

Environmental Policy Statement

Arm recognises that its day-to-day activities have an impact on the environment and considers environmental management to be an integral part of good business practice. The company is committed to a program of continuous environmental improvement to conserve natural resources, address climate change, and minimise any adverse environmental impact from its operations.

Arm regards environmental regulations, laws, and other codes of practice as minimum standards for environmental performance and endeavours to exceed these standards whenever practical.

In response to the climate crisis, Arm is decarbonising its business. It is reducing its own carbon emissions with a goal of achieving net zero emissions by 2030 and is also committed to driving increased power efficiency and energy efficiency for the products it designs.

Arm has committed to becoming net zero by 2030 in line with a 1.5°C climate pathway and the Paris Agreement (versus a FYE20 baseline). The organization has set individual absolute carbon reduction targets across key impact areas of all emissions sources (scopes) to deliver this ambition. As the company transitions to net zero by 2030 it has also committed to balancing some emissions (scopes 1 & 2 (energy use) and scope 3 category 6 (business travel)) using accredited carbon offsets from 2023 onwards. This use of offsets is additional, and secondary to the company's commitment to absolute emissions reduction by 2030.

Regarding Arm's estate, it is committed to sourcing renewable energy for its sites wherever possible¹ (or low carbon energy in some locations) and to support its people to save energy and other natural resources when in its buildings or working on the company's behalf.

Arm is committed to:

Compliance with environmental legislation

- Complying with or exceeding all relevant legislation and regulatory requirements

Efficient resource use and emissions reduction

- Efficiently managing and reducing the use of resources across all company locations. This includes:
 - Reducing energy consumption through power management and use of energy efficient products.
 - Switching/purchasing 100% renewable/zero-carbon electricity for all offices and data centres.
 - Reducing waste generated by business activities through - reduction and recycling of general office waste and responsible disposal of computer hardware.
 - Improving collection of data for its water footprint and exploring options to increase water efficiency and minimise wastewater.
 - Engaging with its supply chain to understand and reduce their carbon emissions.

¹ Where renewable electricity tariffs are not available we purchase EACs (Energy Attribute Certificates) in the relevant local geography to achieve 100% renewable electricity sourcing.

- Reducing emissions generated by travel to work by supporting and promoting low carbon options including public transport, car sharing, EVs, and walking or cycling - wherever safe.
- Managing emissions relating to business travel through efficient travel planning, pre-trip travel approval process, carbon budgets for travel, and supporting and promoting virtual meetings and webinars wherever possible.
- Supporting local and global biodiversity initiatives.

Responsible Offsetting of GHG emissions

- Prioritising carbon reduction over carbon offsetting.
- Offsetting using only accredited voluntary carbon market offsets.
- Investing in nature-based and technology-based offset projects.
- Investing only in carbon removal offsets to deliver net zero commitment. Arm will consider emissions avoidance offsets as well as removal offsets to deliver its offsetting commitment as it transitions to net zero between 2023 - 2030.

Engaging with stakeholders

- Increasing awareness of its environmental policy and environmental policy statement with employees and contractors and provide guidance to enable them to contribute effectively.
- Increasing awareness of its environmental policy statement with external suppliers and customers and encouraging their adoption of environmental best practice.
- Participating in local, national, and international discussions about environmental issues where its voice can make a difference.

Target setting and performance reporting

- Setting environmental targets and reporting publicly on progress annually.

Policy and performance review

- Regularly monitoring and reviewing its environmental performance to ensure the ongoing effectiveness of environmental management.
- Reviewing this Environmental Policy Statement annually and following any significant changes in legislation or operational activities, to ensure it continually strives to improve performance.

Contact:

Please contact sustainability@arm.com if you have any questions regarding this Environmental Policy Statement.