, more equitable global society. In lockstep with a global community of like-minded industry leaders, we continue to work toward the United Nations Sustainable Development Goals (UN SDGs).

As a globally connected company, we know social advancement looks different in every country. It’s why we work closely with partners and trade associations where we operate, such as:

- The Semiconductor Industry Association (SIA)
- The Coalition for Content Provenance and Authenticity (C2PA)
- techUK
- TechWorks
- DIGITALEUROPE (trade association)
- AIOTI (Alliance for Internet of Things and Edge Computing Innovation)

We also participate in international coalitions such as the United Nations Global Compact (UNGC).

Recognition, Participation, and Awards

Our commitment to partnering for the UN SDGs continues with our support for key external initiatives.

RE100

Our commitment to source 100% renewable electricity in FYE23 is ready for review by RE100.

CDP Climate

Our CDP 2022 climate change score was B.

CDP Supply Chain

Arm is a member of CDP Supply Chain, and we’re working with our top 500 suppliers by spend.
Our Global Presence

Our global footprint helps keep us on the pulse of evolving markets. Headquartered in Cambridge, UK, we are spread across 27 offices in 14 countries as of March 31, 2023. We host our major R&D centers in the UK, US, India, Israel, France, Norway, and Sweden.

As of March 31, 2023, Arm employed 5,963 established employees: 4,753 engineering employees and 1,210 non-engineering employees, including employees from 91 nationalities.

### As of March 31, 2023, Arm employed:

- 5,963 established employees
- 4,753 engineering employees
- 1,210 non-engineering employees
- 1,463 contractors
- 146 fixed-term employees

### Key Statistics

<table>
<thead>
<tr>
<th>Region</th>
<th>Offices</th>
<th>Employees</th>
<th>Nationalities</th>
</tr>
</thead>
<tbody>
<tr>
<td>United Kingdom</td>
<td>4</td>
<td>2,785</td>
<td>93</td>
</tr>
<tr>
<td>Rest of Europe</td>
<td>9</td>
<td>981</td>
<td>90</td>
</tr>
<tr>
<td>North America</td>
<td>7</td>
<td>1,162</td>
<td>91</td>
</tr>
<tr>
<td>Asia, Africa, Middle East</td>
<td>7</td>
<td>1,035</td>
<td>91</td>
</tr>
</tbody>
</table>

### Performance Metrics

<table>
<thead>
<tr>
<th>Metric</th>
<th>Year ending March 31, 2021</th>
<th>Year ending March 31, 2022</th>
<th>Year ending March 31, 2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>Market share for Arm-based mobile application processors</td>
<td>&gt;99%</td>
<td>&gt;99%</td>
<td>&gt;99%</td>
</tr>
<tr>
<td>Arm-based chips shipped</td>
<td>25.3bn</td>
<td>29.2bn</td>
<td>30.6bn</td>
</tr>
<tr>
<td>Market share of all chips with processors</td>
<td>43%</td>
<td>46%</td>
<td>49%</td>
</tr>
<tr>
<td>Revenue</td>
<td>$2.03bn</td>
<td>$2.70bn</td>
<td>$2.68bn</td>
</tr>
<tr>
<td>R&amp;D investment</td>
<td>$814m</td>
<td>$995m</td>
<td>$1.13bn</td>
</tr>
<tr>
<td>Established employees worldwide</td>
<td>6,370</td>
<td>6,329</td>
<td>5,963</td>
</tr>
<tr>
<td>Nationalities employed by Arm globally</td>
<td>93</td>
<td>90</td>
<td>91</td>
</tr>
</tbody>
</table>

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3 Since September 2021, for all requests relating to a technical or engineering split (including those to SoftBank, the EC, and external sources), we have been using a new methodology.
4 Employee figures here refer to established employees only.
5 Contractors and fixed-term employees are not included in this figure.
6 FYE23 and comparative financial or market information have been presented to align KPIs and US GAAP accounting results with the content in Arm’s public SEC filings. This has resulted in restatement of revenue, R&D expense, and market share measures presented.
Our open and flexible business model provides access to high-quality CPU products for a wide range of potential partner types and end markets.

We license our products to semiconductor companies, OEMs, and other organizations to design their chips. Our partners license our products for a fee, which gives them access to our designs and enables them to create Arm-based chips.

Once a chip has been designed and manufactured with our products, we receive a per-unit royalty on all chips shipped. The royalty has typically been based on a percentage of the average selling price (ASP) of the chip or a fixed fee per unit, and it typically increases as more Arm products are included in the chip. Our business model enables the widest range of partners to access Arm products through an agreement best suited to their particular business needs.
Materiality Assessment

Through materiality assessments, we identify the issues that are most important to our business and stakeholders.

Approach and Methodology
Following a 2022 update to our materiality assessment and matrix, we adjusted and evolved our ESG approach. Based on short-, medium-, and long-term ESG strategies and industry insights, the materiality assessment included:

- Industry benchmarking to identify relevant frameworks and standards
- Identifying ESG areas of increasing importance through business unit workshops
- Locating gaps in previous assessments where additional topics have been introduced

To advance this process and better understand our value chain, we are now conducting a double materiality assessment. We aim to have actionable information to report on in FYE24.

Double materiality requires us to report not only on financial risks and opportunities (how ESG issues may impact Arm financially) but also impact risks and opportunities (how we impact people and the environment). This approach gives us a comprehensive view of our material issues from a range of perspectives and a refined understanding of what our company needs to prioritize.

Current Material Issues

Environmental
- Climate Crisis
- E-Waste
- Water
- Waste
- Clean Technology

Social
- Employee Experience
- Diversity and Equal Opportunity
- Developing a Future Workforce
- Human Rights and Forced Labor
- Future of Work
- Privacy and Security
- Accessible and Inclusive Products
- Responsible Technology
- Indirect Economic Impacts
- Employee Health and Safety

Governance
- Anti-Corruption and Anti-Competitive Behavior
- Public Policy
- Ethics and Integrity
- Value Chain Sustainability
- Economic Performance
- Business Resilience
- Responsible Procurement Practices
- Tax
- Product Design and Lifecycle Management
- Ownership and Control

Arm Sustainable Business Report FYE23
Sustainability Strategy

Increasing digital access and 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 to reduce our own environmental footprint while increasing societal impact.

Closing the Digital Divide
We are working to maximize our positive social impact by extending the benefits of technology to people and areas not currently prioritized, closing the digital divide between those who have full access to digital technologies and the billions who currently do not. We will do this through partnerships, insights, and ecosystems to deliver inclusive innovation.

Decarbonizing Compute
We have a long-term ambition to contribute to decarbonizing compute, and we are working toward this goal by first seeking to reduce our own carbon emissions to achieve net zero by 2030. We recognize our power and energy-efficient products have a role to play in decarbonizing compute, and our longer-term aim is to explore how we can maximize the decarbonization potential of these initiatives within our ecosystem.

Global Problem Solvers
We seek to nurture brilliant people and their diverse perspectives, empowering our global ecosystem to tackle the world’s complex problems. Through our social impact partnerships, we aim to help to address technology-related inequalities, including education and skills gaps in computer engineering and science, technology, engineering, and mathematics (STEM). In doing so, we accelerate innovation and extend opportunities beyond our immediate sphere of influence.

Responsible Technology
Responsible, ethical, and secure technology is critical to our license to operate as we seek to maximize positive impact. We seek to drive industry standards by building fair and inclusive products while considering issues such as AI ethics, security, human rights, and safety.
Environment

At Arm, we take the environmental impact of our operations seriously, with a focus on our most material environmental issue: climate change. As a foundational technology company, we are uniquely positioned to collaborate with, and learn from, the broader technology industry on potential solutions to the most pressing environmental challenges.

Transparency is vital to us, and we continuously strive to assess and improve our practices to minimize our environmental footprint. Together with our partners and peers, we aim to help create a more sustainable and resilient future for all.
Climate Change and Greenhouse Gas Emissions

Arm is aiming to cut absolute emissions by at least 50 percent (from a FYE20 baseline) to achieve net zero carbon across all emissions sources by 2030. We will make strategic investments in accredited carbon removal projects to offset emissions we can’t avoid in order to reach the point of net zero.

Our Net Zero Commitments
By 2030, we will:

- Continue to maintain 100% renewable electricity
- Achieve a 20% absolute reduction in energy use
- Achieve a 7% absolute reduction in emissions from travel for work
- Achieve a 42% absolute reduction in our supply chain emissions
- Support and drive innovation in nature and tech-based carbon removal solutions
- Empower our people to make low-carbon choices
Net Zero Roadmap

We have set a pathway to net zero by 2030, informed by our progress today and the commitments we’ve set to drive future action.

We started our emissions measurement in 2009
We started our net zero commitment in 2020 (FYE20 baseline)

We will start carbon-removal offsetting from 2023
NET ZERO 2030

GHG Emissions and Net Zero Trajectory

Arm was founded in 1990
We started our emissions measurement in 2009
We started our net zero commitment in 2020 (FYE20 baseline)
We will start carbon-removal offsetting from 2023
To achieve emissions reductions, we take a science-aligned approach, prioritizing the areas where we can have the greatest impact in collaboration with our employees and supply chain. We will use carbon-removal offsets to balance any residual emissions at the point of net zero and promote innovation in tech-based carbon-removal solutions.

In FYE23, we reviewed our overall net zero carbon ambition and increased our reduction target from 42 percent to 50 percent (from an FYE20 baseline) by 2030. For FYE23 onward, we are measuring progress against this new target.

Net Zero Progress

We have already achieved an 87 percent reduction against our ten-year absolute emissions target. This is a significant achievement when viewed against our aim that, by the end of FYE23 (year three), we would have reached a 15 percent reduction versus the FYE20 baseline. It was achieved mainly through implementing new processes and policies—including switching to renewable electricity, embedding greater accountability and responsibility around business travel, including setting carbon budgets, and moving to hybrid working.

To achieve emissions reductions, we take a science-aligned approach, prioritizing the areas where we can have the greatest impact in collaboration with our employees and supply chain. We will use carbon-removal offsets to balance any residual emissions at the point of net zero and promote innovation in tech-based carbon-removal solutions.

In FYE23, we reviewed our overall net zero carbon ambition and increased our reduction target from 42 percent to 50 percent (from an FYE20 baseline) by 2030. For FYE23 onward, we are measuring progress against this new target.

Renewable Electricity
We achieved 100% renewable electricity consumption in FYE23.

Supply Chain
We maintained our CDP Supply Chain membership, which helped us measure our supply chain footprint more accurately. Arm invited its top 500 suppliers to disclose their emissions again in FYE23 to help us gain a fuller understanding of our supply chain’s environmental footprint—critical to us making meaningful changes.

Business Travel
We continued to implement and track carbon travel budgets to help business groups manage travel-related emissions.

We explored better point-of-sale information provision for travelers to encourage lower carbon travel choices (new provision to be introduced in early FYE24).

Technology Development
We developed a new external Arm partnership to support innovation in climate change mitigation (to be launched in FYE24).

We contracted our first carbon-offset provider to enable support for tech-facilitated, nature-based carbon avoidance projects from end FYE23. This is additional to, and does not count toward, our net zero carbon reduction commitment. These offsets will balance, as a minimum, any FYE23 Scope 1, 2 and Scope 3 category 6 (business travel emissions) as we continue to work to reduce these emissions by 2030. We will retire our first carbon credits for FYE23 in FYE24.

Commuting and Homeworking
We ran our second global commute survey to collect more accurate commute data and continued to use our global door access data system to estimate the split of remote working versus commuting emissions since moving to hybrid working.

We continued to implement and track carbon travel budgets to help business groups manage travel-related emissions.

We explored better point-of-sale information provision for travelers to encourage lower carbon travel choices (new provision to be introduced in early FYE24).
Creating a Culture of Sustainability Accountability

Reporting our progress against key climate indicators and being transparent about our progress helps us improve as an organization and build trust with customers and stakeholders. Built into and monitored through our governance structure, we are holding ourselves accountable for the promises we make, and goals we set. This is vital to helping us achieve our sustainability ambitions.

Climate oversight is driven from the top, with two members of the Executive Committee (EC) managing climate-related issues. The Chief Executive Officer (CEO) provides leadership and drives company-wide support for implementing the sustainability strategy, which includes climate as a strategic priority, across Arm. The Sustainability team reviews Arm’s carbon and energy performance against targets and considers future targets, reporting progress to the Sustainability Committee quarterly. Further responsibility for sustainability is held by the Chief People Officer (CPO), who represents the People and Workplace teams, which are responsible for specific carbon-related areas (travel, commuting, and energy) within the sustainability strategy. The Sustainability team reports to the CPO.

Task Force on Climate-related Financial Disclosures
Arm is planning to disclose relevant information based on the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) in its FYE24 reporting (to be published in FYE25). This will enable us to make more informed decisions about any future business transition planning. We are already publicly committed to net zero carbon by 2030 across all emissions scopes, aligning our efforts with a global climate target of 1.5°C.

Energy
We leverage the latest UK Department for Energy Security and Net Zero missions factors and collate energy data to calculate our emissions and inform energy reductions.

Water
We believe in using water resources as responsibly as possible. We use water in our general office activities, sourcing it through domestic supply systems. We don’t withdraw any water from wetlands, rivers, lakes, or oceans. Where available, we collect site-specific water consumption data. Where data is not available, we estimate based on headcount.

Globally, the wastewater we produce in our offices is passed through domestic wastewater systems, ensuring appropriate treatment in line with local laws and regulations.

Waste
Our main source of waste production is our office spaces, with waste reduction approaches differing between each location, region, and country.

The waste generated is primarily in the form of general office waste, food waste where recycling facilities are not provided, recyclable waste, and nonrecyclable waste.

Arm endeavors to take every available opportunity to recycle electrical waste and furniture and have waste electrical and electronic equipment (WEEE) recycling programs in place for IT equipment.
FYE23 Footprint Breakdown

**Scope 1 and 2 Emissions**

Measuring our carbon footprint is critical to understanding the impact of our business. By tracking Scope 1 and 2 emissions, we can pinpoint areas of our direct operations where we can reduce our impact.

To ensure we are as transparent as possible, we aim to have our Scope 1 and 2 emissions data externally assured as well as our use of renewable electricity and achievement of RE100. We have obtained an external limited assurance review with RSM UK Risk Assurance Services LLP, to International Standard on Assurance Engagements (ISAE) 3000/3410 standards, of our Scope 1 (excluding green gas certificates) and 2 emissions for the first time for FYE23.

**Scope 3 Emissions**

The majority of Arm’s carbon footprint comes from Scope 3 emissions and relates to activities that are not owned or directly controlled by Arm. Six of the 15 Scope 3 categories are relevant to Arm.

We have set targets for two Scope 3 categories to date: 42 percent for purchased goods and services and 7 percent for business travel—supported by our internal policies and carbon budgets.

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**Environment Data**

- **Total Scope 1 and 2 Emissions** (using market-based Scope 2 emissions and Scope 1 emissions excluding green gas certificates) tCO₂e
  - FYE23: 855
  - FYE22: 1,093
  - FYE21: 1,004

- **Total Scope 1, 2, and 3 Emissions** (using market-based Scope 2 emissions excluding green gas certificates) tCO₂e
  - FYE23: 58,729
  - FYE22: 45,794
  - FYE21: 279,164

- **Energy Consumption (Electricity Only)** MWh
  - FYE23: 49,189
  - FYE22: 47,374
  - FYE21: 36,208

- **Renewable Electricity Usage as a % of Total Electricity Consumption** MWh
  - FYE23: 49,189 (100%)
  - FYE22: 46,282 (98%)
  - FYE21: 31,619 (87%)

- **Water Consumption** cubic meters
  - FYE23: 35,260
  - FYE22: 40,226
  - FYE21: 30,588

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8 Scope 1: Direct emissions. Scope 2: Indirect emissions from purchased electricity.
9 Scope 3: Indirect emissions produced in our value chain.
10 Data restatement: We have amended the FYE21 figures in our environment data tables to reflect an update in our carbon emissions methodology and expansion of measurement to all scopes and all categories.
We empower people with the technology they need to solve complex social challenges. Arm is enabling positive change and inclusive innovation by working closely with social impact partners and relevant stakeholders, building a connected future of computing for everyone, everywhere.

We nurture people and their diverse perspectives to support growing opportunities for local and global customers. This helps us expand into new markets while maintaining a sustainable business model.
Overall Reach of Arm SII Partnerships (2015–2023)

<table>
<thead>
<tr>
<th>Category</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct Reach:</td>
<td></td>
</tr>
<tr>
<td>People reached directly</td>
<td>5.6m</td>
</tr>
<tr>
<td>People reached indirectly</td>
<td>31.6m</td>
</tr>
<tr>
<td>SII initiatives enabled by Arm</td>
<td>95</td>
</tr>
<tr>
<td>SII external partner organizations</td>
<td>97</td>
</tr>
<tr>
<td>Interactions enabled with participation of Arm employees</td>
<td>32,000+</td>
</tr>
<tr>
<td>Indirect Reach:</td>
<td></td>
</tr>
<tr>
<td>People reached by innovations catalyzed by SII partnerships</td>
<td>794.3m</td>
</tr>
<tr>
<td>Catalyst:</td>
<td></td>
</tr>
<tr>
<td>Lives reached through tech innovations enabled by Arm</td>
<td>1,000+</td>
</tr>
<tr>
<td>Wider Reach:</td>
<td></td>
</tr>
<tr>
<td>People reached through advocacy, publications, and sector influence</td>
<td>5.6m</td>
</tr>
</tbody>
</table>

**Social Impact**

Technology provides us with the opportunity to respond at pace and scale to evolving global challenges. We are helping to address inequalities by connecting Arm’s business capabilities with our societal responsibilities through technology and the power of partnerships.

**Our Approach**

Our social impact and innovation (SII) strategy drives Arm’s efforts to reduce technology-related inequality and close the digital divide. This work is guided by our sustainable business approach: a long-term view on grants and partnerships and a unique partner ecosystem. In our partnerships, we seek opportunities where we can add value and expertise and have a long track record of start-up investment. Our SII strategy incorporates insights, partnerships, and our SII ecosystem to extend the benefits of technology to the people and areas not currently prioritized in tech development by 2030.

You can learn more about our social impact strategy and partnerships in our Social Impact & Innovation report.

**Arm SII Strategy**

Our SII strategy aims to extend the benefits of technology to the 2.5 billion people not currently prioritized in tech development by 2030.
Arm Social Impact and Innovation Delivery Since 2015

**Insights**
- Innovating for Children in an Urbanizing World
- Tech Bets for an Urban World
- Harnessing Tech for SDGs
- Unlocking Tech for SDGs
- Emerging Markets Strategy

**Partnerships**
- UNICEF
- Gates Foundation
- Giga
- Gavi
- India
- USAID
- WFP
- AAS
- Neocortix
- UNHCR
- UNDP
- UNICEF
- UNICEF Innovation Service

**Ecosystem**
- Bill & Melinda Gates Foundation (BMGF)
- R&D
- World Economic Forum (WEF)
- Raspberry Pi
- Micro:bit Foundation
- Centre for Global Equality (CGE)
- World Health Organization (WHO)
- Bill & Melinda Gates Foundation (BMGF)
- Jangala
- Sida
- African Academy of Sciences (AAS)
- World Economic Forum (WEF)
- Data Science Africa (DSA)
- Nokia Foundation
- Global Fund
- USAID
- CCA
- Giga
- Google.org
- Arribada
- Neocortix
- Folding@Home
- Giga
- Project Connect
- UNDP
- Frog
- UNICEF Learning Innovation Hub
- Carbon13 Venture Builder
- UNHCR Innovation Service
- Extreme Tech Challenge (XTC)
- UNICEF
- New York Academy of Sciences
- Missing Maps
- Amplio
- Talking Books
- Urbanization Workshops
- Building for 21st century skills
- Future
- EdTech

**Legend:**
- Initiatives
- Partners, organizations
- Major events
- Research publications

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**Overview**

- Environment
- Governance
- GRI Index
Jangala: Connecting the Unconnected

Jangala’s technology has connected 80,000 marginalized people across five continents. Jangala’s rugged Big Box device delivers powerful and scalable Wi-Fi in tough and remote conditions. Prototype Big Box systems have connected over 60 organizations working in humanitarian aid, education, healthcare, and disaster response worldwide. Jangala’s Get Box device, created in response to COVID-19, provides low-cost and flexible Wi-Fi for households. It has been used to connect vulnerable residents living in emergency accommodation and to support remote learning. Arm’s support and expertise has enabled Jangala to develop its open-source cloud control platform. We have also enabled the deployment of five Big Boxes to connect healthcare facilities. Currently Arm is supporting the hardware design work to create Big Box v1, which will enable Jangala to deploy at a larger scale, from connecting thousands to potentially connecting millions in the future.

WILDLABS: Building an Open Community of Conservationists, Technologists, and Engineers

Arm teamed up with Google in 2015 to provide seed funding to launch the WILDLABS project — an open, online platform that now unites the largest community of conservation tech users and makers in the world. Whether through virtual and in-person events geared toward forging lasting professional connections, sparking innovative ideas and learning crucial skills, groundbreaking research into the present and future state of the conservation technology field, innovative funding opportunities, and much more, WILDLABS works to unlock ideas, connections, and resources that can make conservation technology more effective, accessible, and impactful.

As a long-term partner of WILDLABS through Fauna & Flora International (FFI), Arm has provided sustained support to enable its community team and technology infrastructure, including investing in the ongoing development of its online community platform. Arm has also partnered in specific programs, like the Women In Conservation Technology Programme in Kenya and Tanzania, the Sustainable Effort publication that explored sustainable electronics and waste in conservation technology, and in 2021, Arm partnered with Microsoft to fund the first-ever State of Conservation Technology report. The report used the WILDLABS community to survey conservationists and technologists on various tools’ ability to diagnose, understand, and address critical environmental challenges. This has developed into a full research program, with a three-year trends report coming soon.

The Digital Divide—5G Access and Inclusion With the Global System for Mobile Communications (GSMA)

The digital divide represents the inequality between nations and demographics who have access to technology, and those who do not. Arm’s responsibility to close the digital divide lies in providing technology solutions that are accessible to a wide userbase, closing the cost-of-access gap to mobile technology. In 2022, we had the unique opportunity to collaborate with the GSMA on its 5G in Africa report, an 81-page report that highlights the societal benefits and economic outcomes of investment in 5G mobile infrastructure in Africa. In this report, we showcased our Closing the Digital Divide approach using the Magma open source project of the Linux Foundation. Magma is a low-cost, scalable disaggregated core network solution that simplifies the task of extending network access out to remote regions and communities, supporting the release of 5G. The solution is already deployed in national parks, Native American reservations in the US, remote communities in Brazil, and in South Sudan to provide connectivity to underserved areas.
As part of Arm’s support for developer communities and digitization efforts across emerging markets in Africa, we have launched (E³)NGAGE labs—an opportunity to cultivate local technology ecosystems on the continent. With the first being set up in South Africa, the labs’ activities have included developer engagement events, university programs, and industry initiatives. Given this success, we are now expanding (E³)NGAGE labs to Ghana through its vibrant network of technical universities and growing community of start-ups. The labs have been set up in partnership with the Kwame Nkrumah University of Science and Technology (KNUST), University of Cape Coast (UCC), Academic City University College (ACity), MakersPlace Ghana, and the US State Department’s Office of Global Partnerships.

Between the opening of the first (E³)NGAGE lab in South Africa in 2022 and the new labs in Ghana in 2023, we have seen notable achievements that showcase the delivery of Arm’s value in the region. We have seen a 1,000 percent growth in user groups within the Embedded Learning Challenge, which enables engineers to gain access to a variety of Arm-based microcontrollers (MCUs). There are also now over 3,000 developers working with Arm-based technology across Africa, and ten new regional developer relationships have been established with Arm partners and regional hubs.

The long-term benefits of our (E³)NGAGE labs are far reaching. Our continued commitment to Africa aligns with our mission to build the future of computing together, for everyone.
Industry-Leading Solutions

We are working to maximize our positive social impact by closing the digital divide between those who have full access to digital technologies and the billions of people who currently do not. We work with our employees and our ecosystem of social impact partners to develop cost-effective, equitable, and industry-leading technology solutions.

Inspiring a New Generation in India
In collaboration with the Ministry of Education, our Arm Education team in India launched the 2023 iteration of its annual Inventors Challenge for engineering students. With the goal of helping solve major global challenges, teams of college students and the faculty proposed solutions that address one or more of the UN SDGs. Once submitted, ideas were evaluated for their potential to make real change. Our mentors supported these teams as they developed their ideas for the real world and built working prototypes. Initiatives like this help us learn from budding engineering talent and prompt people to consider how they might solve key societal issues.

During 2022, the Inventors Challenge received 258 ideas. Of these, 22 teams were shortlisted, receiving STM32 kits (development boards based on Arm processors) and mentorship to develop their prototypes. On December 5, 2022, seven teams showcased their prototypes to evaluators, business groups, and guests at STMicroelectronics, Greater Noida Campus.

Making Agriculture Smarter
One of the Inventors Challenge teams, from Bengaluru, created a data model that addresses agricultural problems caused by poor management through a smart crop monitoring system based on the Internet of Things (IoT). The system utilizes AI and machine-learning algorithms to predict and assess farmland parameters, such as soil water level, temperature, and pH. Historical agricultural data is used to make predictions and inform crop and fertilizer recommendations, accessible through a mobile application.

Closing the Digital Divide
Through our Arm Flexible Access and developer programs, we have lowered the barriers to using our products, something that has delivered notable positive impact for start-ups and initiatives in the environmental and social space.

Similarly, our Arm Education initiative aims to help close education and skills gaps in computer engineering and STEM. As part of the initiative, we provide teaching and learning resources, IP tools, and other support to universities, and work closely with academic and industry partners on research collaborations. Since 2013, we have supported and collaborated with over 2,500 universities worldwide and enabled more than 10,000 Arm-based classes.

To this end, Arm, its ecosystem partners, and leading academic institutions have joined forces to launch the Semiconductor Education Alliance. Our aim is to engage with key stakeholders to build and nurture thriving communities of practice in computer engineering, informatics, and STEM education and research—from teachers and schools to universities, publishers, EdTech companies, and research organizations. The alliance will consolidate existing partnerships and workstreams from Arm and the wider industry and also create new initiatives such as competency frameworks tailored to the industry needs of specific geographies, and accelerated educational and training pathways, resources, and services that will help to build and support future talent pools.
Communities of Practice
Arm is proud to have worked with the University of Southampton and Semiconductor Education Alliance partners to develop the Edu Labs and System on a Chip (SoC) Labs communities of practice for education and research. These labs provide opportunities for academics and interested organizations to share project proposals, substantive work in progress, and curriculum-aligned content. This space allows for information and knowledge sharing, meaning common challenges can be solved at scale.

Our development of communities of practice originated in our work with schoolteachers in the US and UK. In collaboration with the Computer Science Teachers Association and Computing At School, we provide a program of training, events, and educational resources to support teachers using Arm-based devices such as the micro:bit and computer boards from Arduino and Raspberry Pi. By developing teachers’ confidence in using technology effectively, we can enhance learning experiences and encourage young STEM students to develop their talents.

Digital Inclusivity
Around 2.5 billion people in emerging economies now have access to mobile broadband coverage, but many still cannot afford a typical smartphone (source: Alliance for Affordable Internet). Low-cost smartphones built on Arm technology can bridge this digital divide, creating a path to improved accessibility in emerging economies.

Arm is proud to have actively contributed to the Broadband Commission’s Working Group Report on Smartphone Access titled “Strategies Towards Universal Smartphone Access” as one of a number of external experts who were consulted during the creation of this report.
Team Arm

Our employee community engagement program—Team Arm—empowers our people to support the social and environmental causes they care about. In the communities where they live and work, our colleagues recorded 8,000 hours of volunteering in FYE23. What’s more, 88 percent of those who volunteered told us that doing so had increased their sense of pride in Arm.

Our Volunteering Efforts
At Arm, we are committed to providing development opportunities for our colleagues while bringing about positive change in our communities. That’s why, in 2022, we updated our Volunteering Policy to allow employees to use half a day per month for volunteering. Our goal was to enable our colleagues to volunteer regularly and act on the issues that they care about. Ninety-five percent of our colleagues who volunteered told us that they would recommend it to others and 78 percent said that it would increase the likelihood of them talking positively about their experience at Arm.

Supporting Communities
The Movember Foundation
Every November, for the past seven years, we have partnered with the Movember Foundation to raise funds and awareness for health issues affecting men. In 2022, our colleagues came together on an international scale to raise $50,000 (including matching by Arm) for the Movember Foundation’s important work. These funds support vital research into prostate and testicular cancers and men’s mental health issues.

Disaster and Emergency Relief
When a disaster happens, we want to support the communities affected in alignment with our Emergency Response Terms of Reference. In 2022, we organized International Rescue Committee fundraisers for both Ukraine and Pakistan, while further contributing to UNICEF and UNHCR fundraisers for the earthquakes in both Turkey and Syria.

Our charitable efforts are tracked via the Giving Hub, a platform that enables our employees to log their volunteering hours. One thousand of our colleagues made donations to charity using our Giving Hub platform, resulting in $277,500 raised for a number of charitable causes, including The Hunger Project, Akshara Foundation, and Médecins Sans Frontières.
Austin Bike Build
In December 2022, Team Arm partnered with the Ghisallo Cycling Initiative, an organization that provides cycle classes and clinics to children. We held a bike build in the Arm Austin parking lot, supported by 100 volunteers that helped to build 25 bikes. Over 29,000 Austin-area youths have benefited from participating in Ghisallo’s various programs since 2013.

Uptree Work Experience
Throughout FYE23, we partnered with Uptree to deliver events in the UK that create space for sixth-form students from under-resourced, underrepresented backgrounds to explore potential roles in the technology industry. Together, we held eight work experience days, one national workshop, and two application masterclasses.

Across all 11 events, we had 300 student attendees and over 700 applications. Ninety-nine percent of attendees viewed Arm as an attractive employer after the event, while 91 percent of students said they would be interested in a career in STEM after attending. A further 100 percent of students said they found Arm a very or extremely attractive employer after one work experience day, and 100 percent of our attendees found the application masterclass useful for learning about careers in the tech industry.

For Inspiration and Recognition of Science and Technology (FIRST)
FIRST is a global education nonprofit dedicated to inspiring young people to explore STEM through robotics. In FYE23, it engaged over 655,000 students across 106 countries, with Arm as the global sponsor of the FIRST Tech Challenge Control Award. The award recognizes student teams for designing and building robots, and for the innovation with which they integrate sensors and programming.

During FYE23, more than 74,000 students participated in the FIRST Tech Challenge globally, and 632 Control Award submissions were received. As well as investing in the Control Award, we continued to award grants to FIRST teams with a connection to Arm employees, favoring women-led teams. In the UK, we continued our role as FIRST’s Inclusion Partner, providing funding to remove barriers to participation for underserved and underrepresented young people.
Our People

Arm relies on an innovative workforce of passionate employees. This is why we’re building a culture focused on empowering our people, encouraging everyone to bring their authentic selves and ideas to work.

Arm’s Culture and Core Beliefs
The Core Beliefs are the articulation of Arm’s culture, they define how we are working together to enable our purpose and strategies. By embracing them, we aim to create a unique workplace that people love, where everyone adds value and, that ultimately, increases Arm’s competitive advantage.

Learning and Development
Arm’s approach to learning and development centers around individual ownership. Rather than putting the emphasis on the number of training hours completed annually, we focus on providing the tools and resources that help employees learn within their workflow.

Employees have access to the Learning and Development Pillars, a collection of curated content and resources assembled across nine categories identified as being most relevant at Arm. Through the pillars, employees can access digital learning platforms such as LinkedIn Learning and getAbstract. As of FYE23, over 80 percent of employees have activated an Arm-provided LinkedIn Learning license. These include early people skills, technical development, and team effectiveness.

Training and development initiatives include:
• A robust technical development offering to enhance the capability of our engineers as they progress in their careers
• People manager development pathways, providing support to aspiring, new, and experienced managers as they grow in their careers
• People manager collaboration sessions, designed to provide “of-the-moment” support to managers on relevant topics and a mechanism for them to talk through challenges and solutions

Employee Performance and Career Development
Our performance development process, myDevelopment, creates a framework for regular employee–manager engagement to align on expectations, discuss performance, review colleague feedback, and identify opportunities for skill development. Throughout the year, employees are encouraged to have a myDevelopment Progress Insight check-in, an informal performance review focused on the work people are doing and how to develop in their roles. They can also have a career conversation, a holistic appraisal of their career to discuss aspirations and co-create a plan to get there.

In FYE23, 88 percent of employees conducted a myDevelopment Progress Insight check-in, up two percent from FYE22. Over 24,000 pieces of feedback were sent via Intuo, the system supporting the myDevelopment process.
Employee Engagement Survey
We run full employee engagement and pulse surveys annually. These allow us to measure sustainable engagement across Arm, showing whether our people are engaged and energized to do their best work, and to identify areas to further improve employee experience. For FYE23, 87 percent of global employees completed the engagement survey.

Diversity, Equity, and Inclusion Strategy
Our DEI Strategy has four pillars:
• People
• Culture
• Leadership
• Partnerships

Each pillar includes focus areas and KPIs, encouraging an approach where everyone across Arm actively contributes to driving DEI efforts forward.

Arm’s DEI Commitment
Each day, we will enable every voice to be heard, create equitable opportunities and experiences for all, and bring the best people into Arm from the broadest talent pool.

Creating Community for Everyone Using Employee Resource Groups
We want everyone to feel like they belong at Arm. In 2022, we launched two new employee resource groups (ERGs), taking our total to seven. These include:
• Asian@Arm
• Black@Arm
• Disability@Arm
• Neurodiversity@Arm
• Pride@Arm
• Unidos@Arm
• Women@Arm

Our ERGs are open to everyone, and deliver impactful career, cultural, and community events.

Each ERG has cultural moments of importance where it amplifies its mission through event campaigns. These include Lunar New Year, Diwali, Black History Month, Women’s History Month, Pride Month, Hispanic Heritage Month, Disability History Month, and Neurodiversity Celebration Week.

We also have several employee communities such as Christians@Arm, Muslims@Arm, and Non-Native Speakers@Arm that are informal groups that bring people together across a variety of common interests. When it comes to our ERGs and employee communities, we have a diverse range of employees that contribute to their efforts, either as supportive allies or members of the community.

Gender Parity and Pay
Gender diversity is a particular industry-wide challenge; currently women represent 20 percent of employees at Arm. We are taking action to reduce this disparity by engaging girls in STEM as a long-term solution. Even though we do have a gender gap, it does not mean men are paid more than women at Arm. We are committed to men and women being paid fairly for the same work and we perform a global Fair Pay analysis each year with an external consultancy to ensure that there is no bias in pay. Furthermore, we now include an additional step during our Mid-Year and Annual Review processes for an internal, enterprise-wide diversity, equity, and inclusion review to mitigate any bias in our process.

Our colleagues are letting us know that our DEI Strategy is working. We know from our employee engagement surveys that 88 percent of people agree that different ideas and perspectives are valued at Arm, and 92 percent agree that their colleagues create an inclusive environment. In addition, 78 percent of employees agree that Arm supports equal opportunities for all, which is five percentage points higher than other high-performing tech companies. While we are proud of these results, we know we still have work to do to ensure Arm is a place where everyone can thrive.
In FYE23, results from our 2022 global pay equity analysis were reviewed by the EC, with support from external consultants. With regard to our UK gender pay gap, our mean pay gap for FYE22 was 19.92 percent with a mean bonus gap of 26.12 percent. Our median gender pay gap reduced by 1.47 percent, our mean gender pay gap reduced by 2.64 percent, and our median bonus gender pay gap reduced by 8.25 percent. While there has been a reduction in our gender pay gap, the analysis reveals that fewer women are in senior roles at Arm than men, and representation of women in the workforce is lower than men overall.

Arm is dedicated to becoming an inclusive employer for women in technical/engineering roles. Achieving gender equality will take time, but Arm is actively partnering with the local community to drive meaningful change. Helping to address the UK gender pay gap, the analysis reveals that fewer women are in senior roles at Arm than men, and representation of women in the workforce is lower than men overall.

Boosting Youth Employability in the US
To support a more diverse technology industry, we are investing financial resources and company-sponsored employee volunteering time in organizations that encourage people from underserved and underrepresented groups to pursue careers in STEM.

We have continued developing a strategic partnership with INROADS, a nonprofit organization that forges career pathways for ethnically diverse high school and college students in the US. Through this partnership, we recruit interns and graduates to join our teams, helping us to build a more diverse and inclusive workplace.

Worker Health and Safety
When it comes to health and safety, Arm operates in a relatively low-risk industry and environment. However, that doesn’t mean we take the safety and welfare of employees, contractors, and visitors any less seriously. Across our global workspaces, we prioritize health and safety, making it a shared responsibility for everyone at Arm. All new starters are given health and safety training, while employees working in higher-risk areas are kept informed of relevant risks and what they can do to minimize them.

The Arm Health and Safety Management System focuses on identifying hazards, assessing risks, and ensuring high health and safety standards for all employees globally. The system is audited through a company-wide Enterprise Assurance ISO 9001 audit as well as regular internal audits. We also maintain a Health and Safety Policy which is managed by our CPO. Additionally, a Workplace Health and Safety team exists to develop standards that apply to all sites and to monitor compliance with those standards.

Wellbeing
We support our people because we believe that a sustainable, high-performing organization needs a workforce that is well, and so we focus on physical and mental wellbeing. Arm continually seeks to increase wellbeing offerings. It’s part of how we strive to create a healthy business that provides consistent care for employees. For example, sit-stand desks are now offered in many offices as standard. Our Wellbeing team performs display screen equipment (DSE) assessments and provides physiotherapy and physical wellbeing sessions, such as HIIT training, yoga, and Pilates.

We prioritize our employees’ mental health and wellbeing through progressive Human Resources (HR) policies, including generous parental leave and sabbatical options. Our benefits program offers medical coverage, life insurance, and a Global Employee Assistance Program.

In FYE23, we made Unmind (a mental health app) available to all global employees. Additionally, we organize events like Movember, Global Movement Challenge, and World Sleep Day to raise awareness, along with providing location-specific offerings such as on-site gyms and fitness classes.

All employees can access online DSE information, training, and assessments as well as virtual courses on a range of topics, including manual handling, working at height, and fire safety.

Supportive Benefits
We want to contribute to our employees’ wellbeing. It’s why we offer our people competitive benefits including generous leave balances, sabbaticals every four years, and progressive leave when they need it.

Including established employees, fixed-term employees, and contractors.
**People Data**

### Established Employees

**Total Established Employees Worldwide**
- **FYE23**: 5,963
- **FYE22**: 6,329
- **FYE21**: 6,367

#### FYE23 Established Employees by Gender
- **Male**: 4,792
- **Female**: 1,166
- **Other**: 0
- **No information**: 5

#### FYE23 Established Employees by Region
- **Asia Pacific**: 109
- **EMEA**: 3,844
- **India**: 848
- **US and Canada**: 1,162

#### FYE23 Established Employees by Age Group
- **<21**: 17
- **21–30**: 1,454
- **31–40**: 2,071
- **41–50**: 1,566
- **51–60**: 731
- **61–70**: 118
- **70+**: 6

### Fixed-Term Employees

#### FYE23 Fixed-Term Employees by Gender
- **Male**: 93
- **Female**: 49
- **Other**: 0
- **No information**: 4

#### FYE23 Fixed-Term Employees by Region
- **Asia Pacific**: 0
- **EMEA**: 96
- **India**: 49
- **US and Canada**: 1

### Contractors

#### FYE23 Contractors by Gender
- **Male**: 611
- **Female**: 208
- **Other**: 0
- **No information**: 644

#### FYE23 Contractors by Region
- **Asia Pacific**: 266
- **EMEA**: 899
- **India**: 210
- **US and Canada**: 88
### Management Level by Gender

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### Management Level by Age Group

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<td>1,454</td>
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### FYE23 New Starters

#### New Starters Breakdown by Gender

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#### New Starters Breakdown by Age Group

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<th>&lt;21</th>
<th>21–30</th>
<th>31–40</th>
<th>41–50</th>
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### FYE23 Leavers

#### New Starters Who Left Within Period by Gender

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#### Leavers Breakdown by Gender

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14 All new starter data pertains to established employees only.
15 All leaver data pertains to established employees only.
Governance

We are enabling transformation across sectors, guided by governance policies that promote high standards on ethical issues, security, and safety.

Our governance framework evolves in line with our business needs and addresses legislation, regional regulations, and industry best practice guidelines. Accountability starts at the top with our Board of Directors and informs our Code of Conduct (CoC) and other compliance programs.
Governance Structure

As of March 31, 2023, Arm was a privately owned subsidiary of SoftBank Group (SBG) and our overall governance responsibility sat at Group level.

SBG’s governance structure and composition are available to view in its 2023 Annual Report (page 33). The skill matrix (skill set desired by SBG) of the Board of Directors and Audit and Supervisory Board members can also be found in the SBG 2022 Annual Report (page 46).

Arm’s Board of Directors
In FYE23, our Board—which represents various global regions—grew, both in terms of people and experience. As part of an ongoing plan to address gender and national diversity across the organization, Arm’s Board welcomed five new directors from different countries, professional backgrounds, and genders—with a quarter of the Board now female. To incentivize greater inclusion at Arm, we have incorporated DEI performance into our bonus structure. We engage external consultants to provide annual performance benchmarking for senior executives, ensuring proper role- and market-based compensation.

Since FYE20, Arm’s directors have been reporting against the Wates Corporate Governance Principles for Large Private Companies. In FYE23, the Board oversaw the start of a step plan implementation to deliver more effective corporate governance.

16 Statements in this section reflect our governance structure as of March 31, 2023.
The Head of Sustainability is responsible for overseeing various issues, including communicating our sustainability strategy, objectives, and performance. The Director of Climate Impact is responsible for developing our climate strategy, setting targets and monitoring progress. The Director of Social Impact is responsible for our impact strategy, corporate giving, and social and ethical insights related to technology.

Risk Management
Our risk management framework is overseen by the Risk Review Committee, a subset of the Arm EC, which identifies and assesses the key risks to the business. Each corporate risk has an executive owner, and they are supported by subject matter experts within the business where necessary. Mitigating internal controls are identified for corporate risks, along with risk treatment plans to further reduce Arm’s risk exposure where possible and desirable. In addition to the Risk Review Committee, each business group within Arm is responsible for managing the risks associated with its own objectives. This ensures the effectiveness of the risk management process. Where necessary, risks are escalated to the EC.

The Arm risk management framework provides robust guidance on our processes, including those within legal, regulatory, and commercial areas such as tax compliance and public policy engagement, to manage both long-term risk and short-term business success. Internal Audit is responsible for regularly monitoring our financial control framework.

Read more about our tax approach.

Climate-Related Risks
When it comes to climate-related risks, our Sustainability team is responsible for reporting to the CPO and the Sustainability Committee. We consider a variety of risk types in our climate-related risk assessments, with the most prominent being current and emerging regulation, technology, reputation, and acute physical risks. Chronic physical risks are not currently included in our assessments due to their timescale. We will review this based on the results of a planned 2023 TCFD assessment. Following the assessment, we will also look to include TCFD in our disclosure scope and to add climate risk to our risk register.
Ethics, Privacy, and Security

Foundations of trust, security, and privacy are essential to our continued efforts to produce solutions our partners can confidently use to innovate and transform. We strive to be a leader in corporate responsibility and demonstrate our values through responsible business practices.

Arm Security Manifesto
We develop our security methods securely and ethically through a combination of hardware, software, tools, and strategic partners. Our Security Manifesto details the threat landscape for data and represents a call to action for multidisciplinary cooperation.

To put the principles of our Security Manifesto into practice, Arm has acted with industry leaders to highlight Platform Security Architecture (PSA) Certification as an important foundation of security in electronic devices. Arm is also a founding member of the Cybersecurity Tech Accord, an organization consisting of more than 100 companies committed to protecting the cybersecurity of consumers. This is in addition to participating in the Connectivity Standards Alliance (CSA), which focuses on improving the accessibility of IoT devices for consumers.

Ethical by Design—Our Approach to AI
AI promises to be the most transformative technology trend in our lifetimes. Arm has been researching trustworthy AI to harness the benefits of AI systems and avoid potential harm.

Our Arm AI Trust Manifesto joins industry attempts to establish principles for ethical and trustworthy AI. Our manifesto outlines a “chain of assurance,” which would require any company in an AI supply chain to state what ethical risks it had identified and how it had addressed them. We also considered developments in security and privacy technologies that may be used to deliver a chain of assurance. We have seen how high-performing tech companies have shaped legislation around emerging technology, and as such, we designed our manifesto to lead thought on AI security and trustworthiness.

Addressing Misinformation
To combat the harmful effects of online misinformation, we must leverage increasingly innovative technology solutions. With this in mind, we are active members of the Coalition for Content Provenance and Authenticity (C2PA), created to address misinformation and disinformation.

This coalition has developed technical standards for certifying the source and history of media content, ensuring an accurate track record of any changes made. It offers anyone publishing or accessing media via the internet the opportunity to demonstrate that the content:

- Comes from where it says it does
- Is in the state the publisher intended

We are working across our ecosystem to ensure these standards work optimally on Arm hardware and benefit from Arm’s silicon-level security technologies.

In FYE23, Arm (working in collaboration with other members of the coalition) contributed important groundwork toward linking C2PA assertions to hardware security in the smartphone ecosystem.

Privacy and Confidentiality
In FYE23, there were no substantiated complaints issued to Arm from data protection authorities. No Arm customers made any material allegations concerning breaches of confidentiality.
Responsible Business
Our Code of Conduct (CoC), which includes our approach to human rights, details how we operate as a responsible business.

As part of mandatory training to reduce discrimination throughout our value chain—which includes data privacy, anti-bribery and anti-corruption—we require all employees across Arm to sign the CoC annually. Additionally, all suppliers are required to comply with our Supplier Code of Conduct (Supplier CoC), which includes our expectations regarding human rights, non-discrimination, and forced labor.

Our governance policies are reviewed annually, ensuring they remain relevant to the organization, our people, our partners, and legislation such as the UK Modern Slavery Act. Further supporting our commitment to non-discrimination, Arm is a signatory of the Universal Declaration of Human Rights.

Should an ethics-related concern arise, an anonymous, global Integrity Helpline is available for anyone worldwide.

Anti-Bribery and Corruption
While anti-bribery and corruption (ABC) is referenced in Arm’s CoC, it also exists as a separate policy requiring sign-off by all employees every year. We assess risks related to corruption across all Arm locations. This is mainly done through policy sign-off. We assess risks in gifts and hospitality, conflicts of interests, and outside business interests.

Our ABC policies, guidelines, and procedures are based on internationally accepted standards of best practice. All our employees, including the Arm EC, receive ABC training.

All suppliers are required to comply with our Supplier CoC as a condition of working with Arm. To further support this code, our contractual terms of business set out specific obligations relating to responsible business practices, including anti-bribery.

Compliance With Laws and Regulations
During the reporting period in FYE2023, we have not had any significant instances of non-compliance with laws and regulations.

Conflicts of Interest
To remain compliant and ethical in all that we do, Arm has a conflict of interest (COI) process which is managed by the Legal team. The Office of Ethics and Compliance receives and manages COI requests, which are investigated and approved (if there are no conflicts). Most COI requests are received via an Outside Business Interest form. We report COI updates quarterly to the Audit and Compliance Committees.
Mechanisms for Seeking Advice and Raising Concerns

Arm encourages an open, supportive environment for raising concerns without fear of retaliation. It is the responsibility of employees to raise a concern and prompt the necessary action if they witness or are aware of behavior that conflicts in any way with our CoC.

Arm employees can seek advice from and raise concerns with multiple contacts, including:

- Their manager
- The People team via People Hub
- The Office of Ethics and Compliance

The Arm Integrity Helpline also has two secure and trusted options to report concerns confidentially and anonymously, where allowed by local law:

- Make a report online
- Make a report verbally

Processes to Remediate Negative Impacts

For our global community to thrive, everyone must behave with integrity and speak up when they have questions or concerns. Employees may speak with their managers, the People team, the Office of Ethics and Compliance or raise a concern using our Integrity Helpline process. They can also use two secure and trusted options through the Arm Integrity Helpline to report concerns confidentially and anonymously, where allowed by local law.

We survey our employees to ensure that we can continue to improve our processes.

We monitor the effectiveness of our grievance mechanisms and other remediation processes through metrics, industry benchmarking, and auditing.

Alongside our ongoing initiatives, Arm participates in forums and has an active Corporate Sustainability team. This helps us examine our role in the remediation of identified negative impacts that we have caused or contributed toward.
Public Policy Engagement

Arm conducts business with integrity, remaining accountable for our actions. To help ensure our compliance approach is as relevant as possible, Arm considers the most recent legislation, regional regulations, and industry best practice guidelines.

We engage with public policy issues where relevant to our business, providing expertise, advice, and insight to policymakers. While the semiconductor industry is not highly regulated, Arm engages public officials on select trade and export regulations that impact Arm’s business and Arm’s ability to equally serve customers globally.

Furthermore, we engage with governments and institutions around the world, providing technical expertise and public policy positions related to our business interests. We aim to maintain periodic high-level contact and regular expert-level contact with our government stakeholders, ensuring they have access to Arm’s knowledge on relevant issues for government policy. This is done from a position of political neutrality and does not support particular political parties or agendas.

Political Contributions
In accordance with our CoC, Arm does not make any political donations.

Arm Management System
To best serve our customers, our people, and our stakeholders, we developed the Arm Management System (AMS)—a framework that describes how Arm operates internally and aligns our actions with our key long-term initiatives. Organizational success, in part, relies on working together using this framework.
Stakeholder Engagement

Arm actively and regularly engages with stakeholders to help inform how we as a company operate and create space for diverse thoughts and opinions.

Approach to Stakeholder Engagement
We want to work with as many organizations and stakeholder groups as possible to help drive more efficient, sustainable industries. Dedicated teams manage Arm’s relationships with customers, partners, investors, and employees to ensure their needs are regularly addressed. We engage other stakeholder groups when necessary.

To help our Board make decisions with stakeholders in mind, Arm’s CEO provides a corporate governance briefing with an emphasis on stakeholder engagement at each scheduled Board meeting.

Who Our Stakeholders Are
Our solutions affect billions of people daily—often without them even realizing. It’s important we connect with as many of our stakeholders as we can to better understand their needs and expectations around sustainability.

Arm’s key stakeholders include:
- Shareholders
- Customers
- Employees
- Governments
- Suppliers
- Investors
- Local communities
- Partners
- Trade associations
- Education bodies
- International organizations and not-for-profit partners

Engaging Our Key Stakeholder Groups

Shareholders
During FYE23, both shareholders of the Company were represented on the Board. By virtue of such representation, these shareholders are treated with transparency and integrity in terms of information and reporting, and benefit from direct interaction and engagement with the Board and the EC.

Customers and Partners
Our customers and partners are the driving force behind what we do and we are committed to collaborating efficiently with them to help tackle global challenges.

In FYE23, Arm continued to engage customers globally. For example, in August 2022, we hosted our Arm Partner Meeting, an opportunity for us to build face-to-face connections with customers.

The Company continues to offer regular, structured review meetings with partners, in the form of strategic management reviews and technical reviews, as well as regular calls with customer account teams.
Suppliers
We want to ensure our entire supply chain is ethical and sustainable. That’s why we developed our responsible procurement strategy. During FYE22, a third party conducted a maturity assessment of this strategy. They subsequently delivered training to our Procurement team to support it in having meaningful conversations with suppliers on carbon emission reductions and other environmental considerations, social impact, and DEI.

We have set targets and engaged with suppliers to find new ways to collaborate on emissions reduction. We want to make it easier for small and medium enterprises and minority-owned businesses to work with Arm. We are also working with suppliers on their approach to DEI to ensure they are aligned with us.

Employees
Our employees are at the heart of Arm, creating efficient solutions and driving forward our sustainability initiatives. It’s vital we continue engaging with them and keep lines of dialogue open. We hold annual and quarterly employee events on key aspects of the wider business and role-specific issues. Employee input is encouraged via ongoing Q&A sessions with EC members and senior leadership, smaller “breakfast” sessions and through weekly Company announcements, news, and industry updates.

ERGs operate with formal support from the Company and provide additional employee development and training. Optional leadership training sessions are available for members of the ERG committees, delivered by an external expert. These sessions helped to build capabilities in leadership and communication among the Company’s ERG leaders.

More information on employee engagement can be found under Learning and Development.

Public Organizations
We engage with various public organizations, including governmental and intergovernmental bodies, trade associations, and NGOs. Primary responsibility for these stakeholders is split between the Public Affairs, Sustainability, Education and Academic Engagements, Emerging Economies, and Communications and Community teams.

A dedicated team manages relationships with various government departments across jurisdictions and we aim to maintain contact with them, offering our expertise on relevant policy issues. Arm also engages with several technical standards-setting bodies and maintains an emerging economies program to build contacts with universities.

Local Communities
Arm provides local community support through philanthropic contributions, employee volunteering, and community projects. The Company addresses charitable and educational causes that relate to issues of national or critical local significance, including STEM-focused education, diversity, inclusion, and social mobility.
Tax

We strive to comply with all relevant laws and seek to pay the right amount of tax, at the right time, and in the right place.

**Tax Strategy**

Tax compliance is key to Arm, and we manage it in line with our governance framework and risk management procedures, which reflect the regulatory, legal, and commercial environment in which we operate. Arm pays the taxes it owes in the countries it is required to. In addition to paying corporate income tax on profits, Arm pays various taxes incurred in business operations as well as taxes associated with employees.

Through our tax strategy, which applies to all Arm Group entities, we enhance shareholder value by managing tax liabilities through legitimate tax exemptions and reliefs as appropriate within the countries where we have a presence.

**Executive Committee**

The Executive Committee (EC) has overall accountability for risk management. It also has oversight of Arm’s tax strategy and regularly reviews key developments that might influence Arm’s global tax position. The Risk Review Committee and Compliance Committees are subsets of this committee. The two groups oversee the Corporate Risk Register, including tax risk and business-wide policy compliance.

**Approach to Tax Planning**

Arm does not engage in aggressive or artificial tax planning schemes or arrangements that serve no commercial purpose and does not tolerate any activities or behaviors that encourage tax evasion, nor withholding of revenues from government and regulatory authorities.

To the extent that Arm may undertake tax planning, it would be with the purpose to support our commercial needs and with a clear understanding of the tax consequences of any decisions made.

**Tax Stakeholder Engagement**

Arm proactively engages with tax authorities to resolve uncertainty over the treatment or administration of its tax affairs. Complex tax laws and regulations relating to Arm’s businesses mean that occasionally Arm may disagree with authorities on the technical interpretation of a particular area of tax law. Historically, such occasions have been resolved through discussion with the respective tax authority.
Supply Chain

Arm is a responsible business, and our size and scope give us the opportunity to boost integrity throughout our supply chain. Our Procurement team supports Arm’s wider strategic efforts to implement best practices across all Arm business units through projects and solutions.

Supply Chain Sustainability
Arm has developed a responsible procurement strategy which supports the UN SDGs and harnesses the potential of diversity, equity, and inclusion through working with our supplier base. We have also set supply chain sustainability targets, which cover our Scope 3 category 1 and 2 emissions, to support our 2030 commitment to net zero.

Additionally, as members of CDP Supply Chain, we are gathering emissions data for our top 500 suppliers with the assistance of a specialist carbon data consultancy. This information will be used to identify areas where we can work with our suppliers to reduce Scope 3 emissions. Responses are due from our top 500 suppliers by the end of Q2 FYE24.

Our Supply Chain Spend
In FYE23, the Arm Group spent $659 million across 1,746 suppliers.

Supplier Code of Conduct
All suppliers who are registered on our Procure-to-Pay platform are asked to confirm their acceptance of our Supplier Code of Conduct (Supplier CoC). This includes strict requirements that suppliers do not employ child labor, participate in human trafficking, use forced labor, or purchase goods or services from other suppliers who employ such practices. This Supplier CoC also includes the requirement for suppliers to comply with local labor and wage laws.

In addition, any new contracts require reconfirmation of compliance with the Supplier CoC.

During FYE23, we registered 182 new suppliers, with 91 percent of those accepting our Supplier CoC.

Managing Risk in the Supply Chain
Arm has identified no materially significant negative environmental impacts in our supply chain as a direct consequence of operations. We continue working with CDP Supply Chain to gather carbon emissions data from our top spend suppliers, allowing us to identify areas to collaborate with our supply chain on ways to reduce those emissions. We have also included environmental impact and supplier diversity considerations into our Request for Proposal (RFP) process, which includes a requirement that a minimum weighting is applied to these elements when making the final purchasing decision.

Supply Chain Diversity
Supplier diversity is a key focus area for Arm. We want to make it easier for small and medium enterprises and minority-owned businesses to access supplier opportunities with us. During FYE21, we redsigned our RFP documentation to simplify the process smaller suppliers go through to engage with Arm and showcase their offerings. We have continued to use this throughout FYE23.

We work with our suppliers to ensure their approach to DEI is aligned to our own commitments through asking specific questions in the RFP process (which then form a part of the overall purchasing decision). To enable this, we have provided our Procurement team with training in all aspects of responsible procurement to empower them to have productive and inclusive relationships with all our suppliers.
Global Reporting Initiative (GRI) Index

The GRI is an independent, international organization that helps businesses and other organizations take responsibility for their impacts, providing them with the global common language to communicate those impacts. The GRI provides the world’s most widely used standards for sustainability reporting: the GRI Standards.

These standards enable reporting that allows comparison to different organizations and analyses, presenting concise but detailed information on issues material to Arm and its stakeholders. Arm has been reporting against the GRI framework since 2010.
<table>
<thead>
<tr>
<th>GRI Standard</th>
<th>Disclosure</th>
<th>Location/Response</th>
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</table>
| **GRI 2: General Disclosures 2021** | 2-1 Organizational details | Arm Limited, About Arm, p.05  
| | | Our Global Presence, p.06  
| | | www.arm.com/company  
| | | www.arm.com/company/offices |
| | 2-2 Entities included in the organization's sustainability reporting | Welcome to Our Annual Sustainable Business Report, p.02  
| | | www.arm.com/products |
| | 2-3 Reporting period, frequency and contact point | Welcome to Our Annual Sustainable Business Report, p.02  
| | | Back Cover, p.56 |
| | 2-4 Restatements of information | Welcome to Our Annual Sustainable Business Report, p.02 |
| | 2-5 External assurance |  
| | 2-6 Activities, value chain and other business relationships | About Arm, p.05  
| | | Our Global Presence, p.06  
| | | Business Model, p.07  
| | | Supply Chain, p.08 |
| | 2-7 Employees | Our Global Presence, p.06  
| | | Social; Our People; People Data; Contractors, p.28  
| | | Total number of full-time employees: 7,313  
| | | Total number of part-time employees: 259 |
| | 2-8 Workers who are not employees | Our Global Presence, p.06  
| | | Social; People Data; Contractors, p.28 |
| | 2-9 Governance structure and composition | Governance: Governance Structure, p.31  
| | | Governance: Governance Structure; Arm's Board of Directors, p.31  
| | | www.arm.com/company/leadership |
| | 2-10 Nomination and selection of the highest governance body | group.softbank/en/about/corporate_governance/structure |
| | 2-11 Chair of the highest governance body | The roles of Chairman and Chief Executive Officer (CEO) remain separate.  
<p>| | | <a href="http://www.arm.com/company/board">www.arm.com/company/board</a> |</p>
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<th>GRI Standard</th>
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<tr>
<td>GRI 2: General Disclosures 2021 (continued)</td>
<td>2-12 Role of the highest governance body in overseeing the management of impacts</td>
<td>Governance: Governance Structure; Arm’s Board of Directors; Supporting Committees, p.32&lt;br&gt;Governance: Governance Structure; How Sustainability Fits Into Our Governance Model, p.31&lt;br&gt;www.arm.com/company/leadership</td>
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<td></td>
<td>2-13 Delegation of responsibility for managing impacts</td>
<td>Governance: Governance Structure, p.31&lt;br&gt;Governance: Governance Structure; Sustainability Management, p.32&lt;br&gt;The Sustainability Committee is responsible for making decisions on environmental matters. Both the Chief People Officer (CPO) and Chief Financial Officer (CFO) sit on the Sustainability Committee, which meets quarterly and reports to the Executive Committee (EC).&lt;br&gt;The other committees that contribute to our overall governance are the Remuneration Committee, Audit Committee, Compliance Committee, and Risk Review Committee. Impacts are reported to the Compliance Committee, and then to the Audit Committee, which then goes to the Arm Board.&lt;br&gt;The Arm Sustainability team reports directly to the CPO. The CPO represents the People and Workplace teams, which are responsible for specific carbon-related areas (travel, energy, commute) within the sustainability strategy.&lt;br&gt;Arm’s Chief Diversity Officer (CDO) reports to the CEO.&lt;br&gt;www.arm.com/company/leadership</td>
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<td>2-14 Role of the highest governance body in sustainability reporting</td>
<td>Governance: Governance Structure, p.31&lt;br&gt;Governance: Governance Structure; Sustainability Management, p.32</td>
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<td>2-15 Conflicts of interest</td>
<td>Governance: Ethics, Privacy, and Security; Conflicts of Interest, p.34</td>
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<td>2-16 Communication of critical concerns</td>
<td>Governance: Ethics, Privacy, and Security; Mechanisms for Seeking Advice and Raising Concerns, p.35</td>
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<td>2-17 Collective knowledge of the highest governance body</td>
<td>SoftBank Group Annual Report 2023, p.46</td>
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<td>2-19 Remuneration policies</td>
<td>Governance Structure; Supporting Committees, p.32&lt;br&gt;Remuneration policies for the Executive Directors and the Senior Executives are the responsibility of the Arm Remuneration Committee.&lt;br&gt;The pay policies focus on the upper quartile overall. Total compensation includes base salary, short-term incentives, and equity-based long-term incentives. Variable incentives are linked to personal and company performance. Each individual has a requirement to perform based on the Core Beliefs of the organization and to have an “active” rating in contribution to the Company’s diversity, equity, and inclusion (DEI) programs. It is not permissible for any employee to gain an uplift in their bonus if they are not “active” against the DEI rating.</td>
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<td>GRI 2: General Disclosures 2021 (continued)</td>
<td>2-20 Process to determine remuneration</td>
<td>Governance Structure: Supporting Committees, p.32</td>
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<td>The Remuneration Committee has overall responsibility for the Company’s reward and bonus structure. The remuneration policies for the Executive Directors and the Senior Executives are all the responsibility of the Arm Remuneration Committee.</td>
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<td>The Arm Remuneration Committee is governed by the agreed terms of reference, and reports decisions made to the Arm Board.</td>
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<td>The policies are designed with our stakeholders in mind, looking to:</td>
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<td>• Attract, engage, and retain the senior talent required to deliver on the ambitions of Arm’s strategy</td>
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<td>• Deliver long-term, sustainable outcomes for shareholders as well as ensuring Arm has the human capital required to build the future of computing on Arm for our partners and their customers</td>
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<td>• Reflect the culture of the organization and value of everyone’s contribution</td>
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<td>• Follow the principles of all employee policies and plans (Senior remuneration policies)</td>
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<td>The remuneration policies for the Chief Executive Officer (CEO) and Executive Committee (EC) follow the design adopted across the whole organization, which is called “Reward at Arm: Everyone contributes differently and every contribution counts.” External compensation consultants provide annual benchmarking for the Senior Executives to ensure people are being compensated appropriately based on role and market. This information is provided to the Arm Remuneration Committee.</td>
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<td>2-21 Annual total compensation ratio</td>
<td>We do not currently calculate this metric.</td>
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<td>2-22 Statement on sustainable development strategy</td>
<td>Message from our CEO, p.03</td>
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<td>2-23 Policy commitments</td>
<td>Governance; Ethics, Privacy, and Security; Discrimination, p.34</td>
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<td>About Arm; Partnerships for Positive Impact, p.05</td>
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<td>Governance; Governance Structure, p.31</td>
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<td>Governance; Ethics, Privacy, and Security; Anti-Bribery and Corruption, p.34</td>
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<td>Supporting Documents and Global Policies:</td>
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<td>Arm Trademarks</td>
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<td><strong>GRI 2: General Disclosures 2021 (continued)</strong></td>
<td>2-24 Embedding policy commitments</td>
<td>Governance; Ethics, Privacy, and Security; Anti-Bribery and Corruption, p.33</td>
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<td>Governance; Governance Structure; How Sustainability Fits Into Our Governance Model, p.34</td>
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<td>All our employees, including the Arm Executive Committee (EC), receive anti-bribery and corruption (ABC) training. All suppliers are required to comply with our Supplier Code of Conduct as a condition of working with Arm.</td>
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<td>2-25 Processes to remediate negative impacts</td>
<td>Governance; Ethics, Privacy, and Security; Mechanisms for Seeking Advice and Raising Concerns, p.35</td>
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<td>Governance; Ethics, Privacy, and Security; Processes to Remediate Negative Impacts, p.35</td>
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<td>Governance; Stakeholder Engagement; Approach to Stakeholder Engagement, p.37</td>
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<tr>
<td></td>
<td>2-26 Mechanisms for seeking advice and raising concerns</td>
<td>Governance; Ethics, Privacy, and Security; Mechanisms for Seeking Advice and Raising Concerns, p.37</td>
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<td>2-27 Compliance with laws and regulations</td>
<td>Governance; Ethics, Privacy, and Security; Compliance with Laws and Regulations, p.34</td>
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<td>During the reporting period, we have not had any significant instances of non-compliance with laws and regulations.</td>
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<td>2-28 Membership associations</td>
<td>About Arm; Partnerships for Positive Impact, p.39</td>
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</tbody>
</table>
| | | We work closely with partners and trade associations where we operate, such as:  
| | | • The Semiconductor Industry Association (SIA)  
| | | • The Open RAN Policy Coalition  
| | | • The Coalition for Content Provenance and Authenticity (C2PA)  
| | | • Tech UK  
| | | • TechWorks  
| | | • Digital Europe (Trade Association)  
| | | • Alliance for Internet of Things and Edge Computing Innovation (AIOTI)  
| | | We also participate in international coalitions such as the United Nations Global Compact (UNGC). |
| | 2-29 Approach to stakeholder engagement | Governance; Stakeholder Engagement; Approach to Stakeholder Engagement, p.37 |
| | | Governance; Stakeholder Engagement; Approach to Stakeholder Engagement; Who Our Stakeholders Are, p.38 |
| | | Governance; Stakeholder Engagement; Engaging our Key Stakeholder Groups, p.38 |
| | | Governance; Tax; Tax Stakeholder Engagement, p.39 |
| | 2-30 Collective bargaining agreements | We do not restrict the rights of our people to freedom of association.  
| | | We have unions in several countries (for example, France and Norway) and works councils in some locations (for example, France and Hungary), but do not operate bargaining agreements with trade unions, except in France.  
| | | Freedom of association and collective bargaining is not explicitly covered in our Code of Conduct (CoC). Our policies do not explicitly address union membership but some of our knowledge articles refer to cooperative relationships with unions. The UK policies all reference the right to be accompanied by a union member in formal meetings.  
<p>| | | 6.3 percent of our global established workforce is directly covered by collective bargaining agreements (which only apply in France). Working conditions and policies are determined in accordance with our Core Beliefs, CoC, and market practice, and in many cases are more generous than would be typically provided for under collective bargaining agreements. |</p>
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<tr>
<th>GRI Standard</th>
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<tr>
<td>GRI 3: Material Topics 2021</td>
<td>3-1 Process to determine material topics</td>
<td>Materiality Assessment; Approach and Methodology, p.08</td>
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<tr>
<td></td>
<td>3-2 List of material topics</td>
<td>Materiality Assessment; Current Material Issues, p.08</td>
</tr>
<tr>
<td>GRI 201: Economic Performance 2016</td>
<td>3-3 Management of material topics</td>
<td>Quantification of economic impacts or additional items outside of this content is not available and would need to be created from scratch.</td>
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<tr>
<td></td>
<td>201-1 Direct economic value generated and distributed</td>
<td>Direct economic value generated (revenue of Arm Group), FYE23: $2,679m. Economic value distributed (R&amp;D and SG&amp;A costs), FYE23: $1,895m. Economic value retained: $784m.</td>
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<td></td>
<td>201-2 Financial implications and other risks and opportunities due to climate change</td>
<td>Environment; Creating a Culture of Sustainability Accountability; Task Force on Climate-related Financial Disclosures, p.14</td>
</tr>
<tr>
<td></td>
<td>201-3 Defined benefit plan obligations and other retirement plans</td>
<td>Social; Our People; Worker Health and Safety; Wellbeing; Supportive Benefits, p.27 In Korea, we have a defined benefit plan for employees that includes retirement considerations, while in all other locations, we deliver retirement benefits such as pension contributions or 401(k) plans.</td>
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<tr>
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<td>201-4 Financial assistance received from government</td>
<td>Total government grant income as per FYE23 IFRS financial statements: $83.0m.</td>
</tr>
<tr>
<td>GRI 202: Market Presence 2016</td>
<td>3-3 Management of material topic</td>
<td>The information for this disclosure is not currently available.</td>
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<tr>
<td></td>
<td>202-1 Ratios of standard entry level wage by gender compared to local minimum wage</td>
<td>We do not collect entry-level wage by gender information as it is deemed non-applicable to our company. We hire and reward our people based on merit, qualifications, and experience. In the UK, Arm is a living wage employer.</td>
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<td>202-2 Proportion of senior management hired from the local community</td>
<td>The information for this disclosure is not currently available.</td>
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<tr>
<td>GRI 203: Indirect Economic Impacts 2016</td>
<td>3-3 Management of material topic</td>
<td>The information for this disclosure is not currently available.</td>
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<td>203-1 Infrastructure investments and services supported</td>
<td>The information for this disclosure is not currently available.</td>
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<td>203-2 Significant indirect economic impacts</td>
<td>Social; Social Impact; Our Approach, p.17 Social; Social Impact; Arm SII Strategy, p.17 Social; Social Impact; Overall Reach of Arm SII Partnerships (2015–2023), p.17 In our partnerships, we seek opportunities where we can add value and expertise and have a long track record of start-up investment. You can learn more about our social impact strategy and partnerships in our Social Impact &amp; Innovation report.</td>
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</table>
GRI Standard | Disclosure | Location/Response
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GRI 204: Procurement Practices 2016 | 3-3 Management of material topic | During FYE23, we engaged with a third party to conduct a maturity assessment of our responsible procurement strategy and procurement practices. This resulted in a number of recommendations and led to an update to our strategy. We have a clear implementation plan supporting this strategy covering the next three years. This third party also provided training for our Procurement team in relation to the four pillars of our strategy:
- Carbon emissions reduction
- Social impact
- Supplier DEI
- Other environmental considerations
The purpose of this training was to equip the team with the necessary knowledge and skills to be able to have meaningful conversations with our suppliers on these topics to drive tangible and measurable improvements.
We are also looking at implementing new technology that will support the ability to report against each of these areas in FYE24.

204-1 Proportion of spending on local suppliers | As a global organization, we work with multiple suppliers who are geographically spread. Arm operates using centralized procurement and payment systems. As a result, we are not able to report on the proportion of spending that can be attributed to "local suppliers."

GRI 205: Anti-corruption 2016 | 205-1 Operations assessed for risks related to corruption | While anti-bribery and corruption (ABC) is referenced in Arm’s Code of Conduct (CoC), it also exists as one of three separate policies requiring sign-off by all employees every year.
We assess risks related to corruption across all Arm locations. This is mainly done through policy sign-off. We assess risks in gifts and hospitality, conflicts of interests, and outside business interests.

205-2 Communication and training about anti-corruption policies and procedures | While anti-bribery and corruption (ABC) is referenced in Arm’s Code of Conduct (CoC), it also exists as a separate policy requiring sign-off by all employees every year.
As part of mandatory training—which includes data privacy, anti-bribery, and anti-corruption—we require all employees across the Arm Group to sign our CoC annually.
The requirement to sign off on the CoC and complete CoC training applies to employees of the whole group (Arm Group, which includes all subsidiaries). 100 percent of employees are expected to abide by the CoC.
All our employees, including the Arm Executive Committee (EC), receive ABC training.
- Governance body members that the organization’s anti-corruption policies and procedures have been communicated to: 100%
- Employees that the organization’s anti-corruption policies and procedures have been communicated to: 100%
- Business partners that the organization’s anti-corruption policies and procedures have been communicated to: 100%
- Governance body members that have received training on anti-corruption: 100%
- Employees that have received training on anti-corruption: 100%
www.arm.com/company/code-of-conduct

205-3 Confirmed incidents of corruption and actions taken | There were no confirmed incidents of corruption involving Arm or its employees during the year ending March 31, 2023. Additionally, there were no public legal cases regarding corruption brought against the organization or its employees during the reporting period.

GRI 206: Anti-competitive Behavior 2016 | 3-3 Management of material topic | While anti-trust is referred to in the Code of Conduct (CoC), there is also a corporate policy on anti-trust.
Anti-trust training is provided to all employees, with customized content based on employee risk profiles.

206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices | Arm was not directly named in any legal actions relating to anti-competitive behavior, anti-trust, or monopoly practices during the year ending March 31, 2023.
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<td><strong>GRI 207: Tax 2019</strong></td>
<td>3-3 Management of material topics</td>
<td>Arm’s policy is to comply with all applicable laws, rules, regulations, and reporting requirements relevant to the Group. Tax compliance is key to the Group, and Arm manages tax in line with its governance framework and risk management procedures, which reflect the regulatory, legal, and commercial environment in which Arm operates. Arm strives to comply with the spirit as well as the letter of the law and seeks to pay the right amount of tax, at the right time, and in the right place. Arm has a presence in many countries around the world and pays the taxes that it owes in those countries. In addition to paying corporate income tax on its profits, Arm pays various taxes that are incurred in its business operations as well as taxes associated with its employees.</td>
</tr>
<tr>
<td>207-1 Approach to tax</td>
<td>Governance; Tax Strategy, p.39</td>
<td>Many governments encourage innovation by offering tax incentives to companies that develop new technologies. A large proportion of Arm’s products are developed in the UK, where the UK Government offers credits to companies with R&amp;D commitments. More information can be found in our Tax Strategy (March 2023).</td>
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<tr>
<td>207-2 Tax governance, control, and risk management</td>
<td>Governance; Tax Approach to Tax Planning, p.39</td>
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<tr>
<td>207-3 Stakeholder engagement and management of concerns related to tax</td>
<td>Governance; Tax Stakeholder Engagement, p.39</td>
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<tr>
<td>207-4 Country-by-country reporting</td>
<td></td>
<td>Arm has a presence in many countries around the world and pays the taxes that it owes in those countries. In addition to paying corporate income tax on its profits, Arm pays various taxes that are incurred in its business operations as well as taxes associated with its employees. Arm is committed to paying the correct taxes in each relevant jurisdiction and follows a policy of full disclosure in its dealings with tax authorities worldwide. Arm engages on a timely basis with all relevant tax authorities with integrity, transparency, and in a spirit of cooperative compliance.</td>
</tr>
<tr>
<td><strong>GRI 302: Energy 2016</strong></td>
<td>302-1 Energy consumption within the organization</td>
<td>Arm does not collect separate data on energy consumption for heating and cooling; this is included in overall electricity and gas consumption. Total Scope 1 (natural gas + liquid fuel for generator during electricity outage) consumption: 4,625 MWh Total Scope 1 renewable consumption: 4,037 MWh Total Scope 2 renewable consumption: 49,189 MWh</td>
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<td>302-2 Energy consumption outside of the organization</td>
<td>Arm does not collect separate data on energy consumption for heating and cooling; this is included in overall electricity and gas consumption. Total Scope 1 (natural gas + liquid fuel for generator during electricity outage) consumption: 4,625 MWh Total Scope 2 (electricity) consumption: 49,189 MWh Total Scope 1 renewable consumption: 4,037 MWh Total Scope 2 renewable consumption: 49,189 MWh</td>
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<td>302-3 Energy intensity</td>
<td>• 7.84 MWh/FTE (metric value (MWh): 53,814/metric denominator 6,863 FTE at October 1, 2022, or midyear) • 6,863 FTE at October 1, 2022, or midyear • Electricity, natural gas, and liquid fuel • Inside (Scope 1 and 2)</td>
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<td><strong>GRI 302: Energy 2016</strong> (continued)</td>
<td>302-4 Reduction of energy consumption</td>
<td>Metric value (MWh): 56,006 (gas and electricity) Metric numerator: 6,863 FTE (October 1, 2022, or midyear FYE23) Metric denominator (intensity metric only): 8.16 MWh/FTE This an 18 percent increase from the previous year. The figure for FYE22 was 6.90 MWh/FTE. Staff numbers in FYE23 have decreased and at the same time energy use has increased from FYE22 to FYE23 with the introduction of our new hybrid working policy post COVID-19 and more staff returning to the office.</td>
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<tr>
<td><strong>GRI 305: Emissions 2016</strong></td>
<td>305-1 Direct (Scope 1) GHG emissions</td>
<td>Environment; FYE23 Footprint Breakdown; Environment Data, p.15</td>
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<td>305-2 Energy indirect (Scope 2) GHG emissions</td>
<td>Environment; FYE23 Footprint Breakdown; Environment Data, p.15</td>
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<td>305-3 Other indirect (Scope 3) GHG emissions</td>
<td>Environment; FYE23 Footprint Breakdown; Environment Data, p.15</td>
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<td>305-4 GHG emissions intensity</td>
<td>Emissions intensity per headcount: 8.56 tCO₂e (Scope 1, 2, and 3 (Scope 2 market-based)) Emissions intensity per revenue: 0.000021 tCO₂e (Scope 1, 2, and 3 (Scope 2 market-based)) The focus of our climate change targets is no longer on intensity metrics as we focus on achieving absolute reductions. Intensity was previously used as a metric for our 2010–2020 emissions and energy-consumption targets. It is no longer relevant to our new net zero targets for 2030 and our commitments to RE100 for 100 percent renewable-sourced electrical energy by 2023. We still calculate and report emissions intensity per headcount and report on emissions intensity per revenue in our CDP disclosure.</td>
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<td>305-5 Reduction of GHG emissions</td>
<td>Our Scope 1 and 2 emissions reduced by 38 percent between FYE22 and FYE23 (1,369 tCO₂e in FYE21 to 854 tCO₂e in FYE23). This was due to the increase in use of renewable electricity between these years, which reduced Scope 2 emissions to zero. This calculation is based on location-based data for Scope 1 and market-based data for Scope 2.</td>
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<td>305-6 Emissions of ozone-depleting substances (ODS)</td>
<td>The information for this disclosure is not currently available.</td>
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<td>305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions</td>
<td>The information for this disclosure is not currently available.</td>
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<td>GRI 306: Waste 2020</td>
<td>3-3 Management of material topic</td>
<td>The approach to waste management varies depending on location and region. Our global estate is either rented, leased, or serviced office space, and in many locations, our landlords manage the waste removal as well as the effluents. In other locations, waste is managed under contracts for cleaning. For information technology waste, Arm has waste electrical and electronic equipment (WEEE) programs in place.</td>
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<td>306-1 Waste generation and significant waste-related impacts</td>
<td>Environment: Creating a Culture of Sustainability Accountability; Waste, p.14</td>
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<td>306-2 Management of significant waste-related impacts</td>
<td>Environment: Creating a Culture of Sustainability Accountability; Waste, p.14</td>
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<td>306-3 Waste generated</td>
<td>Our main source of waste production is our office spaces, with management styles differing between each location, region, and country. While reliable data is only available for some UK sites, we do know what is generated is primarily in the form of general office waste, food waste where recycling facilities are not provided, recyclable waste, and nonrecyclable waste.</td>
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<td>306-4 Waste diverted from disposal</td>
<td>Arm does not hold reliable data on waste or e-waste. This will be looked at through FYE24 to improve reporting.</td>
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<td>306-5 Waste directed to disposal</td>
<td>Arm does not hold reliable data on waste or e-waste. This will be looked at through FYE24 to improve reporting.</td>
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<tr>
<td>GRI 308: Supplier Environmental Assessment 2016</td>
<td>3-3 Management of material topic</td>
<td>In addition to the work we have undertaken to complete a maturity assessment and update our responsible procurement strategy, Arm has again chosen to work with CDP Supply Chain this year to collect carbon emissions data from its top 500 spend suppliers.</td>
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<td>308-1 New suppliers that were screened using environmental criteria</td>
<td>Governance: Supply Chain; Supply Chain Sustainability, p.40</td>
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<td>308-2 Negative environmental impacts in the supply chain and actions taken</td>
<td>Governance: Supply Chain; Supply Chain Sustainability, p.40</td>
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<td>During FYE23, Arm did not identify any materially significant negative environmental impacts in our supply chain that exist as a direct consequence of our operations.</td>
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<tr>
<td>GRI 401: Employment 2016</td>
<td>3-3 Management of material topic</td>
<td>Arm values people as individuals and our commitment is to reward people competitively and equitably for the work they do and the skills and experience they bring to Arm. People at Arm receive competitive benefits including generous leave balances, sabbaticals every four years, and progressive leave when they need it. Our commitment is for people to succeed in work and in life and to feel supported in both.</td>
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<td>401-1 New employee hires and employee turnover</td>
<td>Social; People Data; FYE23 New Starters, p.29</td>
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<tr>
<td></td>
<td>401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees</td>
<td>Social; Our People: Worker Health and Safety; Wellbeing; Supportive Benefits, p.27</td>
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<td>The only benefits that are not available to temporary employees are life insurance, group income protection, stock ownership, and bonus payments. Temporary employees are compensated through increased salaries. Part-time employees in the US must work more than 30 hours per week to be eligible for participation in the benefits.</td>
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<tr>
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<td>401-3 Parental leave</td>
<td>All employees, regardless of gender, are entitled to parental leave. We cannot provide data on retention rates as we do not capture this data.</td>
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### GRI Standard Disclosure Location/Response

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<tr>
<td>GRI 402: Labor/Management Relations 2016</td>
<td>3-3 Management of material topic</td>
<td>Arm has a number of active forums to discuss labor issues with employee groups—such as works councils (for example, in France and Hungary), employee representatives (Norway), and labor management committees (for example, Taiwan). Where Arm effects business changes with a substantial impact on people, we follow all consultation processes required by law, depending on the jurisdictions impacted.</td>
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<td>402-1 Minimum notice periods regarding operational changes</td>
<td>Arm is a global company and, therefore, would provide notice of significant operational changes in line with or greater than the minimum notice required for the location affected. For example, in the UK, Grades 1–5 have a notice period of one month, and Grades 6+ have a notice period of 13 weeks. In some countries (particularly in Europe), this period may be longer, whereas in the US, employees are engaged “at will” and while Arm may offer a notice period in the event of organizational change, this is not provided for in employment agreements or offer letters.</td>
</tr>
<tr>
<td>GRI 403: Occupational Health and Safety 2018</td>
<td>3-3 Management of material topic</td>
<td>The accountable executive for the Arm Health and Safety Policy is the Chief People Officer (CPO). The policy is reviewed at a minimum annually and is shared, along with other health and safety information, with all new hires as part of their induction. Health and safety is also part of the Arm Code of Conduct (CoC), which everyone signs up to annually. The Arm Workplace Health and Safety Management System focuses on identifying hazards and on assessing health and safety risks related to our sites and activities at our sites. The Workplace Health and Safety team has developed health and safety standards that apply to all sites, and compliance with these standards is checked and recorded regularly. Agreed health and safety KPIs are reported monthly, and progress over time is monitored by the Workplace Health and Safety team.</td>
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<td></td>
<td>403-1 Occupational health and safety management system</td>
<td>Social; Our People; Worker Health and Safety, p.27 Work health and safety forms part of the Workplace Enabling team, which works closely with local Workplace Experience teams, who implement operational aspects of occupational health and safety at their sites. The Workplace Health and Safety team meets with local Workplace Experience teams on a monthly basis; Arm health and safety standards, legislative reviews, audits, and assessments are ongoing agenda items, as well as any current health and safety issues. The Workplace Health and Safety team hosts a monthly Health and Safety Forum with representatives from relevant business functions. The Workplace Health and Safety Management System is implemented to manage health and safety for all employees globally, including established employees, fixed-term employees, and contractors. Arm complies with all current legal health and safety requirements in the locations we operate and the management systems reflects this. Arm has also developed workplace health and safety standards that apply to all our locations. The Workplace Health and Safety team uses an online property risk management solution tool to track compliance with legal requirements, Arm health and safety standards, and progress on assigned actions. The Arm Health and Safety Management System is audited through the Arm-wide Enterprise Assurance ISO 9001 audit as well as other internal audits.</td>
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<tr>
<td></td>
<td>403-2 Hazard identification, risk assessment, and incident investigation</td>
<td>Social; Our People; Worker Health and Safety, p.27 The Arm Workplace team is responsible for ensuring that the Arm offices are safe and secure places of work. The team ensures that work-related hazards are identified by carrying out regular risk assessments of sites and of work-related activities. Any actions arising from these risk assessments are tracked and reviewed on an ongoing basis. The majority of sites have a dedicated Workplace Experience team on site, which is responsible for ensuring corrective actions are carried out and that control measures are in place. These teams participate in monthly health and safety meetings where issues can be discussed and updates are shared. They have access to the online health and safety training portal and to online health and safety guidance and information. Arm’s Health and Safety Policy requires that all workplace accidents, incidents, and near misses must be logged centrally in our People Hub, and investigated by the Health and Safety team, which will ensure any remedial actions are carried out. Trained first-aiders at sites are encouraged to report any accidents or near misses they become aware of. The Arm Health and Safety Policy requires that everyone must be aware of the Health and Safety Management System and receive information, training, supervision, and tools as required so they can act in a safe and responsible way and not place themselves or others who may be affected by their actions at risk of injury or harm.</td>
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<tr>
<td>GRI 403: Occupational Health and Safety 2018 (continued)</td>
<td>403-3 Occupational health services</td>
<td>Arm is continually looking at making improvements to our workplace health and safety and wellbeing offerings across all sites. For example, sit-stand desks are now offered in many offices as standard. There is a dedicated Wellbeing team that has created guidance for all Arm employees on how to thrive socially, physically, mentally, and financially. Many sites have face-to-face display screen equipment (DSE) assessments, and some have physiotherapy and physical wellbeing sessions, such as HIIT training, yoga, and Pilates. Where this is not available face to face, it can be accessed virtually. All employees can access online DSE information as well as online DSE training and assessments. Online health and safety courses are available to everyone on a variety of subjects, such as manual handling, work at height, and fire safety.</td>
</tr>
<tr>
<td>403-4 Worker participation, consultation, and communication on occupational health and safety</td>
<td>Arm has formal health and safety committees managed locally for those sites or regions where there is a statutory duty to do so. Although there is no formal process for all employees to engage in health and safety training, we work in a transparent manner. It is the responsibility of all individuals to report any concerns or maintenance requirements relating to safe and secure operating environments within or in close proximity to any Arm site.</td>
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<tr>
<td>403-5 Worker training on occupational health and safety</td>
<td>Health and safety training is provided to all individuals as they start employment with the Company. In addition, online health and safety training is available to all employees on subjects such as Fire safety, manual handling, display screen equipment (DSE), and hazardous substances. General health and safety information and guidance is available to all online, such as Health and Safety When Working From Home. For higher-risk areas, the owner of the area will ensure that workers in that area are aware of the risks and that they are informed of how to reduce/eliminate the risks.</td>
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<td>403-6 Promotion of worker health</td>
<td>Social; Our People; Worker Health and Safety, p.27 Social; Our People; Worker Health and Safety; Wellbeing, p.27</td>
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<tr>
<td>403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships</td>
<td>Arm’s Code of Conduct (CoC) provides awareness to all Arm employees on health and safety support, and supplementary health and safety e-learning is also provided. In addition, Arm has a range of services such as a Wellbeing team in the UK, who perform in person, and virtual desk assessments, plus online resources to mitigate the risk of injury to people while working. Arm has a global Employee Assistance Program in place to support employees proactively and reactively with any issues they experience inside or outside work. Social; Our People; Worker Health and Safety, p.27</td>
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<td>403-8 Workers covered by an occupational health and safety management system</td>
<td>The Arm Health and Safety Management System applies to all employees globally, including established employees, fixed-term employees, and contractors, and includes the requirement for all sites to comply with legal requirements in their location, as well as with Arm health and safety standards. No workers are excluded from the Health and Safety Management System. The Workplace Health and Safety team uses an online property risk management solution tool to track compliance with legal requirements, Arm health and safety standards and progress on assigned health and safety actions. The Arm Health and Safety Management System is audited through the Arm-wide Enterprise Assurance ISO 9001 audit as well as other regular and ad hoc internal audits. Social; Our People; Worker Health and Safety, p.27</td>
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<tr>
<td>GRI 403: Occupational Health and Safety 2018</td>
<td>403-9 Work-related injuries</td>
<td>Arm’s Health and Safety Policy requires everyone—including fixed-term contractors, contractors, interns, and work experience students—to report work-related accidents and near misses via the Arm online reporting tool. Individuals must be aware of the Health and Safety Management System and receive information, training, supervision, and tools as required. We do not publicly disclose data on incidences, but can confirm that the main types of injuries reported via the Arm online reporting tool are minor slips and trips and incidents while in the gym. Arm’s Workplace Health and Safety team are not aware of any current hazards that pose a risk of high consequence injuries to anyone, and none have been reported in the reporting year. This is continually monitored by the site Workplace Experience teams and the Workplace Health and Safety team.</td>
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<td>(continued)</td>
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<td>403-10 Work-related ill health</td>
<td>We do not publicly disclose this information.</td>
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<td>GRI 404: Training and Education 2016</td>
<td>3-3 Management of material topics</td>
<td>Arm has a governance model in place to ensure we have a business-relevant, inclusive, and impactful learning and development strategy. The Director of Learning and Development partners with People Group leadership and business leaders to define the overarching model and learning requirements. The centralized Learning and Development team partners with people enablement managers and people business partners to execute the strategy and create visibility to development opportunities available across Arm.</td>
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<td>404-1 Average hours of training per year per employee</td>
<td>Arm launched a new learning and development model in FYE23 that does not place emphasis on &quot;hours per employee&quot; but rather provides tools and resources to ensure employees are learning in the flow of their work. This is supplemented by digital content, including curated learning collections referred to as our Learning and Development Pillars, LinkedIn Learning, getAbstract, and O’Reilly. Over 80 percent of Arm employees have activated a company-provided LinkedIn Learning license to access digital learning content.</td>
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<td>404-2 Programs for upgrading employee skills and transition assistance programs</td>
<td>Social: Our People; Learning and Development p.25 Arm's approach to learning and development is centered around individual development ownership with support from colleagues and Arm. Arm's performance development process, &quot;myDevelopment,&quot; provides the framework for individuals to have regular conversations with their manager to talk about how they're doing, review feedback from colleagues, and identify targeted opportunities to develop their skills. Colleagues have access to a collection of digital content around key topics (for example, people manager transition, early career support, and team effectiveness). Colleagues across Arm are encouraged to connect with a mentor to provide informal career and development advice as they progress during their time with the Company. Additionally, Arm has a robust technical development offering that provides opportunity for engineers to enhance technical capability as they grow in their career. The offering specifically targets early career colleagues—providing them with opportunities to develop and grow skills in order to contribute to projects as they get started with Arm. Outplacement and career transition support is provided to employees who leave the organization through a redundancy or restructure. This involves tailored careers support involving one-to-one career coaching sessions and access to an online e-career skills program to support the transition to future employment.</td>
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<td>404-3 Percentage of employees receiving regular performance and career development reviews</td>
<td>Through &quot;myDevelopment,&quot; Arm's performance development process, all colleagues connect with their manager to align on expectations, review feedback, and talk holistically about their career. In FYE23, 88 percent of Arm colleagues conducted at least one myDevelopment conversation with their manager.</td>
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<tr>
<td>GRI Standard</td>
<td>Disclosure</td>
<td>Location/Response</td>
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<td>GRI 405: Diversity and Equal</td>
<td>405-1 Diversity of governance bodies and employees</td>
<td>Governance: Governance structure: Arm’s Board of Directors. 31. group.softbank/en/about/corporate_governance/structure. 29. Social: People Data; Management Level; Management Level by Gender. 29. Social: People Data; Management Level; Management Level by Age Group. 29. SoftBank Group Annual Report 2023 Foundations for our Growth; Message from External Board Director; Evolving risk management and corporate governance. 57.</td>
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<td>Opportunity 2016</td>
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<td>GRI 406: Non-discrimination 2016</td>
<td>406-1 Incidents of discrimination and corrective actions taken</td>
<td>There were four instances of discrimination reported within the organization during FYE23. All of these incidents were investigated by the organization, and investigations have been closed and completed. None of the incidents were upheld as discrimination and no formal action was taken. However, in all four cases, recommendations were made to the relevant management teams to take actions to improve the employee experience and mitigate the risk of potential future claims through normal management action. Recommendations included coaching on communication styles, providing development, and improving onboarding arrangements to enable new joiners to get up to speed quickly.</td>
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<td>GRI 407: Freedom of Association and</td>
<td>3-3 Management of material topics</td>
<td>We do not restrict the rights of our people to freedom of association. The Group does not presently operate any collective agreements with any trade unions. We do have unions in several countries (for example, France and Norway) and works councils in some locations (for example, France and Hungary), but we do not operate collective bargaining agreements, except in France. 6.3 percent of our global established workforce is directly covered by collective bargaining agreements (which only apply in France). Working conditions and policies are determined in accordance with our Core Beliefs, Code of Conduct (CoC), and market practice, and in many cases are more generous than would be typically provided for under collective bargaining agreements. Freedom of association and collective bargaining are not explicitly covered in our CoC. Our policies do not explicitly address union membership, but some of our knowledge articles refer to cooperative relationships with unions. The UK policies all reference the right to be accompanied by a union member in formal meetings.</td>
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<td>Collective Bargaining 2016</td>
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<td>GRI 407: Freedom of Association and</td>
<td>407-1 Operations and suppliers in which the right to freedom of association</td>
<td>Freedom of association and collective bargaining are not explicitly covered in our Code of Conduct (CoC). Our policies do not explicitly address union membership, but some of our knowledge articles refer to cooperative relationships with unions. The UK policies all reference the right to be accompanied by a union member in formal meetings. 6.3 percent of our global established workforce is directly covered by collective bargaining agreements (which only apply in France). Working conditions and policies are determined in accordance with our Core Beliefs, CoC, and market practice, and in many cases are more generous than would be typically provided for under collective bargaining agreements. In relation to our supply chain, our suppliers who are fully registered on our Procure-to-Pay platform are asked to comply with our Supplier Code of Conduct (Supplier CoC), which includes provisions related to freedom of association.</td>
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<td>GRI Standard</td>
<td>Disclosure</td>
<td>Location/Response</td>
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<td>GRI 409: Forced or Compulsory Labor 2016</td>
<td>3-3 Management of material topic</td>
<td>As an intellectual property (IP) company, our supply chain of raw materials is negligible. As a result, our associated risks are low. We do, however, purchase a wide range of goods and services from a large number of globally distributed suppliers. All suppliers who are registered on our Procure-to-Pay platform are required to comply with our Supplier Code of Conduct (Supplier CoC). This Supplier CoC sets out our expectations of our suppliers in relation to forced labor.</td>
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<td>GRI 414: Supplier Social Assessment 2016</td>
<td>3-3 Management of material topic</td>
<td>Our Supplier Code of Conduct (Supplier CoC) includes provisions related to human rights and non-discrimination alongside other social measures.</td>
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<td>GRI 415: Public Policy 2016</td>
<td>3-3 Management of material topic</td>
<td>We always conduct our business with integrity, remaining accountable for our actions. We engage with public policy issues where relevant to our business to provide expertise, advice, and insight to policymakers. We do not operate in a highly regulated environment nor is our public policy focused on mitigating the impacts of our business activities.</td>
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<td>GRI 418: Customer Privacy 2016</td>
<td>3-3 Management of material topic</td>
<td>We always conduct our business with integrity, remaining accountable for our actions. To ensure our approach to compliance is as relevant as possible, Arm considers the most recent legislation, regional regulations, and industry best practice guidelines. Arm recognizes that its strength lies in the high caliber of its people and how we conduct business fairly, openly, and with integrity. The foundation of this approach lies in our Code of Conduct (CoC), which includes our approach to human rights. All employees are required to sign the CoC every year as part of mandatory training on a variety of areas, including data privacy, anti-bribery, and corruption. Our business ethics and discrimination policies are reviewed annually to ensure they remain relevant to the organization, our people and partners, and legislation such as the UK Modern Slavery Act. We have also signed the Universal Declaration of Human Rights. In circumstances where ethics-related concerns arise, an anonymous, global Integrity Helpline is available for all employees. We are proud to report that there were no substantiated incidents of discrimination raised or recorded by Arm during FYE23.</td>
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<td>GRI 419: Global Slavery Index 2016</td>
<td>419-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data</td>
<td>No substantiated complaints concerning breaches of customer privacy were received by Arm for non-compliance with laws and regulations in any of its global locations during the year ending March 31, 2023.</td>
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Additional Information About This Report
Arm’s approaches to the disclosures included in this report may be different from those included in mandatory regulatory reporting and Arm can provide no representation or assurance that its internal approach is consistent with other investment criteria, taxonomies, standards, or guidelines. In particular, Arm’s use of the materiality principle for purposes of this report is not the same materiality principle relevant for US federal securities laws purposes. Information deemed material for the purposes of this report is not an indication that such information is necessarily material as defined under the US federal securities laws and the applicable regulations thereunder.

The report as a whole has not been externally assured. Non-financial information is subject to measurement uncertainties resulting from limitations inherent in the nature and methods used for determining such data. The selection of different but acceptable measurement techniques can result in materially different measurements. Such information is non-GAAP and non-audited. Information concerning external initiatives, partnerships or strategic programs is based solely on publicly available materials and has not been prepared, compiled, independently verified, or assured by Arm. While such information is believed to be accurate and the sources from which it has been obtained are believed to be reliable, Arm does not accept any responsibility for the content of such information and does not guarantee the accuracy, adequacy, or completeness of any such third-party information.

Forward-Looking Statements
This report contains forward-looking statements that reflect Arm’s plans, beliefs, expectations, and current views with respect to, among other things, future events and financial performance, climate change and its impact, Arm’s future business plans, strategies, objectives, products, programs, and activities; the impact and benefits of Arm’s plans, strategies, programs, products, and activities; and the risks to Arm’s business and the factors that will impact them. The forward-looking statements appear in a number of places in this report. Forward-looking statements are based on Arm management’s beliefs and assumptions and on information currently available to Arm’s management. In some cases, you can identify forward-looking statements by the words "may," "might," "will," "could," "would," "should," "expect," "future likely to," "intend," "plan," "objective," "anticipate," "believe," "estimate," "predict," "potential," "target," "continue," and "ongoing," or the negative of these terms or other comparable terminology intended to identify statements about the future. The forward-looking statements and opinions contained in this report are based upon information available to Arm as of the date of this report and, while Arm believes such information forms a reasonable basis for such statements, such information may be limited or incomplete, and Arm’s statements should not be read to indicate that it has conducted an exhaustive inquiry into, or review of, all potentially available relevant information. These statements involve known and unknown risks, uncertainties, and other important factors that may cause Arm’s actual results, levels of activity, performance, or achievements to be materially different from the information expressed or implied by these forward-looking statements. Such risks and uncertainties include, but are not limited to, those described in Arm’s filings with the US Securities and Exchange Commission. Any forward-looking statements made by Arm speak only as of the date on which they were made. Arm is under no obligation to, and expressly disclaims any obligation to, update or alter its forward-looking statements, whether as a result of new information, subsequent events, or otherwise.