

Sustainable Business Report
Year ending March 31, 2024

A Sustainable Future.
It Starts on Arm



arm

About This Report

This report aims to be a comprehensive source of information on how Arm impacts the environment, our people, and society.

The report presents our key environmental, social, and governance (ESG) progress for the financial year ended March 31, 2024 (FYE24). It does so ‘with reference to’ the Global Reporting Initiative (GRI) 2021 Universal Standards, in line with reporting best practices. Our FYE24 GRI Index is included on page 55.

Our annual Communication on Progress against the United Nations Global Compact (UNGC) is available on the [UNGC website](#).

The scope of this report applies to the Arm Holdings plc group of companies (Arm). The reporting period for data shared starts April 1, 2023, and ends March 31, 2024. In August 2023, Arm Limited became a wholly owned subsidiary of Arm Holdings plc in connection with its initial public offering in September 2023.

FYE24 and comparative financial or market information have been presented to align key performance indicators (KPIs) and U.S. Generally Accepted Accounting Principles (GAAP) accounting results with the content in Arm’s public SEC filings.

Methodology Changes from FYE23

FYE24 greenhouse gas (GHG) emissions data includes the emissions generated from the use of fuel in employee-owned vehicles while undertaking business travel (Scope 3, Category 6) for the first time. The emissions data presented in this report includes emissions from this source for the current reporting year, and has been restated for all previous reporting years including the baseline year (FYE20). For more information on Arm’s Greenhouse Gas Emissions Reporting, please visit our website.

We aim to be as transparent as possible by securing external assurance of our Scope 1 and 2 emissions data, our use of renewable electricity, and achievement of our RE100 commitment. We obtained an external limited assurance review with RSM UK Risk Assurance Services LLP, to the International Standard on Assurance Engagements (ISAE) 3000/3410, of our Scope 1 (excluding green gas certificates) and Scope 2 emissions in FYE24.

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It Starts on Arm

Message from our CEO

Arm began with 12 founding architecture designers who had a vision to create more efficient computing. Today, more than 30 years later, this vision has become a global reality. Arm is now the world's most pervasive compute platform. Technologies built on Arm are enabling the previously unthinkable—from cloud to edge computing, to electric vehicles and cutting-edge personalized healthcare.

In September 2023, Arm once again became a publicly listed company and demand for our technologies, such as Armv9, increased across all markets where artificial intelligence (AI) is driving the need for our unique combination of performance and power efficiency.

The success of our business today is born from more than 30 years of innovation, partnership, and responsibility. This heritage has enabled us to become one of the most trusted and respected technology companies in the world. But the rate of change over the next decade will be exponential, as the capabilities and demand for computing accelerate in the age of AI. This, coupled with Arm's recent initial public offering (IPO), means that in many ways, we're just at the start of Arm's story.

Over the coming years, Arm will grow and evolve to take on new challenges. We're investing in innovation, and scaling to meet global demand for computing. As we enter this time of rapid acceleration, acting responsibly, considering our impacts on people and the planet, and creating change for good will remain central to our decision making.

How we embrace the transformative impacts of AI will become increasingly important to the sustainability of our business. Many of the potential benefits to society around healthcare, productivity, education, and various other areas are beyond our imagination. However, running complex AI workloads creates a critical challenge—the immense power required by datacenters to fuel this groundbreaking technology. In the context of the climate crisis, finding ways to reduce the demand for power from AI is paramount to achieving societal breakthroughs and realizing the benefits it promises.

As a company that made its name devising ways to minimize the power consumption of smartphones, Arm is well-placed to rise to this challenge. Our latest technologies are already allowing the industry to rethink how chips are built to accommodate the demands of AI.

We're guided by our North Star: **Building the future of computing on Arm. Together. For everyone.** As we invest in the power-efficient technologies of the future, we're also committed to reducing our own environmental footprint and investing in partnerships and research that will help to ensure that no one is excluded from the benefits our technologies can provide. We hold a deep sense of responsibility to help create a brighter future for everyone. Ensuring the ethics, governance, and credibility of our business, and the technologies we help to create are foundational to our success.

This report sets out the foundations Arm is laying to support a transition to a cleaner, more efficient, fairer, more connected world, and how we expect our initiatives to evolve over the coming year. It also details our responsibilities to ensure that, to the extent possible, Arm's influence on the world is positive, and how these are built into operations across our organization.

I'd like to extend my sincere gratitude to our shareholders, people, and partners for their contributions to igniting the positive change that Arm is helping to create.

Rene Haas
CEO, Arm



“AI is the most profound opportunity in our lifetimes. This moment matters — to people, our planet, and all our futures.”

Building on Strong Foundations

Message from our Chief People Officer



“Our people are core to our success and we are investing in them and the communities where we work.”

Arm’s sustainability performance in FYE24 builds on over 30 years of innovating solutions to some of the world’s most complex challenges.

The high level of trust we’ve established with partners, customers, and other stakeholders is one of the foundations driving that performance. As you’ll read in this report, our current sustainability strategy focuses on working with this ecosystem, prioritizing our people, driving social impact and innovation, and reducing our carbon emissions.

Our sustainability strategy, and the relationships that make it possible, are also built on strong governance that extends across our business, ensuring the ethics, integrity, and security of our business and technologies.

As we evolved our company to prepare for our IPO in FYE24, these priorities, values, and policies remained foundational to our operations.

Toward a More Connected, Equitable Future

Nowhere is the value of our approach to partnership clearer than in how we help create a more connected, equitable future for all.

This report outlines our ongoing work with numerous partners, from large organizations such as UNICEF and Gavi, the Vaccine Alliance to smaller teams like those at Jangala and Makerere University, Uganda. These partnerships share the

common ambition to magnify the positive impacts of technology with people who are otherwise unconnected, underserved, and excluded from technological development.

Together we have achieved far more than any of us would have alone. Our joint efforts have directly engaged 6.1 million people through technological innovations since 2015.

Reducing Our Environmental Footprint

Working in partnership also drives achievements in our own operations and supply chain. In FYE24, we attained a 77 percent reduction in GHG emissions across all scopes compared to our FYE20 baseline.

We accomplished this by changing the way we work, and also by collaborating with our supply chain and empowering our people to make low-carbon choices.

Success Starts With Our People

Our people are core to our success and we are investing in them and the communities where we work.

We’re encouraged by positive feedback from people within our organization. In our FYE24 annual employee survey, of the 95 percent of employees who responded, 95 percent said they

are proud to work for Arm. This is our highest ever score on that question and we will now aim even higher.

Employees are also supporting communities where we’re located. Over 1,000 of them volunteered through Team Arm in FYE24, donating more than 10,000 hours of company time.

Never Standing Still

While our sustainability strategy provides a strong foundation, we’re cognizant of the rapid evolution taking place within our industry and the wider world, and the challenges these present. Simultaneously, we are looking ahead as we plan to scale our business following our IPO.

We have always built toward the future and this period of change is no different. Arm’s next chapter will require fresh approaches across our sustainability priorities. We’re taking stock of our role within our industry and reflecting on how we need to evolve to maximize our positive impacts and address new challenges.

Wherever this takes us, keeping pace with change starts on Arm, with our people, and our partners.

Kirsty Gill

CPO, Arm

FYE24 Highlights

Social Impact & Innovation



A More Connected, Equitable Future



Third Sector Business Charity Award

Winner of 2024 Telecoms and Technology Award for the Arm and UNICEF partnership.



6.1m

people reached directly through Arm-funded initiatives since 2015.



UNICEF Learning Innovation Hub

Convened industry experts to shape initiatives that accelerate the future of learning.



WILDLABS partnership

Supported launch of new awards for conservation tech projects through WILDLABS.

Environment



A More Environmentally Sustainable Business



Top 25

score in Financial Times Climate Leaders 2024 listing of European companies reducing emissions.



B grade

awarded for our CDP Climate response.



77%

reduction in emissions across all scopes against FYE20 baseline.



Offsetting partnership

Established a new partnership for carbon offsetting, additional to our net zero carbon reduction commitment.

People



Arm Starts With People



97%

of employees understand how their work contributes to Arm's strategy.



Strong retention

Employee attrition falls below 7 percent reflecting our positive work environment and IPO-related opportunities.



85%

of employees believe Arm supports equal opportunities for all, above other high-performing companies.



10,000+

hours volunteered, 700+ charities and nonprofits supported through Team Arm.

Governance



Operating With Integrity



IPO

led to significant changes to corporate structure and governance.



Nasdaq-100

Joined the Nasdaq on IPO and subsequently included in the Nasdaq 100 Index and Nasdaq 100 Sustainable ESG Select Index.



Core Beliefs

refreshed, defining how we work together.



95%

typical Customer Satisfaction Score for Arm Technical Support.

It Starts Now

The Rapid Evolution of Computing and AI

From the first Arm-based mobile devices to today's ever-expanding AI workloads, Arm has been at the forefront of the evolution of computing.

The ubiquitous CPU is indispensable to everyday life. In today's technology-driven world, the CPU enables virtually every electronic device we use together with the infrastructure on which we rely for power, communication, water, and transport. Smart, connected devices, such as smartphones, wearables, personal computers (PCs), and tablets, continue to proliferate. Even everyday products like washing machines, thermostats, and utility meters are becoming more computationally advanced.

Manufacturing, logistics, building management, food production, and healthcare are also increasingly built around digitally enabled devices. Advances in computing are propelling a wave of innovation across a broad range of markets and use cases. For example, vehicles are effectively becoming computers on wheels; factory floors are increasingly automated; and retail shopping continues to lean on self-service checkouts.

As consumers and enterprises keep demanding more from their devices, high-performance, power-efficient CPUs are becoming more pervasive. This contributes to the massive expansion of data, advanced software applications, and AI that are all driving the need for high-performance compute capabilities.

The Rise of AI

AI is already impacting our lives—increasingly shaping how we live, work, and play, enabling the processing of information and data at a speed and scale previously unimaginable.

New accessible AI platforms, such as OpenAI's ChatGPT, Microsoft's Copilot, and Google's Gemini, have drawn public attention to the rapid advancements in AI. Technological advances, alongside significant investments that have enabled this expansion, are accelerating, with AI technologies becoming even more powerful and impactful.

How such powerful AI systems are built and used will significantly impact the future of our world and the people who inhabit it. All technologies are likely to enable largely positive outcomes, but with AI, while there is immense potential for good, it also comes with risks.

AI has the potential to allow vast improvements in operational efficiency, customer experiences, data-driven decision making, and the automation of routine tasks. It can support the rapid innovation of other technologies, such as autonomous vehicles, reinforcing and fast-tracking learning and problem solving. It can also dissolve cultural and social barriers by connecting people through instant translation.

From the smallest sensor running workloads at the edge (on the device) to the biggest server handling complex workloads to train large language models (LLMs), Arm technologies sit at the heart of an AI ecosystem that will become more powerful in the coming decades. As the ecosystem works to realize the promise of AI, sustainability, security, and ethics all present challenges to its future evolution and adoption. Therefore, we must continue to explore industry-wide collaboration to help magnify the benefits and mitigate any risks.

We are all increasingly mindful of environmental sustainability. So how can we support more devices with increasingly complex workloads? Part of the solution is to find more efficient alternatives to help balance the ever-escalating demand. We need innovation in chip designs to deliver an optimal balance of performance, efficiency, size, and cost.

This is where Arm can lead. In fact, we have already started.

This report details the power-efficient, sustainable foundations we are laying and integrating into our work to help deliver AI's positive impacts, while mitigating some of the most negative potential consequences.

77%

companies are either using or exploring the use of AI in their business.¹

\$15.7 trillion

projected value to the global economy of AI by 2030.²

75%

increase in global electricity demand from AI, data centers, and crypto projected by 2030.³

¹ Exploding Topics

² PwC

³ IEA

About Arm

Arm is guided by its North Star: Building the future of computing on Arm. Together. For everyone. This direction informs every part of our business, from inventing the solutions that power the technology revolution, to investing in our people and helping to increase the accessibility of our technology.

What We Do

As a global leader in defining the future of computing, Arm has been central to the technology revolutions that have transformed our world for more than three decades. Our processor designs and software platforms have enabled advanced computing in over 300 billion chips.

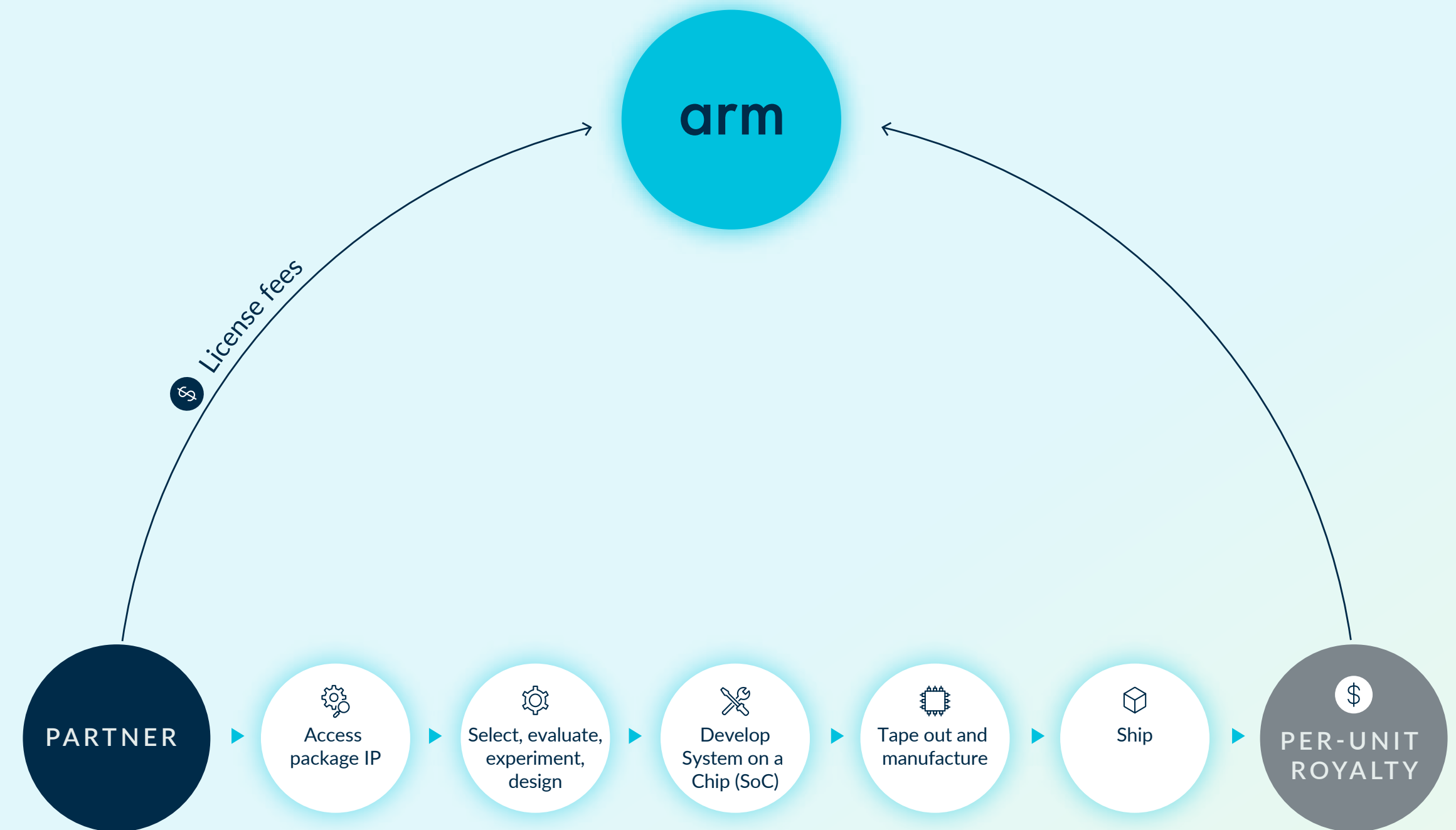
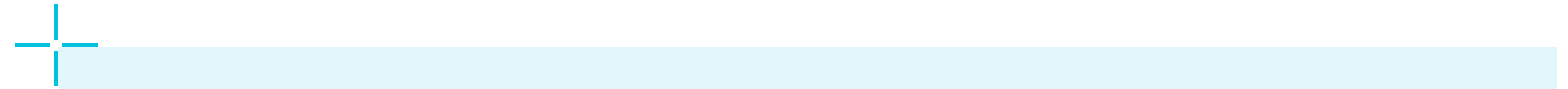
Our high-performance, low-cost, power-efficient solutions are used by leading technology companies across the world. Our CPUs run the world's software, whether it is in smart watches, thermostats, smartphones, PCs, datacenters, vehicles, drones, or industrial robotics. Arm technology is also at the heart of many of the sustainable computing solutions that the world needs in the age of AI.

With over 80 percent of our people focused on research, design, and technical innovation, we exist to enable ever more sophisticated system-level creation for devices and applications. It puts us at the center of the AI revolution.

Whether it is edge or cloud computing, entry-level smart devices or the most cutting-edge AI, a laptop or a smart computing solution for healthcare, the future is being built on Arm.

Listing on the Nasdaq 100 Index

Arm is listed on the Nasdaq Global Select Market, following its IPO in September 2023. We expect this listing to enhance our short-term prospects and long-term value, and provide opportunities to engage employees through equity incentives. In June 2024, Arm joined the Nasdaq 100 Index, which makes us one of the fastest companies to be included in the Index post-IPO.

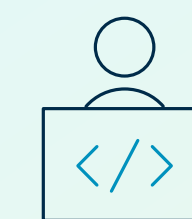


How We Work

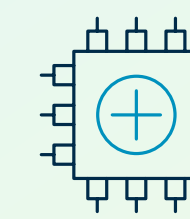
Our flexible business models offer different ways to license the use of our technology to anyone building silicon chips and specialized computing platforms. In our principal licensing approach, Arm receives a fee for each chip or unit shipped using our technology. This flexibility enables the widest possible range of partners to build on Arm, whatever their needs.



99%+
of the world's smartphones are enabled by Arm.¹



300bn
Arm-based chips shipped by our customers cumulatively.



20m+
software developers in our ecosystem, the world's largest.

¹ As of March 2024.

Global Reach

Arm's global presence enables us to develop diverse solutions that meet the needs of a wide range of partners operating in rapidly evolving markets. It also allows us to attract top talent, recruiting the best minds in the world and bringing a diversity of ideas and perspectives to help us innovate.

How Arm Works Across the World

7,000+ employees¹ work across.

5,887 engineering employees.

29 offices in 19 countries.

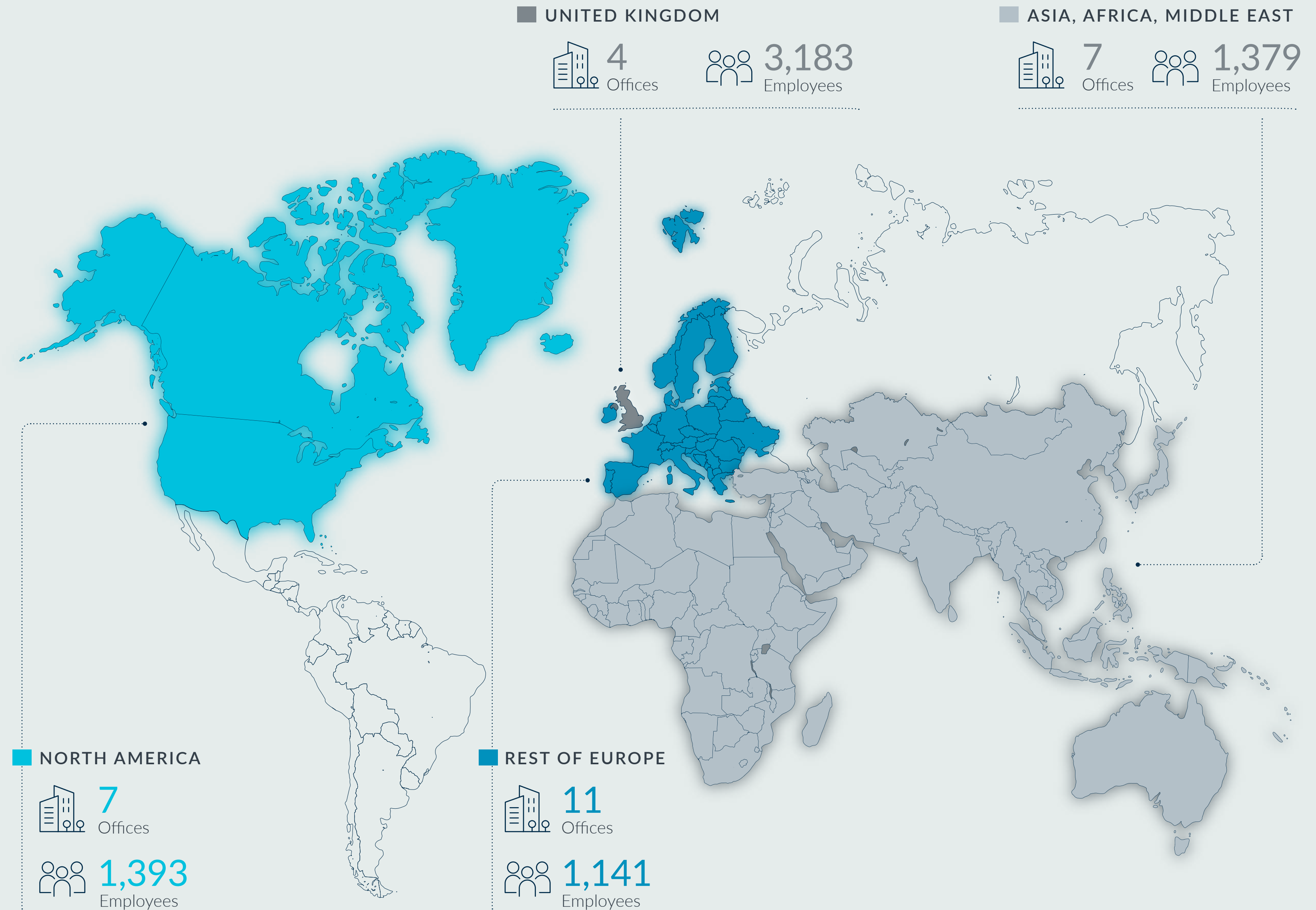
1,209 non-engineering employees.

97 nationalities.²

83% of our employees in R&D, with our major R&D centers in France, Hungary, India, Israel, Norway, Sweden, the United Kingdom, and the United States.

¹ Number of established employees. Does not include contractors or fixed-term employees.

² All data as of March 31, 2024.



Business Areas and Innovation Priorities

Arm technology can contribute to solving global challenges in so many ways. Our business strategy focuses on creating highly efficient computing platforms, and our growth can support global sustainability priorities in multiple ways.

Power-Efficient Computing

As compute demands continue to grow to handle increasingly complex workloads, our solutions prioritize reduced energy consumption while providing market-leading performance. The Arm compute platform is the most efficient solution available.

Arm's datacenter customers report substantial performance-per-watt savings compared with legacy architectures. All major clouds now run Arm instances.

For example, AWS Graviton processors are built on Arm technologies, delivering more compute power, with incremental carbon savings. The Arm compute platform is the most pervasive and efficient solution available.

¹ Data from joint tests by AWS and Arm, based on a specific Arm workload simulation. For more information please visit the [Arm Newsroom](#) on our website.

Arm Compute Subsystems

Complex chips are becoming more difficult to develop leading to higher costs and longer design cycles. This can create inefficiencies for operators in many industries and delay the development of the technology innovations that the world needs.

Arm Compute Subsystems (CSS)—integrated and verified configurations of Arm technology platforms targeting specific markets and use cases—provide our partners with more of the solution needed for silicon. This accelerates development and time to market, while allowing enhanced freedom for innovation and differentiation.

Responsible Technology. It Starts on Arm.

The technology that shapes our shared future is being built on Arm. As the power and reach of computing continues to grow, so do the combined challenges of safety and security. Working with our ecosystem partners, we recognize our role to ensure the responsible development of technology, helping to establish and maintain trust in compute platforms and technologies built on Arm. Find out more about how we operate with integrity on page 39.

An Unparalleled Ecosystem

We continue to invest in our ecosystem consisting of over 20 million software developers. Working with this ecosystem enables us to optimize Arm platforms for a wider range of different software, faster. This means that more devices, industries, and use cases can access the power efficiency, performance, and accelerated development benefits of working on Arm.

A Unique Business Model

Opening access to our compute platform through our flexible and total access products is the most efficient way to get the benefits of Arm technology to the greatest number of users.

67.6%

lower workload carbon intensity by using Graviton3 compared to non-Graviton processors.¹

“We are committed to operating transparently with the highest ethical standards. As we build for the future, it is essential that we maintain the high standards we set for ourselves. Whether it's our technology, partner engagements, leadership and education of the wider industry, the way we treat our people, or the way we engage in the communities in which we work, we do what is right, not what is easy.”

Rene Haas, CEO, Arm



Partnering For Scale and Impact

Generating the next big technology solution does not occur in a vacuum. Arm’s global partner ecosystem is where innovation happens. We work with thousands of ecosystem partners to create the next generation of products for our customers.

We also recognize the power of partnership in addressing complex societal issues. Partnerships like our collaboration with AWS can lead to commercial innovation with a positive environmental impact. The combined power of Arm and other organizations can multiply what is possible, as our multiyear partnership with UNICEF demonstrates.

Who We Partner With

20 million
software developers.

1,746
suppliers.

126
nonprofit social impact projects and partners.

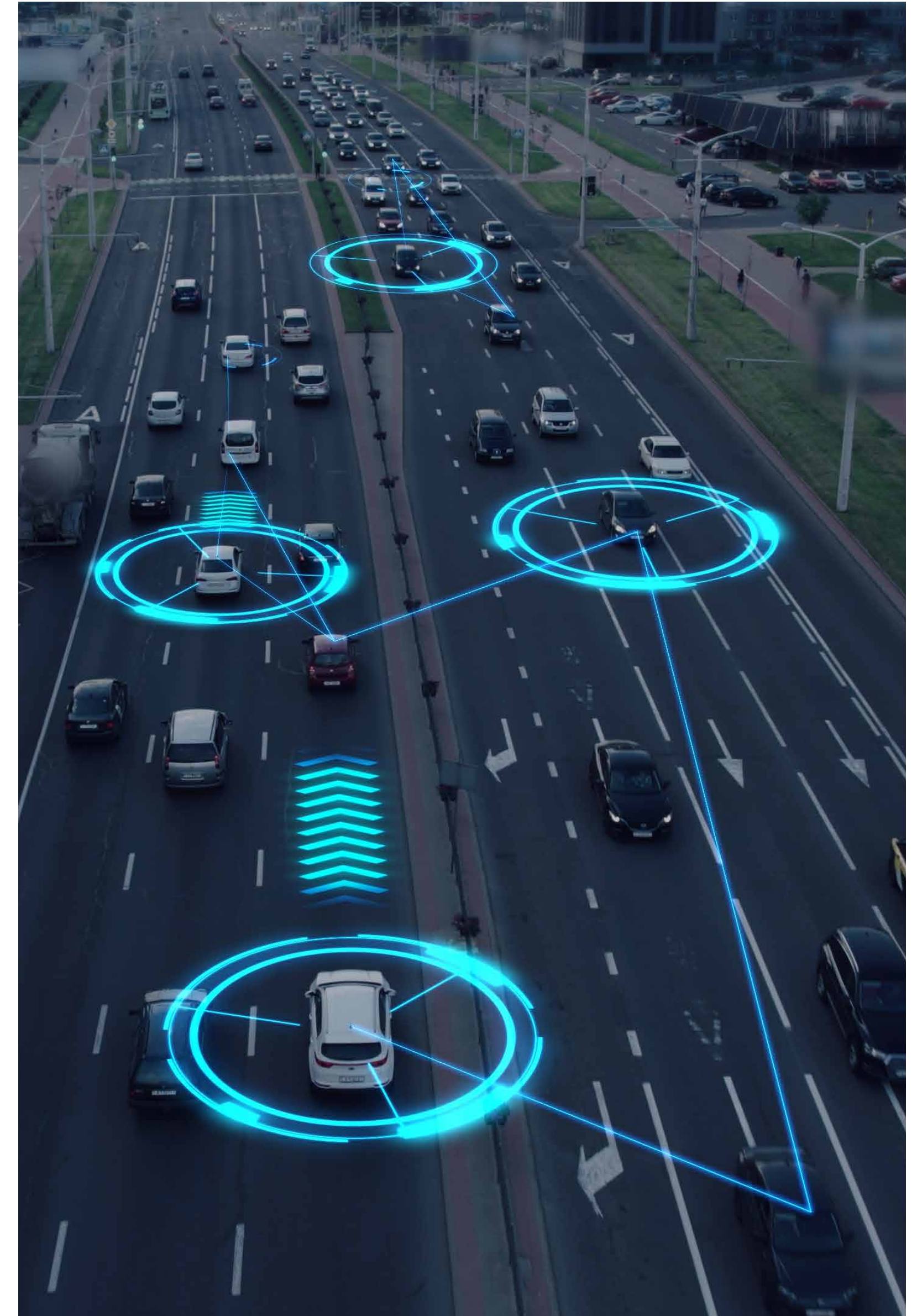
27
members of the Semiconductor Education Alliance, founded by Arm.

Joining Where Others Lead

We lead ecosystem collaborations, but we also follow the best route to developing and deploying technology solutions. We work closely with others through various coalitions, forums, and trade associations including:

- + The Semiconductor Industry Association (SIA).
- + techUK, UK trade association for the digital industries.
- + Semiconductor Education Alliance, the group we launched to nurture education and research.
- + TechWorks, the community advancing the UK’s technology capabilities.
- + United Nations Global Compact, promoting responsible business through advocating and committing to the Ten Principles.
- + UNICEF, collaborating to support technology solutions from concept to scale that demonstrate global commitments in the Global Digital Compact.
- + Gavi, the Vaccine Alliance an international organization bringing together public and private sectors to save and protect lives through increasing equitable and sustainable use of vaccines.

There are many challenges and much more we can do together to create a more equitable, connected future. Therefore, we will continue to bring our ecosystem approach to the world.



Sustainability Strategy

As a company responsible for designing the compute platforms of the future, looking ahead to understand our opportunity to impact the world is part of our DNA.

Arm has a long heritage of responsible innovation, investing in people and technologies that help build a better world for everyone, and addressing areas where we can have a direct impact. Our history of working in partnership to create positive change has earned us the trust of our stakeholders. We work hard to uphold this trust. For over a decade, Arm has taken a partnership approach, defined in our current sustainability strategy, aligned to collectively delivering on the United Nations Sustainable Development Goals (SDGs).

This strategy has enabled teams across our business to develop and execute clear plans to reduce our own climate impacts; close digital divides through social impact and innovation; and establish strong ethics and responsible practices. We're also building on our legacy of increasing the [power efficiency](#) of the devices that use our technology, expanding our efforts to contribute towards a more sustainable future.

Meaningful stakeholder engagement and collaborating with our customers, NGOs, investors, and academics, has been and remains

central to our sustainability efforts. It ensures we continue to understand the needs of our stakeholders and deliver positive impacts within our wider ecosystem.

Following our recent IPO, we have ambitious plans to grow our business. The world around us is also changing. There is the ever-pressing need to address the climate crisis and biodiversity loss, growing concern for data security and ethics, and increasing energy demand from datacenters.

Arm has always built toward the future. This period of change is no different. As we enter this new chapter, we will take this opportunity to refresh what sustainability means for us. Over the next year we will listen to our partners and stakeholders to understand the changing environment in which we operate to ensure our sustainability strategy supports our ambitions.

We will also inform this evolution with a new double materiality assessment, conducted as part of efforts to meet our CSRD reporting obligations. As we evolve, the core principles will remain foundational: social and climate impacts, ethics, trust and responsibility, and working within our ecosystem to ensure positive change. As will the opportunities created by our products' power efficiency.

Building the future of computing on Arm.
Together. For everyone.



A More Connected, Equitable Future. It Starts on Arm.

Technology offers the potential to solve some of the biggest challenges to the creation of a more equitable future. We are at the forefront of the rapid evolution of technology and understand the importance of extending its power to every person.

We believe inclusion and equity are essential to a sustainable future. Arm is supporting inclusive social innovation and working to reduce tech-related inequalities. Working closely with partners and other stakeholders, we are bringing the benefits of connectivity and computing to people not currently prioritized in technology development. This report shows the change that is already happening and our ambitions for more.

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Opportunities Through Arm Technology

Arm aims to widen access to technology, making it more inclusive, so everyone can enjoy the same benefits now and contribute to creating a brighter future.

However, 33 percent of people have never used the internet. This means that around 2.6 billion people are excluded from the digital economy, widening social and economic divides.¹ Arm seeks to connect them.

Technology design is not always neutral. This contributes to the risk that the technology developed may be biased, such as in the well-known example of racial bias embedded in facial recognition tools. Arm aims to make technology work for everyone.

With multiple, complex global and local challenges to tackle, we need many diverse perspectives for innovation to deliver the appropriate solutions. We believe those facing the challenges should be part of designing the solutions—they are the experts on how the issues impact lives and livelihoods. Engaging these communities through our partners is an effective way of ensuring technology works for those it serves.

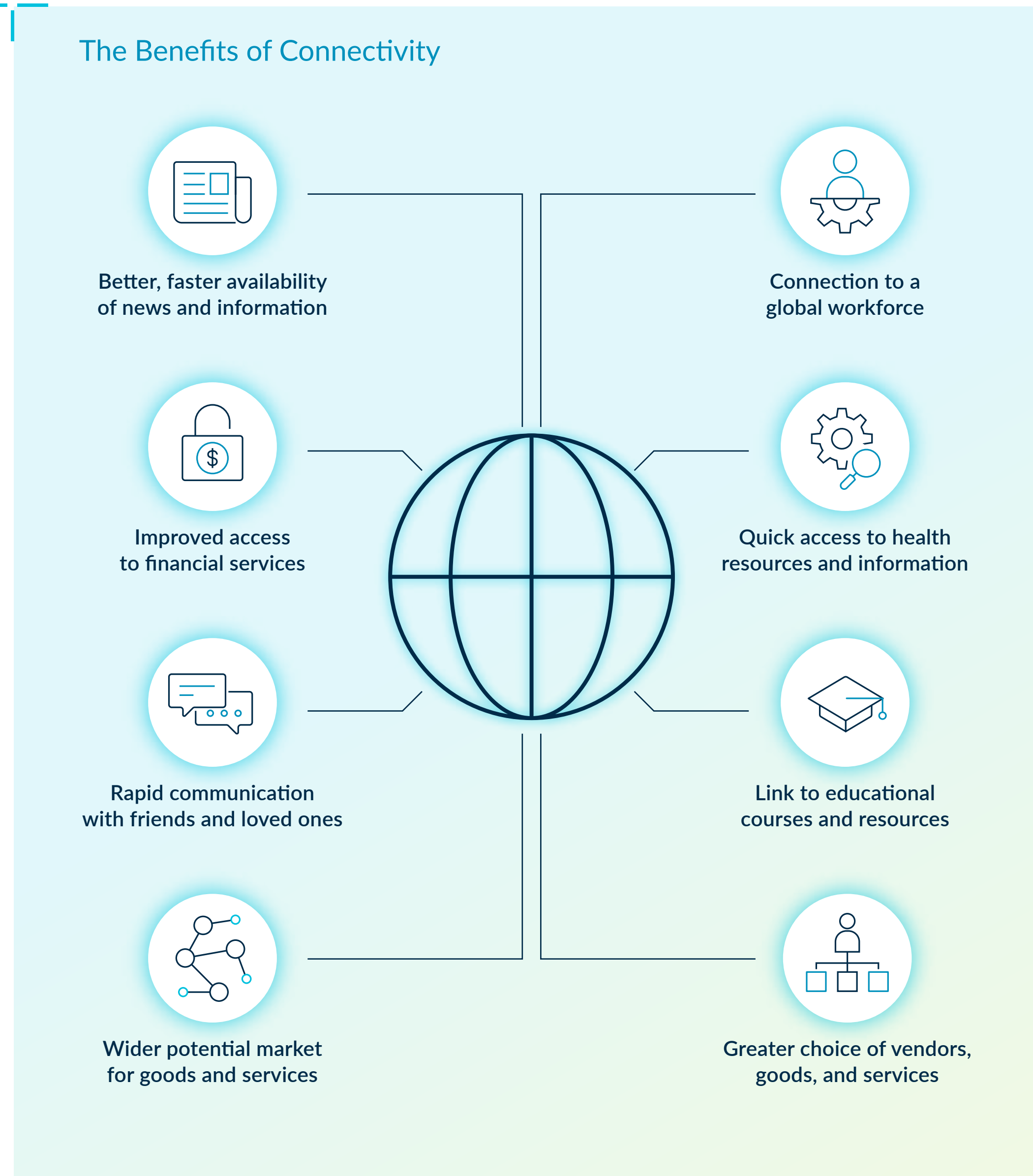
Wider Reach, Greater Impact

The combination of Arm’s business capabilities and social impact work can contribute to accelerating change toward a more ethical, equitable, sustainable future. Our social impact and innovation efforts address inequality of access to technology, inequality embedded in technology, and solutions to other inequalities through technology.

Technology can enable rapid, scaled responses to global challenges. Arm-based technology products reach 70 percent of the world’s population, from sensors to smartphones to supercomputers. There is potential to reach many millions more. Through our social impact work, we want to extend the benefits of technology to the 2.6 billion people who are currently not prioritized in technology development. This aligns with our social responsibility to close the digital divide.²



The Benefits of Connectivity



Social Impact and Innovation Reach

People reached by social impact and innovation partnerships, 2015-2024

Direct reach:
6.1 million
people reached through deep engagement in Arm-funded initiatives.

Indirect reach:
32.9 million
people reached through broader engagement in Arm-funded initiatives.

Catalyst:
818.8 million
people reached through tech innovations enabled by Arm-funded initiatives.

¹ The International Telecommunication Union (ITU), 2023.

² ITU: Population of global offline continues steady decline to 2.6 billion people, 2023.

Inclusive Innovation

Social Innovation and Impact Strategy

Our social impact work focuses on areas where we and technology can most effectively play a role in addressing societal inequalities. The goal is to drive positive, sustainable impact through technology that aims to leave no one behind.

How We Work

Our social impact and innovation strategy focuses on creating positive social impacts through collaborative relationships that unite multiple diverse perspectives.

We learn from trusted expert partners on the ground and the people they serve, and we connect them with our talented people and our network of partners to deliver effective solutions.

We pursue partnership projects in two principal areas: 'Technology for Good,' which seeks solutions to inequalities, and 'Systems Level Change,' which focuses on partnerships for systemic change.

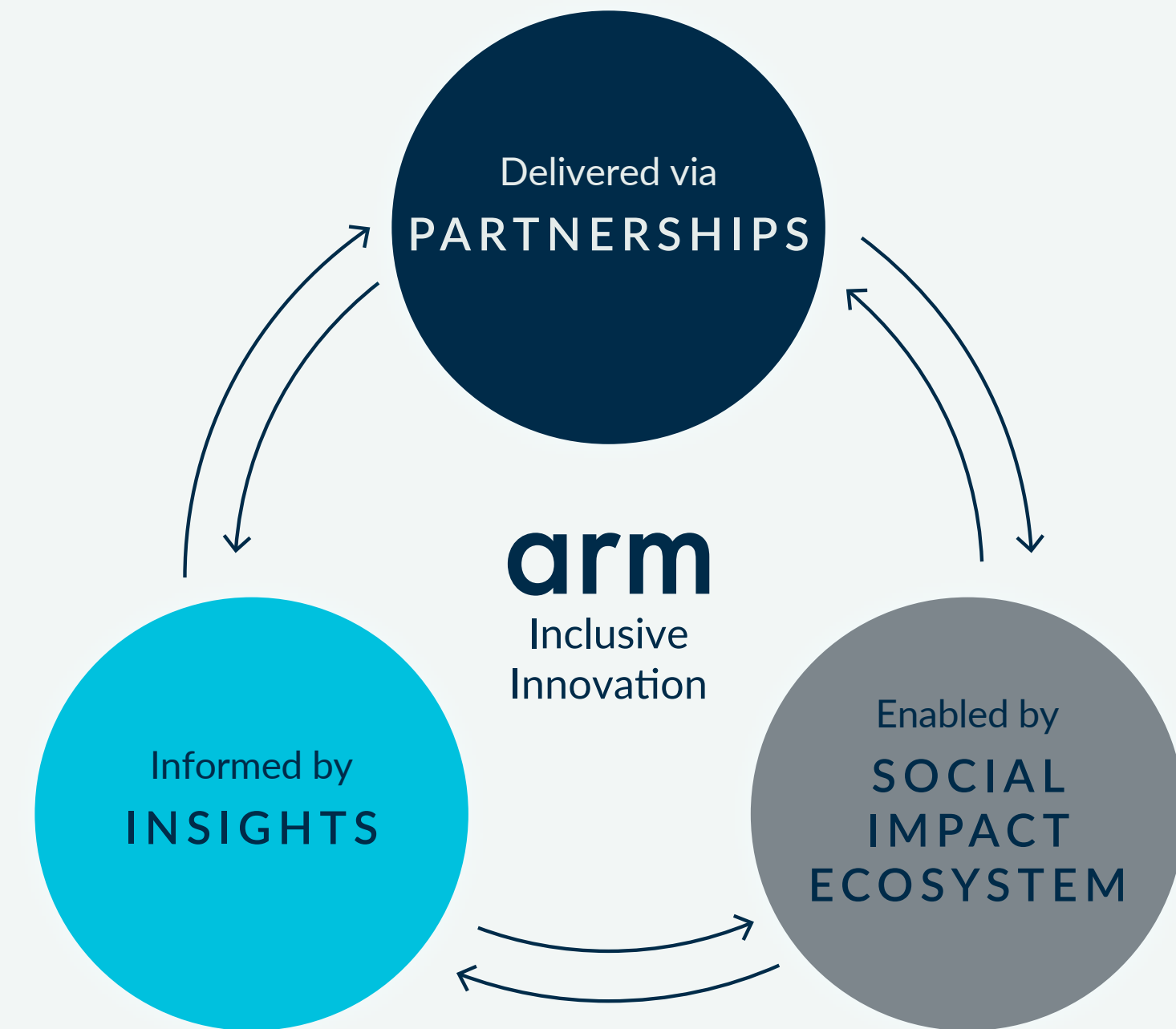
The case studies in this report illustrate the different challenges we help solve.

Evolving Our Strategy

We are proud of what our partners, ecosystem, and team have achieved together. In FYE24, we also explored various issues to continue to evolve our strategy:

- + The ethical implications of AI relating to mis- and dis-information.
- + The role for technology in responding to challenges faced by forcibly displaced people.
- + Technology's role in biodiversity loss and subsequent impact on people.

Our Social Impact and Innovation Strategy



UNICEF: A Ground-Breaking Partnership

We have partnered with UNICEF since 2015, and in FYE24 we renewed our support for a further three years. Through our partnership, we have leveraged our combined reach, expertise, and influence to harness the power of technology to transform children's lives.

Arm has supplied financial and in-kind support from our engineers and enterprise functions, to projects aimed at strengthening community resilience and increasing economic opportunities. Highlights from the past eight years include:

- + Co-creating the Wearables for Good challenge, won by Khushi Baby and SoaPen, opening opportunity for their project to address health challenges and scale up solutions for millions of beneficiaries in the following years.
- + Helping Giga bring internet connectivity to over one million school students and teachers.
- + Becoming UNICEF's foundational private sector partner on its Global Learning Innovation Hub in 2022.
- + Supporting the implementation of flood risk maps for contingency planning in two districts of Malawi, providing early warnings to people in those areas up to 48 hours before the floods hit.

- + Supporting over 11,000 people in flood and drought-prone districts to gain access to safe water and WASH services through solar-powered water supply systems.
- + Reaching over 3,800 students through the African Drone and Data Academy (ADDA), connecting them to the information, technology, and skills they need to start their own enterprises or achieve gainful employment.

Arm employees have contributed to the partnership in many ways—from supporting UNICEF's on-the-ground programs in Malawi to mentoring ADDA students, participating in initiative design workshops with the Learning Innovation Hub, and shaping priority AI for good demonstration projects with the UNICEF Ventures team.

More details on our projects with UNICEF in FYE24 can be found alongside other examples of our social impact and innovation work in the rest of this section.



Technology for Good

The Technology for Good stream of our social impact and innovation strategy is about Arm enabling technology-based solutions that close the digital divide, accelerate environmental conservation, improve access to healthcare, or offer access to other essential services.

There are several ways we support social impact partners. Experts from our remarkable team of Arm employees share their skills and capabilities to support partners in delivering impact at scale and help them utilize Arm technologies. We make funding contributions where partners need it most. We also connect partners to our social impact and innovation and commercial networks.

Solar-Water in Numbers

2 primary

1 secondary school and 25 communities served.

11,569

people gained access to safe water.

ADDA FYE24

365

young people graduated from ADDA courses.

897

students enrolled across 5 ADDA courses.

Promoting Change in Malawi With UNICEF

Arm and UNICEF collaborate on multiple projects in Malawi as part of our long-established partnership, applying advanced technologies and equipping young people with 21st century skills.

As of 2024, over 70 percent of people in Malawi live below the poverty line of \$2.15 per person per day, with an economy heavily dependent on the agriculture sector which employs 80 percent of the population. The country records very low technological adoption and connectivity and a predominantly rural population. Recent tropical storms, flooding, cholera outbreaks, and economic shocks have compounded these issues.

Our partnership aims to rebuild and bolster community resilience in Malawi through the following projects.

Bolstering Resilience: Flood Modeling

Arm supports UNICEF’s flood modeling programs to create climate-resilient communities and support the Government’s policy-making and planning. This includes identifying flood-prone areas, vulnerable households, and infrastructure to develop comprehensive flood risk forecasting and predictive modeling for the Rumphi and Karonga districts in northern Malawi.

The project uses digital sensors and data analysis to create a single, sustainable monitoring and early warning system. As well as technological development, the team is engaging local communities to include their insight in the model and work out how best to communicate timely warnings to them.

Secondly, we are supplementing this with a competition. UNICEF, Arm, and other partners organized a challenge for developers on Zindi, the largest community of data scientists in Africa. The objective was to build a machine learning model to count the number of roofed houses appearing in images taken by drones. This enables more accurate estimates of populations that might be affected by future natural disasters. In turn, these estimates can help save lives through better evacuation planning and aid responses.

Rebuilding and Resilience: Solar-Powered Water Systems

With Arm’s support, UNICEF scaled up access to safe water to more than 11,000 people in districts prone to flood and drought. Two solar-powered water supply systems were built in the Nsanje and Chikwawa districts.

The water systems utilize solar energy to draw water from deep aquifers and feature built-in mechanisms for remotely monitoring water quality and detecting malfunctions.

UNICEF has trained people from those communities to operate and maintain the systems. The communities will receive technical support for three years.

Improving Opportunity: Education and Entrepreneurship

UNICEF established the first African Drone and Data Academy (ADDA) in 2020, with DSA, Virginia Tech University, United States, and funds from Arm and other donors.

Drones hold the potential to improve vaccine delivery, increase internet connectivity in hard-to-reach areas, and provide aerial imaging for better preparedness and response in emergencies. UNICEF established ADDA as a center of excellence to equip young people with the expertise to tackle the problems that affect them in their communities. It aims to close the digital divide and create economic opportunity by training students to learn everything from data analysis, to building and deploying low-cost drone technology, obtaining drone pilot licenses, and becoming experts in maintenance and repair. In addition to Arm funding, some of our employees gave virtual mentoring to students from a recent cohort.

Arm is supporting ADDA as it transitions to a self-financing model, which it aims to complete by 2025.

Tracking Toward Better Air Quality



Arm’s support is enabling Makerere University, Uganda, to build low-cost hardware and software to track vehicle emissions as part of its AirQount project. This AI-driven solution aims to equip governments with insights on air quality issues so they can direct improvement measures.

Air quality is a major public health issue in many cities. Yet local authorities often lack emissions data that could inform interventions. AirQount has the scope to solve that problem, empowering governments to improve health outcomes.

AirQount has been testing a prototype device in Kampala, Uganda, and building vehicle-recognition capabilities, training its AI tools to build a strong estimate and quantification of emissions from various vehicle types and help pinpoint particular emission sources and hotspots.

Connecting the Unconnected



Arm support is scaling one of the world’s best portable technologies for providing internet connectivity to the unconnected.

Jangala has now connected over 70,000 people in over 37 countries. Its rugged, portable Big Box device for use by humanitarian organizations turns any internet connection into easy-to-use, scalable Wi-Fi. The Get Box version for households was launched in response to COVID-19. Get Box has been used to connect vulnerable residents in emergency accommodation and to facilitate home learning.

Since 2018, our support has enabled Jangala to develop Big Box and deploy it into predominantly healthcare and education settings. From 2023, we committed to helping them accelerate the development of Big Box V1, with a goal to position for scale in 2024.

The Get Box version for households and multiple occupancy dwellings such as refuges and shelters for people experiencing homelessness is growing

from strength to strength. Over the past year, Jangala has been working to scale Get Box and enable the production and distribution of 5,000 Get Boxes to people experiencing digital exclusion in the UK.

Part of our partnership involves Arm employee engagement, where we send employees on skills-sharing days and technical assignments. One of the latest secondees is working on data analytics strategy for device telemetrics.

“Arm is a key supporter of Jangala’s research and development, contributing important resources and expertise. We look forward to continuing to partner with Arm as we work towards Jangala’s goal of connecting 4 million people by 2030.”

Rich Thanki, Managing Director and Head of Technology, Jangala

Scaling Community-Based Health Interventions

In FYE24, we launched a new two-year phase of collaboration with Khushi Baby, which develops digital platforms to strengthen primary healthcare in India. The new phase builds on previous joint work with Khushi Baby, reported in our [Social Impact Innovation Report 2022](#).

Arm support helps Khushi Baby continue to scale its integrated platform for community health by:

- + Increasing coverage across Rajasthan, where it currently operates, and adding a pilot program in the state of Karnataka.
- + Adding a tool to predict maternal anemia through image-based AI deep learning, which enhances community health workers’ ability to screen patients.

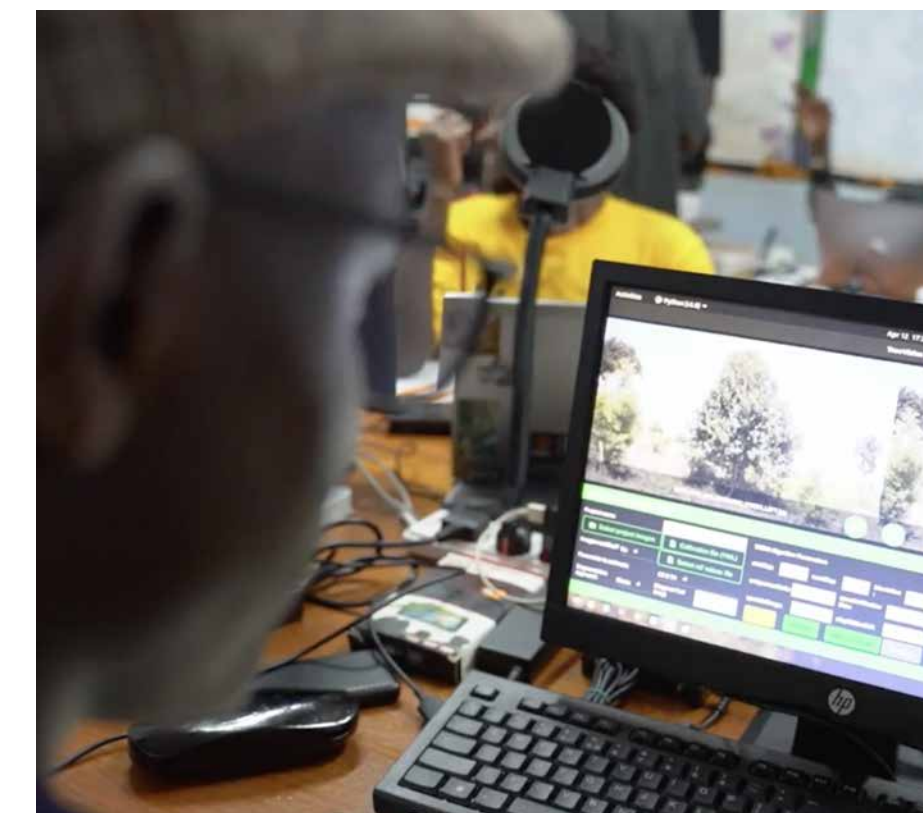
Khushi Baby’s many activities range from liaising with government, through software development, to training health workers and deploying their tools in the field.



Next-Generation Data Scientists

Arm has supported the Center for Data Science and Artificial Intelligence (DSAIL) at Dedan Kimathi University of Technology (DeKUT), Kenya, since 2022. Students at DSAIL are completing studies in technologically enabled environmental conservation.

DSAIL aims to use data science and AI to solve real world problems. Its work is strongly oriented around the local context of areas where the issues have come up. The course includes field work in Kenya and a particular focus on developing skills in machine learning.



Growing Data Science Capabilities Across Africa

We are growing our involvement with Data Science Africa (DSA) on its work increasing digital inclusion while advancing technological solutions to local issues. Having partnered since 2015, we are now supporting a new visiting fellowship program and new DSA country-specific chapters. The visiting fellowship program aims to allow young data scientists to spend time at established labs within Africa, focusing on health, agriculture, and environmental conservation. The country chapters will be in Burundi, Mozambique, Mali, and Ghana, increasing the involvement of these countries in the DSA community.

DSA’s capacity building, research support, and industry engagement has reached multiple countries. We continue to donate to their annual summer school and workshop, which trains students on machine learning and data science methodologies. It also offers a forum for researchers to share knowledge on how they have successfully applied AI and data-driven approaches. Summer school projects have led to advances like DSA’s deployment of machine learning-enabled sensor systems for water resource monitoring.

DSA-Arm Joint Impact Since 2015

14 events and conferences organized.

1,000+ students benefited from summer schools and workshops.

Systems Change

Beyond solutions to specific challenges, there are some areas where systemic change is necessary to create a more connected, equitable future.

We believe this kind of change is possible. However, it often involves deep-rooted, interconnected issues that no one entity can deal with alone. We use our convening power to call on our ecosystem for long-term, multistakeholder partnerships to reduce inequalities and create social good.

Here are some FYE24 highlights from those partnerships pursuing systems change.



Learning for Every Child With UNICEF

Arm was the first private sector partner for the UNICEF Global Learning Innovation Hub, which launched in 2022 with support from the Government of Finland. The Hub aims to accelerate the digital transformation of education, and convene a global community of visionaries to shape the future of learning now.

We are using our convening power in the technology industry to support the Hub as it accelerates equitable access to educational technology (edtech). The Arm-UNICEF partnership's key objectives are to:

- + Design, build, and launch the Learning Cabinet, a curated online platform of world-class edtech solutions.
- + Support the Hub's Blue Unicorn Farm to identify and curate edtech tools with the potential to reach more than 100 million children.
- + Contribute volunteer technical experts to support Hub activities.
- + Support the Tinkering With Tech project, which develops 21st century skills and instills a love for

science, technology, engineering, and mathematics (STEM) through a playful approach to experimenting with technology.

- + Help inspire the technology sector by setting standards and influencing towards safe, impactful, scalable, and inclusive edtech tools that transform learning.

In 2023, the Learning Innovation Hub convened industry experts to help develop the EdTech for Good Framework to assess the best edtech products and digital learning solutions from around the world that can deliver impactful learning and developmental outcomes for every child. Our support enabled the development of the Learning Cabinet which is now at the minimum viable product design and development phase. Key functionalities are projected for a Q4 2024 launch in Helsinki.

The Hub continues to collaborate with a network of 190 UNICEF country offices, governments, the edtech sector, the tech industry, academia, and others to leverage innovative solutions for tackling the learning crisis.

Supporting the Fight Against Malaria

Arm is helping expand the use of contactless biometric scanning to facilitate malaria vaccination programs. We announced further support in our ongoing partnership with Gavi, the Vaccine Alliance and Simprints, to equip the vaccination program in Ghana with biometric scanning, built on Arm, which helps verify whether a specific person should be vaccinated.

Around 850 million people worldwide do not have formal identification documents. Without ID they cannot

access healthcare services. That is where Simprints, the technology nonprofit offers a solution. Its Arm-based mobile fingerprint scanner can link a person to their medical record and therefore verify if a person has received a vaccine or whether they still need one. Healthcare partners can find patients, trace them, and reduce errors in giving out vaccines.

We have also supported Simprints' ongoing work to move its scanning capabilities to open-source software. This process is in its initial phases, building the basic architecture to

make the transition possible. Once all phases are complete, the goal is for the platform to become a digital public good—open to all and available for integration into other digital vaccine registries. The aim for going open-source is to reach 10 times more patients with biometrics by 2026 through Arm support.

Arm has supported Simprints since 2014 and has recently been funding it in partnership with Gavi, through its INFUSE program.



9,000
people enrolled by Simprints in FYE24.

2.8m+
people enrolled by Simprints to date.

10x
more patients by 2026: the goal of making scanning open-source.

Innovation For and With Refugees

We are proud to support innovation for and with forcibly displaced and stateless people through a continuing partnership with the Innovation Service of UNHCR, the UN Refugee Agency. The Innovation Service drives the exploration of innovative solutions to the challenges faced by forcibly displaced communities by providing refugee and UNHCR innovators the funding and technical tools they need, helping them achieve lasting positive change.

Through our partnership, the Innovation Service successfully launched and operationalized four Innovation Funds aimed at identifying and supporting innovation across UNHCR:

- + **The Digital Innovation Fund** focuses on digital inclusion, digital protection, and digital services for displaced communities, for example by increasing access to digital-enabled economic opportunities, enhancing digital connectivity, and equipping displaced communities to identify and address digital risks.
- + **The Data Innovation Fund** explores innovative approaches to data analytics and uses of emerging technologies to better protect refugees and further UNHCR’s mandate, for example by leveraging natural language processing to better understand protection needs of communities in Afghanistan.

- + **The Environment and Climate Action Innovation Fund** seeks solutions to issues at the nexus of environmental degradation, climate change, and displacement. One project in Medellin, Colombia, for example, generates environmentally friendly access to food with community gardens, using hydroponics and traditional methods, which also connect refugee and local communities.

- + **The Refugee-led Innovation Fund** implements a fundamental shift in humanitarian programming by directly providing financial and other support to refugee-led organizations (whether registered or not) to implement innovative approaches to challenges they have identified. For example, the Refugee Council of Lithuania is breaking down barriers for refugees starting and sustaining businesses, while UNIDOS Social Innovation Center is supporting regenerative farming in Uganda’s Nakivale Refugee Settlement, addressing food insecurity and boosting livelihood opportunities.

In just two years since the launch of the Innovation Funds, UNHCR Innovation has selected and supported more than 120 groundbreaking pilot projects through annual calls for applications, with 40 of these initiatives led directly by refugee teams. In the first year of the Arm-UNHCR Innovation partnership, 250,000 people were positively impacted by 50 pilot projects supported through these funds.

Improving Access to Agricultural Data in the Global South

In 2023 we provided funding to the QED Foundation for its ScanSpectrum initiative. The project aims to help address the scarcity of publicly available agricultural data in the Global South by advancing the use of spectroscopy and machine learning in the agricultural and environmental sciences. By developing the ScanSpectrum handheld spectrometer with an international coalition of scientists, the project will enable fast and affordable in-situ measurement of indicators such as plant health, crop nutrition, and soil carbon. This data can help policy makers, governmental regulators, and farmers to improve crop productivity and reduce environmental impact.

Accelerating Innovation to Achieve the Sustainable Development Goals (SDGs)

During FYE24, a team of four Arm employees was selected for the UNGC’s 2023 SDG Innovation Accelerator for Young Professionals. The team has been challenged to develop a solution that contributes to achieving an SDG and creates value for Arm.

The nine-month intensive program for under-35s offers learning and collaboration on new business models and disruptive technologies. The accelerator is an opportunity to:

- + Develop personal skills, interests, and networks.
- + Rethink traditional business models.
- + Unlock potential commercial opportunities.
- + Advance progress on the SDGs.

Arm has participated in the accelerator since it started in 2020, and is excited about what this sixth Arm cohort can achieve.



Promoting Disability Inclusion

Arm, ETH Zurich, and other partners are jointly introducing Hackster.io’s second inclusive innovation contest. The contest went live in March 2024 and the winners will be announced at the end of September 2024.

This crowdsourcing competition, on the Hackster.io platform for developers dedicated to building hardware, aims to engage 1,000 innovators from around the world. So far, the competition has engaged 637 innovators from over 100 countries. The goal is for them to collaborate with 21 people with various disabilities to produce innovative prototypes of assistive technologies for the disabled community.

This partnership is part of Arm’s efforts to redress the historic lack of prioritization of the disability community in technology development.

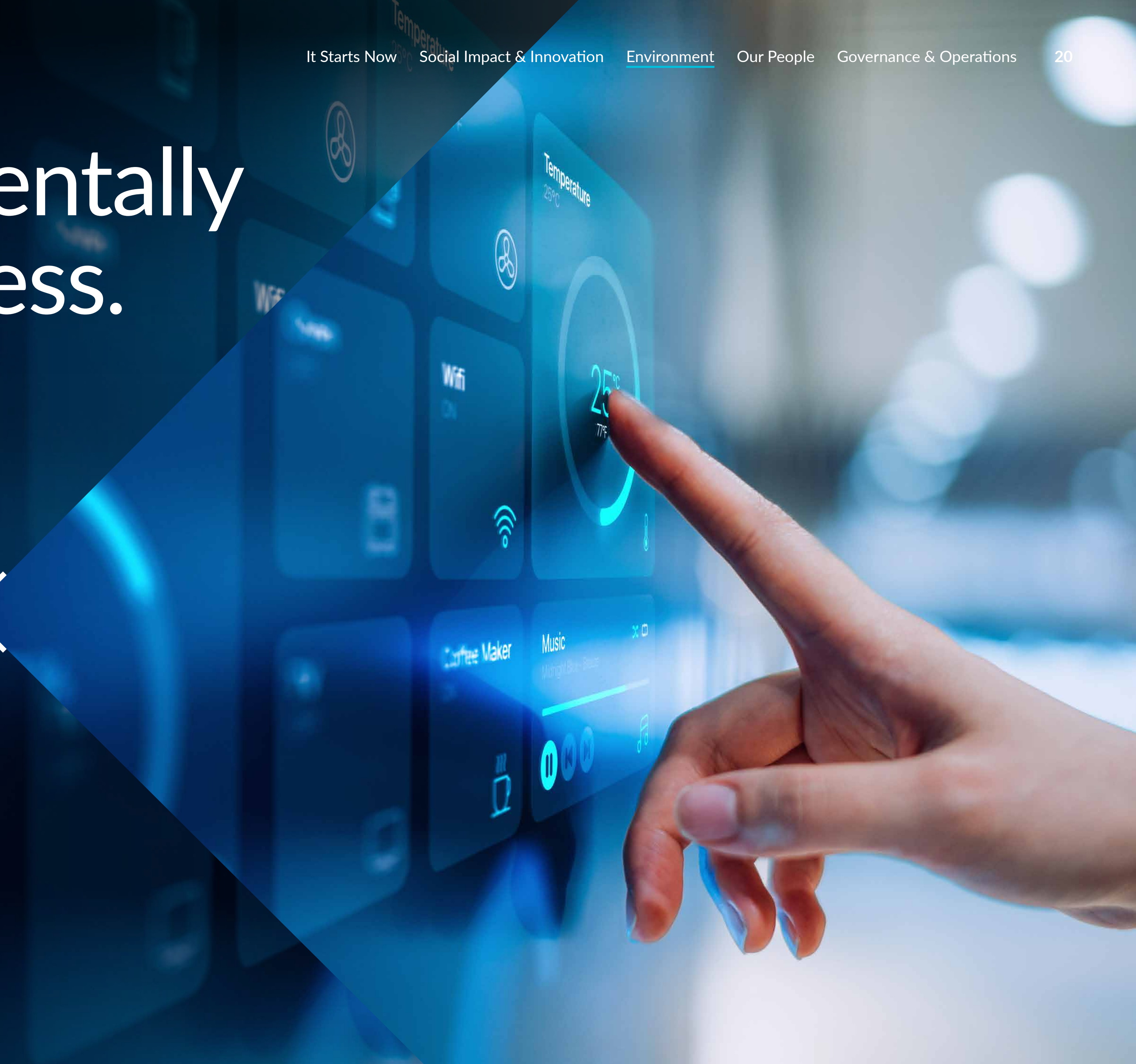
A More Environmentally Sustainable Business. It Starts with Our Operations.

A more environmentally sustainable business starts with our own operations. We are tackling our own environmental impact, transparently demonstrating progress and driven by commitments, including our 2030 net zero goal. We also work closely with our ecosystem of partners to help accelerate their efforts.



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Reducing Our Environmental Impact

Arm’s environmental impacts include GHG emissions, energy consumption, water, and waste. However, we believe our greatest opportunity to create positive change in our operations lies in reducing our GHG emissions footprint.

Our primary focus is progressing toward our 2030 net zero commitment. We’re already making progress and though there is plenty of work ahead, we are confident the changes we are making within our business and in engaging suppliers will maintain momentum toward this goal.

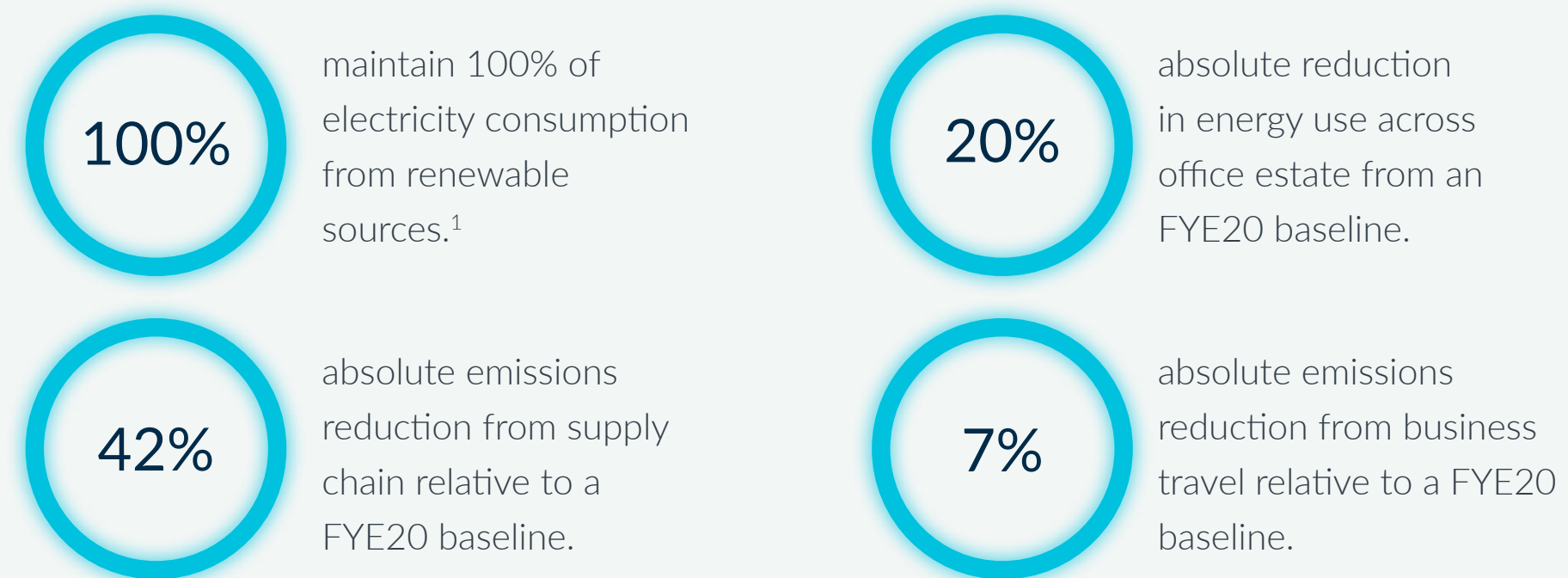
We also support projects to reduce environmental impacts beyond our own value chain. For example, we use our resources to help protect and restore ecosystems, even though we have a limited direct impact on biodiversity.

We are therefore partnering with others to deliver those projects.

We also have a role, as a foundational technology company with capabilities in compute power efficiency to support others in reaching their sustainability goals. The carbon savings from the AWS Graviton3² processor are a recent example of our efforts in this area, both to work in partnership and to measure the impact of our joint efforts.

Our Net Zero Commitments

Our targets to deliver on our commitment to reach net zero GHG emissions by 2030 include:

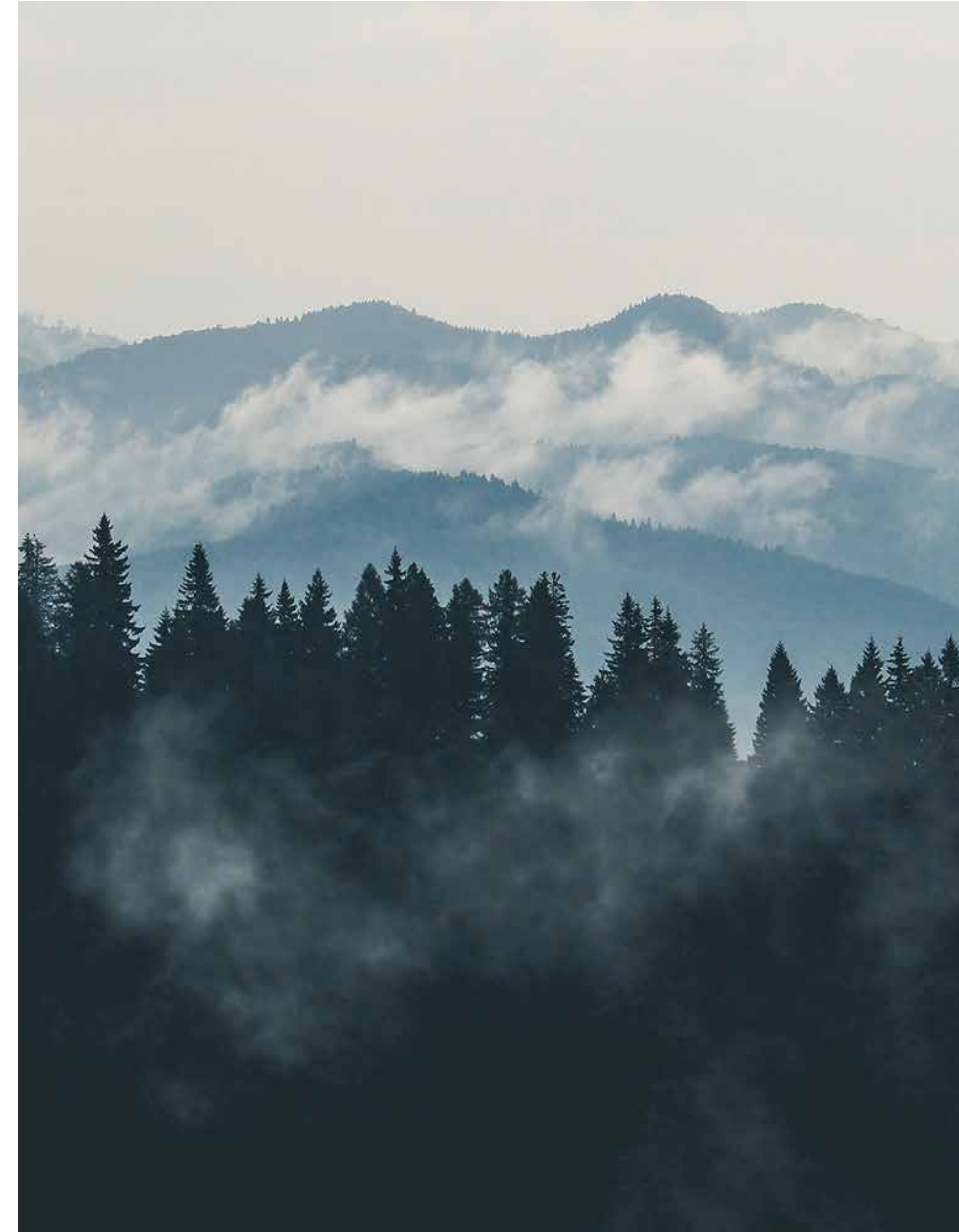


Supporting Goals

- Support innovation in nature and tech-based carbon removal solutions.
- Empower our people to make low-carbon choices.

¹ Our commitment was, first, to source 100 percent of electricity consumption from renewable sources by FYE23, in line with our RE100 commitment, which we achieved. Secondly, it is to maintain this position through to FYE30.

² Data from joint tests by AWS and Arm, based on a specific Arm workload simulation. For more information please visit the [Arm Newsroom](#) on our website.



Progress Against Our Commitments

In FYE24, we achieved a 77 percent reduction in GHG emissions across Scopes 1, 2, and 3 against our FYE20 baseline. This represents a 10 percent increase in emissions compared to FYE23. However, we are still on track to meet our 2030 absolute reduction target.

Following the unprecedented and significant decrease in emissions during the COVID-19 pandemic, we anticipated an increase in emissions as the company adjusts to its new normal. The increase over FYE24 was due to increases in Scope 3 emissions:

- + In purchased goods and services, due to a combination of increased spend and greater data completeness from suppliers who increased their reported emissions.
- + From waste-related emissions, as more employees returned to our offices under our hybrid working policy.
- + From business travel.

In common with businesses across our industry, we have also seen an increase in energy-related emissions as a result of our increased datacenter use. We are seeking new ways to reduce these emissions as we work with suppliers to increase their datacenters' energy efficiency, including through the use of Arm products. This includes our commitment to 100 percent renewable electricity in our own operations, which covers on-premises and co-located datacenters.

We continued to implement new processes and policies to support overall progress toward our 2030 target. This included:

- + Engaging with our supply chain.
- + Maintaining 100 percent usage of renewable electricity.
- + Continuing to embed greater accountability around business travel through travel carbon budgets.
- + Supporting hybrid working.

Working With Our Supply Chain

We invite our top suppliers who represent 90 percent of annual spend to complete the CDP Supply Chain questionnaire annually. In FYE24 we received emissions data from requested suppliers covering 59 percent of that annual spend, identifying the suppliers that contribute most to our Scope 3 category 1 and 2 emissions. We engaged these suppliers directly to understand what they are doing to reduce their carbon footprint and identify opportunities to work together to reduce those emissions.

Empowering Our People

Our goal to empower our people to make low-carbon choices helps us meet our net zero commitments. For example, in FYE24, we created a checklist to support teams to make low-carbon procurement decisions. We also used internal communications channels to highlight low-carbon business travel choices.

Find out more about our goal to support innovation in nature and tech-based carbon removal solutions in the Carbon Offsetting Strategy section on page 25. Detailed reporting on our carbon emissions and energy consumption can be found on the next page.

Progress against our FYE20 baseline

Target
Maintain 100% of electricity consumption from renewable sources.

Progress in FYE24
 Procured **100 percent renewable electricity**, FYE24 target achieved.

Target
42% absolute emissions reduction from supply chain by FYE30.

Progress in FYE24
 Achieved a **77 percent reduction** (Arm's Scope 3 categories 1 and 2), surpassing our pro-rated plan to reach a 16.8 percent reduction in FYE24. We achieved the reduction since FYE20 through a combination of shifting to different suppliers with lower carbon emissions, the absence of significant office renovations or building projects, and improvements in Arm's methodology. Suppliers contributed by reducing their own emissions and improving measurement methods.

Target
20% absolute reduction in energy use across our office estate by FYE30.

Progress in FYE24
 Achieved a **19 percent electricity** reduction, surpassing our pro-rated plan to reach an 8 percent reduction in FYE24. We continue to review opportunities to develop, track, and report on energy reduction projects. In FYE24, we engaged an external consultant to advise on opportunities across our estate.

Target
7% absolute reduction in emissions from business travel by FYE30.

Progress in FYE24
 Achieved a **57 percent reduction**, surpassing our plan to achieve and maintain a 7 percent reduction until FYE30. While this is a significant achievement, we recognize growth in the business may affect future attainment of this target. We encourage employees to reduce emissions from business travel through communications and other tools, and the Arm Executive Committee reviews business travel data on a monthly basis.

¹ Category 1 – Purchased goods and services; Category 2 – Capital goods.

Our Net Zero Roadmap

We have committed to cut our absolute GHG emissions by 50 percent from an FYE20 baseline across all emissions sources¹ by FYE30. This is in line with a 1.5°C climate pathway and the Paris Agreement. This is our net zero commitment.² At the point of net zero, after achieving our absolute reduction commitment, we will use carbon removal offsets to balance remaining GHG emissions.

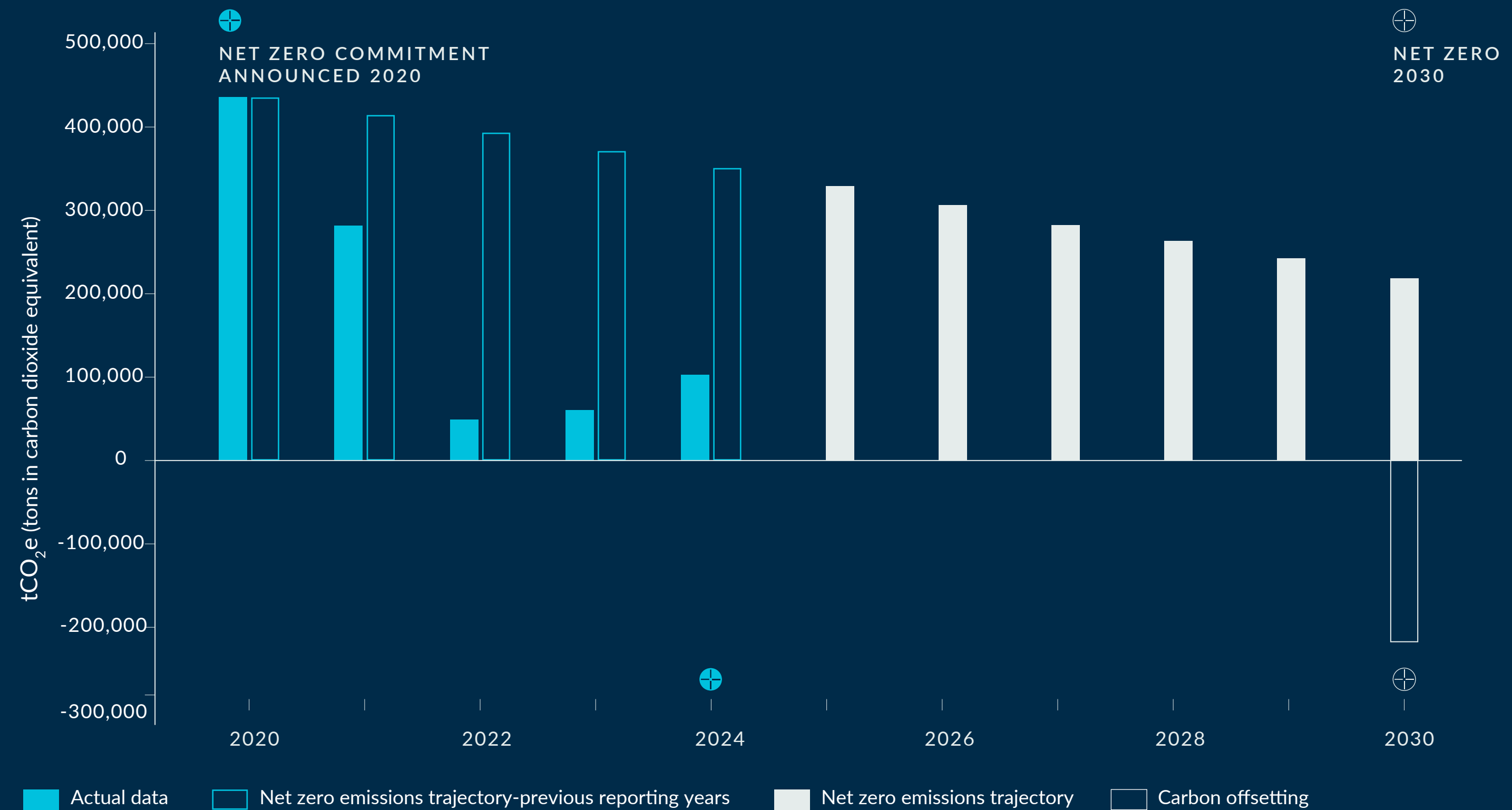
Scope 3 Categories Relevant to Arm

The categories of Scope 3 emissions relevant to our business model are:

1. Purchased goods and services.
2. Capital goods.
3. Fuel- and energy-related activities (not included in Scope 1 or 2).
4. Waste generated in operations.
5. Business travel.
6. Employee commuting and homeworking.

Our [Basis of Reporting](#) for GHG emissions details the other categories and the reasons they are not relevant.

GHG Emissions and Net Zero Trajectory



¹ Scopes 1, 2, and the six categories of Scope 3 relevant to Arm.

² Arm's definition of 'Net Zero Commitment' predates the definition provided by the Science Based Targets initiative (SBTi) by 18 months and therefore does not align with SBTi conventions. We recognize this misalignment but continue to use this term as it was originally intended, and with transparency, as we deliver our commitment.

FYE24 Greenhouse Gas Emissions Data

Scope 1 and 2 Emissions¹

To understand the climate impact of our business we must measure our GHG emissions footprint. Tracking Scope 1 and 2 emissions, we can pinpoint where in our direct operations we can make reductions.

We aim to be as transparent as possible by securing external assurance of our Scope 1 and 2 emissions data, our use of renewable electricity, and achievement of our RE100 commitment. We obtained an external limited assurance review with RSM UK Risk Assurance Services LLP, to the International Standard on Assurance Engagements (ISAE) 3000/3410, of our Scope 1 (excluding green gas certificates) and 2 emissions again in FYE24.

Scope 3 Emissions²

Scope 3 emissions represent most of our carbon footprint. This relates to activities that are neither owned, nor directly controlled by Arm. As set out in Our Net Zero Roadmap, six of the 15 Scope 3 categories are relevant to Arm. We have set reduction targets for three Scope 3 categories to date:

- + 42 percent for purchased goods and services, and for capital goods, supported by our work with CDP Supply Chain.
- + 7 percent for business travel, supported by our internal policies and carbon budgets.

Carbon Emissions Data (Metric Tons CO₂e)¹

	Baseline (FYE20)	FYE22	FYE23 ¹	FYE24 ¹
Scope 1	1,043.00	1,093.00	855.00	841.63
Scope 2 (market-based)	13,409.00	276.00	0	0.03 ²
Scope 2 (location-based)	16,153.00	14,565.00	13,941.00	15,680.23 ¹
Scope 1 and 2 (market-based)	14,452.00	1,369.00	855.00	841.63 ²
Scope 3 emissions ³	419,762.00	44,444.00	57,948.00	100,881.81
Total Scope 1, 2 (market-based) and 3	434,214.00	45,813.00	58,803.00	101,723.44
Renewable electricity usage as a percentage of total electricity consumption	35%	98%	100%	100%

¹ Reported figures in this table for Scopes 1 and 3 differ to those in the SECR disclosure in the [FYE24 Arm Holdings plc Annual Report](#) due to the differing inclusion criteria for that disclosure—namely the exclusion of liquid fuel from Scope 1 for SECR (impacting FYE23 SECR disclosure) and inclusion of part of one category rather than all six Scope categories that are relevant to Arm for Scope 3 (impacting both FYE23 and FYE24 SECR disclosure).

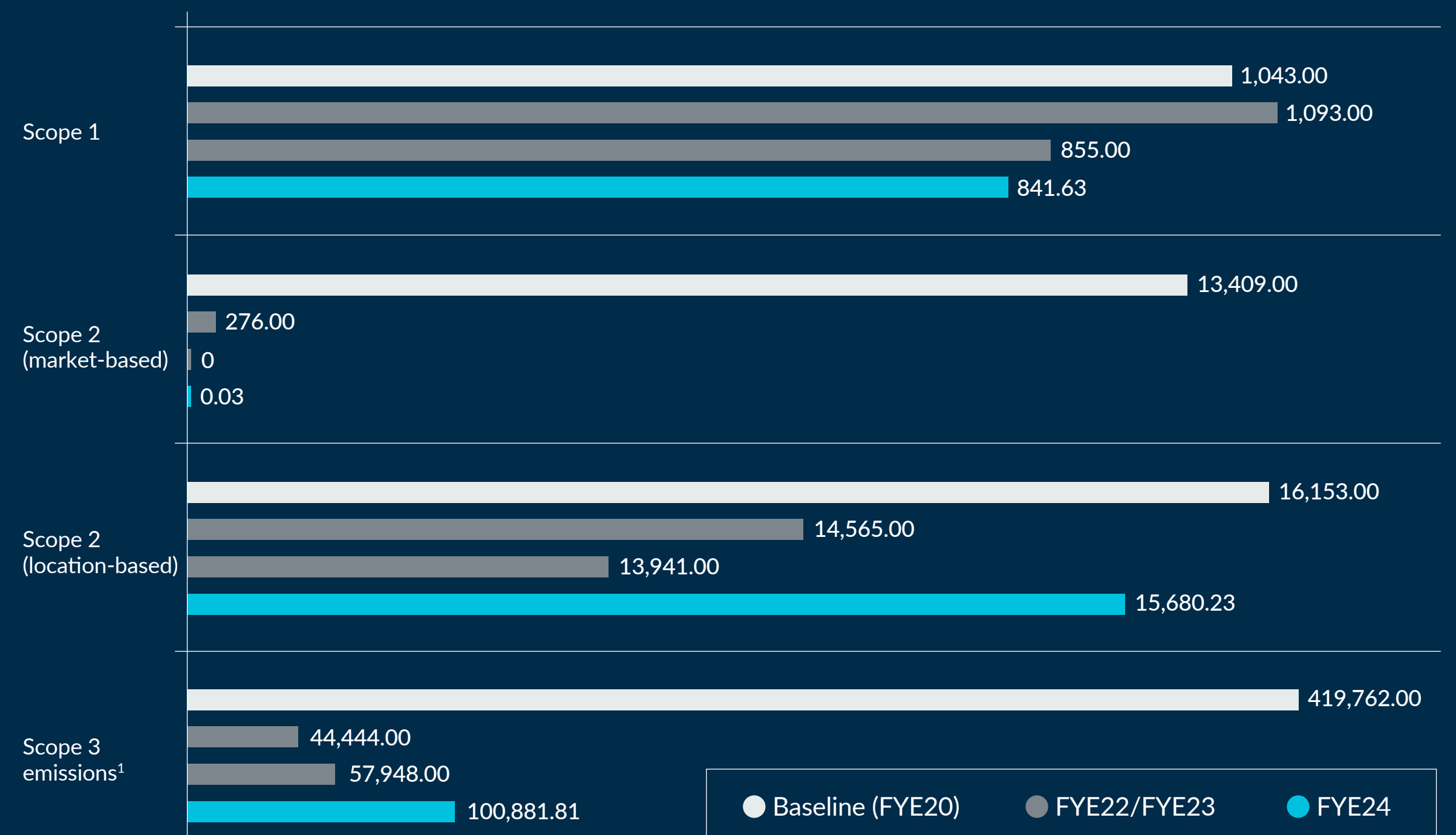
² Data reflects district heating for one office in Denmark.

³ This year the emissions generated from the use of fuel in employee-owned vehicles whilst undertaking business travel (Scope 3, Category 6) are included in the calculation of Scope 3 emissions for the first time. Emissions from this source are now included in the data provided for FYE24 and in all data provided for previous reporting years including our baseline year (FYE20).

Renewable electricity usage as a percentage of total electricity consumption



Carbon emissions data (metric tons CO₂e)



Carbon Offsetting Strategy

Our approach to net zero¹ prioritizes emission reductions. From 2023, Arm began investing in avoided emissions offsets to balance emissions from Scopes 1, 2, and category 6 of Scope 3 (business travel). We are committed to taking responsibility for our emissions and this offsetting is additional to our net zero reduction commitment.

These avoided emissions offsets are additional and voluntary. They do not affect our commitment to, or attainment of, our reduction target. Purchasing offsets will also support nature- and technology-based projects which offer additional benefits beyond climate change mitigation. At the point of net zero,¹ after achieving our absolute reduction commitment, we will also use carbon removal offsets to balance remaining GHG emissions.

Offsetting Partnership

In FYE24, we selected Pachama as our carbon offsetting partner. Pachama specializes in high-integrity forest conservation and restoration projects, harnessing satellite data and AI to evaluate project impact and monitor change over time.

Part of our support funds ongoing improvements to the technology systems Pachama uses to help

monitor projects on the ground. Our Sustainability Committee selected a forest protection project in Borneo. Funding from carbon offsets provides an alternative to converting the land to commercial use, keeping this forest—a natural carbon sink and home to a variety of critically endangered and vulnerable species—standing.

Supporting Innovation in Nature- and Tech-Based Carbon Removal Solutions

We recognize new technologies will play a role in carbon removals to support the transition to a low-carbon economy and meet global net zero commitments. We have therefore committed to support innovation in nature- and tech-based carbon removal solutions as part of our net zero strategy.

We continued our partnership with Carbon13 in FYE24 to progress this activity, which commenced in FYE23. Carbon13 selects, supports, and invests in programs that build scalable climate ventures to reduce and remove emissions on a global scale. As well as funding as a corporate partner, Arm provides expert advice to Carbon13 ventures and other in-kind support. We recently also provided additional funding for research on how to identify and remove barriers to women and other underrepresented groups participating in Carbon13's programs.

¹ Arm's definition of 'Net Zero Commitment' predates the definition provided by the SBTi by 18 months and therefore does not align with SBTi conventions. We recognize this misalignment but continue to use this term as it was originally intended, and with transparency, as we deliver our commitment. See page 21 for full details.

Developing Our Climate-Related Disclosures

We have reported to CDP since 2010 and in 2023 our CDP Climate response received a B grade. Under U.K. regulations, we also report in accordance with the:

- + Climate-related Financial Disclosure (CFD) regulations.
- + Streamlined Energy and Climate Reporting requirements.
- + Energy Savings and Opportunities Scheme.

The process of reporting in accordance with the CFD regulations in FYE24 was a significant step for Arm in engaging with our climate-related risks and opportunities.

We use the GHG Protocol to calculate and report our GHG emissions. In FYE25, we plan to refine our formalized basis of reporting for GHG accounting and to identify any further methodology improvements.

We sought third-party limited assurance of our Scope 1 and 2 GHG emissions data for the first time in FYE23. Consequently, we made improvements to our internal data review processes in FYE24. See FYE24 Greenhouse Gas Emissions Data for further details of our assurance of GHG data.

Climate-Related Financial Disclosures

The [FYE24 Arm Holdings plc Annual Report](#) includes our first climate-related financial disclosure, as required under the Companies Regulations 2022. We focused on identifying a shortlist of material climate-related risks and opportunities that could have a material financial impact on the business over the short, medium, and long term.

We then performed climate scenario analysis and financial impact quantification of these risks and opportunities. Our IP is used in a vast range of products and industries. This therefore indirectly exposes Arm to, and simultaneously has the potential to insulate Arm from, a broad range of climate-related risks and opportunities.

Following this assessment process, we consider Arm's business to be resilient to the physical and transition risks under different climate scenarios. We will continue to review these risks and any potential mitigating actions. We intend to keep building on the work undertaken to identify and quantify climate-related matters. We also recognize there are opportunities to further develop our modelling approach, risk mitigation actions, and disclosure of metrics and targets. For more information, please see the FYE24 Arm Holdings plc Annual Report.

Managing Our Wider Environmental Impact

Arm recognizes that its day-to-day activities impact the environment and considers environmental management to be an integral part of good business practice.

As a responsible business, we review our impact on the wider environment. Our [Environmental Policy Statement](#) establishes expectations for environmental practices and applies to all employees. Given our environmental impact is currently low, we also work with partners to support wider improvements.

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. Where available, we collect site-specific water consumption data. Where data is not available, we estimate based on floor area.

Globally, the wastewater from our offices is treated in line with local laws and regulations through domestic wastewater systems.

Waste

Our office spaces are our main source of waste production. Each location, region, and country has a different waste reduction approach.

The waste generated is primarily general office waste and food waste. Where recycling facilities are available, we try to use them for all recyclable waste, including food waste.

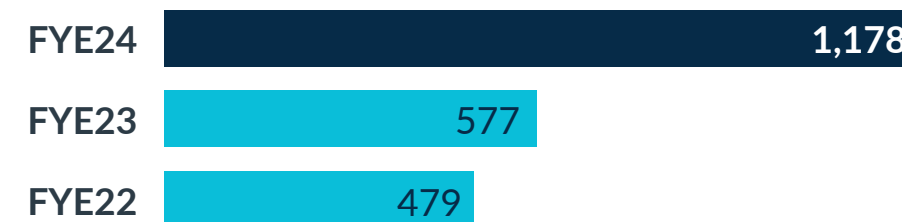
We endeavor to recycle electrical waste and furniture at every available opportunity. We have waste electrical and electronic equipment (WEEE) recycling programs for IT equipment.

Water Consumption (cubic meters)



We model waste produced based on employees per site to calculate carbon emissions from waste, on both a per-site and global basis. We also adjust the model to account for the proportion of days people worked at each site, rather than remotely.

Carbon Emissions from Waste (tCO₂e)



Working With Our Supply Chain

Arm's responsible procurement strategy has two main purposes. It supports the purchase of products, goods, and services that are legal and in compliance with applicable regulations. It also seeks to make our supply chain transparent, fair, environmentally and socially responsible, and ethical.

In FYE23, a third party conducted a maturity assessment of this strategy and trained the procurement team to have meaningful conversations with suppliers on sustainability topics, including DEI and carbon emissions reductions. This training informed all the team's supplier engagement in FYE24.

Following our implementation of EcoVadis, we have established three priority areas for supplier engagement in FYE25:

- + Carbon emission reductions, with a focus on renewable energy consumption.
- + Diversity, equity, and inclusion maturity.
- + Progress on wider environmental considerations.

Supporting Biodiversity Conservation

As part of understanding our wider environmental impact, we are committed to assessing how our operations affect local biodiversity. We also support various local initiatives.

For example, in FYE24:

- + 148 employees volunteered for 166 hours on the online Zooniverse project, classifying images and videos of wildlife to help conservation researchers.
- + In Galway, 15 employees spent 151 hours volunteering to help Galway National City Park with tree planting and water testing.
- + In San Jose, 11 employees volunteered for 55 hours to support Guadalupe River Conservancy.

Our social impact and innovation work also supports technology projects focused on conserving biodiversity.

New Awards for Conservation

We extended our collaboration with WILDLABS, a global biodiversity conservation technology community, funding a new set of awards for innovations with game-changing potential for major conservation challenges.

Arm was one of the original funders for WILDLABS in 2015. The WILDLABS awards, launched in 2023, support conservation projects powered by Arm technologies.

WILDLABS received over 190 applications. The 13 selected projects receive funding, expertise from Arm people, and access to the world's biggest biodiversity conservation technology community to advance their innovative projects. They were chosen not just for their innovation, but also for scalability. The projects range from using AI to protect pollinators, to creating low-cost wildlife monitoring equipment.



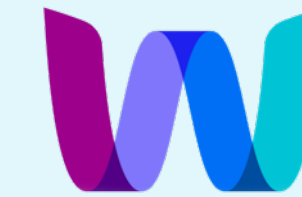
Conserving Biodiversity to Help Combat Climate Change

Conserving and restoring natural ecosystems is essential for limiting carbon emissions in the atmosphere. Arm invests in conserving native forests to absorb carbon, protect endangered species, and support local communities.

Through our long-term partner Fauna & Flora, we have funded Belizean NGO Ya'axché Conservation Trust's preservation of the Boden Creek Ecological Preserve in Belize. Ya'axché both protects the forest and engages local communities in sustainable agricultural practices compatible with conserving it.

We are also helping conserve the Central Kalimantan Peatlands in Borneo, Indonesia. By purchasing carbon offsets (an initiative which is in addition to our carbon reduction targets) through Pachama, we are funding conservation of this globally important forest habitat.

Organizations we partner with to support biodiversity improvements



Arm Starts with People



Our success starts with our people. Our ambitious business strategy, keeping pace with our industry's rapid evolution, is only possible with their excellence and engagement. To deliver on that strategy, we continue to build an organization of high-performing, exceptional people united by a shared vision and values.

We use our working environment, operating practices, rewards, and benefits to engage, motivate, and reward people for doing their best work. We believe our culture and commitment to embracing diversity, equity, and inclusion gives us a competitive edge.

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Our People Approach

Culture and Core Beliefs

We want our people to feel they are part of a remarkable company building the future of computing. We want their experience to be remarkable too.

Our Core Beliefs articulate how we all show up every day and bring to life our commitments to each other.

- + Winning together, not alone.
- + Everyone being able to be themselves in an environment where they can do their best work.
- + Valuing the diverse insights from our teams to push us to new heights of innovation.

The Arm [Code of Conduct \(CoC\)](#) governs how we do business, ensuring we manage people and operations in line with our Core Beliefs:



Do great things

Work with urgency, embrace challenges, find a way.

- + Aim high, be courageous, take risks.
- + Challenge the status quo, challenge inefficiencies, make Arm better every day.
- + Focus your time and energy on Arm's strategic priorities.
- + Adapt, be willing to change direction to improve the outcome.
- + Welcome the challenge. Back Arm to keep winning.

OUR CORE BELIEFS



We, not I

Embrace both collaboration and individual accountability for the success of Arm.

- + Collaborate efficiently across boundaries, obsess about the complete end product.
- + Avoid consensus building when not needed; get sufficient inputs, decide, and commit; trust in the decision and make it happen.
- + Clarify accountability; when you're accountable, own it.
- + Capitalize on the skills and knowledge across Arm, proactively share information with those who need it.
- + Lead the ecosystem to deliver for our most important markets and customers.



Be your brilliant self

Insist on excellence, enable performance, individuality, and inclusion across Arm.

- + Perform, and require others to perform, at the highest level for Arm's success.
- + Be open to feedback: ask for, give, and act on feedback regularly. Help people reach their full potential.
- + Create an inclusive environment, be curious, and embrace diversity.
- + Give people trust and autonomy; show people they can trust you to do great work.
- + Care about the people around you.

Listening Through Employee Surveys

We listen to our global employees through an annual survey and quarterly pulse surveys. The annual Life at Arm survey asks people about their experience of Arm and shows where we need to improve.

In May 2023, 87 percent of people at Arm completed the annual survey. Overall, we saw a trend of positive results compared with previous years—particularly in our overall Sustainable Engagement score—showing how much people feel motivated, enabled, and energized to do their best work.

The survey also highlighted areas for improvement, where we are now renewing our focus. For example, 86 percent of people said they have what they need to do their job effectively, yet 73 percent said there were no substantial obstacles at work to doing their job well. The gap between these scores suggested there were factors beyond

tools and resources affecting some people doing their job.

Our pulse survey for the third quarter of FYE24 showed we are maintaining the Sustainable Engagement score at 85 percent. This beats the High Technology Norm (83 percent), an industry benchmark of 130 hardware, software, and services companies. A record 96 percent of people said they are proud to work for Arm.

In the fourth quarter of FYE24, we ran an additional all-company survey, asking people what they would do differently to have a more efficient Arm. This was to uncover factors beyond tools and resources that were affecting some people doing their job. There was a 43 percent participation rate (3,080 out of 7,200 people) and we gained insights to improve processes across Arm.

What Employees Told Us: 2023 Engagement Survey

85%

Sustainable Engagement score, up from 79% last year.

95%

are proud to work for Arm, the highest ever rating for this question.

82%

agree recently updated Core Beliefs accurately describe how people behave at Arm.

97%

of people understand how their work contributes to Arm's strategy.

91%

said their colleagues create an inclusive environment.

84%

agree that Arm's Core Beliefs are a source of competitive advantage.

88%

believe strongly in Arm's strategy, goals and objectives, up from 77% last year.

Building a Future Together, For Everyone

It is imperative we attract and retain high-performing, diverse talent to achieve Arm's North Star: Building the future of computing on Arm. Together. For everyone.

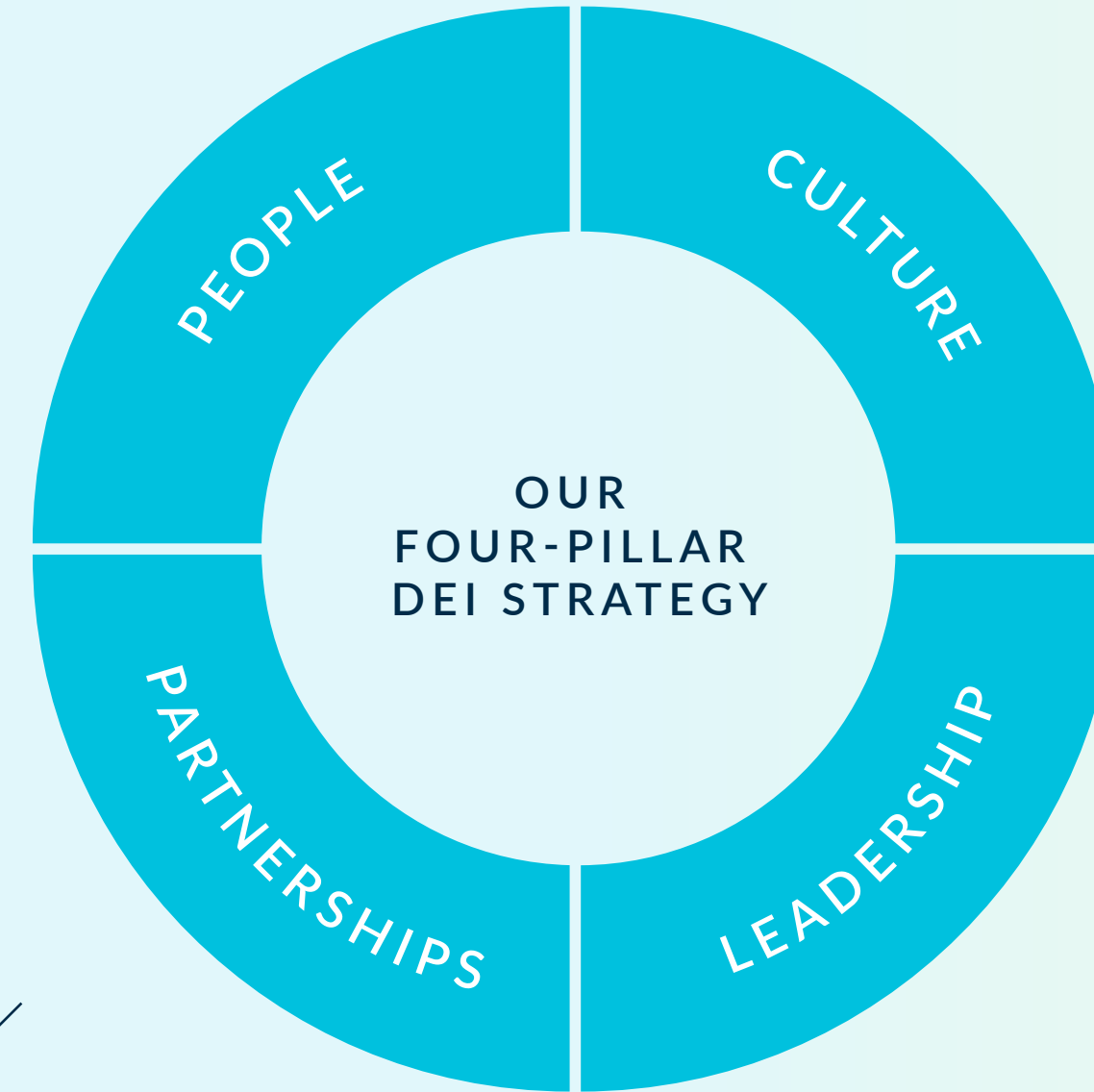
The need for new ideas and perspectives is constant. Developing diverse, high-performing teams is the foundation for our innovation. Everyone at Arm plays an important role in co-creating an inclusive environment where representation matters, diverse views are valued, and everyone's skills are fully utilized.

Focused and Strategic

Our diversity, equity, and inclusion (DEI) strategy enables our North Star, and we are embedding it into everything we do. Its goals are measurable, and we are transparent about our progress. Each pillar is underpinned by defined KPIs and we communicate initiatives and updates consistently, across multiple channels.

Hire, support, and empower diverse talent at all levels across Arm.

Utilize DEI as a strategic enabler across the ecosystem.



Embody Core Beliefs and inclusive actions every day.

Lead with DEI as a business, people, and culture imperative.



People: Empowering Diverse Talent

Our DEI and talent acquisition teams work closely together to hire, support, and empower people at all levels. In FYE24 we:

- + Launched the Neuroleadership Institute DECIDE training for our hiring managers and DEI business leads. The module helps them mitigate the five most common types of bias that exist in hiring and everyday interactions.
- + Updated our talent acquisition process to be more efficient and inclusive. This included ensuring the language in our job descriptions was inclusive, offering clarity on how to request accommodations during the recruiting process, and updating our Careers website with information on our commitment to DEI.
- + Increased Arm’s presence at key external conferences sponsored by our external DEI partners, such as the Global Semi-Conductor Alliance (GSA) Women in Semi-Conductor Hardware (WISH) conference, Diversity Woman’s Business Leaders in Tech conference, Seramount’s emERGe conferences, Out & Equal’s Workplace Summit, and Disability:IN’s Global Conference.
- + Partnered with the nonprofit INROADS. INROADS creates pathways to careers for ethnically diverse high school and college students across the United States. Together, we aim to increase applications and hires to Arm’s internship program from underrepresented groups.

Culture: Nurturing an Inclusive Community at Arm

We engage all employees on the importance of actively participating in our DEI work and nurturing an inclusive culture. In FYE24, key activities included:

- + Continuing work with key stakeholders: DEI working groups, Employee Resource Groups (ERGs), employee communities and the DEI Council. Together, these four groups form Arm United, helping to align activities with Arm’s DEI and business strategies. Arm United informs our DEI strategy and initiatives, advocates for and informs others about DEI at Arm, and shares organizational sentiment with the DEI team.
- + Holding our second annual ERG Summit. Global ERG leaders joined two days of workshops for learning, development, cross-networking, alignment, and focus. Arm teamed up with Radius, an external DEI partner, to deliver sessions on maximizing impact, the role of an ERG, and effective stakeholder management.
- + Embedding DEI principles into key Arm conferences. Working closely with the marketing and internal events teams, the aim was to curate speakers, workshop session topics, accommodations, and other aspects of internal Arm events inclusively. One result was that our Global Graduate Conference and Global Engineering Conference each had interactive sessions on defining DEI, why DEI matters, Arm’s DEI journey, and our strategic approach. All our ERGs had a strong presence at both conferences, serving as platforms for graduates to learn more about ERGs, their missions and focus areas.

ERGs at Arm

Arm has a variety of Employee Resource Groups (ERGs). These employee-led groups bring together people from underrepresented or marginalized groups based on shared identity, interests, or experiences. These groups provide a safe space for members to create community, share information, and help the company build a culture of belonging for all employees.

- Asian@Arm
- Black@Arm
- Disability@Arm
- Neurodiversity@Arm
- Pride@Arm
- Unidos@Arm
- Women@Arm



Leadership: Making DEI a Business, People and Culture Imperative

Arm has several workstreams to help leaders lead with DEI as an imperative. We were proud to launch Arm’s DEI Council in FYE24. The DEI Council is made up of senior leaders from across our global sites and functions who provide diverse perspectives and insights on Arm’s DEI strategy.

The DEI team conducts site visits to work with leaders to localize our DEI strategy and to engage more deeply with teams across the globe. In FYE24, the DEI team visited Arm offices in Norway, Sweden, U.S., and India, enabling the team to listen to employees, gathering additional feedback on successes and opportunities to improve.

“We are united in our commitment to create an inclusive environment. We know that having a diverse workforce and inclusive culture makes us better and enables us to build the future of computing on Arm. Together. For everyone.”

Tamika Curry Smith, Senior Vice President and Chief DEI Officer

Partnerships: DEI Impact Across Our Ecosystem

We multiply our DEI impact by collaborating across our partnership ecosystem, external DEI partners, and teams at Arm.

In FYE24, our DEI team partnered with teams and organizations across Arm’s ecosystem to develop strategic initiatives, data analysis, and governance. Internally, we worked with Government Affairs and Strategy & Ecosystems to expand Arm’s brand and technology globally, particularly within developing nations where key talent is now being exposed to Arm. Through cross-functional collaboration, we also started to develop strategic relationships with NASA and other programs funded by the U.S. Government.

Robust partnerships with external DEI organizations helped us bring Arm’s DEI strategy to life, provide resources, and offer networking opportunities for our people.

Organizations we partnered with include:

- + Catalyst, a nonprofit with 60 years of unparalleled expertise, thought leadership, and actionable solutions making workplaces the best for women that they can be.
- + Neurodiversity in Business, a business forum and industry group for organizations to share best practice on neurodiverse recruitment, retention, and empowerment.
- + CEO Action for Diversity and Inclusion, the largest CEO-driven business commitment to advance DEI in the workplace.

Driven by Data

We know it is crucial to monitor and evaluate the variables that contribute to making Arm a diverse, equitable, and inclusive workplace.

We significantly enhanced our capabilities in this area, launching a People Data Census in December 2023 in partnership with Willis Towers Watson. Through the census, employees shared more about their personal background. This will give Arm a more comprehensive understanding of employee demographics beyond gender, race, and ethnicity.

The census was open to employees in the U.K., U.S., and India, as those are our largest locations and have laws that enable us to collect this type of data and analyze it in this way. This initial launch garnered a statistically significant response rate of 54 percent. We will use the results to refine our approach to DEI initiatives and practices.

We also obtain important insights from the DEI Index on the annual Life at Arm survey, such as:

- + 85 percent of people agree Arm supports equal opportunities for all its people, up from 78 percent last year and higher than other high-performing companies (81 percent).
- + 88 percent agree different ideas and perspectives are valued at Arm.
- + 91 percent agree their colleagues create an inclusive environment.

Our [2023 UK Gender Pay Gap report](#) illustrates our steadfast commitment to advancing DEI and highlights a reduction in our median and mean gender pay gap of 4.05 percent and 1.84 percent, respectively.

In our [France Gender Equality Index Score report](#), we achieved a score of 74. The index measures pay- and promotion-related gender equality.

Practicing Non-Discrimination

We seek to foster an inclusive and supportive workplace, where leaders and managers engage directly with their teams to understand and respond to their diverse needs. Our aim is to create a working environment where representation matters, people are valued, diverse perspectives are heard, and everyone’s skills are fully utilized. Discrimination does not have any place at Arm.

While we believe in engaging directly with our people to create a working environment that aligns to our Core Beliefs and to resolve workplace issues, we do not restrict the rights of our people to freedom of association.

Arm determines working conditions and policies in accordance with our Core Beliefs, Code of Conduct (CoC), and market practice. In many cases, conditions and policies are more generous than would be typical under collective bargaining agreements.

Arm does not presently operate collective agreements with any trade unions, except for in France. We do have unions in several countries, such as France and Norway, and works councils in others, including France and Hungary. The collective bargaining agreements we operate in France directly cover 6.3 percent of our global workforce.



Growing and Retaining Talent

We value our people. They are core to our success and we want them to have maximum impact. That is good for them and good for us. We therefore invest in people to enable them to reach their full potential.

Reward and Benefits

We are committed to rewarding our people competitively and equitably based on their work, skills, and experience. We aim to pay people well relative to the market by:

- + Valuing them as individuals, differentiating reward packages based on their performance and external market dynamics.
- + Benchmarking what we offer extensively against the market.

Arm's IPO opened up the opportunity to change Arm's reward structure, offering equity-based awards to established employees. This significant step enabled us to incentivize long-term employee commitment, giving our people a sense of ownership and belonging, and sharing Arm's success as we grow. This will support our ability to retain people as we collectively pursue business success.

We know reward is one of the areas we perform most strongly compared to industry benchmarks, as illustrated by the 2023 Life at Arm survey. Overall, 76 percent of Arm people believe they are rewarded fairly for their work, above the High-Performance Norm (66 percent) and High Technology Norm (64 percent) benchmarks.

Flexibility

We trust people to decide how and where to do their best work. We also believe in the value of bringing people together in person to learn, collaborate, and innovate.

In FYE24, we formalized the framework to enable those choices by launching our Hybrid Working Policy. The policy asks people to exercise judgment in balancing their individual needs with those of their work and teams. It also encourages individual groups to set their own requirements for how often they gather in our offices, based on their own specific needs and circumstances. Approximately 90 percent of employees currently attend the office more than 20 percent of each month, with most people choosing to attend more than their group requires.

Talent Development

We want to develop people toward the career they aspire to. Arm seeks to create a continuous learning culture, with the agility to develop skills at the same pace as our rapidly evolving business.

We encourage everyone to look beyond their current role, understand where they need to develop, and find the way to get there. We support them in achieving this through a blend of community, workplace, and formal learning.

In FYE24, we introduced our new myLearning platform, providing e-learning content to ensure everyone at Arm can access quality, self-paced content. The platform comprises 100 e-learning modules created by Arm employees, including:

- + AI Training
- + Technical programming skills, such as OpenChain
- + Functional Safety
- + Management skills, like Lean Six Sigma
- + DEI training

Approximately 1,100 employees across Arm have already completed myLearning courses.



Alongside myLearning, we added eight new curricula, each covering a different development pathway based on the capabilities we see as being vital for Arm's success. These include technical development, personal and career growth, and being a people manager. We also heavily invested in developing our senior leaders, technical leaders, and people managers.

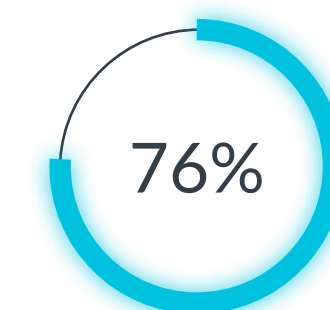
We are always looking to enhance development opportunities. The 2023 Life at Arm survey told us that 73 percent of people received regular feedback that helps improve performance. While that is higher than the previous year's response (72 percent), it is lower than other results in the learning and development section of the Life at Arm survey.

There are various possible reasons for this, from people's skill in giving and receiving feedback, to the quality and timeliness of the feedback, to whether people feel safe giving or receiving

feedback. In FYE25, we will launch a new approach to performance management and talent development, with a focus on supporting people to set bold goals and give and receive constructive feedback.

Retention Success

Attrition rates suggest our people strategy is working, with people choosing to progress their careers inside Arm. In FYE24, our annualized attrition decreased to below 7 percent. We believe this reflects our positive working environment, the opportunity ahead for the business, and the chance for people to benefit from the IPO.



76% of Arm people believe they are rewarded fairly for their work, up from 71% in 2021.

Investing in Future Talent

Education is transformational for individuals and communities. In an era where technology is ubiquitous in everyday life, we see nurturing the skills needed to understand and contribute to a technological revolution as our duty.

Arm Education aims to enable learners at various stages of their journey to engage positively with technology, either as users or developers. We take a lifelong learning approach, with:

- + A school program that includes U.S. K-12 education.
- + A university education and research enablement program.
- + Various learning contents and opportunities for developers, designed to address specific gaps in knowledge, skills, and abilities.

Our approach mediates between the needs of learners at various stages of their lifelong learning journey and the technology industry's knowledge, skills and abilities (KSA) needs. By rigorously analyzing the KSA needs of actual and projected job roles, we derive rigorous educational and training standards the wider community can use to develop curricula and interventions for people at various stages.

Semiconductor Education Alliance Launch

Working in partnership is in our DNA. In FYE24, we launched the Semiconductor Education Alliance to federate efforts from across industry, academia, the third-party sector, and governments globally to address the skills gaps in the semiconductor industry sustainably and at scale. The alliance has since grown to 27 members and begun a series of projects that aim to create and support new learning pathways.

Supporting Teachers

Arm supports teachers of computing and engineering skills through online courses and communities of practice. Enrollment in our online program of courses, Teaching with Physical Computing, grew further in FYE24. The program has now reached over 10,000 teachers worldwide to date. Over 60 percent of enrollments in the Introduction to Project-Based Learning course come from teachers based in India.

Communities of practice are central to supporting teachers. We developed them in partnership with Computing at School in the U.K. and the Computer Science Teachers Association in the U.S. DEI is a core consideration of both

communities. For example, the community manager for our U.S.-based community of practice is a former research associate at the Georgia Tech Constellations Center for Equity in Computing.

Supporting Lifelong Learners

We offer a portfolio of courses through popular online course platforms. That portfolio gained more than 20,000 learners across 180 countries in FYE24, taking the cumulative total to 80,000 learners.

A deal with the Indian State of Andhra Pradesh to subsidize a certification for learners at scale contributed significantly to the FYE24 increase in learners. We have begun a process to help with brokering more such relationships between course platforms and government bodies.

We launched two new courses in FYE24. Computer Architecture Essentials on Arm is aimed at undergraduate and early career learners to take their study to the next level. Introduction to Microprocessors, aimed at students transitioning from schools to universities, has attracted thousands of learners from over a hundred countries in its first six months.

Enabling Diverse Access to Education

We invest in a dedicated school program, including U.S. K-12 education, to encourage positive engagement with STEM subjects.

Our free educational products are available for organizations to use globally. The various products supporting lifelong learners have been adopted in over 180 countries worldwide. Our initiatives in Africa, Vietnam, and at state level in India are helping ensure that the 20,000 learners gained this year are truly globally distributed.

Arm also provides support to develop academic research and related skills. Our Arm Academic Access program equipped 37 academic institutions globally with Arm intellectual property and tools in FYE24, including five institutions across India and Thailand, three in east Asia, and three in South America.

Arm's Online Learning Impact

We recently surveyed learners to understand the impact of our courses. Of 374 total respondents:

241 (64%)

said the courses improved their career and professional development.

34 (9%)

used the courses to improve their teaching.

15 (4%)

stated they obtained a job because of taking the courses.

We also offer various other free educational resources. Highlights from FYE24 include:

- + Our free, open access textbooks and [reference books](#) were downloaded 14,000 times.
- + People forked and cloned [Arm University Education Kits](#), available at no cost on GitHub for global teaching faculty, over 2,000 times.
- + Over 800 people participated in a webinar, co-sponsored with Digikey, introducing learners to our Beginner's Guide to Embedded Systems textbook.
- + We launched two new online courses on computer architecture for learners at schools and undergraduate university study.

Well-Being, Health, and Safety

Our commitment to our people means building a healthy workplace with a consistent, high-care employee experience. This commitment underpins our drive for high-performing individuals and teams.

Health and Safety Management

Arm puts employee well-being at the forefront of the health and safety (H&S) program. We take our commitment to H&S seriously, continuously evolving and embedding H&S practices everywhere we operate.

Our overall approach is rooted in the Arm H&S Policy, which is implemented through our Workplace H&S Management System. The Chief People Officer is accountable for the H&S Policy, which we review at least annually and Arm's Code of Conduct (CoC) also covers H&S. We require each person at Arm to take care of their own safety and that of others. We train all employees in the H&S Management System.

Arm seeks to comply with H&S legislation globally. Our H&S program establishes standards based on our industry's best practices, with the goal to ensure workplace safety for everyone, wherever they work. We take steps to adapt to new legislation and Arm's H&S Compliance Committee meets monthly to monitor changes and risks to the H&S program. The H&S team works closely with local teams to implement controls across our offices, understand the

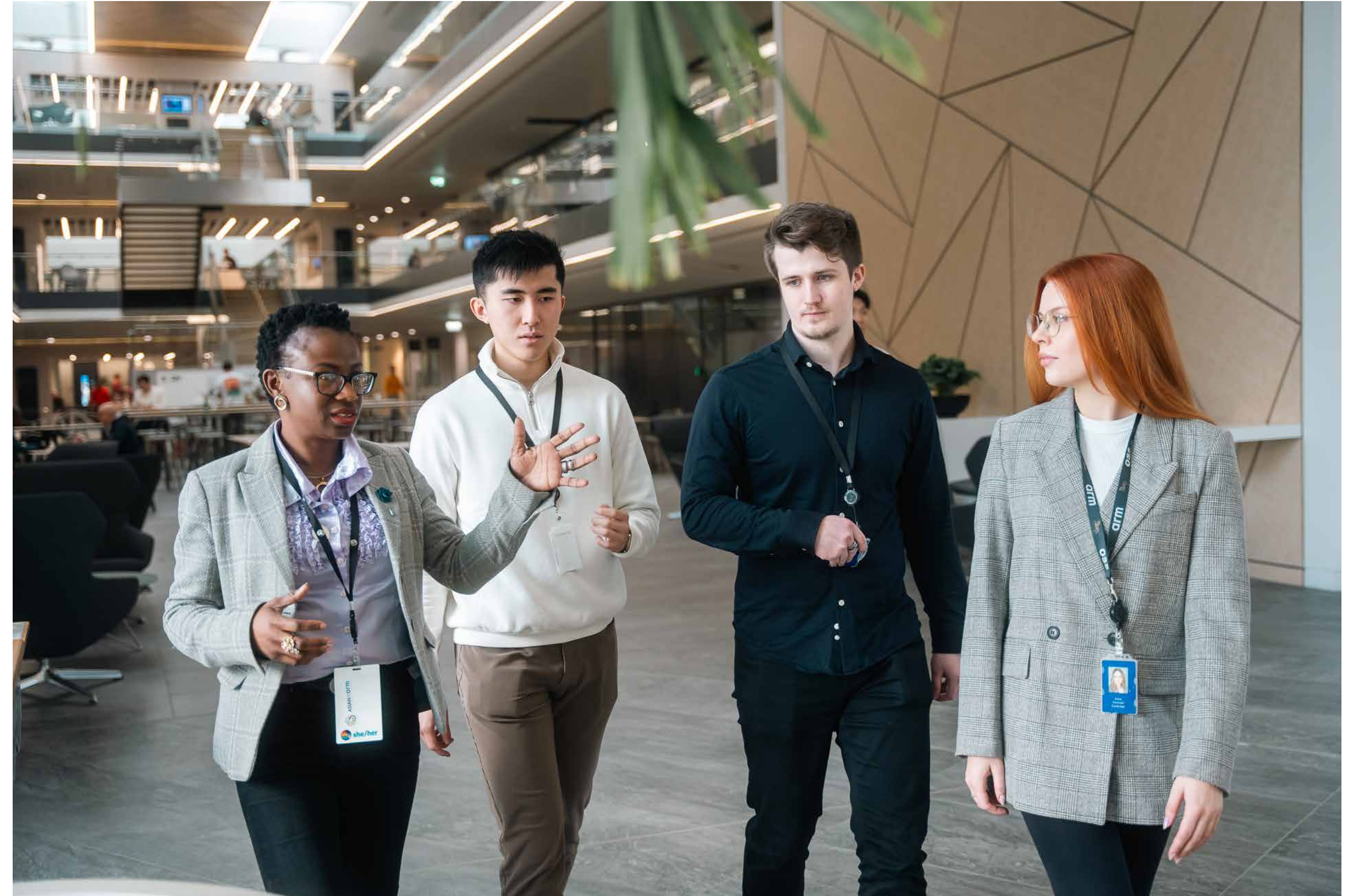
unique needs in local sites, and to understand where other factors exist that may heighten H&S risks. A full risk assessment is completed at locations, such as labs and data centers, with hazardous materials or a higher chance of an H&S incident. Arm records H&S incidents and prepares complete and timely reports to adhere to best practices and applicable regulations.

Management Tools and Training

The H&S team uses an online property risk management solution to track compliance with legal requirements, Arm H&S Standards, and progress on assigned actions. Our H&S Management System is audited through the Arm-wide Enterprise Assurance ISO 9001 audit and other internal audits.

Induction for all new hires includes the introduction to the H&S Policy, H&S Management System, and other health and safety information. Each person then receives information, training, supervision, and tools specific to their work so they can act in a safe and responsible way.

Online courses are available to everyone on various subjects including manual handling, work at height, fire safety, and hazardous substances. General H&S guidance is available to all online, such as on H&S when working from home. For higher-risk areas, the owner of the area will make workers in that area aware of the risks and how to reduce and eliminate them.



Well-Being for All

We contribute to employees' well-being in several ways, tailored to many different life situations. A dedicated well-being team creates guidance for all Arm employees on how to thrive socially, physically, mentally, and financially.

Our leave entitlements include:

- + Extended parental leave.
- + A progressive leave policy giving people paid time off to deal with life's emergencies.
- + A sabbatical for every four years of employment.
- + A quarterly company-wide day of care to encourage employees to rest and recharge.

Arm's global Employee Assistance Program (EAP) offers comprehensive, confidential advice on a range of issues. EAP benefits, which extend to employees' families, include counselling sessions, life coaching, and legal assistance.

We also offer all employees access to the Unmind platform for mental health. Unmind has tools and content on issues like maximizing sleep, coping in hard times, and easing loneliness.

We tailor our physical well-being provision to each of our global offices, ranging from gyms at larger sites like Cambridge and San Jose, to online classes for all employees.

All employees have access to display screen equipment assessments (physical or virtual), and we have a range of physical well-being provisions across the globe, including physiotherapy at our Cambridge campus, massage in Lund and Budapest, and yoga in Sophia Antipolis, Ra'anana, and Bangalore.

In FYE24, we also ran several campaigns on specific health-related topics, such as prostate cancer and menopause.

A Global Well-Being Challenge

In 2023, Arm challenged our people to get moving. The challenge: to collectively cover as much distance as possible by any physical movement where distance could be tracked.

We encouraged friendly competition between offices and teams to get people going. As a result, our employees covered over 100,000 kilometers and provided a corporate donation of \$15,000 to the World Wide Fund for Nature to celebrate the effort.



Team Arm

Team Arm is how we engage employees to support the communities around us. The program encourages people to act on the social and environmental issues they care about through volunteering and fundraising.

Arm aims to positively contribute to the communities where we live and work, and to inspire and equip young people about the role they can play in the future of STEM.

Promoting Global Participation

Team Arm aims to get everyone at Arm involved in volunteering and fundraising. We facilitate and record participation through the Giving Hub platform, provided by Benevity. Our people give their time and money to charities and nonprofits that matter to them in the Giving Hub. With over 700 different causes supported by Arm employees in FYE24, the breadth of what they care about is huge.

Arm gives each employee half a day per month of company time to volunteer. The participation rate in FYE24 was the highest since before the COVID-19 pandemic. We are proud that Arm people gave over 10,000 hours of time to charities and nonprofits.

We aim to improve access to volunteering each year. We acknowledge our success given that 47 percent of respondents to the Team Arm volunteering survey reported they were volunteering for the first time since joining Arm. We will continue those efforts.

Team Arm Participation FYE24¹



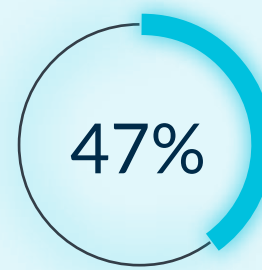
of employees volunteered, up from 10% last year.

1,079 individuals volunteered.

10,000+ hours of company time volunteered.

700+ charities and nonprofits supported.

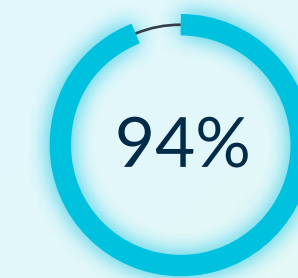
\$172,680 in employee and corporate matched donations.



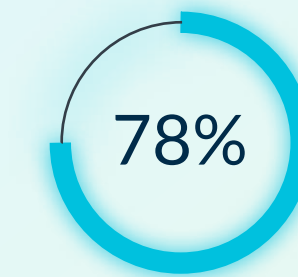
of Team Arm participants are first-time volunteers since joining Arm.²



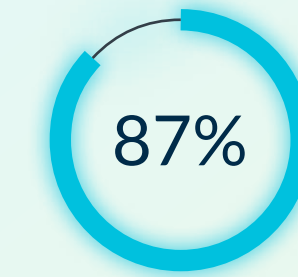
Beyond the positive impact for communities, Team Arm is great for our workforce:



of volunteers would recommend volunteering to others.



of volunteers are more likely to talk positively about working for Arm as a result.



report that volunteering has increased their sense of pride in Arm.



report that volunteering has improved their sense of connection to colleagues.

¹ Figures for the number of volunteers and time spent volunteering represent those employees tracking their volunteering time in the Giving Hub.

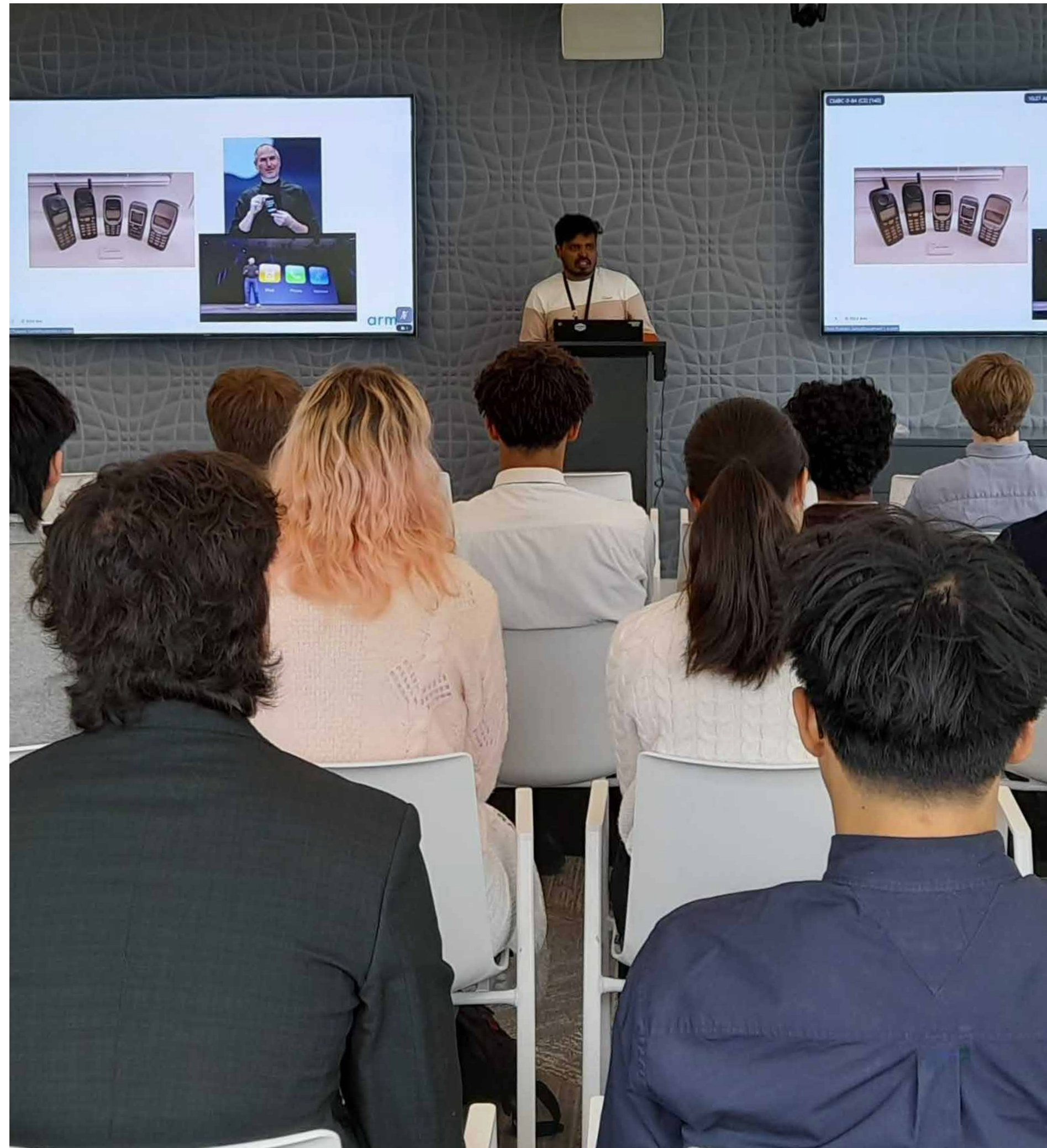
² From the Team Arm volunteering survey (2023).

Inspiring the Next Generation

We want young people both to be inspired and equipped to join the future of technology. Team Arm’s strategic focus is therefore on improving access to STEM education for underserved and underrepresented young people. The twin goals are educational opportunity and expanding the pipeline of young people choosing STEM career paths.

We are investing in partnerships with STEM education charities at local, national, and global levels, including *FIRST*, the Micro:bit Educational Foundation, Uptree, The Tech Interactive, and Cambridge Science Centre. Highlights from FYE24 include:

- + With *FIRST* in the U.K., we enabled 1,200 young people from underrepresented backgrounds to access robotics education, of whom 58 percent were girls.
- + With *FIRST* globally, Team Arm’s *FIRST* Fund offers grants to teams who want to enter *FIRST*’s local, regional, and national robotics competitions. Employees actively involved in *FIRST* teams as mentors or parents can apply. The fund received a record number of applications in FYE24 and made grants to 19 student teams. The fund gave priority to teams led by or with a high proportion of female students. Almost 50 Arm employees volunteered at *FIRST* Tech Challenge U.K.’s end-of-season championship tournament.



- + Through Uptree, Team Arm hosted 343 school students aged 16-18 at 11 events held across our offices in Cambridge, Manchester, and Sheffield. The students took part in a coding challenge, networked with our engineers, and received career advice from Arm’s graduates and apprentices. All sessions were delivered by Arm volunteers, with over 75 employees giving their time to make the events a success. 53 percent of participating students identified as female and 66 percent were from ethnic minorities.

Recognizing Exceptional Contributions

In FYE24, Team Arm launched two new awards: Volunteer of the Year and Volunteer of the Quarter. The awards recognize and celebrate employees who keep putting in extraordinary effort to make a positive impact in their local community.

In FYE24, four employees across Taiwan, U.K. and U.S. won awards for their commitment to issues, including using technology for good and STEM education equity.



Girls’ Day in Hungary

Our people in Budapest are proactive in connecting with local young people around building STEM skills. Participating in Girls’ Day was their latest initiative.

The team offered a career orientation day for primary- and secondary-school aged female students interested in STEM. The day formed part of the wider Girls’ Day event where students visit companies, universities, and research institutes in Hungary to learn about the world of STEM. Arm employees hosted a program of activities for students, including coding using BBC Micro:bits and an Ask Me Anything session with female engineers to learn about career paths and education choices.

Operating With Integrity

Operating with integrity, building trust with our stakeholders, and ensuring compliance with regulations is foundational to our success as a business. Strong governance reinforces our sustainability efforts, strengthens our relationships, and ensures confidence in the quality, ethics, and security of our operations and products.

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Corporate Governance

We made significant changes to our structure and governance in FYE24. In September 2023, Arm Holdings plc became a publicly listed company following a corporate reorganization and IPO.

As of March 31, 2024, the SoftBank Group owned approximately 88.1 percent of our total issued and outstanding share capital, therefore holding a majority of the total voting power of our ordinary shares.

The Arm Board directs the management of the company's business and affairs. The Board currently has eight members, including our chief executive officer (CEO).

Preparing For Our IPO

We completed the IPO in September 2023 through the following sequence:

- + The registration statement on Form F-1 relating to the company's IPO was declared effective on September 13, 2023.
- + American depository shares, each representing one ordinary share of the company, began trading on the Nasdaq Global Select Market under the ticker symbol 'ARM' on September 14, 2023.
- + On September 18, 2023, the company completed the closing of its IPO.

Upholding our commitment to our people, shortly after the IPO, the CEO and other members of the executive committee (EC) held an in-depth, in-person Q&A session with Arm employees on the short- and long-term impact of the IPO and the company's future.

Arm's IPO was significant for us and for the market, being named Tech Deal of the Year 2023 at the U.K. Tech Awards.

In anticipation of the IPO, we prioritized ensuring our proposed corporate governance structure would be effective and comply with U.S. securities laws, the Nasdaq Rules, and the U.K. Companies Act 2006.

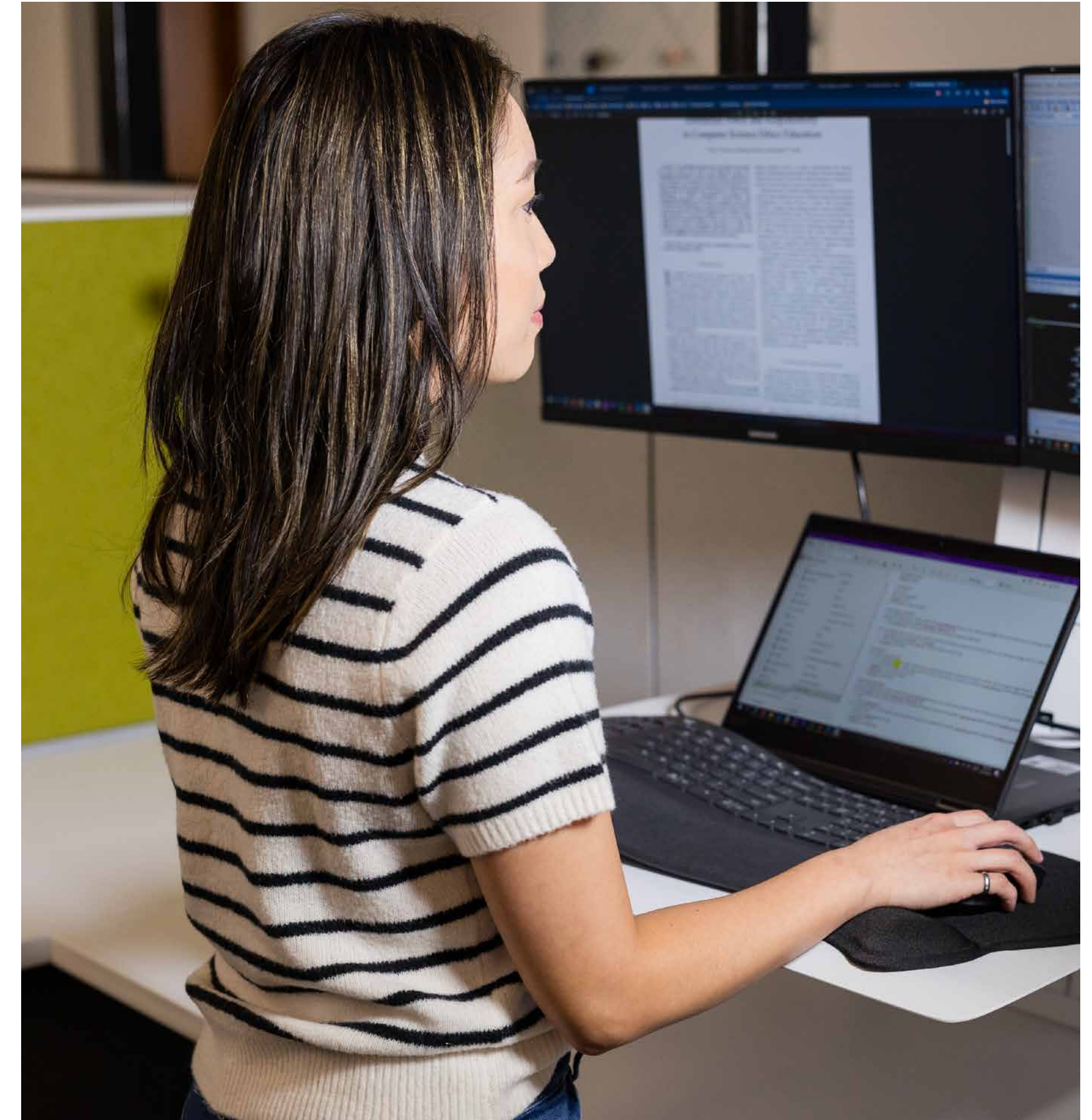
To achieve this, during FYE24, Arm adopted the [Arm Group Governance Framework](#) (the Framework), comprising:

- + Articles of Association
- + Committee Charters
- + Corporate Governance Principles, which provide additional guidance to the Board on its management, decision-making, and processes.

The new structure is reflected in our governance policy documents, including:

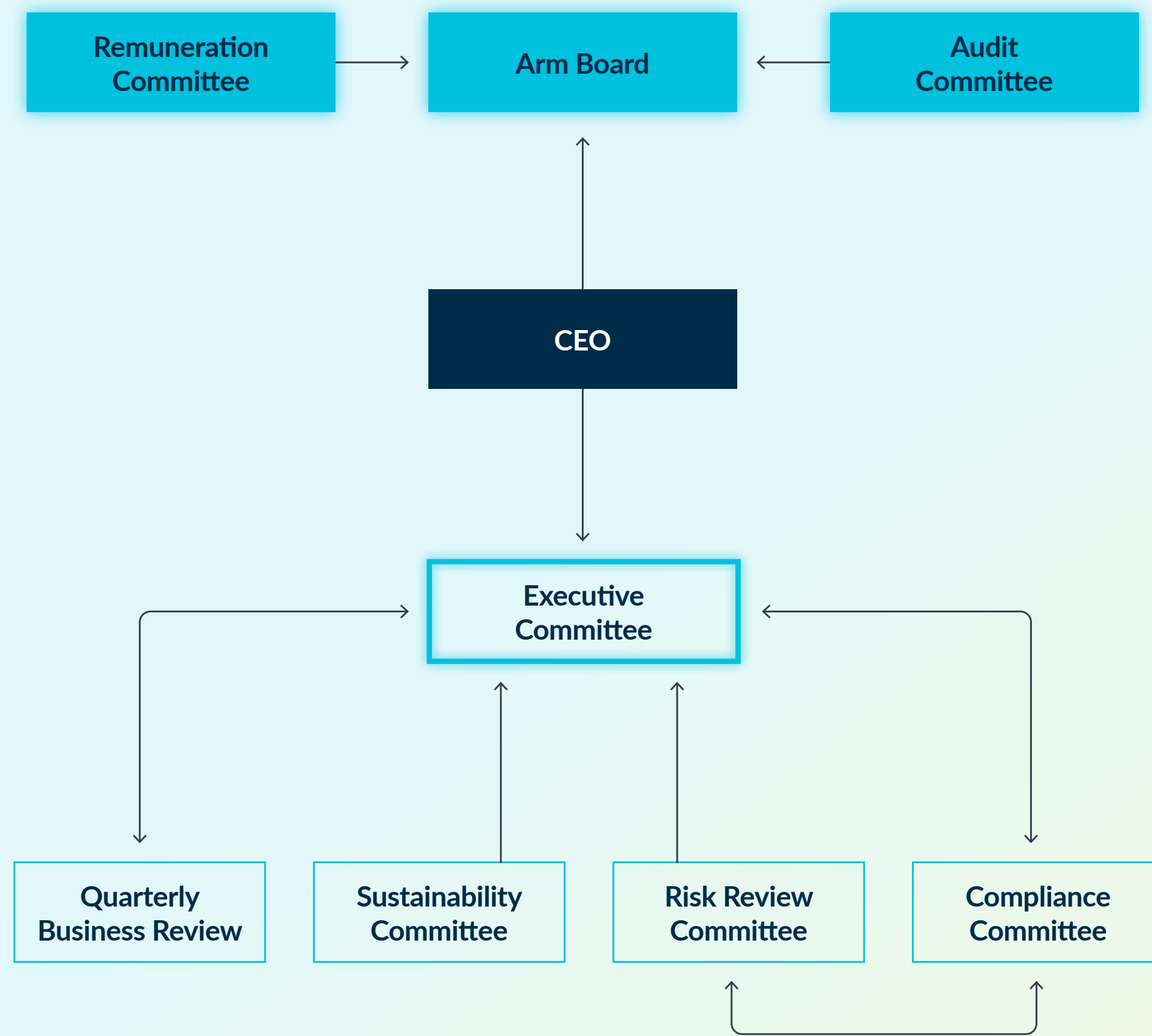
- + The [Code of Conduct \(CoC\)](#), which supports managing the business in line with Arm's responsible business practices and [Core Beliefs](#).
- + The Subsidiary Governance Policy, which sets out the overarching corporate governance principles and framework for the wider Arm Group, to enable the effective management of all our subsidiaries.

We also provided all directors with a thorough induction and onboarding to familiarize them with the Framework and support them in fulfilling their responsibilities as directors. This is particularly important given the Board is our principal governance body and oversees compliance with the CoC.



Governance Structure

How Sustainability Fits Into Our Governance Model



Supporting Committees

The Arm Board is responsible for overall business conduct, with support from two key subcommittees. The Audit Committee, supported by Internal Audit, provides independent oversight of our business activities while the Remuneration Committee oversees our remuneration policies, plans, and benefit programs.

The Arm Board delegates authority for the ongoing operation and improvement of the effectiveness of the company to the CEO, who discharges this responsibility via our EC. The EC is responsible for Arm’s day-to-day functioning. This includes delivering the business strategy, embedding corporate culture, and allocating capital.

The Risk Review Committee is responsible for risk management policies and assisting with overseeing the company’s risk management framework. This includes analyzing emerging risks and identifying plans to mitigate potential impacts. The Compliance Committee ensures all necessary compliance issues, such as export control requirements, security policies, and environmental processes, are resolved appropriately according to the needs of the business. Additionally, the company’s directors and all employees are subject to Arm’s compliance policies, including, among others, the Code of Conduct (CoC), anti-trust, anti-bribery and corruption policies, with additional information, support, and training available to them.

Sustainability Management

The Arm Board has delegated authority for sustainability-related issues including climate-related risks and opportunities, to two subsets of our Executive Committee, the Sustainability Committee and the Risk Review Committee. The Sustainability Committee is responsible for making decisions on sustainability matters, including climate-related matters. It is responsible for Arm’s corporate giving and provides insights and guidance on our response to social and environmental issues affecting our business and the wider world. It comprises senior executives and other senior individuals representing sustainability, finance, legal, strategy, technology, and people (HR). Arm’s Sustainability Committee meets quarterly and is chaired by the Head of Sustainability, and reports into the EC via the Chief People Officer. The Sustainability Committee inputs as necessary to the Risk Review Committee on identified climate-related risks and opportunities.

Risk Management

Arm’s risk management and internal control processes are in place to:

- + Identify risks.
- + Assign ownership for each risk at a senior management level.
- + Identify both existing and planned management activities to mitigate each risk.
- + Assess the residual likelihood and impact of each risk.
- + Ensure ongoing monitoring and reporting of each risk.

For more information, see our [Form 20-F SEC filing](#) and the [Arm Holdings plc Annual Report](#).

Responsible Throughout Our Business

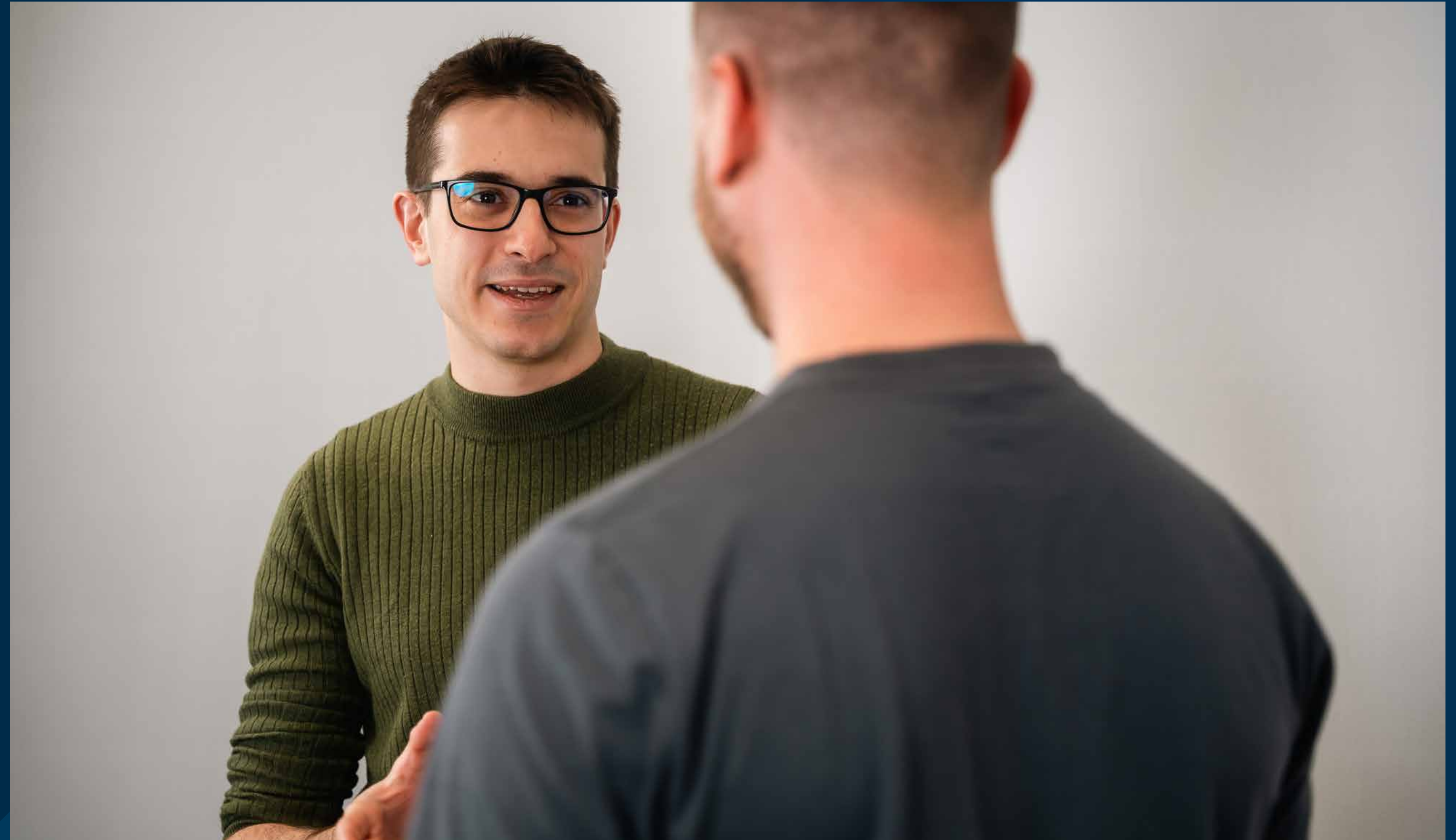
Our [Code of Conduct \(CoC\)](#) and [Supplier Code of Conduct \(Supplier CoC\)](#) support managing all aspects of our business responsibly.

The CoC guides how we operate as a responsible business, from data privacy to human rights to the environment. Reinforcing our commitment to human rights and non-discrimination, Arm is a signatory of the Universal Declaration of Human Rights. All employees must comply with the CoC at all times, and we require everyone to sign the CoC annually. We also run annual mandatory training on the CoC, covering topics such as:

- + Eliminating discrimination throughout our value chain.
- + Data privacy.
- + Anti-bribery and corruption policies.

During FYE24, we made enhancements to our Supplier CoC. All suppliers must comply with the Supplier CoC and all supplier contracts include obligations relating to Supplier CoC requirements on responsible business practices.

Any ethics-related concern can be reported anonymously via our Raise a Concern Helpline.



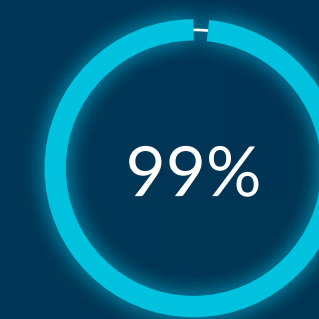
Key Compliance Training FYE24



of employees completed Arm’s updated CoC training.



of managers completed training on equal employment opportunities.



of all employees completed equal employment opportunities training.

Stakeholder Engagement

Arm listens carefully to stakeholders to inform how we operate. Caring about their interests and successes is central to our culture and Core Beliefs.

Arm's key stakeholders include our shareholders, employees, suppliers, customers, partners, governments, and communities local to our operations. In FYE24, we communicated regularly with stakeholders and increased this engagement pre- and post- IPO.

Our Approach

Our approach to stakeholder engagement is managed through dedicated teams to ensure we consistently seek and address stakeholders' needs. We have teams who lead on managing relationships with our customers, partners, shareholders, governments, communities, and employees. We engage with other stakeholder groups, such as local community leaders, on an issue-by-issue basis.

The Board maintains oversight of stakeholder engagement and has delegated day-to-day responsibility for the wide-ranging activities to its EC.

As a Board member, the CEO facilitates smooth communication between the EC and the Board on stakeholder interactions. The EC provides regular, extensive updates to the Board for oversight. The Board uses these updates, and briefings from the CEO, to review stakeholder-related data and feedback at each scheduled Board meeting.

The Board factors stakeholder interests into its decision making on strategic matters and material transactions. This multilayered, regular engagement enables Arm to develop and deliver objectives, strategies, and initiatives that preemptively address or respond to those stakeholder needs.

Public Policy Engagement

Arm conducts business with integrity, and this extends to how we engage in public policy. We carefully consider the most recent legislation, regional regulations, and industry best practice guidelines to keep our compliance approach up to date.

Where relevant to our business, we provide expertise, advice, and insight to policymakers on public policy issues. We engage public officials on policy and regulations that impact our business and ability to serve all our global customers equally.

Arm also offers technical expertise and public policy positions related to our business interests to governments and institutions around the world. We maintain periodic high-level contact and regular expert-level contact with government stakeholders to give them access to Arm's knowledge on policy-relevant issues. We offer expertise from a position of political neutrality and do not support particular political parties, candidates, or agendas.

Arm has engaged governments in recent years on various semiconductor incentive packages being put in place, particularly on the importance of increasing semiconductor education and workforce training programs, and semiconductor design as a central component of trusted computing and resilient supply chains. Further, Arm has engaged governments on compute needs for artificial intelligence and the importance of government support for more efficient compute solutions.

Political Contributions

In accordance with the Code of Conduct (CoC), Arm does not make any political donations.



Our Stakeholders

Arm technology solutions are used by billions of people daily. It is important we connect with as many of our stakeholders as possible on a broad range of topics, including sustainability. Arm’s key stakeholders include:

Shareholders	Customers and Partners	Employees	Governments
<p>Arm communicates with shareholders with transparency and integrity. Following our IPO in FYE24, the company’s controlling shareholder, SoftBank Group, is represented on the Board. Our investor relations team engages regularly with shareholders, and shareholders are also able to engage directly with the Board and EC.</p> <p>Our Board and senior management also engaged with shareholders extensively in relation to the IPO. They held a range of pre- and post-IPO conferences, roadshows, and earnings and investor calls, in addition to releasing quarterly shareholder letters.</p>	<p>Arm seeks to build deep, long-lasting partnerships with customers. We actively participate in and host industry events. These events not only celebrate the partnerships between Arm and its customers, but also foster an unmatched ecosystem of technology partners building deeper engagement by focusing on real-world applications and outcomes.</p> <p>We continued to engage our global customers in various ways throughout FYE24. Highlights include:</p> <ul style="list-style-type: none"> + The Arm Partner Meeting in August 2023. + The Arm-organized Tech Symposia in seven cities across Asia Pacific, bringing together Arm EC members, customers, other key industry players, and experts to foster meaningful partnerships. <p>Leading Arm experts and strategic customers also jointly deliver panel discussions, workshops, and online sessions to share technological insights and best practices across Arm’s ecosystem.</p>	<p>Our people are at the heart of Arm, creating efficient solutions and driving forward our sustainability initiatives. Employee engagement and open lines of dialogue are vital. Beyond our engagement surveys, employee feedback is encouraged through multiple channels. As an example, we hold quarterly all-company events to align everyone behind our business strategy and objectives. These provide an opportunity for our people to hear directly from the EC and to ask them questions.</p> <p>Employee input is also encouraged via ongoing group and site-specific Q&A sessions with EC members and senior leadership, and we often receive feedback via Slack, our enterprise social channel.</p> <p>ERGs operate with formal support from the company and provide additional employee development and training. Optional leadership training sessions are available for members of ERG committees, delivered by an external expert. These sessions helped to build capabilities in leadership and communication among the company’s ERG leaders.</p>	<p>Arm’s public affairs team engages mostly with governmental bodies in the U.S., U.K., EU, China, and also India in the following ways:</p> <ul style="list-style-type: none"> + Responding to requests for views through government consultations, briefings, and testimonies. + Building and maintaining a dialogue with governments and other public policy thought leaders to help advise on policies as they are formulated. + Contributing on policy issues, including technology, that affect Arm’s interests. + Cooperating with Arm’s partner companies on common public affairs objectives.
Suppliers	Local Communities	Education Bodies	International Organizations and Nonprofit Partners
<p>We want to ensure our supply chain is ethical and sustainable. We have a responsible procurement strategy and our procurement team has been trained to engage suppliers more effectively on sustainability topics.</p> <p>We have set targets and engaged with suppliers to find new ways to collaborate on GHG emissions reduction.</p>	<p>Arm provides local community support through direct investment, employee volunteering and fundraising, and community projects. We address charitable and educational causes that relate to issues of national or critical local DEI, and social mobility.</p>	<p>Arm Education’s mission is to help close the education, skills, and research gaps in computer engineering, informatics, and STEM for the benefit of wider society. Through the Semiconductor Education Alliance, we are actively engaging with key stakeholders in industry, academia, and government to build industry KSA frameworks, educational and training standards, and learning pathways.</p>	<p>We work with intergovernmental and nonprofit organizations in delivering our ambition to maximize Arm’s societal impact and close the digital divide, a key element of Arm’s Sustainability Strategy.</p> <p>By working with our partners to connect everyone, everywhere to information, opportunity, and choice, we aim to bridge the gap between those who have access to the life-changing potential of digital technologies and the 33 percent of the global population who currently do not.</p>

Product Security, Quality, and Ethics

Securing the World's Computing

Securing the world's data and computing systems is one of the greatest technology challenges facing the next decade of compute as society's dependence on computing continues to grow. As the provider of much of the foundational compute to the world, we have an important role to play in enabling the security of the computing environment, which has two distinct aspects:

- + Embedding world-class processes for the management of the security of our products, to avoid, discover, and eliminate security vulnerabilities in those products.
- + Providing functionality and leadership for the users of our computing solutions to enable them to avoid, discover, and eliminate security vulnerabilities in the products built using Arm's computing solutions.

Security of Arm's Products

Security is a vital requirement for everything Arm does, and product security is one of the key quality metrics for products delivered to partners and the wider ecosystem.

Arm is committed to avoiding, discovering, and eliminating security vulnerabilities in our products. We take a systematic approach to managing security risks that places



responsibility for operating in a secure manner on every engineer in our organization and extends into the Arm ecosystem.

Our principal security processes are a Security Development Lifecycle (SDL) for architecture, hardware, and software; and a vulnerability handling process led by our product security incident response team.

Arm's proactive security culture drives thorough practice of these security processes, and this culture is maintained through a fully developed and longstanding training program.

Our ISO 9001 quality certification encompasses product security and governance of security processes.

Arm retains a dedicated product security team which is responsible for developing and implementing Arm's product security strategy. The team also provides monitoring, reporting, and continuous improvement of the SDL and incident response processes. This is delivered through a program of investigation and specification of improvements that cover architecture, hardware, and software products.

In some cases, it is also necessary to carry out root cause analyses of suspected problems with Arm's product security processes or the engineering teams' performance of those processes. Where a group of related improvement requirements are generated, these may be

“With the rising complexities in the cyber-threat landscape, it's clear that a robust approach to product security is critical to upholding the stability of the digital ecosystem. At Arm, we've taken this to heart. We've woven security into the fabric of our product development, starting with the Arm architecture, through to the inception of a product's design, to well after it hits the market. This is a testament to how deeply we value not only the security of our own products, but also our partners and the wider ecosystem.”

Gary Campbell, EVP Engineering

combined into an improvement initiative, which is directly managed by the product security team.

Product security management provides Arm and its partners with an assurance of compliance with product security processes. The product security team is keen to look beyond process compliance and gather evidence that the processes are effective in avoiding, discovering, and eliminating security vulnerabilities and this requires monitoring over the duration of product lifecycles.

Arm is a CVE Numbering Authority (CNA) for Arm-branded products and technologies and Arm-managed open-source projects. This status allows Arm to assign CVE IDs to newly discovered vulnerabilities within its jurisdiction,

providing timely and structured information to the Arm technology ecosystem.

Also, Arm is a member of security-focused industry communities, such as MITRE, and participates in standards development work with the Institute of Electrical and Electronics Engineers. These memberships give Arm an opportunity to collaborate with a global network of security experts, share knowledge, and adopt best practices to help ensure our products are developed with the highest security standards, while also giving back to the wider community.

Security of the Computing Ecosystem

The architecture of Arm's computing systems is continually being enhanced to enable software developers and the broader software ecosystem to improve the security of computing on Arm. For this reason, we have introduced a range of innovative features to address common security concerns, such as the pioneering introduction of Memory Tagging Extensions to address memory safety issues as highlighted in the Office of the National Cyber Director Back to the Building Blocks technical report.

We have taken a leading role in researching advanced new technologies for enhancing security, including building the Morello prototype system as part of UK Research and Innovation's Digital Security by Design program, recognising cybersecurity as a major UK government strategic priority.

PSA Certified, founded by Arm and ecosystem partners, brings together security experts to build a certification scheme purposely designed to drive much-needed improvements in the security of a wide range of connected devices. Together, the PSA Certified Board members have created a best practice security framework (including threat model examples, suggested security goals, and other documentation) which can be used completely free-of-charge for companies looking for best-practice security advice. The PSA framework is compatible with the requirements of the UK National Cyber Security Centre's IOT Code of Practice and the European Telecoms

Standards Institute's Cyber Security for Consumer Internet of Things: Baseline Requirements, and so enables more straightforward compliance with these standards.

For partners seeking further third-party evaluation, the PSA Certified certification scheme has a number of different security levels for evaluating products. Since the launch of PSA Certified in 2019, it's been embraced by the technology ecosystem, with over 200 product certifications, and almost 100 partners taking part.

Product Quality and Safety

Arm is committed to meeting our partners' requirements and expectations. We achieve this by continuously improving our product solutions, processes, and services.

The Arm Quality Policy sets the approach for everything we do. Our proven product development process is based on strict guidelines and best practices and incorporates management and engineering methodologies specifically created to meet stringent quality expectations and requirements. Furthermore, we are constantly working with our partners to research enhancements to the development process, including verification and testing techniques.

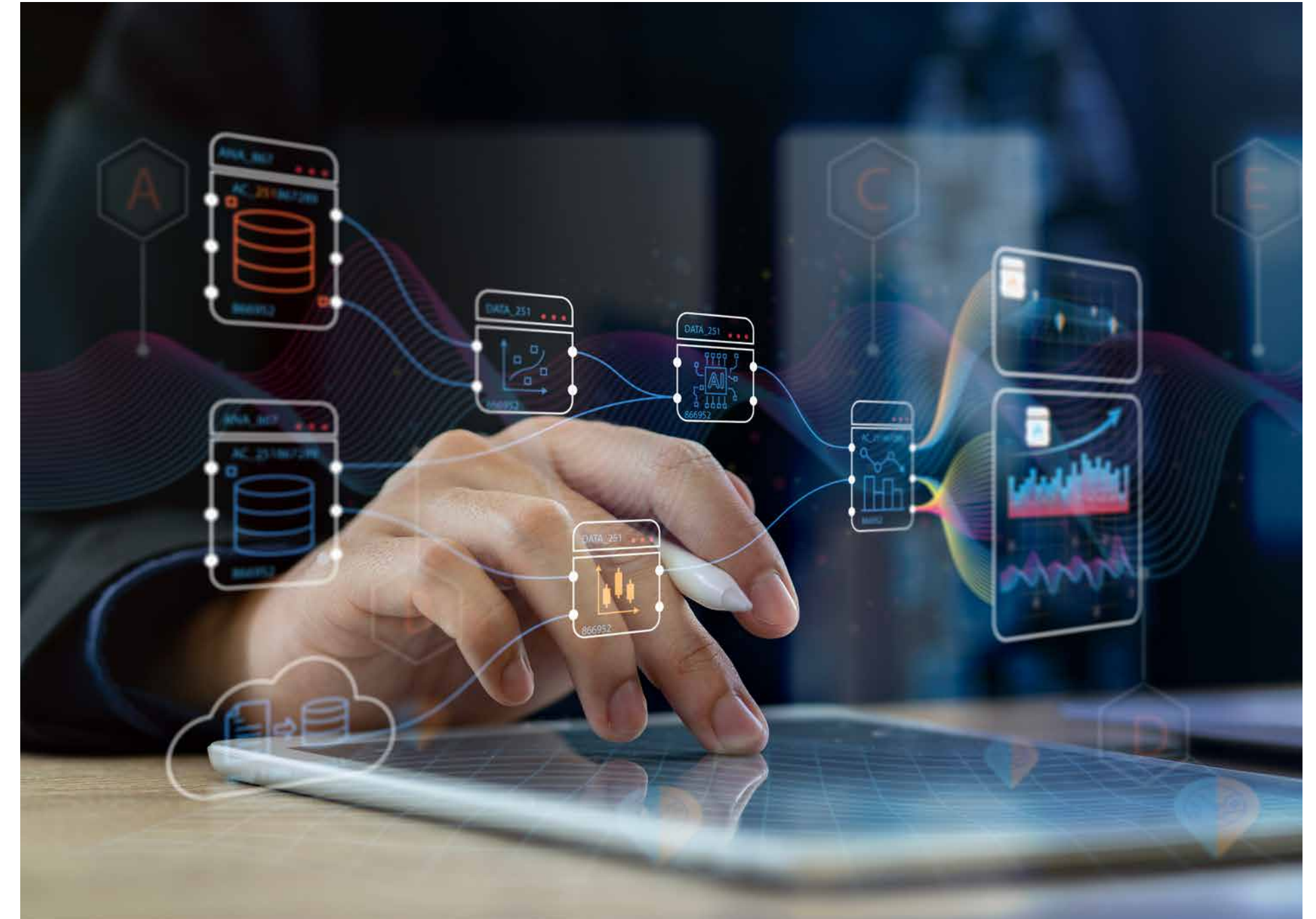
Continuous improvement is strongly embedded into Arm products, processes, and culture. We monitor our quality management system by regular internal audits as well as by a third-party accredited ISO 9001 certification body.

ISO compliance is regularly reported to the Compliance Committee to ensure adherence of the Quality Management System to applicable standards and regulations.

Arm products and solutions for safety critical applications are developed with a 'safety first' mindset. The safety-ready portfolio of Arm Automotive Enhanced (AE) products includes best-in-class safety mechanisms embedded in the design, a comprehensive safety package, and a support structure that enables our partners to speed up system development and stay ahead in the automotive market.

Arm Safety Ready solutions support a wide range of technologies developed by our world-leading partner ecosystem for the automotive and IoT industry. Arm delivers safety-certified IP, software test libraries, software development kits, tools, operating systems, and compilers to aid the seamless integration of safety solutions into the customer-specific design.

Arm safety-ready AE products are designed and certified to state-of-the-art industry standards, such as ISO 26262 and IEC 61508. It is critical that the interfaces between safety and security are analyzed and understood. Arm functional safety and security engineers work closely together in identifying the right solutions, delivering Arm partners with world-class products to support their safety critical and cybersecurity sensitive applications and use cases.



Operating Responsibly

Approach to Managing Cybersecurity

Arm has an effective security program that centers around technical controls and empowers our people to be our best line of defense.



Identify

Arm’s security program manages cybersecurity threats, risks, and vulnerabilities that are identified within (or could impact) our organization, including our people, systems, or assets.



Protect

Arm deploys the appropriate safeguards to protect our systems, people, and infrastructure to ensure that critical services are available in the case of a potential event.



Detect and Respond

Arm’s 24/7 response capability is designed and equipped to detect and respond to potential cybersecurity incidents in a timely manner. Teams help contain events by conducting analysis and creating impact reports that are used to mitigate and resolve the incident.



Recovery

Arm has established steps and processes for recovery if a potential cybersecurity event occurs. In addition to the business continuity plan (BCP) and communications plan, steps are taken to compile data and act on it as appropriate to help ensure that the risk of a potential incident is further prevented.

Responsible Use of AI

Within our own operations, strict governance rules guide our own use of AI. The comprehensive Use of Artificial Intelligence Policy provides guardrails for all employees, keeping all use of AI transparent and in line with our values and applicable laws.

Adding an extra layer of oversight, in FYE24 we established the Arm AI Office. This team of Arm experts, from legal, compliance, engineering, IT, and enterprise security, reviews AI-related activities across the company. The AI office provides assurance with the Use of AI Policy.

Privacy and Confidentiality

Arm has extensive measures to protect our customers’ privacy and confidentiality, as well as that of our employees and other stakeholders. In FYE24, no data protection authority issued any substantiated complaint against Arm and no Arm customers made any material allegations of breach of confidentiality.

Compliance With Laws

We had no significant instances of non-compliance with laws and regulations in FYE24.

Anti-Bribery and Corruption

Arm takes a multilayered approach to preventing bribery and corruption. Anti-bribery and corruption (ABC) measures are covered in the Code of Conduct (CoC), the Supplier CoC, and a standalone policy. We require employees to sign that separate policy every year to confirm they have read and will follow it.

We assess bribery and corruption risks throughout the company. Some of the key risks assessed include:

- + Gifts and hospitality
- + Conflicts of interests
- + Outside business interests

We base ABC policies, guidelines, and procedures on internationally accepted best practice standards. All employees receive ABC training.

For suppliers, in addition to the Supplier CoC, all our contracts include specific anti-bribery provisions.

Operating Responsibly

Avoiding Conflicts of Interest

Our conflict of interest (COI) process helps ensure high ethical standards in all we do. The process is managed by the Office of Ethics and Compliance and the People organization. Employees must seek prior approval for any potential COI from the Office of Ethics and Compliance, which investigates and approves the employee's activity if it finds no conflict. Quarterly conflict updates are provided to the Board's Audit Committee and the Compliance Committee.

Mechanisms for Seeking Advice and Raising Concerns

Arm's global community works best through collective openness and integrity. We support anyone raising concerns without fear of retaliation.

Employees are responsible for reporting concerns if they become aware of behavior that conflicts with the Code of Conduct (CoC). They have multiple ways to obtain advice or raise concerns, including through:

- + Their manager
- + The people team via our People Hub
- + The Office of Ethics and Compliance
- + Our Raise a Concern Helpline

Beyond our employees, third parties may also use the Raise a Concern Helpline. Reports remain confidential and anonymous where local law allows.

Processes to Remediate Negative Impacts

Various teams across Arm, including the people team, ethics and compliance, enterprise IT, legal and others, as applicable, implement our remediation processes whenever investigations uphold any concern that the CoC has been breached.

We are committed to providing access to appropriate remedy when we are made aware of adverse impacts linked to our operations. Arm maintains a Raise a Concern Helpline, which is operated by an independent third party and is accessible online or by phone, 24 hours a day, seven days a week. The Raise a Concern Helpline enables anyone to raise a concern regarding actual or suspected violations of Arm's CoC, other policies and applicable laws, including those related to human rights.

Our goal is to ensure a safe and respectful environment where everyone can do their best work. When we learn of a potential violation of the CoC or other Arm policy by Arm staff, it is our policy to conduct a confidential, professional investigation. We address misconduct through a formal resolution process. Confirmed violations of our CoC and other company policy will result in corrective action up to and including dismissal. We prohibit retaliation against anyone who participates in an investigation or raises a concern in good faith.

We want to ensure our concern, investigation, and remediation processes work for all stakeholders. We therefore survey employees and monitor effectiveness through metrics, industry benchmarking, and auditing.

Customer Support and Satisfaction

As part of our approach to stakeholder engagement, we proactively engage with our customers through various interactive strategies, including active participation in and the hosting of industry events. These events put a spotlight on real-world applications and outcomes, building deeper engagement with our customers and demonstrating the practical value of our offer.

In addition to these events, we diligently monitor key performance metrics to drive continuous improvement. This involves a systematic analysis of customer feedback, support interactions, and product usage data to identify areas for improvement. By measuring customer satisfaction scores, net promoter scores, and retention rates, we gain valuable insights into the customer journey. This data-driven approach allows us to make informed decisions, tailor services to better meet customer needs, and implement changes that lead to higher-quality standards.

In FYE24, we offered regular, structured review meetings with our partners, including key customers, as well as regular calls with customer account teams. Arm's Technical Support for its customers is industry-leading, with a 95 percent typical customer satisfaction score.



Tax

Arm endeavors to comply with all relevant laws and pay the right amount of tax, in the right place, at the right time.

In FYE24 HMRC rated Arm's internal governance of tax as low risk.

Tax Strategy

Tax compliance is important to Arm. We manage it through our governance framework and risk management procedures, which align with the commercial, legal, and regulatory environment in which we operate.

Arm pays the taxes it owes in the countries where required. We pay corporate income tax on profits, other taxes arising on Arm's operations, and taxes associated with employees. [The Arm Group Tax Strategy](#), published annually, applies to every entity in our group.

We enhance shareholder value by managing tax liabilities through legitimate tax exemptions and reliefs in countries where we are present.

Oversight and Governance

The EC has overall accountability for risk management, including Arm's tax strategy. The Risk Review Committee and Compliance Committee, as subsets of the EC, oversee the Corporate Risk Register, including tax risk and business-wide policy compliance.

As required, the EC reports on relevant tax matters in Board meetings. The EC also regularly reviews key developments that might influence Arm's global tax position.

Tax Planning Approach and Engagement

We do not engage in aggressive or artificial tax planning schemes or arrangements that serve no commercial purpose. Further, we do not tolerate any activities or behaviors that encourage tax evasion, or any form of withholding of revenues from government and regulatory authorities.

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

Arm proactively engages with tax authorities to resolve any uncertainties over the treatment or administration of its tax affairs. Given the complexity of tax laws and regulations relating to Arm's businesses, occasionally Arm may disagree with authorities on the technical interpretation of a particular area of tax law. Historically, on such occasions, we have resolved any disagreement through discussion with the relevant tax authority.



A More Sustainable Supply Chain

As a responsible business, we use our size and reach to strengthen integrity throughout our supply chain. Our procurement team supports strategic efforts to implement best practices across all Arm business units.

Supply Chain Sustainability

Our responsible procurement strategy supports the UN SDGs. We work with suppliers both to harness the potential of DEI and on potential supply chain emissions reductions to support our 2030 net zero commitment.

In FYE24, as part of wider transformation of the procurement team, we created a dedicated responsible procurement team, which will work with our supply chain in support of Arm’s overall sustainability and DEI objectives.

We also started working with EcoVadis in FYE24 to accelerate delivery of our responsible procurement strategy. We aim to use their assessments to gain insights into suppliers’ sustainability performance.

We piloted sustainability assessments with a small group of suppliers. This helped identify clear action plans to drive improvements with those suppliers on renewable energy, climate change strategy maturity, and DEI. Our ambition is that suppliers that makeup 35 percent of our supplier spend complete an EcoVadis assessment during FYE25.

Supplier Code of Conduct (CoC)

We use our [Supplier CoC](#) to align our supply chain with our standards and values. The Supplier CoC strictly requires suppliers to:

- + Not engage in child labor, human trafficking, or forced labor.
- + Not purchase goods or services from other suppliers who employ such practices.
- + Comply with local labor and wage laws.

We ask all suppliers to comply with the Arm Supplier CoC and require all suppliers registered on our Source-to-Pay platform to confirm they accept the Supplier CoC. 91 percent of new suppliers registered on the platform in FYE24 accepted the Arm Supplier CoC. The procurement team conducts a risk assessment of any supplier who does not accept the Supplier CoC.

In FYE25, we will focus on re-engaging legacy suppliers on the requirements of the Supplier CoC, asking suppliers to complete a self-declaration for their historic and continued future acceptance of our Supplier CoC, which will be a requirement of all registered suppliers on an annual basis going forward.

Managing Supply Chain Risk

We continue to work on processes to drive DEI and emissions improvements in our supply chain. We previously included assessment on

environmental impact and DEI questions in our request for proposal (RFP) process. In FYE24 we extended this to new suppliers within higher-risk categories, who are registered on our Source-to-Pay platform without going through an RFP process. Now, all new suppliers who are either engaged via an RFP or who are considered higher-risk from sustainability perspective are now assessed in these two key areas before they work with Arm.

We continued to partner with CDP to capture carbon emissions data from our top circa 500 suppliers. This year we used data to initiate more detailed conversations with some suppliers with the highest emissions to identify opportunities to jointly seek reductions.

A More Diverse Supply Chain

Supplier diversity is a key focus for Arm. We are committed to making access to supplier opportunities easier for small and medium enterprises and minority-owned businesses. In FYE24, we simplified our processes so diverse and smaller organizations find it easier to interact with Arm. This included amending our onboarding process and offering shorter payment terms for qualifying suppliers.

Our Supply Chain in FYE24



Appendix: Data Tables and GRI Index



Environment Data

METRIC	UNIT	BASELINE	FYE22	FYE23	FYE24	NOTES
GHG EMISSIONS						
Total GHG Emissions	MT CO ₂ e	434,214.00	45,813.00	58,803.00	101,723.44	Baseline is FYE20. Includes Scope 1, 2 (Market-based), and 3.
Scope 1 ¹	MT CO ₂ e	1,043.00	1,093.00	855.00	841.60	Baseline is FYE20. Includes CO ₂ , CH ₄ , N ₂ O.
Scope 2 (Location)	MT CO ₂ e	16,153.00	14,565.00	13,941.00	15,680.23	Baseline is FYE20. Includes CO ₂ , CH ₄ , N ₂ O.
Scope 2 (Market)	MT CO ₂ e	13,409.00	276.00	0.00	0.03	Baseline is FYE20. Includes CO ₂ , CH ₄ , N ₂ O.
Scope 1 & 2	MT CO ₂ e	14,452.00	1,369.00	855.00	841.63	Baseline is FYE20. Using market-based Scope 2 emissions.
Scope 3 Total ²	MT CO ₂ e	419,762.00	44,444.00	57,948.00	100,881.81	Baseline is FYE20.
Purchased goods and services	MT CO ₂ e	310,381.00	35,549.00	42,312.00	82,066.72	
Capital Goods	MT CO ₂ e	73,207.00	1,783.00	6,013.00	2,427.28	
Fuel- and energy-related activities (not included in Scope 1 or Scope 2)	MT CO ₂ e	1,825.00	1,111.00	1,015.00	1,195.32	
Waste generated in operations	MT CO ₂ e	7,861.00	479.00	577.00	1,178.00	
Business travel	MT CO ₂ e	21,571.00	366.00	3,718.00	9,325.49	
Employee commuting and homeworking	MT CO ₂ e	4,917.00	5,155.00	4,313.00	4,689.00	
Scope 3 Intensity ratio (revenue)	tCO ₂ e/Revenue	0.00023	0.000017	0.000021	0.0000031	Includes CO ₂ , CH ₄ , N ₂ O
Scope 3 Intensity ratio (headcount)	tCO ₂ e/Headcount	54.31	5.77	8.44	11.58	
Total GHG Emissions intensity	tCO ₂ e/Revenue	0.00024	0.000017	0.000021	0.0000031	Includes CO ₂ , CH ₄ , N ₂ O
ENERGY						
Total energy consumption within the organization ³	MWh	50,281.00	53,126.00	53,814.00	59,712.40	
Renewable electricity consumption as a % of total consumption	%	35	98	100	100	
Total fuel consumption within the organization from non-renewable sources	MWh	543.00	534.00	588.00	617.99	Not reported previously
Total fuel consumption within the organization from renewable sources	MWh	5,138.00	5,418.00	4,037.00	3,969.00	Not reported previously All UK Natural Gas usage is on tariffs backed by RGGOs
Total electricity consumption	MWh	44,600.00	47,174.00	49,189.00	55,125.24	Not reported previously
Total heating consumption	MWh	0.00	0.00	0.00	0.17	Not reported previously
Energy intensity	MWh/FTE	5.93	6.90	7.84	6.85	FYE24 includes electricity, gas and district heating. FYE23 includes one time use of liquid fuel to power a generator during a power outage
WATER						
Water consumption ⁴	Cubic Meters	30,588	40,226	35,260	35,532	Baseline is FYE21

¹ Scope 1 emissions data was restated in FYE23 to enhance Arm's alignment with best practice set out in the GHG Protocol.

² Restated Scope 3 Baseline for FYE20 and FYE21/22/23 in FYE24 reporting as Scope 3 business travel was updated to include fuel use in employee vehicles.

³ Please see [Basis of reporting](#) document for estimation methodology for energy use.

⁴ Estimates of water use based on floor area.

People Data

Totals

TOTAL EMPLOYEES	
FYE24	8,974
FYE23	7,572
FYE22	7,811

TOTAL ESTABLISHED EMPLOYEES WORLDWIDE	
FYE24	7,096
FYE23	5,963
FYE22	6,329

TOTAL FIXED-TERM EMPLOYEES WORLDWIDE	
FYE24	239
FYE23	146
FYE22	71

TOTAL EXTERNALS WORLDWIDE	
FYE24	1,639
FYE23	1,463
FYE22	1,411

Established employees¹

TOTAL ESTABLISHED BY AGE GROUP								
Year	<21	21-30	31-40	41-50	51-60	61-70	70+	Total
FYE24	15	1,822	2,462	1,805	827	159	6	7,096
FYE23	17	1,454	2,071	1,566	731	118	6	5,963

TOTAL ESTABLISHED BY GENDER					
Year	Male	Female	Other	No information	Total
FYE24	5,646	1,416	0	34	7,096
FYE23	4,792	1,166	0	5	5,963

TOTAL ESTABLISHED BY REGION					
Year	Asia Pacific	EMEA	India	U.S. and Canada	Total
FYE24	134	4,419	1,150	1,393	7,096
FYE23	109	3,844	848	1,162	5,963

Management level

TOTAL MANAGEMENT LEVEL BY GENDER					
Management level	Male	Female	Other	No information	Total
Individual Contributor	3,881	1,049	0	33	4,963
Senior management	652	120	0	0	772
Management	1,113	247	0	1	1,361

TOTAL MANAGEMENT LEVEL BY AGE GROUP								
Management level	<21	21-30	31-40	41-50	51-60	61-70	70+	Total
Individual Contributor	15	1,709	1,720	952	465	98	4	4,963
Senior Management	0	2	90	399	240	40	1	772
Management	0	111	652	454	122	21	1	1,361

Fixed-term employees²

TOTAL FIXED-TERM EMPLOYEES BY GENDER					
Year	Male	Female	Other	No information	Total
FYE24	170	54	2	13	239
FYE23	93	49	0	4	146

TOTAL FIXED-TERM EMPLOYEES BY REGION					
Year	Asia Pacific	EMEA	India	U.S. and Canada	Total
FYE24	1	157	79	2	239
FYE23	0	96	49	1	146

Externals employees³

TOTAL EXTERNALS BY GENDER					
Year	Male	Female	Other	No information	Total
FYE24	450	153	0	1,036	1,639
FYE23	611	208	0	644	1,463

TOTAL EXTERNALS BY REGION					
Year	Asia Pacific	EMEA	India	U.S. and Canada	Total
FYE24	235	919	342	143	1,639
FYE23	266	899	210	88	1,463

Full-time employees & part-time employees

TOTAL FULL-TIME EMPLOYEES BY GENDER					
Year	Male	Female	Other	No information	Total
FYE24	6,098	1,548	1	1,068	8,715

TOTAL FULL-TIME EMPLOYEES BY REGION					
Year	Asia Pacific	EMEA	India	U.S. and Canada	Total
FYE24	368	5,252	1,570	1,525	8,715

TOTAL PART-TIME EMPLOYEES BY GENDER					
Year	Male	Female	Other	No information	Total
FYE24	168	75	1	15	259

TOTAL PART-TIME EMPLOYEES BY REGION					
Year	Asia Pacific	EMEA	India	U.S. and Canada	Total
FYE24	2	243	1	13	259

¹ Established employee is defined as a permanent employee.

² Fixed-term employee is defined as a employee with a contract for a limited period.

³ Externals is defined as a contractor.

People Data continued

New starters

NEW STARTERS BREAKDOWN BY REGION					
Year	Asia Pacific	EMEA	India	U.S. and Canada	Total
FYE24	23	735	353	260	1,371
FYE23	19	362	211	213	805

NEW STARTERS BREAKDOWN BY AGE GROUP									
Year	<21	21-30	31-40	41-50	51-60	61-70	70+	Unknown	Total
FYE24	14	636	445	200	68	7	1	0	1,371
FYE23	1	356	257	131	51	7	1	1	805

NEW STARTERS BREAKDOWN BY GENDER					
Year	Male	Female	Others	No information	Total
FYE24	1,040	298	0	33	1,371
FYE23	622	178	0	5	805

Leavers

LEAVERS BREAKDOWN BY REGION					
Year	Asia Pacific	EMEA	India	U.S. and Canada	Total
FYE24	1	136	52	40	229
FYE23	13	752	147	258	1,170

LEAVERS BREAKDOWN BY AGE GROUP									
Year	<21	21-30	31-40	41-50	51-60	61-70	70+	Unknown	Total
FYE24	0	57	79	52	29	9	1	2	229
FYE23	5	305	390	270	139	59	1	1	1,170

LEAVERS BREAKDOWN BY GENDER				
Year	Male	Female	Unknown	Total
FYE24	180	47	2	229
FYE23	852	316	2	1,170

New starters who left within period

NEW STARTERS WHO LEFT WITHIN PERIOD BY REGION					
Year	Asia Pacific	EMEA	India	U.S. and Canada	Total
FYE24	0	14	6	3	23
FYE23	0	3	7	2	12

NEW STARTERS WHO LEFT WITHIN PERIOD BY AGE GROUP									
Year	<21	21-30	31-40	41-50	51-60	61-70	70+	Unknown	Total
FYE24	1	9	8	3	2	0	0	0	23
FYE23	0	7	1	2	1	0	0	1	12

NEW STARTERS WHO LEFT WITHIN PERIOD BY GENDER				
Year	Male	Female	Unknown	Total
FYE24	18	5	0	23
FYE23	8	3	1	12

Global Reporting Initiative (GRI) Index

GRI STANDARD DISCLOSURE	LOCATION/RESPONSE	OMISSIONS
GRI 2: GENERAL DISCLOSURES 2021		
2-1 Organizational details	'About This Report', page 2 https://www.arm.com/company/offices Headquarters location: Cambridge, United Kingdom	
2-2 Entities included in the organization's sustainability reporting	'About This Report', page 2	
2-3 Reporting period, frequency and contact point	'About This Report', page 2 'Back Cover', page 67	
2-4 Restatements of information	'About This Report', page 2	
2-5 External assurance	'About This Report', page 2 'FYE24 Greenhouse Gas Emissions Data', 'Scope 1 and 2 Emissions', page 24	
2-6 Activities, value chain and other business relationships	Arm's 20-F , pages 55-61	
2-7 Employees	People Data, page 53	
2-8 Workers who are not employees	People Data, page 53	The information for this disclosure beyond the total number of workers who are not employees and whose work is controlled by the organization is not currently available.
2-9 Governance structure and composition	'Operating With Integrity', 'Governance Structure', page 41 Arm's 20-F , pages 83-87 People Data, page 53	
2-10 Nomination and selection of the highest governance body	Corporate Governance Principles (August 2023) , page 2	
2-11 Chair of the highest governance body	Arm's 20-F , pages 83-86	

GRI STANDARD DISCLOSURE	LOCATION/RESPONSE	OMISSIONS
GRI 2: GENERAL DISCLOSURES 2021 CONTINUED		
2-12 Role of the highest governance body in overseeing the management of impacts	<p>The Board receives a detailed report from key internal stakeholders on a quarterly basis and a deep dive review of ESG policies and practices at least once annually.</p> <p>'Operating With Integrity', 'Governance Structure', page 41</p>	
2-13 Delegation of responsibility for managing impacts	'Operating With Integrity', 'Governance Structure', page 41	
2-14 Role of the highest governance body in sustainability reporting	The Audit Committee reviews and approves annual reporting, including the annual sustainability report.	
2-15 Conflicts of interest	<p>Corporate Governance Principles (August 2023), page 1, 3</p> <p>We are not required to disclose conflicts of interest. However, we disclose the existence of a controlling shareholder and our related party transactions in the notes to Consolidated Financial Statements on a quarterly and annual basis.</p>	
2-16 Communication of critical concerns		The information for this disclosure is not currently available.
2-17 Collective knowledge of the highest governance body	Corporate Governance Principles (August 2023) , page 2	
2-18 Evaluation of the performance of the highest governance body		We are not required to complete Board evaluations.
2-19 Remuneration policies	FYE24 Annual Report , pages 47-66	
2-20 Process to determine remuneration	FYE24 Annual Report , pages 59, 67-68	
2-21 Annual total compensation ratio	FYE24 Annual Report , pages 64-65	
2-22 Statement on sustainable development strategy	'Message from our CEO', page 3	
2-23 Policy commitments	<p>The authoritative intergovernmental instrument that the policy commitments for responsible business conduct reference is Sarbanes Oxley, Section 406.</p> <p>Within Arm's policies for H&S, there is a requirement to perform a risk assessment to either prevent or mitigate a potentially dangerous situation.</p> <p>Arm Code of Conduct 2023, page 20, 24</p>	
2-24 Embedding policy commitments	<p>'Responsible Throughout Our Business', page 42</p> <p>'Anti-Bribery and Corruption', page 47</p>	
2-25 Processes to remediate negative impacts	<p>The People Group regularly reviews our standard operating procedures for the grievance process to ensure that we are applying learning and feedback from individuals and decision makers in how we operate our grievance procedures, and seeking the perspectives of the legal, DEI and communications team in how we operate and communicate our processes. Arm completes a quarterly review of all investigations (including grievances) raised or closed within the quarter to assess outcomes, evaluate the time to close cases, and capture any feedback or organisational learnings. These reports are shared with the Chief Legal Officer and Chief People Officer. Summaries are shared with Arm's Compliance Committee, to ensure the continued effectiveness of our grievance procedures.</p> <p>'Mechanisms for Seeking Advice and Raising Concerns', page 48</p> <p>'Processes to Remediate Negative Impacts', page 48</p>	

GRI STANDARD DISCLOSURE	LOCATION/RESPONSE	OMISSIONS
GRI 2: GENERAL DISCLOSURES 2021 CONTINUED		
2-26 Mechanisms for seeking advice and raising concerns	Employees are also able to raise concerns via the Audit Committee. 'Mechanisms for Seeking Advice and Raising Concerns', page 48	
2-27 Compliance with laws and regulations	During the reporting period, we have not had any significant instances of non-compliance with laws and regulations.	
2-28 Membership associations	SIA, TechUK, Digital Europe, CBBC	
2-29 Approach to stakeholder engagement	'Stakeholder Engagement', page 43	
2-30 Collective bargaining agreements	'Practicing Non-Discrimination', page 32	
GRI 3: MATERIAL TOPICS 2021		
3-1 Process to determine material topics	FYE23 Sustainable Business Report , page 08	
3-2 List of material topics	FYE23 Sustainable Business Report , page 08	
GRI 201: ECONOMIC PERFORMANCE 2016		
3-3 Management of material topics		Quantification of economic impacts or additional items outside of this content is not available and would need to be created from scratch.
201-1 Direct economic value generated and distributed	Economic Value Distributed (Arm defines EVD as R&D and SG&A costs): \$2,962m Economic Value Retained: \$271m Arm's 20-F , page 149 'How Arm Works Across the World', page 8	
201-2 Financial implications and other risks and opportunities due to climate change	FYE24 Annual Report , pages 16-26	
201-3 Defined benefit plan obligations and other retirement plans	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. Arm's 20-F , pages 177-178	
201-4 Financial assistance received from government	Arm's 20-F , page 145	

GRI STANDARD DISCLOSURE	LOCATION/RESPONSE	OMISSIONS
GRI 202: MARKET PRESENCE 2016		
3-3 Management of material topics		The information for this disclosure is not currently available.
202-1 Ratios of standard entry level wage by gender compared to local minimum wage		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 U.K., Arm is a living wage employer.
202-2 Proportion of senior management hired from the local community		The information for this disclosure is not currently available.
GRI 203: INDIRECT ECONOMIC IMPACTS 2016		
3-3 Management of material topics	'Social Innovation and Impact Strategy', page 14	
203-1 Infrastructure investments and services supported	'A More Connected, Equitable Future. It Starts on Arm', pages 12-19	
203-2 Significant indirect economic impacts	'A More Connected, Equitable Future. It Starts on Arm', pages 12-19	
GRI 204: PROCUREMENT PRACTICES 2016		
3-3 Management of material topics	'Supply Chain Sustainability', page 50	
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		
3-3 Management of material topics	'Anti-Bribery and Corruption', page 47	
205-1 Operations assessed for risks related to corruption	'Anti-Bribery and Corruption', page 47	
205-2 Communication and training about anti-corruption policies and procedures	100% of the governance body members completed the training 'Anti-Bribery and Corruption', page 47	
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 STANDARD DISCLOSURE	LOCATION/RESPONSE	OMISSIONS
GRI 206: ANTI-COMPETITIVE BEHAVIOR 2016		
3-3 Management of material topics	'Responsible Throughout Our Business', page 42	
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.	
GRI 207: TAX 2019		
3-3 Management of material topics	'Tax Planning Approach and Engagement', page 49 Tax Strategy	
207-1 Approach to tax	'Tax Planning Approach and Engagement', page 49 Tax Strategy	
207-2 Tax governance, control, and risk management	'Mechanisms for Seeking Advice and Raising Concerns', page 48 FYE24 Annual Report , pages 77-79 Tax Strategy	
207-3 Stakeholder engagement and management of concerns related to tax	Approach to public policy advocacy on tax would be completed via our public relations team and other professional bodies (e.g. Chartered Institute of Tax). 'Tax Planning Approach and Engagement', page 49	
207-4 Country-by-country reporting	The difference between corporate income tax accrued on profit/loss and the tax due if the statutory tax rate is applied to profit/loss before tax is mainly due to the tax incentives provided in the U.K. being the Patent Box and R&D Tax Credits. And R&D Tax Credits in the U.S., Ireland, and France. FYE24 Annual Report , pages 2, 80-87	
GRI 302: ENERGY 2016		
3-3 Management of material topics	Arm's Sustainability Committee, with delegated authority from the Board, reviews Arm's carbon and energy performance against its targets and considers future targets. The Committee meets quarterly and is chaired by the Head of Sustainability, and reports into the Executive Committee via the Chief People Officer. 'Progress Against Our Commitments', page 22 Environmental Policy Statement	
302-1 Energy consumption within the organization	'Environment Data', page 52 Basis of Reporting	
302-2 Energy consumption outside of the organization		The information for this disclosure is not currently available.

GRI STANDARD DISCLOSURE	LOCATION/RESPONSE	OMISSIONS
GRI 302: ENERGY 2016 CONTINUED		
302-3 Energy intensity	'Environment Data', page 52	
302-4 Reduction of energy consumption	No reductions in energy consumption achieved. Energy use has increased by 10% from 53,814 MWh in FYE23 to 59,712 MWh in FYE24	
302-5 Reductions in energy requirements of products and services		The information for this disclosure is not currently available.
GRI 303: WATER AND EFFLUENTS 2018		
3-3 Management of material topics	<p>Arm has very little interaction with water outside of normal office use (sanitation, drinking water, small kitchens, and HVAC). There has been no known impact to Arm or the environment around Arm due to water use or waste.</p> <p>'Managing Our Wider Environmental Impact – Water', page 26</p>	
303-1 Interactions with water as a shared resource	<p>Arm has very little interaction with water outside of normal office use (sanitation, drinking water, small kitchens, and HVAC). There has been no known impact to Arm or the environment around Arm due to water use or waste.</p> <p>Arm maintains all appliances within their control in good working condition and proactive maintenance plans. Where Arm rents space we ensure the landlord maintains utilities to the same standard.</p> <p>'Managing Our Wider Environmental Impact – Water', page 26</p>	
303-2 Management of water discharge-related impacts	'Managing Our Wider Environmental Impact – Water', page 26	
303-3 Water withdrawal		The information for this disclosure is not currently available.
303-4 Water discharge		The information for this disclosure is not currently available.
303-5 Water consumption		The information for this disclosure is not currently available.
GRI 305: EMISSIONS 2016		
3-3 Management of material topics	<p>Arm's Sustainability Committee, with delegated authority from the Board, reviews Arm's carbon and energy performance against its targets and considers future targets. The Committee meets quarterly and is chaired by the Head of Sustainability, and reports into the Executive Committee via the Chief People Officer.</p> <p>'Progress Against Our Commitments', page 22</p> <p>'FYE24 Greenhouse Gas Emissions Data', page 24</p> <p>'Working with Our Supply Chain', page 22</p> <p>'Empowering Our People', page 22</p> <p>Environmental Policy Statement</p>	

GRI STANDARD DISCLOSURE	LOCATION/RESPONSE	OMISSIONS
GRI 305: EMISSIONS 2016 CONTINUED		
305-1 Direct (Scope 1) GHG emissions	'FYE24 Greenhouse Gas Emissions Data', page 24 'Our Net Zero Roadmap', page 23 'Environment Data', page 52 Basis of Reporting	Arm does not carry out activities that would result in biogenic CO ₂ emissions.
305-2 Energy indirect (Scope 2) GHG emissions	'Our Net Zero Roadmap', page 23 'Environment Data', page 52 Basis of Reporting	
305-3 Other indirect (Scope 3) GHG emissions	'FYE24 Greenhouse Gas Emissions Data', page 24 'Our Net Zero Roadmap', page 23 'Environment Data', page 52 Basis of Reporting	Arm does not carry out activities that would result in biogenic CO ₂ emissions.
305-4 GHG emissions intensity	'Environment Data', page 52	
305-5 Reduction of GHG emissions	'Progress Against Our Commitments', page 22 'Environment Data', page 52 Basis of Reporting	
305-6 Emissions of ozone-depleting substances (ODS)		The information for this disclosure is not currently available however, ODS emissions are not material to Arm.
305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions		The information for this disclosure is not currently available. Arm has no plans to start measuring.
GRI 306: WASTE 2020		
3-3 Management of material topics	'Managing Our Wider Environmental Impact – Waste', page 26	
306-1 Waste generation and significant waste-related impacts	'Managing Our Wider Environmental Impact – Waste', page 26	

GRI STANDARD DISCLOSURE	LOCATION/RESPONSE	OMISSIONS
GRI 306: WASTE 2020 CONTINUED		
306-2 Management of significant waste-related impacts	Waste generated by Arm in its own activities is managed by a third party. Waste management company scopes differ between each location, region, and country and waste type. Arm ensures that all third parties used comply with local laws and are licensed for waste disposal. 'Managing Our Wider Environmental Impact – Waste', page 26	Information on the processes used to collect and monitor waste-related data is unavailable/incomplete. Arm uses credible waste disposable suppliers who provide data as needed on amount, recycled and disposed.
306-3 Waste generated		The information for this disclosure is not currently available While reliable data is only available for some U.K. 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 non-recyclable waste.
306-4 Waste diverted from disposal		Arm does not hold reliable data on waste or e-waste.
306-5 Waste directed to disposal		Arm does not hold reliable data on waste or e-waste.
GRI 308: SUPPLIER ENVIRONMENTAL ASSESSMENT 2016		
3-3 Management of material topics	'A More Sustainable Supply Chain', page 50	
308-1 New suppliers that were screened using environmental criteria	19% of new suppliers	
308-2 Negative environmental impacts in the supply chain and actions taken	72 Suppliers were assessed for environmental impacts. During FYE24, Arm did not identify any materially significant negative environmental impacts in our supply chain that exist as a direct consequence of our operations.	
GRI 401: EMPLOYMENT 2016		
3-3 Management of material topics	'Growing and Retaining Talent', page 33 'Well-being for All', page 36	
401-1 New employee hires and employee turnover	'People Data', page 54	

GRI STANDARD DISCLOSURE	LOCATION/RESPONSE	OMISSIONS
GRI 401: EMPLOYMENT 2016 CONTINUED		
401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	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 U.S. must work more than 30 hours per week to be eligible for participation in the benefits.	
401-3 Parental leave		All employees, regardless of gender, are entitled to parental leave. We cannot provide data on retention rates as we do not capture this data.
GRI 402: LABOR/MANAGEMENT RELATIONS 2016		
3-3 Management of material topics	See GRI 402-1 'Practicing Non-Discrimination', page 32	
402-1 Minimum notice periods regarding operational changes	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 U.S., 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. 'Practicing Non-Discrimination', page 32	
GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2018		
3-3 Management of material topics	'Well-being, Health and Safety', page 35	
403-1 Occupational health and safety management system	'Health and Safety Management', page 35 'Management Tools and Training', page 35	
403-2 Hazard identification, risk assessment, and incident investigation	'Our Approach', page 43 'Health and Safety Management', page 35 'Management Tools and Training', page 35	
403-3 Occupational health services	'Our Approach', page 43	
403-4 Worker participation, consultation, and communication on occupational health and safety	All workers are covered by the health and safety committees. 'Health and Safety Management', page 35 'Management Tools and Training', page 35	

GRI STANDARD DISCLOSURE	LOCATION/RESPONSE	OMISSIONS
GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2018 CONTINUED		
403-5 Worker training on occupational health and safety	'Our Approach', page 43 'Management Tools and Training', page 35	
403-6 Promotion of worker health	'Well-being for All', page 36	
403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	'Well-Being, Health, and Safety', page 35	
403-8 Workers covered by an occupational health and safety management system	'Health and Safety Management', page 35 'Management Tools and Training', page 35	
403-9 Work-related injuries		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.
403-10 Work-related ill health		We do not publicly disclose this information.
GRI 404: TRAINING AND EDUCATION 2016		
3-3 Management of material topics	'Talent Development', page 33	
404-1 Average hours of training per year per employee		The information for this disclosure is not currently available. Arm launched a new learning and development model in FYE23 that does not place emphasis on 'hours per employee' 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.
404-2 Programs for upgrading employee skills and transition assistance programs	'Talent Development', page 33	
404-3 Percentage of employees receiving regular performance and career development reviews	71% of employees	

GRI STANDARD DISCLOSURE	LOCATION/RESPONSE	OMISSIONS
GRI 405: DIVERSITY AND EQUAL OPPORTUNITY 2016		
3-3 Management of material topics	'Building a Future Together For Everyone', pages 30-32	
405-1 Diversity of governance bodies and employees	'People Data', page 53 Arm's 20-F , page 87	
405-2 Ratio of basic salary and remuneration of women to men		As shown in our UK Gender Pay Gap Report, our pay structures don't systematically discriminate based on gender. In addition to this report, we complete a global pay analysis annually and through this analysis can confirm that we do not have any statistical differences in pay between men and women.
GRI 406: NON-DISCRIMINATION 2016		
3-3 Management of material topics	'Practicing Non-Discrimination', page 32	
406-1 Incidents of discrimination and corrective actions taken	5 incidents of discrimination in FYE24. Incident 1: Allegations investigated through Arm's grievance procedure. Grievance partially upheld and annual review rating upgraded. Case closed and remediations complete. Incident 2: Allegations investigated through Arm's grievance procedure. Allegations partially upheld and remediation plans being implemented via the group management team with support from the People Group. Incident 3: Allegations investigated through Arm's grievance procedure. Allegations were not upheld. No further action. Incident 4: Incident review by the organisation and investigation is being carried out into the concerns raised. Incident 5: Allegations investigated through Arm's grievance procedure. Allegations not upheld. Individual allocated to a new project and line manager to give a fresh start. No further action.	
GRI 407: FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING 2016		
3-3 Management of material topics	'Practicing Non-Discrimination', page 32	
407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	'Practicing Non-Discrimination', page 32	

GRI STANDARD DISCLOSURE	LOCATION/RESPONSE	OMISSIONS
GRI 409: FORCED OR COMPULSORY LABOR 2016		
3-3 Management of material topics		
409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor		Data is not currently reported, although we do ask suppliers to accept our Supplier CoC which covers these topics, we do not currently audit suppliers on their compliance. During FYE24 we implemented EcoVadis and our intention is to be able to report on these topics in future years as we expand the use of this platform across our supply chain.
GRI 414: SUPPLIER SOCIAL ASSESSMENT 2016		
3-3 Management of material topics	'Managing Supply Chain Risk', page 50	
414-1 New suppliers that were screened using social criteria	'Our Supply Chain in FYE24', page 50	
414-2 Negative social impacts in the supply chain and actions taken		Data is not currently reported. During FYE24 we implemented EcoVadis and our intention is to be able to report on these topics in future years as we expand the use of this platform across our supply chain.
GRI 415: PUBLIC POLICY 2016		
3-3 Management of material topics	'Public Policy Engagement', page 43 Arm Code of Conduct 2023 , pages 13, 21	
415-1 Political contributions	'Political Contributions', page 43	
GRI 418: CUSTOMER PRIVACY 2016		
3-3 Management of material topics	'Responsible Throughout Our Business', page 42 'Product Security, Quality, and Ethics', pages 45-47	
418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	'Privacy and Confidentiality', page 47	

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Additional Information About This Report

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