Sparking the World's Potential

Sustainable Business Report
Year ending March 31, 2021

arm

Arm Sustainable Business Report Year Ending March 31, 2021

Overview   Decarbonize Compute   Closing the Digital Divide   Global Problem Solvers   Responsible Technology   Governance   Indices   **02**

Welcome to Our Annual Sustainable Business Report

Throughout this report we aim to provide transparent, meaningful information on our sustainability efforts. We explain how our business operations create positive impact for our people, on the environment, and on society.

The report includes our materiality assessment, carried out in collaboration with stakeholders to identify the issues that matter most to them. Our annual Communication on Progress against the United Nations Global Compact Principles and criteria is provided on pages 30–37. It also reports in accordance with the Global Reporting Initiative (GRI) Standards: Core option (pages 38–72).

Following last year's work, we have set ourselves the target of assuring our energy carbon data for FY22. We will continue to develop our reporting objectives to include external assurance across more of our processes.

COVID-19
This report was prepared for FY20 ending March 31, 2021. A great deal of uncertainty still exists around how the world will adapt to life with COVID-19, including the global economic response. We remain committed to supporting our business and society through a number of programs delivered by our partners.

For further information on our COVID-19 response, refer to arm.com and to our 2020 Sustainability Impact Report.

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OVERVIEW

CEO Statement

This has been an extraordinary year characterized by resilience, cooperation, and reflection. Around the world, new COVID variants arose, restrictions were relaxed and tightened again, and we began to crave—more than ever—the company of friends, family, and colleagues to carry us through the darker moments. There was a sense of shifting priorities, and attention being focused on the things that really matter.

Sustainability—driving positive change for people and planet—has never been more important.

> **"This has been an extraordinary year characterized by resilience, cooperation, and reflection."**

Arm technology reaches over 70 percent of the world's population[1], but internet access and the benefits it can bring remains inequitable. The correlation between digital exclusion and social exclusion is well established. It affects both developing and developed economies, and it's something that has been brought into sharp relief over the last 12 months.

Working in partnership is key to achieving our sustainability ambitions. Due to our high levels of engagement with the United Nations Global Compact (UNGC) and our wider sustainable development agenda, we are proud members of the UNGC LEAD program. Arm participates in this initiative as part of our commitment to achieve a better, fairer world in which technology and economic growth advance communities everywhere.

Connecting everyone, everywhere is essential for an equitable world.

Connectivity means access to new and better jobs, to extended learning opportunities, better products and services, and access to the increasing amount of information that can be found only online. Arm and its global ecosystem can help close this digital divide, bridging the gap between those who have access to digital technologies and the 3.7 billion who currently cannot realize the full benefits[2].

Reducing the environmental impact of these technologies, however, is critical. Connectivity should not come at the expense of the planet. That's why we're working hard to decarbonize compute, leveraging our history of low-power processing to maximize performance per watt.

> **"I am inspired every day by the determination of our people to deliver intelligent technology that is at the forefront of driving change for both people and the planet."**

This past year, for example, we launched the Armv9 architecture—the foundation of the next decade of compute—which maximizes performance through system-level design. By driving down power consumption, and the corresponding carbon emissions, we can help technology to achieve maximum benefit with minimal impact.

Arm was founded in 1990 with a vision of deploying its processor technology everywhere computing might happen, but even in our wildest dreams we could never have imagined where we'd be today, with a cumulative 190 billion Arm-based chips shipped by a global ecosystem.

Of course, this success is largely due to the caliber of our people. We have long had a culture of innovation and collaboration, but to be truly future-fit, it's essential that our people feel capable, supported, and empowered, so we're renewing our focus on diversity, equity, and inclusion (DEI).

It's hard to predict when life will return to normal—or even what that "normal" will look like. But by taking advantage of the differences that make us our brilliant selves, and ensuring that every voice is heard, we can build an organization that's even stronger, even more resilient, and ready to meet the challenges that lie ahead.

I am inspired every day by the determination of our people to deliver intelligent technology that drives change for both people and the planet. This report demonstrates our efforts to prepare for a future where Arm continues to make a lasting positive impact.

Simon Segars
CEO, Arm

1   UN Press Release (2021). *With Almost Half of World's Population Still Offline, Digital Divide Risks Becoming 'New Face of Inequality', Deputy Secretary-General Warns General Assembly.* Source: https://www.un.org/press/en/2021/dsgsm1579.doc.htm
2   https://www.arm.com/company/arm-30-anniversary

OVERVIEW

Key Highlights From FY20

One of the World's
Most Ethical Companies
(Ethisphere Institute) for the 2nd year running

$886.7 million
spent on research
and development

95%
market share
for Arm-based
application
processors in
mobile devices

7,950
total employees

Published our new
**sustainability
framework**

162
new licenses signed

25 billion
chips shipped

93
nationalities across
our employee network

Launch
of Armv9 architecture

RE100 commitment
signed

Net zero ambition
by 2030
carbon target announced

1,931
cumulative licenses signed

OVERVIEW

Our Business

For over 30 years, Arm-based technology has been tried and tested by our ecosystem partners: from the smallest startups to some of the biggest global companies. Around the world, intelligent computing is powered by over 190 billion chips[3] using our advanced, energy-efficient processor designs.

Our Technology

More than 70 percent of the global population uses products enabled by Arm technology, creating a globally connected population. Together with our Internet of Things (IoT) software and device management platform, we enable customers to derive real business value from their connected devices.

With an ecosystem of more than 1,000 partners, Arm is at the forefront of designing, securing, and managing all areas of computing, from the chip to the cloud. Our innovations can create real change for people and planet. We understand that to bring this change, technology must be used responsibly, maximizing positive impacts while minimizing any negative ones.

Technology can no longer be developed simply to solve issues of connectivity; it must be part of the solution to critical global challenges. Our partners leverage our expertise to create products that can transform education, help lift millions out of poverty, address the growing climate crisis, and work to overcome the challenge of COVID-19.

Partnerships and Recognition for Positive Impact

To achieve a more connected and equitable world, we recognize that we cannot act alone. Real progress on driving the United Nations Global Goals for Sustainable Development requires strong partnerships and industry collaborations. By working with others in the industry, we are transforming how technology is used to help achieve the Global Goals by 2030.

Arm also participates in international coalitions, including the UNGC, and reports to the Core option of the GRI Standards.

You can find out about our work toward the Goals in our 2020 Sustainability Impact Report and on Arm's website.

$886.7m spent on research and development in FY20

Recognition, Participation, and Awards

Over the last year, Arm has supported key external initiatives and partnerships, demonstrating a strong commitment to sustainable development.

Sustainable Development Goals
Delivering impact against the Global Goals since 2016.

GRI — Global Reporting Initiative
We report in accordance with Core GRI standards.

United Nations Global Compact — UN Global Compact
Arm is a member of the LEAD program for demonstrating high levels of engagement.

RE100 CLIMATE GROUP CDP — RE 100
We have publicly committed to sourcing 100% renewable electricity by 2023.

CDP DISCLOSURE INSIGHT ACTION — CDP Climate
Our CDP 2020 climate change score was B.

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

2020 WORLD'S MOST ETHICAL COMPANIES — World's Most Ethical Companies
For the second year running, Arm is listed in the World's Most Ethical Companies by Ethisphere.

Member of Dow Jones Sustainability Indices — Dow Jones Sustainability Index (DJSI)
Arm voluntarily participates in the annual return to the DJSI for benchmarking purposes.
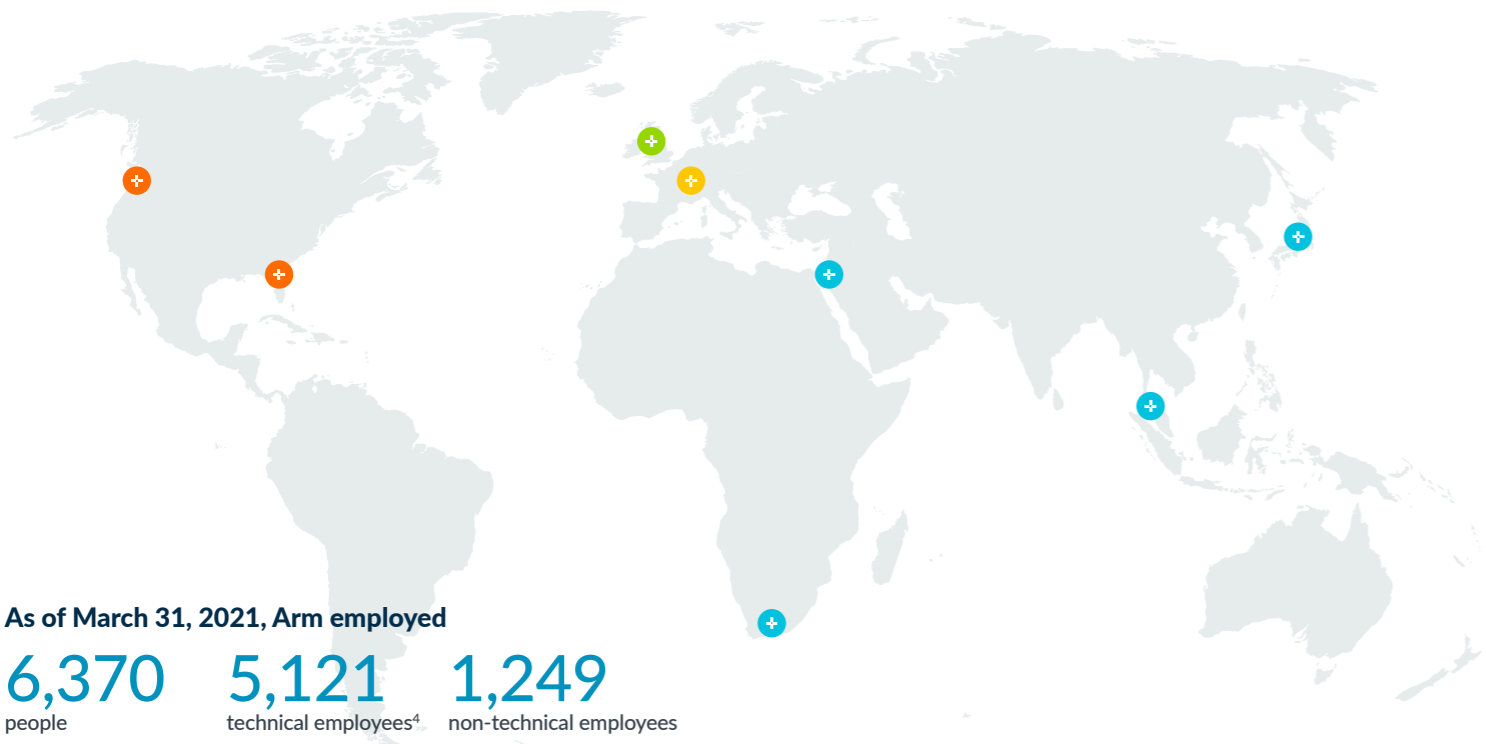
[3]   As at March 31, 2021.

OVERVIEW

Our Global Presence

Arm's headquarters are located in Cambridge, U.K. We have a further 26 offices in 15 countries, including major research and development (R&D) centers in the U.K., U.S., China, Israel, France, Norway, and Sweden.

FY20 continued to be a period of change and substantial growth for Arm. This success is reflected in record shipments of chips by our partners, and an increase in market shares and revenues. As of March 31, 2021, Arm employed 6,370 full-time established people: 5,121 technical employees[4] and 1,249 non-technical employees, including employees from 93 nationalities.

Business Highlights

North America
Offices	Employees[5]
9	1,253

United Kingdom
Offices	Employees
8	3,162

Rest of Europe
Offices	Employees
13	931

Asia, Africa, Middle East
Offices	Employees
12	1,024

As of March 31, 2021, Arm employed

6,370	5,121	1,249
people	technical employees[4]	non-technical employees

	Year ending March 31, 2019	Year ending March 31, 2020	Year ending March 31, 2021
Market share for Arm-based application processors in mobile devices	90%	95%	95%
Cumulative licenses signed	1,694	1,767	1,931
Arm-based chips shipped	22.5bn	22.2bn	25.1bn
Market share	33%	34%	35%
Revenue	£1,892m	£1,807m	£1,980m
R&D investment	£889m	£912m	£886.7m
Established employees worldwide	5,985	6,732	6,370
Nationalities employed by Arm globally	89	99	93

[4]   The definition of "technical employees" has been agreed with the U.K. Takeover Panel, full details of which were set out in section 4 of the letter in the scheme documentation dated August 3, 2016, and which is available on Arm's website.
[5]   Employee figures here refer to established employees only (excluding fixed term and external, which includes self-employed individuals, contractors, and consultants who are not directly employed by Arm).
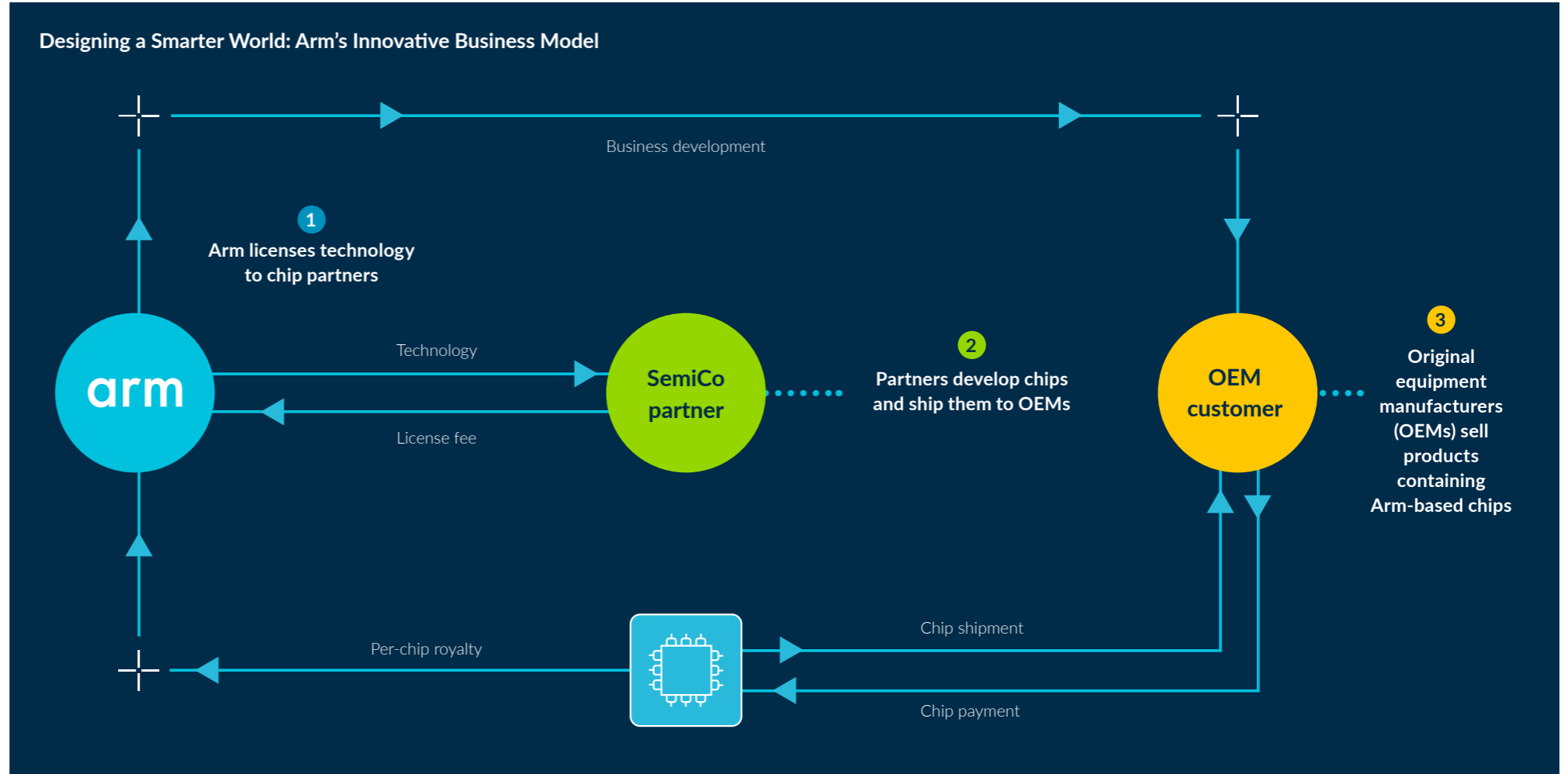
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OVERVIEW

Our Business Model

Arm's passion for computing has supported the technology industry to bring ideas to life through our corporate purpose—Sparking the World's Potential. This purpose is about inspiring our partners, engineers, and developers to push the boundaries of what's possible wherever computing happens. We're creating a future designed by millions of minds to enable so much opportunity for a globally connected world.

Arm has an innovative business model. We license our technology to a network of partners, with every licensee paying an upfront fee to gain access to our designs. These are used, alongside their own technology, to create smart, energy-efficient chips across a diverse range of markets. Arm receives a royalty on every chip sold that uses one of our designs.

We collaborate with our customers and nurture an ecosystem of companies that depends on Arm technology. This global network aims to provide complete solutions—from design to manufacture to end use—based on our architecture.

Designing a Smarter World: Arm's Innovative Business Model

Business development

1 Arm licenses technology to chip partners

Technology

arm   License fee   SemiCo partner

2 Partners develop chips and ship them to OEMs

OEM customer

3 Original equipment manufacturers (OEMs) sell products containing Arm-based chips

Per-chip royalty

Chip shipment

Chip payment

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OVERVIEW

Materiality Assessment

To maintain our focus on the most important topics for our stakeholders and wider society, we conduct thorough materiality assessments. Arm recognizes that these topics are always evolving, so we regularly assess our material issues to ensure our actions are relevant.

Our Methodology and Approach

Our approach to sustainability is guided by the issues that are most important to our key partners and those that have a material impact on our business, such as our people.

Arm actively listens to our diverse set of stakeholders to understand what matters to them. We are taking action to address issues considered less material to our business but that are of high value to our wider ecosystem – for example, responsible procurement practices and indirect economic impacts.

Assessing Our Material Issues

In FY18, we carried out a comprehensive materiality assessment that included research and engagement with external and internal focus groups. The results helped to sharpen our focus on high-value and high-risk issues, becoming a key tool that informed our new sustainability framework, described in this report.

The following year (FY19), we refreshed our understanding of material issues through engagement with a selection of external and internal stakeholders. For details of our approach to stakeholder engagement, please refer to the GRI index on page 38. Issues were identified across four categories:

- Environmental
- Social
- Economic
- Governance

These topics were placed on a matrix, with their relative position based on the degree of influence on stakeholder decisions, and the significance of impact that Arm has or can make by addressing a particular challenge. The matrix was shared at an internal workshop, where each issue was viewed and ranked.

FY20 Progress Highlights

Since the last major review of our material issues, we have seen the most significant topics, such as the climate crisis and producing responsible technology, become even more important in society. Alongside continued engagement with our stakeholders, these priorities have shaped our new sustainability framework.

We are also pleased to announce the appointment of a Chief Diversity Officer, who is working alongside our CEO and Executive Committee on the new Diversity, Equity, and Inclusion (DEI) strategy for Arm.

Our Materiality Matrix

Environmental
1   Climate crisis
2   Water
3   Waste
4   E-waste

Social
5   Employee experience
6   Diversity and equal opportunity
7   Developing a future workforce
8   Human rights and forced labor
9   Future of work
10 Privacy and security
11 Accessible and inclusive products
12 Responsible technology

Economic
13 Economic performance
14 Business resilience
15 Indirect economic impacts
16 Responsible procurement practices
17 Tax

Governance
18 Anti-corruption and anti-competitive behavior
19 Public policy
20 Ethics and integrity
21 Value chain sustainability

OVERVIEW

Arm's Sustainability Framework

Technology has the power to facilitate positive change around the world. Informed by our purpose to spark the world's potential, Arm is well placed to help deliver this much-needed change.

The technology industry faces a unique problem: balancing the need for increased global connectivity with the imperative to decarbonize our economies. As the COVID-19 pandemic has highlighted, the internet is a lifeline for essential services such as healthcare, finance, and education—yet 3.7 billion people still do not have access to online digital technologies[6].

Connectivity is essential for an equitable world, but increasing access to technology should not come at the expense of the environment. Joining efforts to decrease global average temperatures, Arm is committed to reducing greenhouse gas (GHG) emissions by 42 percent (from a 2019 baseline), aiming to reach net zero[7] carbon by 2030.

Our updated sustainability framework was developed from our materiality assessment (see our materiality methodology), where we considered future trends that might impact our wider ecosystem. As part of this process, we mapped our most prominent issues against our sustainability pillars.

The outcome of our assessment informs the focus areas of our sustainability framework:

Closing the Digital Divide
Extending the reach of our technology to connect everyone, everywhere

6 8 11

Leveraging our ecosystem-building capabilities, we are working to close the gap between those who have full access to digital technologies, and the billions of people who currently do not. We aim to drive social progress and address new markets while unlocking commercial opportunity and sustainable growth.

Decarbonize Compute
Working to minimize the environmental impact of our technology

1

We believe in the power of technology to build a better future for everyone. Our expertise in low-power compute provides a unique opportunity to increase performance per watt, driving up connectivity while driving down carbon emissions wherever compute happens. Arm is planning to explore innovation in tech-based carbon sequestration solutions.

Our approach is made possible by two key factors, unique to Arm: our people—**global problem solvers**—and our commitment to building trust through **responsible technology**.

Global Problem Solvers

6 7

We're nurturing the diverse perspectives needed to solve complex problems, aiming to empower innovators at Arm, and in our wider ecosystem. We also work with social impact partners to accelerate innovation and extend opportunity beyond our typical sphere of influence.

Responsible Technology

4 10 12 20

Responsible and secure technology is critical to maintaining our license to operate, but perhaps more importantly, it helps us to build trust across our ecosystem. We aim to be leaders in our sector by driving industry standards, building fair and inclusive products, and tracking our progress on issues such as artificial intelligence (AI) ethics, security, and safety.

GLOBAL PROBLEM SOLVERS

DECARBONIZE COMPUTE

Sparking the World's Potential

CLOSING THE DIGITAL DIVIDE

RESPONSIBLE TECHNOLOGY

OVERVIEW

Our Response to COVID-19

COVID-19: Response, Reflection, and Resilience

We have grown commercially during the pandemic, demonstrating the hard work and commitment of our employees. Throughout the crisis, our care for suppliers, our people, and local communities became a priority. The pandemic quickly revealed humanity's extraordinary capacity to adapt and invent, with technology forming a foundation for much of this resilience.
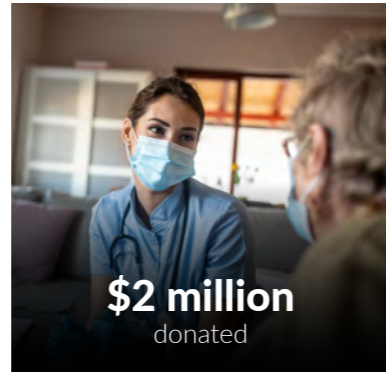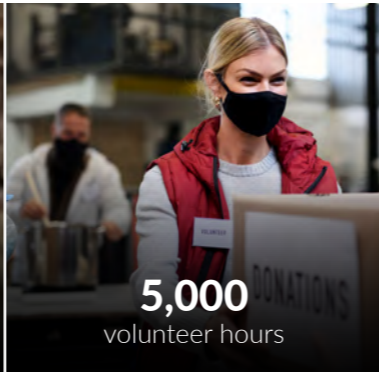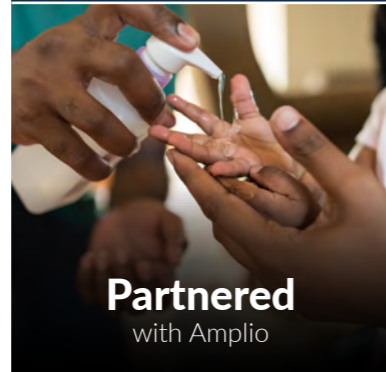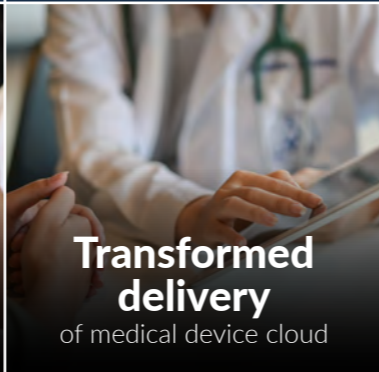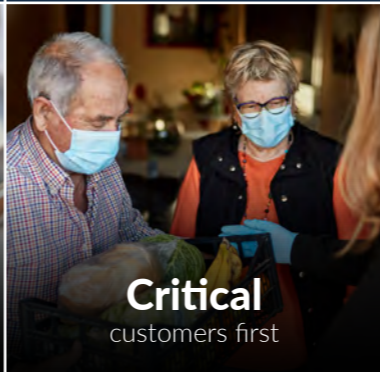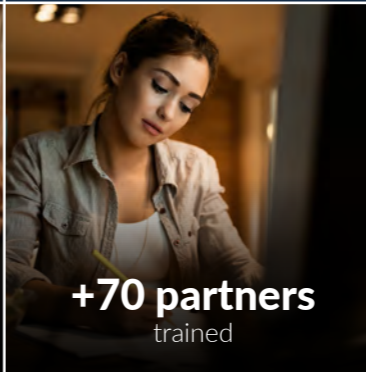
Supporting Our Employees

Our offices were closed worldwide, with access permitted on a needs-only basis, and the entire organization moved to full remote working. We also developed initiatives to support the long-term welfare of our employees:

- Weekly emails directly from the CEO including business updates, available resources, and personal reflections on the pandemic
- Increase in IT help-desk support to enable people to work more effectively from home with the right equipment
- Tips and guides about working from home
- Regularly publishing content to encourage positive mental health management
- Designating Days of Care on which the entire organization shuts down, allowing all employees to take additional paid leave
- Providing guidance and training to managers on helping and supporting their team members

Arm has set out a return to office strategy, allowing employees to return to the office safely as and when government restrictions are lifted in each jurisdiction where an Arm office is located.

Community Response

$2 million
donated

We allocated $2 million toward response efforts, dedicating half of that to community programs.

5,000
volunteer hours

Arm people supported COVID-19 projects in their local communities.

Accelerated diagnostics
to support research

Arm worked with the Rosetta@home project to accelerate the diagnostics required to find a cure for COVID-19.

Provided biometric solutions
with Simprints and Gavi

We supported Simprints' touchless ID system, designed for pandemic response.

Partnered
with Amplio

Arm provided critical COVID-19 information to some of the poorest communities in the world.

Transformed delivery
of medical device cloud

We helped healthcare software specialist L2S2 empower medics to fight COVID-19 with secure, compliant, and actionable IoT data.

Critical
customers first

Requests from critical customers (i.e., healthcare workers and the elderly) were prioritized.

+70 partners
trained

Over 70 partners registered for free technical training sessions via live virtual classrooms.

"Life has changed, and can be expected to change further, and while it has undeniably brought many difficulties, it is heartening to see how the world has pulled together to bring hope and comfort to those who need it most."

Simon Segars
CEO, Arm

COVID-19 First Responders and Vaccine Volunteers

We supported colleagues who were trained as first responders, medics, or civil volunteers, and encouraged them to continue supporting their communities, such as through the Royal Voluntary Service or St John Ambulance in Cambridge. Our people have given their time as stewards at COVID-19 vaccine hubs and supported the elderly and self-isolating by collecting prescriptions and delivering shopping.

We also encouraged our colleagues to help with the global vaccine COVID-19 program, with colleagues across the globe supporting the rollout.

"This role has probably been the most rewarding thing I have ever done. For the elderly and shielding, their experience of coming to the vaccination hub was often the first time they had been out of their houses for months…their gratitude was overwhelming."

Helen Corbet
Senior Workplace Coordinator Events, Cambridge

Decarbonize Compute

Decarbonizing our economies while delivering exceptional processing to meet the world's expectations is a challenge that we are ready to meet. By delivering more performance per watt, our low-power compute can play an important role in tackling the climate crisis.

Arm technology is helping to improve efficiency while minimizing our environmental impact—from the Arm Ethos-U55, which provides up to 90 percent energy reduction for machine workloads on IoT devices, to the Arm Cortex-A78, which increases performance by 20 percent compared to its predecessor. We're also actively lowering our operational emissions to help achieve our net zero ambitions.

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DECARBONIZE COMPUTE

Climate Change and GHG Emissions

Arm committed to achieving net zero carbon in our business operations by 2030—20 years ahead of the Paris Agreement guidance. We're aiming to cut absolute emissions by at least 42 percent (from a 2019 baseline). This commitment includes investments in accredited carbon sequestration projects to offset any remaining emission.

RE100
CLIMATE GROUP | **CDP**

As an RE100 company, we're committed to sourcing 100 percent renewable energy by 2023. This membership connects us to a network of key players working to drive demand for renewable electricity.

CDP
DISCLOSURE INSIGHT ACTION

Our CDP 2020 climate change score was a B, which puts us in the "Management" bracket.

Reporting on Climate-Related Risks

Arm strongly supports the U.K. Government's plans to make it mandatory for large companies to disclose information in alignment with the Task Force on Climate-related Financial Disclosures (TCFD). We aim to publish a comprehensive assessment of climate change-related risks, to both our direct operations and extended supply chain, with associated financial disclosures in accordance with legislation from 2022.

Our net zero commitments

By 2030, we will...

source 100%
renewable electricity

achieve 20% absolute reduction in **energy use**

achieve 7% absolute reduction in emissions from **travel for work**

engage with our **supply chain** to set sustainable procurement targets

support and drive innovation in nature and tech-based carbon **sequestration** solutions

empower **our people** to make low-carbon choices

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DECARBONIZE COMPUTE

Our Net Zero Trajectory

Based on our commitments and progress to date, we have set a pathway to help us meet net zero by 2030.

Arm: GHG Emissions and Net Zero Trajectory*

Arm founded in 1990

We started our emissions measurement in 2009

We started our net zero commitment in 2020 (FY19 baseline)

We will start carbon neutral offsetting from 2023

NET ZERO 2030

tCO$_2$e

Legend:
- Estimated past emissions
- Actual emissions
- Net zero emissions trajectory
- Net zero offsetting
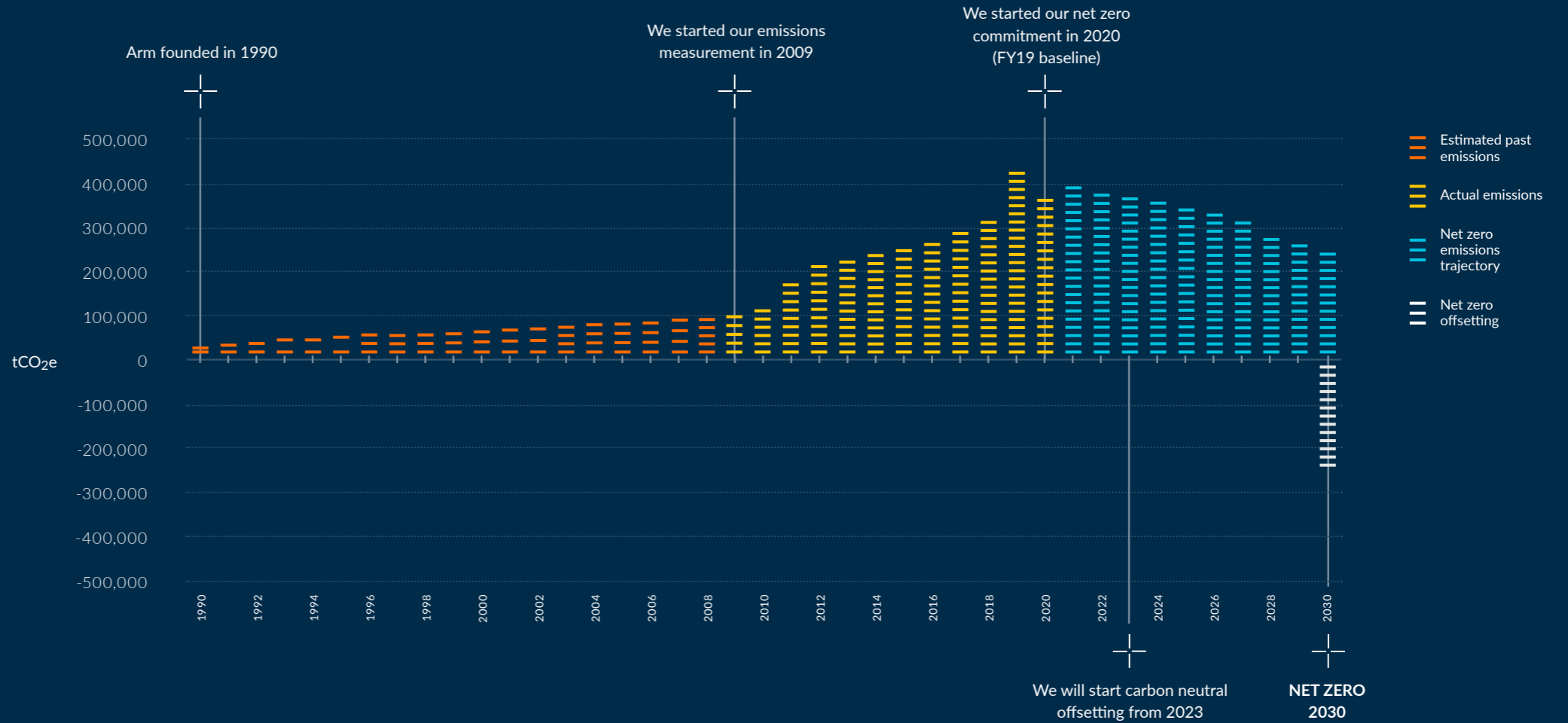
* Exact figures are in development and will be added to the next update to this graph in future reporting.

DECARBONIZE COMPUTE

Net Zero Progress

Supply Chain
We have measured the carbon in our supply chain for the first time and set absolute reduction targets. We will be making these public in 2022.

"Working with CDP Supply Chain, we have been gathering data to measure our supply-chain carbon emissions. The next step is to work with suppliers to reduce emissions."

Nicole
Global Head of Category, Technology Services

Business Travel
We are aiming to reduce our absolute emissions from business travel by **7%**, from a FY19 baseline by 2030 (FY29).

"Our Travel Policy now includes guidelines on when people should consider virtual options. Carbon travel budgets have also been set to help departments manage their travel-related emissions."

Toby
Director, Travel

Renewable Electricity
At the end of FY20, **88%** of our electricity footprint was covered by renewable sources.

"We have focused on switching high-consumption sites to renewable tariffs. We're now identifying the next offices for switching, this year and beyond."

Ian
Program Manager, Workplace Sustainability

Technology Development
Arm is supporting the development of an app, eevie, to help our people make **low-carbon choices**.

"We have offered access to a carbon tracking app to all our people. With a simple interface, the app helps to calculate their carbon footprint and make small changes that will improve their individual impact on the environment."

Nicole
Sustainability and Travel Specialist

Data Collection
We're expanding our global commute survey and plan to roll out a program to support **lower-carbon commuting**.

"The outputs of this survey will be used to understand demand for on-site facilities, and how we can support lower-carbon commuting choices."

Jill
Senior Workplace Coordinator

DECARBONIZE COMPUTE

FY20 Footprint Breakdown*

> "Our baseline energy use for FY20 has been comparatively low due to decreased energy demand from the pandemic, so as we return to the office, we will be looking to re-baseline and make use of our metering data to track performance."

Martin Frohock
Senior Workplace Manager

Scope 1 and 2 emissions
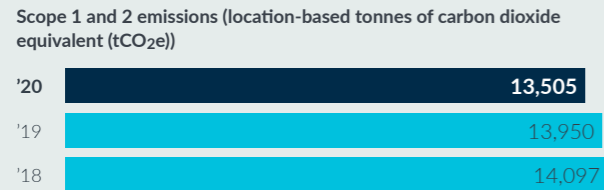Measuring our carbon footprint is critical to understanding the impact of our operations. Tracking Scope 1 and 2 emissions is vital for us to reduce our impact across our direct operations.

Million £ revenue

'20	1,980
'19	1,807
'18	1,836

Scope 1 and 2 emissions (location-based tonnes of carbon dioxide equivalent (tCO$_2$e))

'20	13,505
'19	13,950
'18	14,097

GHG emissions intensity per million pounds

'20	6.82
'19	7.72
'18	7.68
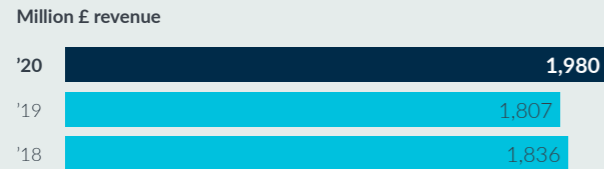
Scope 3 emissions
The majority of Arm's carbon footprint comes from Scope 3 emissions and relates to activities that are not owned or directly controlled by Arm. Our procurement team has committed to a 42% reduction in supply-chain carbon, which is supported by our work with CDP Supply Chain. We have gathered data to measure Scope 3 emissions and our next step is to work with suppliers to set individual emission reduction targets.

**Tonnes of carbon dioxide equivalent (tCO$_2$e)
Total 387,970***

Supply chain	372,656*
Waste	8,472
Home working	5,454
Energy transmission grid losses	1,287
Business travel	101
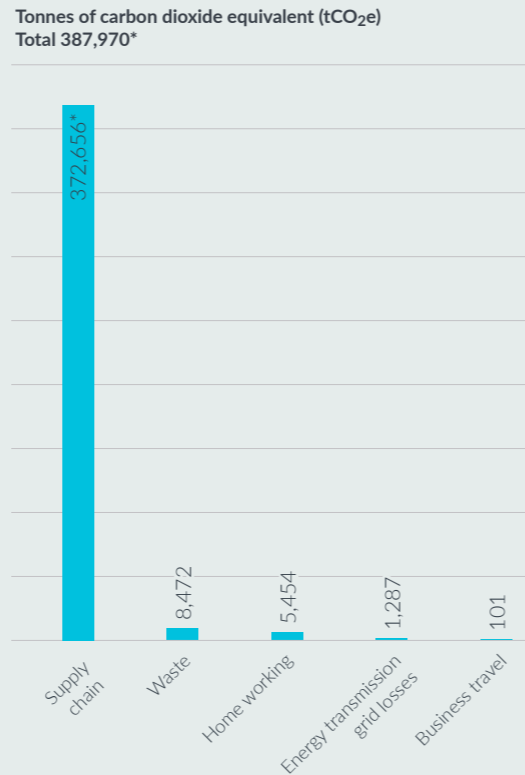
Environment Data

Scope 1 emissions—tCO$_2$e

'20	54
'19	384
'18	455

Scope 2 emissions (market based)—tCO$_2$e

'20	1,821
'19	13,409
'18	13,642

Scope 2 emissions (location based)—tCO$_2$e

'20	13,458
'19	16,153
'18	16,404

Scope 3 emissions—tCO$_2$e*

'20	381,494
'19	414,241
'18	25,997
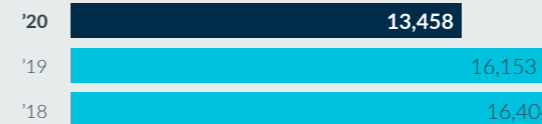
**Total Scope 1 and Scope 2 emissions
(using market-based Scope 2 emissions)—tCO$_2$e**

'20	1,875
'19	13,793
'18	14,097

**Total Scope 1, 2, and 3 emissions*
(using market-based Scope 2 emissions)—tCO$_2$e**

'20	383,369
'19	428,034
'18	40,904
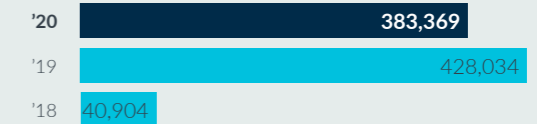
Energy consumption (electricity only)—MWh

'20	36,208
'19	40,182
'18	36,677

Renewable electricity and % of total energy consumption—MWh

'20	31,863 (88%)
'19	11,251 (28%)
'18	6,969 (19%)

Water consumption—megaliters

'20	30.6
'19	91.3
'18	105

* FY20 figures for supply chain will be available from CDP Supply Chain in Spring 2022. Until then, we are using the FY19 figure. We anticipate that the FY20 figure will be lower than FY19.

DECARBONIZE COMPUTE

Industry-Leading Solutions

By squeezing more performance out of the same power envelope, Arm is striving to reduce carbon emissions while maximizing impact wherever compute happens. Our low-power, foundational technology empowers our ecosystem to deliver low-carbon solutions in pursuit of a net zero emissions future.

The number of Arm-based chips shipped continues to accelerate, with more than 100 billion devices shipped over the last five years. At the current rate, 100 percent of the world's shared data will soon be processed by Arm, whether at the end point, in the data networks, or in the cloud. This pervasiveness places a responsibility on us to deliver the best performance per watt we can, driving down emissions by unlocking efficiencies and reducing global energy consumption.

Introducing the Armv9
During FY20, Arm released its first new architecture in a decade. Armv9 is designed for AI, security, and enhanced computing. Building on the success of Armv8, which today drives the best performance per watt everywhere computing happens, Armv9 will be the foundation of the next decade of compute.

Armv9 Cortex central processing units (CPUs) are the bedrock of our wider Total Compute strategy. This takes a holistic system approach to Systems on a Chip (SoC) design to ensure our solutions can seamlessly and securely handle ever more complex and compute-intensive workloads and use cases. Over the past five years, Arm designs have increased CPU performance annually, at a rate that outpaces the industry. We will continue this momentum into the Armv9 generation.

Balancing performance, power, and area, the new Armv9-based Cortex-A700 series CPUs prioritize sustained performance for demanding workloads while also maximizing battery life. The Arm Cortex-A710, for example, delivers a 30 percent energy efficiency gain and 10 percent performance uplift at the same power envelope of the previous generation Arm Cortex-A78 CPU.

Future Solutions
Over the next few years, billions of connected devices are set to pave the way for smarter, greener environments, enabling the widespread sensing and gathering of data to streamline processes and reduce consumption of Earth's resources. Reducing the power used by each individual chip could yield huge savings at a global level, allowing devices to run on small batteries or even on energy harvested from their environment.

The microcontroller developed as part of Project Triffid—one of many long-term research projects we have in progress—does precisely that, running on harvested energy rather than relying on a battery.

From the largest data centers to the tiniest sensors, we have an opportunity to reduce the impact of compute technology while maximizing its benefits. By helping our ecosystem decarbonize compute, we can spark the world's potential to be part of the climate solution, building a more sustainable and efficient future for everyone.

Arm's Cortex-A710 delivers a 30% energy efficiency gain and 10% performance uplift
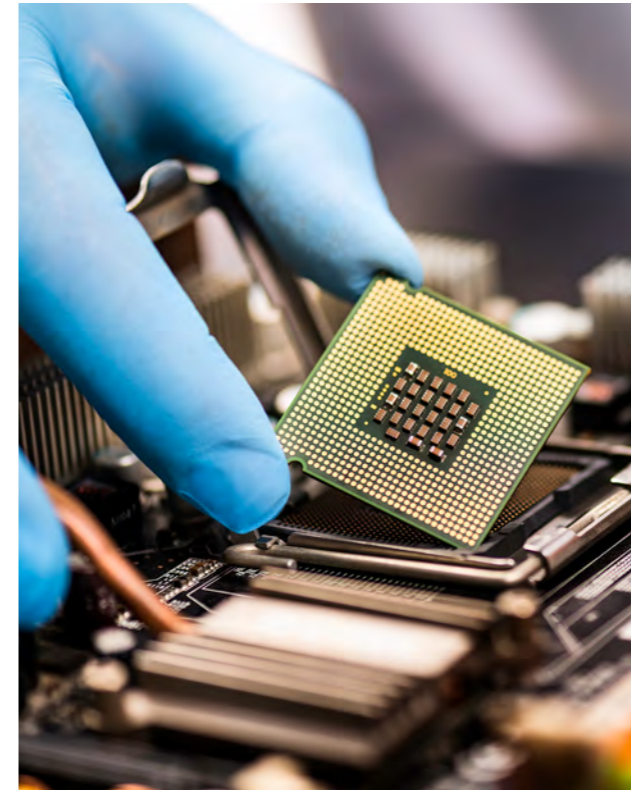
Partnership With Amazon Web Services
Arm's Neoverse cores are used in Amazon Web Services' (AWS) Graviton2 processors, which deliver a 40 percent price performance uplift at the same power consumption. This effectively increases the amount of work achieved per watt while lowering the cost—and the carbon footprint.

Thanks to this partnership, AWS customers such as Snap, Twitter, Netflix, and Redbox are seeing improved performance and service capacity while using fewer resources and reducing costs.

Benefits of our CPU innovation include:

- **Best price performance for a broad spectrum of workloads**—uses include high-performance computing, electronic design automation, and database applications
- **Extensive ecosystem support**—AWS Graviton processors are supported by popular Linux operating systems, as well as independent software vendors
- **Power efficiency**—with up to 3.45 times higher performance per watt than traditional architectures, the AWS Graviton2 can increase compute density and lower carbon footprint

Closing the Digital Divide

At Arm, we believe that connectivity is not a luxury but a basic human right. Today, around half the world's population still does not have access to the internet, which can amplify social exclusion. Together with our partners, we're determined to help close the digital divide as we strive to connect everyone, everywhere.

Arm understands that truly sustainable business models are inclusive, equitable, and profit-making, allowing them to bring opportunity to local and global customers and open new markets.

Contents

CLOSING THE DIGITAL DIVIDE

Social Impact

We envision a world where technology enables a more sustainable future. With growing populations, chronic conditions, and rising costs, many countries are struggling to deliver their public health commitments. The devastating impact of the COVID-19 pandemic has made these challenges more pressing, highlighting the need for technology companies to actively demonstrate social responsibility.

"Having Arm's people involved in mapping 60,000 buildings is incredible! This contributes in so many ways to the work of OpenStreetMap, but from UNICEF's perspective this will be particularly helpful for our Giga project, designed to connect every school to the internet and every child to information, opportunity, and choice."

Naroa Zurutuza
Data and Tech Lead for Giga, UNICEF

Gavi Project—Boosting Equitable Delivery of Vaccines

Gavi, the Vaccine Alliance is improving access to vaccines for millions of people in lower-income countries. Through our partnership, we aim to enable stronger interoperability of technologies, modularity of tools, and visibility across the vaccine delivery chain to protect every child against deadly vaccine-preventable diseases.

The initial focus of this partnership was to digitize health records through identification technology, making it easier to reach the 20 million children worldwide who are undervaccinated. However, due to the pandemic, we are now supporting Gavi to ensure that COVID-19 vaccines are accessible by all.

Learn more about how Arm technology is accelerating vaccine delivery.

Humanitarian Mapping for UNICEF

Since 2018, Arm colleagues have been contributing to humanitarian mapping, which aims to document previously unmapped regions. Mapping helps identify demand for infrastructure and services, and in the event of a natural disaster or public health emergency, it provides information that is critical to a swift, accurate relief response. To date, over 600 colleagues have contributed to mapping projects, supporting UNICEF and the International Telecommunication Union's joint initiative, Giga. Through Project Connect, data will be used to help countries assess their existing infrastructure, working to bring digital connectivity to local schools.

As part of our "Arm 30" celebrations in 2020, we organized our first global volunteering activity. Working with UNICEF, we identified Kenya as a high-priority country. Makueni County was selected because this area is a known flood risk. Over 14 hours, Arm colleagues collaborated to put Makueni County on the map using OpenStreetMap, mapping an area including 60,580 buildings. This has supported flood resilience planning in the region.

CLOSING THE DIGITAL DIVIDE

Empowering Young People

Empowering people to develop their skills is fundamental to Arm's vision. Our education programs draw on our technological expertise, innovation, and partner ecosystem to support a wide range of students, educators, and researchers. Around the world, we instill confidence in young people to help them overcome life's challenges.

Tackling Sexual Health Taboos in Zambia
As part of our Global Goals Immersion Program, we partnered with the Voluntary Service Overseas (VSO) to introduce Amplio's Arm-based technology in rural Zambia.

According to UNICEF, three in ten Zambian teenage girls are either pregnant or have already given birth, often resulting in girls dropping out of school[8]. Sex education is a taboo subject, particularly in rural areas, so young people can't access essential information about reproductive health and rights. Arm and VSO worked with our long-standing social impact partner Amplio to introduce an Arm technology to Amplio's Talking Book on sexual and reproductive rights. We trained VSO colleagues on how to use and test the Talking Books, which were used as a tool to share information in the Samfya community.

Unfortunately, due to COVID-19, our team were no longer able to visit in person. Despite this setback, we still partnered with VSO and Amplio in early 2021, bringing 100 Talking Books to a community of 16,000 people in northern Zambia. We also helped with the dissemination of accurate COVID-19 information to communities at the onset of the pandemic.

- 8,738 messages were played to 5,204 young people and 10,583 adults
- 99 percent of participating parents agreed that they should talk to their children about sexual health and reproductive rights
- 76 percent of participants accessed HIV testing and counseling

Through the Global Goals Immersion Program, five Arm employees will provide technical support by field-testing a new Talking Book prototype that works with rechargeable batteries.

Supporting Communities

We aim to be a good neighbor in the communities where we operate. This includes investing in the future. By bringing programs into schools, we are helping to equip students with the knowledge they need to build tomorrow's technology solutions.

Uptree
Since 2018, we have partnered with Uptree to support sixth-form students from diverse backgrounds in the U.K. In FY20, Arm employees met 887 students through events and work experience hosted by our Cambridge, Sheffield, Manchester, and Warwick offices. The events were a success: 82.2 percent of participants said events like these helped them to understand careers in science, technology, engineering, and maths (STEM), and 93.9 percent would consider applying for a role at Arm.

In January 2021, Arm expanded our partnership with Uptree as a route for hiring apprentices. We're delighted to have hired our first three apprentices.

Girls Leadership Academy Meetup (GLAM)
Arm is proud to be a sponsor of the Girls Leadership Academy Meetup (GLAM). This project connects girls aged 8–12 from around the world with the skills and confidence to seek leadership roles and create positive change in the world. Over the course of winter 2020/21, we launched GLAM Virtual, a new leadership program.

58
girls heard from inspirational female speakers from the world of technology, coded with women from Arm, and learned how to deliver business pitches.

13
Arm colleagues volunteered to help deliver the program.

81%
of girls said they wanted to continue coding.

8   Al Jazeera (2019), *In Zambia, poverty and social exclusion spur teenage pregnancies.* Source: https://www.aljazeera.com/features/2019/4/11/in-zambia-poverty-and-social-exclusion-spur-teenage-pregnancies

Global Problem Solvers

To effectively build responsible technology that empowers innovators, we must nurture the diverse perspectives necessary to solve complex global challenges. We work with our people and social impact partners to extend our sphere of influence for greater positive impact.

Sparking the world's potential requires bright minds and the space for everyone to contribute. From our people to our partners and our broader ecosystem, we aim to nurture the diverse perspectives that drive inclusive innovation. By working together to embrace diversity in all its forms, we can deliver fair, ethical, cutting-edge technology to solve complex problems in a digitally connected world.

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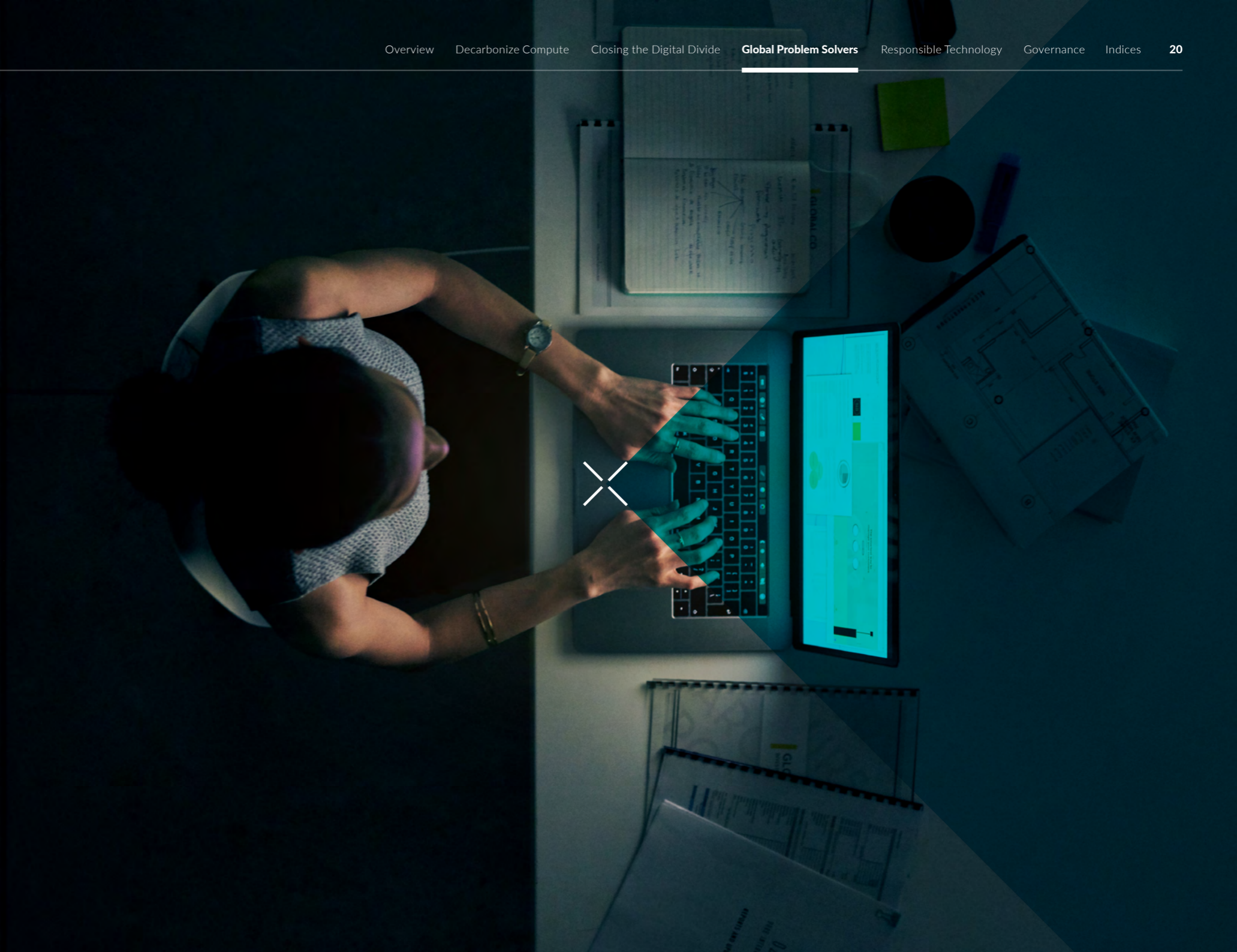
GLOBAL PROBLEM SOLVERS

Our People

As a business, we rely on a strong workforce of passionate employees. We encourage everyone to bring their best selves and their best ideas to work, building a culture focused on empowering our people.

Our Core Beliefs are simple, memorable, and rich in meaning. Together, they fully articulate the uniqueness of Arm's culture. By embracing the Core Beliefs, we create a workplace that people love, and where each of us adds more value and, ultimately, increases our competitive advantage.

We, not I
means collaboration first, ego last.

Passion for progress
refers to innovation that enables our ecosystems, Arm, and our people to thrive.

Be your brilliant self
is exemplified by skillful individuality, performance, and fulfillment.

Year ending March 31, 2021

Total established employees worldwide

6,370

FY18: 5,985   FY19: 6,732   **FY20**: 6,370

Employees* by gender

● Male	5,027
● Female	1,298
● Other	1
● No Information	44
Total	**6,370**

Employees* by age

<21	21–30	31–40	41–50	51–60	61–70	>70
60	1,653	2,224	1,631	969	99	7

FY20

* Only refers to established employees.

Promotion of Worker Health

We believe in actively supporting the wellbeing of our colleagues. One way in which we do this is through providing "Days of Care." These additional days off work are designed to put the whole company in quiet mode, allowing colleagues time to recharge. These are offered to all our people on a quarterly basis.

In FY20, our priority was to enable Arm employees to lead our community COVID-19 response work. We set up a COVID-19 matched giving campaign, pledging $500,000 to match staff donations to local charities. Arm raised a total of $750,000 including matching, thanks to the generous donations from over 1,500 colleagues.
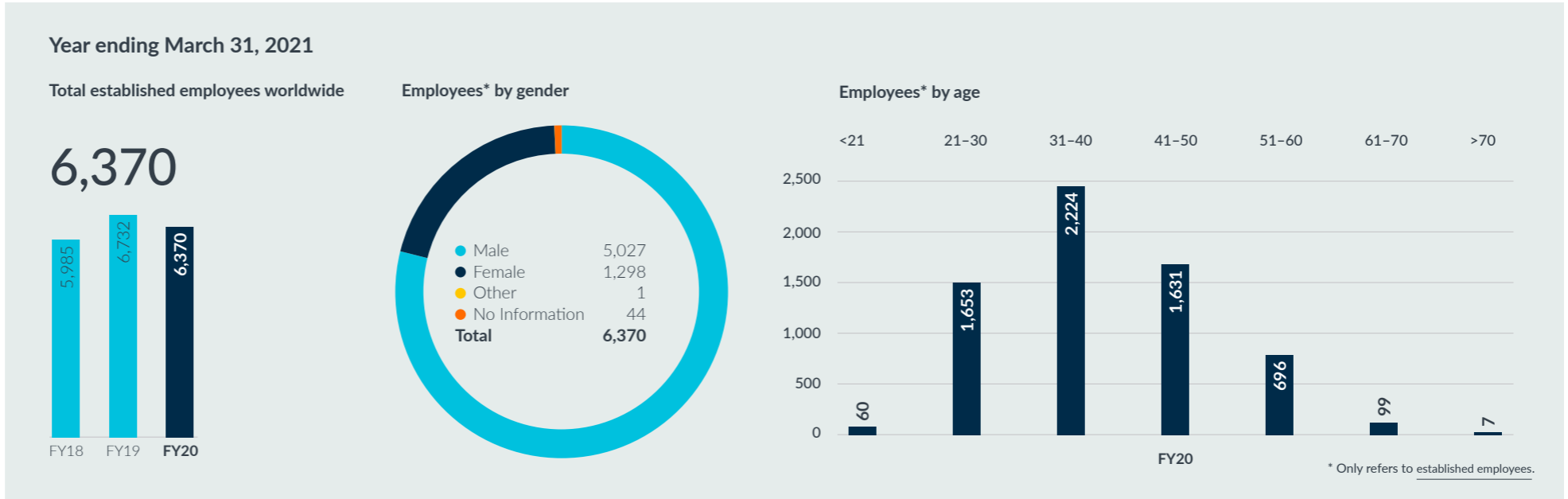
We also set up a COVID-19 Community Fund to provide longer-term support to our communities. We gave grants to charities supporting those most affected by the pandemic. Colleagues were invited to nominate causes, resulting in $670,000 awarded to 125 charities and non-profit organizations.

The following are further examples of resources available to our employees:

- Fundraising on specific health issues such as cancer
- Centralized global Wellbeing Hub and blog for a wealth of information, guidance, examples, and resources to support individuals, including resources to support emotional, mental, social, and financial wellbeing

- Specialist training, such as Managing Mental Health at Work courses and managing stress sessions available to all
- Access to applications and specialist counseling for mental health and other concerns

Training and Development

Arm's strategy for developing its people does not focus on the quantity of training hours, but on providing quality training tailored to individual needs to ensure all our employees can succeed in both the short and long term. Our Global Learning and Development team leads career development initiatives.

Our modular program, Essentials, is designed to empower and upskill People Managers at Arm. The course covers critical People Manager skills such as communication, delegation, and change. We ask several development-related questions in our annual Employee Engagement Survey, which allows us to track the success of initiatives like Essentials and identify focus areas for the year ahead.

833 managers reached through the Essentials program in FY20

GLOBAL PROBLEM SOLVERS

Employee Engagement

To continue building a workplace that we are proud of, we run an annual Employee Engagement Survey. This year, our survey was conducted after 15 months of living through the COVID-19 pandemic[9], with many colleagues working from home and managing more complex work-life dynamics.

FY20 Employee Engagement Survey highlights:

94%
of our people are proud to work at Arm.

92%
believe that people at Arm treat each other with respect.

91%
felt supported to adjust to COVID-19 working conditions.

72%
of our people receive regular feedback to help improve performance.

71%
say their manager helps with career planning.

80%
global employees completed the survey.

The survey results highlighted focus areas for Arm to further improve employee experience, such as providing extra support in health and wellbeing, building future talent, and managing change in our continually uncertain world.

Diversity, Equity, and Inclusion Strategy

As we move into the next wave of computing, we need more diverse minds to drive innovation. At Arm, we embrace our differences, valuing, respecting, and recognizing that each of us adds value. Diversity is how we come together to become a stronger team to support the future of technology.

The majority of our people (88 percent) said colleagues around them create an inclusive environment, and 84 percent said different perspectives are valued at Arm. While these are strong scores, we are aiming for 100 percent for these responses in future Employee Engagement Survey responses.

Our DEI strategy has four pillars: people, culture, leadership, and partnerships. Each pillar includes focus areas and key performance indicators to ensure we take an active approach where everyone makes a purposeful shift toward driving DEI across Arm.

Arm's commitment to DEI:

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

Gender Pay and Parity
Addressing the gender pay gap is an area of active focus for the Company. Results from our pay equity analysis will be reviewed by the Executive Committee, with the support of external consultants who have been engaged to advise on the Company's approach to diversity and inclusion.

During 2020, we analyzed the factors that drive gender pay globally, creating a statistical model to calculate the expected salary for all individuals based on those factors. This formed the basis for a whole company fair pay review to address promotion rates, pay increases, bonuses, and other factors across groups and countries.

For further details, read our UK Gender Pay Gap Report 2020.

Community & Inclusion
Arm is committed to building a diverse technology industry. Our employee engagement teams invest in organizations that connect underserved and underrepresented people to encourage them to pursue careers in STEM. We invest through financial contributions and also through company-sponsored employee volunteering time.

Women represent 20 percent of Arm, and just 13 percent of Arm engineers are female. However, gender diversity is not a challenge unique to Arm—it impacts the whole industry. We are encouraging girls to pursue STEM from a young age, as we believe this is key to addressing this challenge for the long term.

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[9]   The 2021 Employee Engagement Survey was carried out during June 2021 to reflect the experiences and views of our people during the preceding 12 months (FY20).

Arm Sustainable Business Report Year Ending March 31, 2021

Overview   Decarbonize Compute   Closing the Digital Divide   Global Problem Solvers   **Responsible Technology**   Governance   Indices   **23**

Responsible Technology— Sparking Solutions to Global Problems

We live in a time of increasing disinformation, security breaches, and cyberthreats. The need for ethical, secure technology is therefore critical to Arm's continued market position, building strong relationships, and maintaining our license to operate.

We take a strong moral stance on issues such as AI ethics, security, and safety. Arm continues to drive industry standards and promote responsible technology, leading the sector to act with ethics front of mind.

Contents

RESPONSIBLE TECHNOLOGY

Ethics, Privacy, and Security

Arm is an advocate for new technology that places ethics at the forefront of development. Technology is empowering change, driving innovation, and creating exciting new possibilities—but to really improve lives, trust, security, and privacy are essential.

Arm combines the hardware, software, tools, and strategic partners needed to accelerate development in a secure and ethical way. The Arm Security Manifesto describes threats to the data-driven world, details our responsibility as guardians of the information revolution, and discusses the Social Contract for Security all technology providers need to rally behind.

Our AI Ethics Review Committee and AI Ethics Steering Group help assess whether projects align with Arm's goal to create AI that is ethical by design. Our approach to ethical AI, including how we embed these principles into our design processes, is detailed in our AI Trust Manifesto.

Arm was selected by the Ethisphere® Institute as one of the World's Most Ethical Companies—one of just 132 companies globally that earned the distinction.

Addressing Misinformation

Arm is excited to be part of the new Coalition for Content Provenance and Authenticity (C2PA), co-founded with Adobe, Intel, the BBC, Microsoft and Truepic. C2PA was created to address misinformation and disinformation, which are rising in various forms across the internet.

We believe technology must be at the center of minimizing the harmful effects of misinformation. Through C2PA, we're developing a standard for tracing the origin and evolution of digital content, ensuring an accurate track record of any changes made. C2PA offers anyone publishing or accessing media via the internet the opportunity to demonstrate:

a) That the content comes from where it says it does
b) That the content is in the state the publisher intended

We will look at ways to ensure that these standards apply wherever Arm hardware is deployed and add more specific technical expertise around security needs at the silicon level.

> **"We welcome the opportunity to participate in the C2PA provenance work, which has the potential to support audience confidence in news at a time when trusted sources of information are more important than ever."**

Jatin Aythora
Chief Architect, BBC

Integrity Awareness Month

In November 2020, Arm participated in Integrity Awareness Month, demonstrating our commitment to ethical technology with a series of activities. We launched the Arm Ethics Survey to gather insights into how ethical behavior runs through our culture. This survey was part of a wider initiative sponsored by our partner company, the SoftBank Group, driving engagement with operational compliance across the Group. We also implemented Manager Integrity Toolkits for leaders at Arm and launched an internal campaign where colleagues from across the business shared experiences on issues of privacy and data security.

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RESPONSIBLE TECHNOLOGY

Combating E-waste

Although the power consumption of PCs, data centers, and other digital systems has stayed relatively stable over the last decade, computing's share of electricity is set to grow due to the increasing adoption of AI and other technologies. Arm is driving down compute's energy consumption through focusing on performance per watt.

Creating high-performance technology also comes with the potential for high amounts of waste generation.

Right to Repair

More technology also brings the potential for more e-waste. The world generated a shocking 53.6 megatonnes (Mt) of e-waste in 2019[10], with that figure predicted to hit 74.7 Mt by 2030. Only around 17 percent of global e-waste is recycled, so consumer right to repair[11] is key to extending the life of products, reducing e-waste, and improving the environmental footprint of technology.

While Arm does not manufacture devices and cannot directly impact levels of e-waste, we can support our partners in their efforts to tackle e-waste and extend device longevity in a number of ways:

- **Stable architecture that maintains backward compatibility**—some of our newer architecture extensions are backward compatible, allowing for software targeting new features to run on older devices without support, extending the life of older hardware

- **Integrated, standardized security** that makes it easier for device manufacturers to prolong support, reducing vulnerability to attacks and, ultimately, extending the device's lifecycle
- **System-level optimization**, a flexible, scalable approach that can accelerate performance with minimal impact to the energy and area required to power new devices, but also ensures that aging devices retain top performance, extending their useful life
- **Supporting open-source software**—operating systems, libraries, tools, and applications—on Arm systems. When hardware is supported from the upstream of operating systems, open source can extend the lifetime of devices. For example, it can allow new features and critical security updates to be applied long after formal support from a vendor has ended
- **Providing open documentation that is key to repairing a device**. Lack of documentation can be a major roadblock when repairing or adapting legacy hardware and Arm makes documentation available for some older hardware dating to the mid-1990s

Nurturing the Next Generation of Sustainable Innovators

Arm participates in the UN Global Compact's Young SDG Innovators Programme, which activates future business leaders, challenging them to rethink traditional business models in pursuit of the Global Goals.

The current cohorts are examining sustainable design, e-waste, and ways to reduce carbon across the total lifecycle of a product. Young innovators are exploring how decisions made during chip development can have an impact, even at the end-of-life stage.

The program is designed to engage the company's best talent by delivering tangible solutions and delivering on Arm's sustainability objectives. Finding new solutions to emerging problems is at the core of what we do.

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[10]   Global E-waste Monitor 2020. Source: https://www.itu.int/en/ITU-D/Environment/Pages/Spotlight/Global-Ewaste-Monitor-2020.aspx

[11]   UK Gov (2021) *Electrical appliances to be cheaper to run and last longer with new standards* Source: https://www.gov.uk/government/news/electrical-appliances-to-be-cheaper-to-run-and-last-longer-with-new-standards

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Governance, Ethics, and Code of Conduct

At Arm, we are innovative, trusted, and able to respond rapidly to change. We are guided by a clearly defined governance framework that begins with the Board of Directors.

As Arm's business continues to grow, our governance framework also evolves to ensure it stays relevant. This includes our Code of Conduct, upon which our ethics and compliance program is built. To ensure our approach to compliance is as relevant as possible, we consider the most recent legislation, regional regulations, and industry best practice guidelines.

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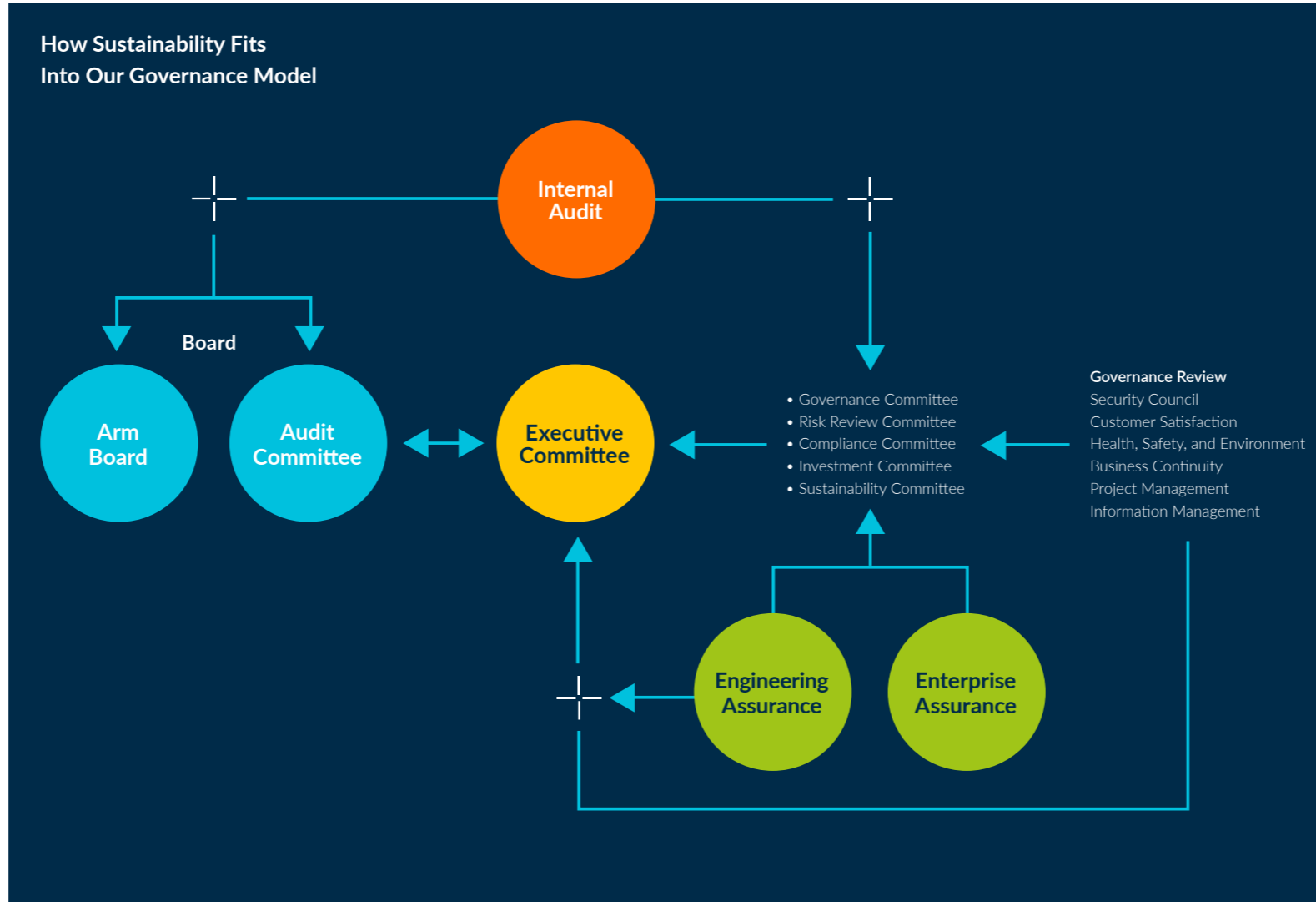GOVERNANCE, ETHICS, AND CODE OF CONDUCT

Our Governance Structure

As Arm is a subsidiary of SoftBank Group, overall governance responsibility exists at Group level.

Read more about our corporate governance.

The Arm Board is responsible for the overall conduct of the business, with the Executive Committee responsible for its day-to-day functioning. This includes delivering the business strategy, embedding corporate culture, and allocating capital. The Audit Committee, supported by Internal Audit, provides independent oversight of our business activities.

The Board comprises individuals of Korean, Japanese, American, Bolivian, Indian, Middle Eastern, and British origin. Although the directors represent various global regions, there remains a lack of gender diversity that Arm is seeking to address.

The Compliance Committee ensures that all necessary compliance issues, such as trading requirements, security policies, and environmental processes, are resolved and appropriate to the needs of the business.

How Sustainability Fits Into Our Governance Model

Internal Audit

Board

Arm Board

Audit Committee

Executive Committee

- Governance Committee
- Risk Review Committee
- Compliance Committee
- Investment Committee
- Sustainability Committee

Governance Review
Security Council
Customer Satisfaction
Health, Safety, and Environment
Business Continuity
Project Management
Information Management

Engineering Assurance

Enterprise Assurance

"Arm's reputation is one of our most valuable business assets, and legal and ethical conduct at all levels is essential to our continued success. When everyone acts with the highest standards of ethical behavior, we contribute to making Arm an outstanding leader in the global business environment."

Carolyn Herzog
EVP, General Counsel, Chief Compliance Officer and Corporate Secretary

Sustainability Management
The Sustainability Committee is responsible for decision-making on environmental and social topics. Composed of senior executives, it meets quarterly to review our approach and drive engagement of our sustainability framework.

Risk Management
Our robust risk management processes are overseen by the Risk Review Committee that identifies, assesses, and manages key operational risks of the business. This includes analyzing emerging risks and identifying plans to mitigate potential impacts. For example, Arm is currently analyzing impacts in relation to the recommendations of the TCFD.

GOVERNANCE, ETHICS, AND CODE OF CONDUCT

Public Policy Engagement

> "Building and sustaining an effective Board is really significant for releasing growth in the business and driving value across our ecosystem."

Simon Segars
CEO, Arm

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

Privacy and Legal Cases
In FY20, there were no substantiated complaints concerning breaches of customer privacy issued to Arm. Arm also received no fines or non-monetary sanctions for non-compliance relating to laws and regulations across all of our locations in FY20.

Discrimination
Arm recognizes that its strength lies in the high caliber of its people and how we conduct business fairly, openly, and with integrity. The foundation of this approach lies in our Code of Conduct (CoC), which includes our Human Rights Policy. All employees are required to sign the CoC every year as part of mandatory training on specific areas, including data privacy, anti-bribery, and corruption.

Our business ethics and discrimination policies are reviewed annually to ensure they remain relevant to the organization, our people, and partners, and to legislation such as the U.K. Modern Slavery Act. We have also signed the Universal Declaration of Human Rights.

In circumstances where ethics-related concerns arise, an anonymous, global whistleblowing hotline is available for all employees. We are proud to report that there were no substantiated incidents of discrimination raised or recorded by Arm during FY20.

Anti-Bribery and Corruption
As a global company, our Anti-Bribery and Corruption (ABC) policies, guidelines, and procedures are based on internationally accepted standards of best practice. As such, all of our employees, including our Executive Committee, receive training on ABC. We require all suppliers to comply with Arm's Supplier Code of Conduct as a condition of working with us. In addition to this, our contractual terms of business set out specific obligations relating to responsible business practices such as anti-bribery.

Arm Management System Training
The Arm Management System (AMS) sets out roles and responsibilities to guide our risk management culture. It details the internal controls that Arm needs to manage both long-term risk and short-term success.

The Arm risk management framework provides robust guidance on our processes, including legal, regulatory, and commercial areas such as tax compliance. Internal Audit is responsible for regularly monitoring our tax control framework.

Continually Improving Stakeholder Engagement
Since FY19, Arm's directors have been reporting against the Wates Corporate Governance Principles for Large Private Companies. During FY20, the Board continued to review how to improve Arm's corporate governance arrangements. In February 2021, the CEO, on the advice of the General Counsel, conducted a review of Arm's Board composition, aiming to understand the level of Arm's compliance with the Wates Principles.

Following this review, the Board approved the design and implementation of a step plan to deliver more effective corporate governance into FY21 and beyond.

GOVERNANCE, ETHICS, AND CODE OF CONDUCT

Smart Supply Chains

As a large organization with an associated supply base, we have an opportunity to drive integrity across our supply chain. Arm Group Procurement supports all business units and is responsible for designing and delivering the full range of supply base projects and solutions. This includes implementing best practice to support our wider strategic goals.

In FY20, the Arm Group spent $553 million across 2,000 suppliers (excluding utilities, property, charities, and Arm entities). Spend with Arm's 16 strategic and 37 critical suppliers accounted for 36 percent of overall spend—$138 million and $61 million respectively. These 53 suppliers, which include IT services, consulting, people services, and providers of electronic design automation, are considered essential to Arm's operations, and are therefore subject to the greatest level of risk management.

Supplier Code of Conduct
Arm's Supplier Code of Conduct was refreshed at the beginning of 2021 to ensure it remains relevant and consistent with our wider governance approach. The Code includes key expectations that suppliers must meet, covering issues such as employment standards, ethics, and health and safety. This document is provided to all existing and new suppliers, which are required to accept the Code prior to working with Arm.

We apply mandatory third-party-verified self-assessment against the Arm Supplier Code of Conduct for those providing certain types of products, goods, or services, or for specific spend thresholds. Arm reserves the right to undertake audits including on-site visits. Where checks do not meet our requirements, we are committed to working together to achieve sustainable improvements.

Arm Group Procurement manages and prevents bribery and corruption risk in our supply base. We require all suppliers to comply with legal and ethical standards. This includes ensuring they are equally committed to preventing bribery and corruption in any form, including facilitation of payments, extortion, money laundering, and other illegal gratuities.

Managing Risk in the Supply Chain
We have begun a process of enhanced engagement with our key suppliers (the top 20 by annual spend, representing around 35 percent of our total spend) on sustainability issues such as climate change.

Arm recently undertook a supplier risk assessment with our five largest suppliers (based on annual spend, this represents 8 percent of our total procurement spend). This involved asking suppliers to answer a detailed questionnaire covering all aspects of business performance across environmental, social, and governance (ESG) criteria. We aim to expand this pilot program to include a larger number and procurement spend percentage in 2021.

Arm implemented a third-party risk management system to support more robust sustainability management, including carbon and energy within our supply chain, during 2021 to 2022. To support this effort, we are working with CDP Supply Chain to gather carbon emission data from our top 500 suppliers. This exercise will contribute to our own environmental disclosure reporting and be used to reduce our environmental impact.

Arm Sustainable Business Report Year Ending March 31, 2021

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United Nations Global Compact

We believe that to be part of the solution, and improve our efforts on critical issues, we must work together. That means working with Arm employees and with external partners.

Arm is proud to be part of the UN Global Compact (UNGC), the world's largest corporate sustainability initiative. We participate in this initiative as part of our wider commitment to achieve a better, fairer world in which technology and economic growth advance the sustainable development of communities everywhere.

Arm is also a member of the LEAD program, an exclusive collection of 38 companies that have been recognized for demonstrating high levels of engagement with the UNGC.

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Communication on Progress

On the following pages, we provide our self-assessed Communication on Progress (COP) to the advanced level for FY20 ending March 31, 2021.

This COP is a summary of the actions we have taken to further the Ten Principles of the UNGC and the 21 advanced criteria that support them, covering the following areas:

- Strategy, Governance, and Engagement
- Human Rights
- Labor
- Environment
- Anti-Corruption
- UN Goals and Issues
- Governance

UNITED NATIONS GLOBAL COMPACT

Communication on Progress

Scope	UNGC Principle	Criteria for UNGC Advanced Level	Comments
Strategy, Governance, and Engagement	Implementing the Ten Principles into Strategies and Operations.	Criterion 1: The COP describes mainstreaming into corporate functions and business units.	Arm Limited Group ("the Group," "Arm") Code of Conduct is available on the Group's website. The Code is regularly reviewed to ensure it is current and relevant; the most recent reissue was in January 2021. In addition, the Company Rules incorporate appropriate provisions to meet our obligations under the U.K. Bribery Act 2010 and other anti-bribery and corruption legislation. A training and communication program for all employees is in place to ensure our people understand the requirements of the Act and the reporting procedures. Our Human Rights Policy is incorporated in our Code of Conduct. Our Supplier Code of Conduct is available here. One of Arm's key performance indicators (KPIs) requires that all new employees, including temporary employees, formally sign off their understanding of and commitment to adhere to all policies that relate to them. Employees are further required to sign off on new policies or significant changes to a policy. Governance, Ethics, and Code of Conduct, Our Governance Structure, p.27 Governance, Ethics, and Code of Conduct, Public Policy Engagement, p.28 Governance, Ethics, and Code of Conduct, Smart Supply Chains, p.29 Our Business, Partnerships and Recognition for Positive Impact, p.5
		Criterion 2: The COP describes value chain implementation.	As electronic devices become more complex and sophisticated, the silicon chips inside them need to work harder. As such, the semiconductor industry is becoming increasingly specialized, with innovative enterprises that focus on specific stages of the value chain. Given the nature of our work as an intellectual property (IP) company, we do not have a material supply chain of raw materials coming into the business. However, we do purchase a wide range of goods and services from many suppliers, which are distributed globally. We attach great importance to the supply side of our value chain, and suppliers are entitled to do business with us, conditional on compliance with the Arm Supplier Code of Conduct. Our Business, Our Technology, p.5 Our Business Model, Designing a Smarter World: Arm's Innovative Business Model, p.7 Governance, Ethics, and Code of Conduct, Public Policy Engagement, p.28 Governance, Ethics, and Code of Conduct, Smart Supply Chains, p.29

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Communication on Progress continued

Scope	UNGC Principle	Criteria for UNGC Advanced Level	Comments
Human Rights	Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights.	Criterion 3: The COP describes robust commitments, strategies, or policies in the areas of human rights.	Arm has signed the Universal Declaration of Human Rights. Our Human Rights Policy is incorporated in our Code of Conduct. This is in addition to related existing policies regarding business ethics and discrimination. Governance, Ethics, and Code of Conduct, Public Policy Engagement, p.28 Governance, Ethics, and Code of Conduct, Smart Supply Chains, p.29
	Principle 2: Businesses should make sure they are not complicit in human rights abuses.	Criterion 4: The COP describes effective management systems to integrate the human rights principles.	Our Human Rights Policy is incorporated in our Code of Conduct. The Compliance Committee oversees the reporting procedures and monitors and escalates reports in appropriate circumstances. Governance, Ethics, and Code of Conduct, Public Policy Engagement, p.28 Governance, Ethics, and Code of Conduct, Smart Supply Chains, p.29
		Criterion 5: The COP describes effective mechanisms of human rights integration.	We have integrated relevant human rights principles into our policies for employees and contractors. Governance, Ethics, and Code of Conduct, Public Policy Engagement, p.28 Governance, Ethics, and Code of Conduct, Smart Supply Chains, p.29
Labour	Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	Criterion 6: The COP describes robust commitments, strategies, or policies in the area of labour.	We do not restrict the rights of our people to freedom of association. The Group does not presently operate collective agreements with any trade unions. In addition, Arm's UK Gender Pay Gap Report 2020 provides further detail on total earnings by gender. Governance, Ethics, and Code of Conduct, Public Policy Engagement p.28 Global Problem Solvers, Diversity, Equity, and Inclusion Strategy, p.22
		Criterion 7: The COP describes effective management systems to integrate the labour principles.	Arm has in place a confidential whistleblowing procedure through which employees can report concerns, make suggestions, and seek advice on aspects of business practices, regulations, or policies without fear of retaliation. Governance, Ethics, and Code of Conduct, Our Governance Structure, p.27 Governance, Ethics, and Code of Conduct, Discrimination, p.28
		Criterion 8: The COP describes effective monitoring and evaluation mechanisms of labour principles integration.	Arm's annual Employee Engagement Survey highlights areas to improve employee experience and to track the success of initiatives. In FY20, we launched the Arm Ethics Survey to understand how ethical behavior runs through our culture and to drive operational compliance across the Group. Arm's Supplier Code of Conduct includes key supplier expectations, covering issues such as employment standards, ethics, and health and safety. This document is provided to all existing and new suppliers, which must accept the Code prior to working with Arm. We require all suppliers to comply with legal and ethical standards. Global Problem Solvers, Employee Engagement, p.22 Responsible Technology, Integrity Awareness Month, p.24 Governance, Ethics, and Code of Conduct, Supplier Code of Conduct, p.29

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Communication on Progress continued

Scope	UNGC Principle	Criteria for UNGC Advanced Level	Comments
Environment	Principle 7: Businesses should support a precautionary approach to environmental challenges.	Criterion 9: The COP describes robust commitments, strategies, or policies in the area of environmental stewardship.	Decarbonize Compute is a core component of Arm's new sustainability framework. Arm has the technology, knowledge, and responsibility to stand with global calls to decarbonize economies. We understand this dilemma, as it conflicts with worldwide processing needs, but our low-power compute and focus on performance per watt addresses this tension. Arm also plans to support innovation in tech-based carbon sequestration solutions. Arm's Sustainability Framework, p.9 Decarbonize Compute, pp.11–16 Responsible Technology, Combating E-waste, p.25
	Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility.	Criterion 10: The COP describes effective management systems to integrate the environmental principles.	The Sustainability Committee (SC) is responsible for decision-making on environmental and social topics. The SC, comprised of senior executives, meets quarterly to review our approach and drive engagement of our sustainability framework. Governance, Ethics, and Code of Conduct, Our Governance Structure, p.27
	Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies.	Criterion 11: The COP describes effective monitoring and evaluation mechanisms for environmental stewardship.	Decarbonizing our economies while delivering exceptional processing to meet the world's expectations is a challenge that we are ready to meet. Across our product range, we're driving down carbon emissions for compute. Decarbonize Compute, pp.11–16
Anti-Corruption	Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.	Criterion 12: The COP describes robust commitments, strategies, or policies in the area of anti-corruption.	Our Anti-Corruption Policy is included within the Arm Code of Conduct. In addition, a specific Anti-Bribery and Corruption Policy has been in place since 2014 and is included in mandatory training and annual sign-off for all employees. Arm's Office of Ethics and Compliance contains specialists in the areas of anti-bribery and corruption, antitrust, U.S. Government contracts, and data privacy. Governance, Ethics, and Code of Conduct, Discrimination, p.28 Governance, Ethics, and Code of Conduct, Anti-Bribery and Corruption, p.28
		Criterion 13: The COP describes effective management systems to integrate the anti-corruption principle.	As above. Adherence and general oversight on anti-corruption is the responsibility of the Compliance Committee (CC). The CC oversees compliance throughout the business with all relevant standards, international regulations, and trading requirements, including direct oversight of internal controls and financial, employment, health and safety, environmental, business continuity, customer satisfaction, and security processes and policies. The CC reports to the Executive Committee and the Audit Committee throughout the year, and its minutes are reviewed by the Audit Committee and the Board. Governance, Ethics, and Code of Conduct, Our Governance Structure, p.27 Governance, Ethics, and Code of Conduct, Anti-Bribery and Corruption, p.28

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Communication on Progress continued

Scope	UNGC Principle	Criteria for UNGC Advanced Level	Comments
Anti-Corruption (continued)	Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery. (Continued)	Criterion 14: The COP describes effective monitoring and evaluation mechanisms for the integration of anti-corruption.	As on previous page. In addition, any concern can be raised in accordance with our confidential whistleblowing mechanisms. Our Office of Ethics and Compliance monitors and reviews approval requests under the Gifts and Entertainment process, through which any Arm employee wishing to give or receive a gift or hospitality from/to a business partner worth £200 or more (or local equivalent) needs to request prior approval. For giving or receiving gifts or hospitality for public officials the value is £15, or local equivalent. We lead globally by example. The decisions that each of us make can have a significant impact. Bribery and corruption are serious international issues and there are many laws, including the U.K. Bribery Act and the U.S. Foreign Corrupt Practices Act, that prohibit corrupt conduct and create offences with serious penalties for both companies and individuals who break those laws. We do not offer, give, accept, or agree to accept bribes under any circumstances, nor do we tolerate anyone acting on behalf of Arm engaging in such behavior. Specifically, we never offer, promise, or provide anything of value to anyone, whether commercial partners or public officials, to secure any advantage, obtain or keep customer business, or influence any commercial decisions. Neither do we accept or demand anything of value to influence our decision-making on behalf of Arm. "Anything of value" is very broad and can include cash, cash equivalents (gift cards), gifts, favors, food, entertainment, and opportunities. Governance, Ethics, and Code of Conduct, Anti-Bribery and Corruption, p.28
UN Goals and Issues	Taking action in support of broader UN goals and issues.	Criterion 15: The COP describes core business contributions to UN goals and issues.	Arm is committed to supporting the Ten Principles of the UNGC and related declarations, policies, and standards. This report represents part of our annual COP to the UNGC. You can read our full COP for the financial year ending March 31, 2021, together with a letter from our CEO confirming our ongoing commitment to supporting the Ten Principles of the UNGC and related declarations, policies, and standards on the UNGC website. United Nations Global Compact, pp.30–37

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Scope	UNGC Principle	Criteria for UNGC Advanced Level	Comments
UN Goals and Issues (continued)	Taking action in support of broader UN goals and issues. (Continued)	Criterion 16: The COP describes strategic social investments and philanthropy.	Our sustainability approach has four main strategic themes: 1. Decarbonize Compute: Working to minimize the environmental impact of our technology. Arm has the technology, knowledge, and responsibility to stand with global calls to decarbonize economies. We understand this dilemma, as it conflicts with worldwide processing needs, but our low-power compute and focus on performance per watt addresses this tension. Arm also supports innovation in tech-based carbon sequestration solutions. 2. Closing the Digital Divide: Extending the reach of our technology to connect everyone, everywhere. Our main aim is to achieve connectivity for everyone, everywhere. Access to the internet and digital technologies is not a privilege; it's a basic human right. 3. Global Problem Solvers: We're nurturing the diverse perspectives needed to solve complex problems, aiming to empower innovators at Arm, and in our wider ecosystem. By working with social impact partners, we're ensuring we can make the greatest possible contribution. 4. Responsible Technology: Responsible and secure technology is critical to maintaining our license to operate, but perhaps more importantly, it helps us to build trust across our ecosystem. We aim to be leaders in our sector by driving industry standards that promote responsible technology. Arm is building fair and inclusive products and remaining true to our morals on issues such as artificial intelligence (AI) ethics, security, and safety. Arm's Sustainability Framework, p.9 Decarbonize Compute, pp.11–16 Closing the Digital Divide, pp.17–19 Global Problem Solvers, pp.20–22 Responsible Technology, pp.23–25
		Criterion 17: The COP describes advocacy and public policy engagement.	Responsible and secure technology is critical to maintaining our license to operate, but perhaps more importantly, it helps us to build trust across our ecosystem. Arm engages with governments and other institutions around the world on a variety of specialist policy issues related to our business interests. These are handled by our Public Affairs and Government Relations teams. We have strict policies on bribery, and we are politically neutral: we do not support political parties or make political donations. We occasionally receive requests to indicate public support for particular policies, and we judge these on a case-by-case basis. All requests are reported to the Public Affairs team. Governance, Ethics, and Code of Conduct, pp.26–29 Responsible Technology, pp.23–25
		Criterion 18: The COP describes partnerships and collective action.	Arm is represented on both the global UNGC LEAD and U.K. network advisory boards. In addition, we are members of the UNGC Business Ambition for Climate and Health and the Action Platform for Reporting on the SDGs. Arm also collaborates with commercial and non-commercial partners in conducting our business activities and in our charitable and philanthropic work. For further detail, see our website. Our Business, p.5 Closing the Digital Divide, pp.17–19

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Scope	UNGC Principle	Criteria for UNGC Advanced Level	Comments
Governance	Corporate sustainability governance and leadership. UNGC	Criterion 19: The COP describes CEO commitment and leadership.	This report, alongside our Sustainability Impact reporting, provides a commitment from CEO Simon Segars to working in partnership across the tech sector and with UN agencies to deliver on the Global Goals. A separate, dedicated declaration of commitment to the UNGC and to implementing the Ten Principles can be found on the UNGC website. The CEO has stated a mission for Arm to be a sustainability leader. Further information on our governance structures can be found on Arm's website and in the Arm Limited Annual Report and Consolidated Financial Statements for the year ended March 31, 2021. CEO Statement, p.3 Governance, Ethics, and Code of Conduct, pp.26–29 United Nations Global Compact, pp.30–37
		Criterion 20: The COP describes Board adoption and oversight.	As Arm is a subsidiary of SoftBank Group (SBG), overall governance responsibility exists at Group level. Further information can be found on the SBG website. The Arm Board delegates responsibility for the management of the business and delivery of strategic objectives to the Executive Committee. This Committee is supported by a sub-committee structure and delegates responsibility to management within the business to deliver corporate strategic objectives on a day-to-day basis. Governance, Ethics, and Code of Conduct, pp.26–29
		Criterion 21: The COP describes stakeholder engagement.	We engage with hundreds of stakeholders around the world every day. At the heart of our business, we have dedicated teams managing relationships with customers, partners, investors, and employees to ensure that their needs are regularly addressed. Other stakeholder groups, such as local community leaders, are engaged on an issue-by-issue basis. Regular engagement involving more than 1,000 of our people and more than 350 external stakeholders enables us to understand the needs, concerns, and expectations of our stakeholders. This allows us to define our material issues and to develop and deliver strategies that respond to those needs. Since FY19, Arm's directors have been reporting against the Wates Corporate Governance Principles for Large Private Companies. Governance, Ethics, and Code of Conduct, Continually Improving Stakeholder Engagement, p.28 Materiality Assessment, p.8

Note that we have not reported against the follow-up questions related to Business and Peace because we do not have operations in high-risk or conflict-affected areas.

Global Reporting Initiative

The following information has been prepared in accordance with Core Global Reporting Initiative (GRI) Standards.

Our reporting is again mapped to the GRI Standards. These highlight the most material topics—those that reflect an organization's most significant economic, environmental, and social impacts or that substantively influence the assessments and decisions of stakeholders. We are also reporting on the 2018 Standards for Occupational Health and Safety, Water, and Effluents and the 2019 Standard on Tax.

GLOBAL REPORTING INITIATIVE

Our Involvement in the Global Reporting Initiative

Arm has been reporting against the GRI framework since 2010. The framework enables reporting that allows comparison to different organizations and analysis, presenting concise but detailed information on issues material to Arm and its stakeholders.

Arm began reporting in accordance with the GRI Core option Standards in 2018. We expect to continue GRI reporting and working with the GRI and other appropriate and global frameworks and organizations to ensure our reporting stays relevant, in line with best practice, transparent, and useful for our stakeholders.

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GRI Index

GRI Standard	GRI Number	Disclosure	FY20 Location and Notes
Organization profile	102-1	Name of the organization	Arm Limited Company
	102-2	Activities, brands, products, and services	Arm Products Arm Solutions Key Highlights From FY20, p.4 Our Business, Our Technology, p.5 Our Global Presence, p.6 Our Business Model, Designing a Smarter World: Arm's Innovative Business Model, p.7 Sparking the World's Potential None of our products or services are banned in any markets.
	102-3	Location of headquarters	Arm Worldwide Offices
	102-4	Location of operations	Arm Worldwide Offices Our Global Presence, p.6
	102-5	Ownership and legal form	Arm Limited is a subsidiary of SoftBank Group (SBG), which owns 75.01 percent. The SoftBank Vision Fund holds the remaining 24.99 percent.
	102-6	Markets served	Arm Solutions Arm Partner Ecosystem Our Global Presence, p.6
	102-7	Scale of the organization	Our Global Presence, p.6 Global Problem Solvers, Our People, pp.21–22 Global Reporting Initiative, GRI Index—Tables, Employee Data, pp.66–72
	102-8	Information on employees and other workers	Our Global Presence, p.6 Global Problem Solvers, Our People, pp.21–22 Global Reporting Initiative, GRI Index—Tables, Employee Data, pp.66–72
	102-9	Supply chain	Arm is an office-based organization with an associated supply base. Arm Group Procurement is a global gateway for third parties to become suppliers. Arm's most significant suppliers (by spend) include professional and legal services and electronic design automation (EDA) tools. Governance, Ethics, and Code of Conduct, Public Policy Engagement, p.28 Governance, Ethics, and Code of Conduct, Smart Supply Chains, p.29
	102-10	Significant changes to the organization and its supply chain	There have been no significant changes to the organization in the period April 1, 2020, to March 31, 2021.

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GRI Index continued

GRI Standard	GRI Number	Disclosure	FY20 Location and Notes
Organization profile (continued)	102-11	Precautionary Principle or approach	Arm does not apply the Precautionary Principle as our direct environmental impact is minimal. Despite this, however, we take this impact seriously and are a LEAD member of the United Nations Global Compact (UNGC), which encompasses environmental commitments. United Nations Global Compact, pp.30–37
	102-12	External initiatives	Welcome to Our Annual Sustainable Business Report, p.2 Our Business, Recognition, Participation, and Awards, p.5
	102-13	Membership of associations	Arm is a member of many external associations and industry organizations in the countries in which it operates. These include the International Telecommunication Union, UNGC, EngineeringUK, techUK, TechWorks, and Business in the Community. Our Business, Recognition, Participation, and Awards, p.5
Strategy	102-14	Statement from senior decision-maker	CEO Statement, p.3 2020/21 Global Compact: Letter of commitment
Ethics and integrity	102-16	Values, principles, standards, and norms of behavior	Our corporate policies aim to prevent sponsorship of illegal activities, including those that violate equal opportunity and discrimination laws and best practice. Governance, Ethics, and Code of Conduct, pp.26–29 Arm's Sustainability Framework, p.9
	102-18	Governance structure	Governance, Ethics, and Code of Conduct, Our Governance Structure, p.27
Stakeholder engagement	102-40	List of stakeholder groups	As a business, we engage with hundreds of stakeholders around the world every day. These can be categorized into seven groups, as outlined below: • Local community • Investors (current owner SBG) • Partners • Industry • Government and regulators • Charitable and community partners • Employees
	102-41	Collective bargaining agreements	We do not restrict the rights of our people to freedom of association. The Group does not presently operate any collective agreements with any trade unions.
	102-42	Identifying and selecting stakeholders	Stakeholders are defined as any internal or external group that can be expected to be affected by our activities, products, and decisions. Stakeholder engagement, as a means of achieving effective collaboration, has been a fundamental part of Arm's business since the Company was formed. Materiality Assessment, p.8

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GRI Index continued

GRI Standard	GRI Number	Disclosure	FY20 Location and Notes
Stakeholder engagement (continued)	102-43	Approach to stakeholder engagement	At the heart of our business, we have dedicated teams managing relationships with customers, partners, investors, and employees to ensure that their needs are regularly addressed. Other stakeholder groups, such as local community leaders, are engaged on an issue-by-issue basis. Regular engagement between Arm employees and our stakeholders enables us to understand the needs, concerns, and expectations of our stakeholders. This allows us to develop and deliver strategies that respond to those needs. Materiality Assessment, p.8 Governance, Ethics, and Code of Conduct, Continually Improving Stakeholder Engagement, p.28
	102-44	Key topics and concerns raised	Our stakeholders contact us to discuss many different topics, and we respond to these queries individually. Materiality Assessment, p.8
Reporting practice	102-45	Entities included in the consolidated financial statements	Arm Limited submits an annual report and consolidated financial statements that are publicly available via U.K. Companies House.
	102-46	Defining report content and topic Boundaries	Welcome to Our Annual Sustainable Business Report, p.2 Materiality Assessment, p.8
	102-47	List of material topics	Materiality Assessment, p.8 Global Reporting Initiative, GRI Index, pp.40–72
	102-48	Restatements of information	No restatements have been made in this report.
	102-49	Changes in reporting	Materiality Assessment, p.8
	102-50	Reporting period	This report covers the period from April 1, 2020, to March 31, 2021. Welcome to Our Annual Sustainable Business Report, p.2
	102-51	Date of most recent report	Arm Sustainability Reports Our last Sustainability Report was released in March 2021 and covers FY19 (year ending March 31, 2020).
	102-52	Reporting cycle	Our reporting cycle is April 1 to March 31.
	102-53	Contact point for questions regarding the report	sustainability@arm.com
	102-54	Claims of reporting in accordance with the GRI Standards	This report has been prepared in accordance with the GRI Standards: Core option.

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GRI Index continued

GRI Standard	GRI Number	Disclosure	FY20 Location and Notes
Reporting practice (continued)	102-55	GRI content index	Our GRI content index is included within this report. Global Reporting Initiative, GRI Index, pp.40–72
	102-56	External assurance	Following an internal audit exercise in 2020, we are in the process of preparing for full external assurance over our non-financial environmental, social, and governance (ESG) reporting to be completed by 2023. Welcome to Our Annual Sustainable Business Report, p.2

GLOBAL REPORTING INITIATIVE

GRI Index continued

GRI Standard	GRI Number	Disclosure	FY20 Location and Notes
Material topics			
ECONOMIC			
Economic Performance			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundaries	Arm is a global business with two revenue streams: licensing and royalty. Arm.com Our Business Model, Designing a Smarter World: Arm's Innovative Business Model, p.7 Materiality Assessment, p.8 Our Global Suppliers
	103-2	The management approach and its components	The Finance function reports to the Executive Committee, which reports to the Board and into SBG. Arm's results are consolidated into the annual SBG report. Materiality Assessment, p.8 Our Global Presence, p.6 Governance, Ethics, and Code of Conduct, pp.26–29
	103-3	Evaluation of the management approach	Governance, Ethics, and Code of Conduct, pp.26–29
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	Our latest financial results are available at Arm Investor Relations. SoftBank Group investor relations
Market Presence			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundaries	Materiality Assessment, p.8 Our Global Presence, p.6
	103-2	The management approach and its components	Governance, Ethics, and Code of Conduct, pp.26–29 Our Global Presence, p.6 Our Business Model, Designing a Smarter World: Arm's Innovative Business Model, p.7
	103-3	Evaluation of the management approach	Governance, Ethics, and Code of Conduct, pp.26–29 Our Global Presence, Business Highlights, p.6 Our Business Model, Designing a Smarter World: Arm's Innovative Business Model, p.7

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GRI Index continued

GRI Standard	GRI Number	Disclosure	FY20 Location and Notes
GRI 202: Market Presence 2016	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	Global Problem Solvers, Diversity, Equity, and Inclusion Strategy, p.22 Global Problem Solvers, Gender Pay and Parity, p.22 Global Reporting Initiative, GRI Index—Tables, Employee Data, pp.67–72 We hire and reward our people based on merit, qualifications, and experience. In the U.K., Arm is a Living Wage Employer. See: www.livingwage.org.uk. We don't collect this information as it is deemed non-applicable to our Company. See gender pay gap reports for the U.K. and France at Arm Sustainability Reports and Resources.
	202-2	Proportion of senior management hired from the local community	We do not have this information available to track. As a global organization, we focus on hiring diverse leadership talent from multiple geographies and may search internally or externally (regionally, nationally, and internationally) to find the best talent. We do relocate leaders to our core locations where appropriate but do not discriminate in the hiring process for any reason. The focus is on acquiring the best talent for Arm. We do categorize significant locations of operation. Hub and satellite offices of significant size, and our leadership teams, are mostly focused in these locations. Global Reporting Initiative, GRI Index—Tables, Employee Data, pp.67–72
Indirect Economic Impacts			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundaries	Materiality Assessment, p.8 Closing the Digital Divide, pp.17–19 Governance, Ethics, and Code of Conduct, pp.26–29 Arm.com
	103-2	The management approach and its components	Governance, Ethics, and Code of Conduct, pp.26–29 Closing the Digital Divide, Social Impact, p.18
	103-3	Evaluation of the management approach	Governance, Ethics, and Code of Conduct, pp.26–29 Closing the Digital Divide, Social Impact, p.18
	203-2	Significant indirect economic impacts	The design of a processor or a library of physical intellectual property (IP) requires a large amount of research and development (R&D) investment and expertise. Arm carries out this function for a large proportion of the technology sector, licensing our technology to partners. We are unable to estimate our indirect economic impacts due to the scale, complexity, and diversity of our value chain. Our technology reaches over 70 percent of the world's population, and through a multitude of different end uses, the billions of chips we ship annually do improve lives and have proven impact in healthcare, education, and poverty alleviation. See our latest Global Goals Impact Report. Materiality Assessment, p.8

GLOBAL REPORTING INITIATIVE

GRI Index continued

GRI Standard	GRI Number	Disclosure	FY20 Location and Notes
Procurement Practices			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundaries	Arm has a self-serve model for procurement. Our central Procurement team develops policies and provides support on processes and technology to enable supplier identifications and sourcing decisions. This model is supported by the Procurement Guide and is available on the Procurement intranet site. The Procurement team supports procurement across Arm's largest locations (the U.K. and U.S.). Materiality Assessment, p.8 Governance, Ethics, and Code of Conduct, Smart Supply Chains, p.29
	103-2	The management approach and its components	The Procurement team reports to the Chief Financial Officer (CFO), who heads the Finance Leadership team. Procurement engages with client groups on procurement via the Procurement team category managers. Governance, Ethics, and Code of Conduct, Smart Supply Chains, p.29
	103-3	Evaluation of the management approach	The CFO represents procurement on the Arm Executive Committee, which reports to the Board.
GRI 204: Procurement Practices 2016	204-1	Proportion of spending on local suppliers	While we encourage spending with local suppliers in our global offices, our localized self-serve procurement model means that we do not have the centralized systems in place to report on the proportion of spending on local suppliers.
Anti-Corruption			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundaries	Boundaries: • Internal: all Arm employees, directors, and anyone acting on Arm's behalf; all businesses and locations • External: suppliers Materiality Assessment, p.8 Governance, Ethics, and Code of Conduct, Smart Supply Chains, p.29
	103-2	The management approach and its components	While anti-bribery and corruption (ABC) is referenced in the Code of Conduct (CoC), it also exists as one of three separate policies requiring sign-off by all employees every year (in addition to the CoC). Governance, Ethics, and Code of Conduct, pp.26–29
	103-3	Evaluation of the management approach	An annual audit is undertaken of the Arm Management System (AMS) by external, independent auditors who test the management system against the requirements of ISO 9001:2015. In addition, the Arm Internal Audit function conducts regular reviews related to aspects of Arm's overall approach to managing sustainability-related compliance risks and processes. We are constantly reviewing Arm's annual sustainability reporting process and format in order for it to remain relevant and accessible for all stakeholders. Materiality Assessment, p.8 Governance, Ethics, and Code of Conduct, Our Governance Structure, p.27

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GRI Index continued

GRI Standard	GRI Number	Disclosure	FY20 Location and Notes
GRI 205: Anti-Corruption 2016	205-1	Operations assessed for risks related to corruption	Governance, Ethics, and Code of Conduct, Our Governance Structure, p.27
	205-2	Communication and training about anti-corruption policies and procedures	Arm's Supplier Code of Conduct The requirement to sign off on the CoC and complete CoC training applies to employees of the whole group (Arm Group, which includes all subsidiaries). One hundred percent of employees are expected to abide by the Code and have access to training. During FY20, 99.2 percent of all full-time employees, fixed-term employees, and contractors completed the online training and confirmation of acceptance of the CoC. We target a 90 percent completion rate. Governance, Ethics, and Code of Conduct, pp.26–29
	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, 2021.
Anti-Competitive Behavior			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundaries	As a global company, Arm bases its Antitrust Policy and guidance on internationally accepted best practice guidelines. Arm's Antitrust Policy mainly focuses on anti-competitive agreements with competitors. Antitrust laws also have broader implications for sales terms and the Company's mergers and acquisitions activity. Boundaries: • Internal: all Arm employees; all businesses and locations • External: n/a Materiality Assessment, p.8 Governance, Ethics, and Code of Conduct, Smart Supply Chains, p.29
	103-2	The management approach and its components	While antitrust is referred to in the CoC, there is also a corporate policy on antitrust. Antitrust training is provided to all employees, with customized content based on employee risk profiles. Governance, Ethics, and Code of Conduct, pp.26–29
	103-3	Evaluation of the management approach	An annual audit is undertaken of the AMS by external, independent auditors who test the management system against the requirements of ISO 9001:2015. In addition, the Arm Internal Audit function conducts regular reviews related to aspects of Arm's overall approach to managing sustainability-related compliance risks and processes. We are constantly reviewing Arm's annual sustainability reporting process and format in order for it to remain relevant and accessible for all stakeholders. Materiality Assessment, p.8 Governance, Ethics, and Code of Conduct, Our Governance Structure, p.27
GRI 206: Anti-Competitive Behavior 2016	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, antitrust, or monopoly practices during the year ending March 31, 2021.

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GRI Standard	GRI Number	Disclosure	FY20 Location and Notes
Tax (2019)			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundaries	Materiality Assessment, p.8 Closing the Digital Divide, pp.17–19 Governance, Ethics, and Code of Conduct, pp.26–29 Arm.com Arm Tax Strategy 2021
	103-2	The management approach and its components	Governance, Ethics, and Code of Conduct, pp.26–29 Arm Tax Strategy 2021
	103-3	Evaluation of the management approach	Governance, Ethics, and Code of Conduct, pp.26–29 Arm Tax Strategy 2021
GRI 207: Tax (2019)	207-1	Approach to tax	Overall accountability for the management of risk resides with the Executive Committee, and that responsibility is delegated to the Risk Review Committee and Compliance Committee. These Committees oversee the Corporate Risk Register, which includes tax risk, and compliance throughout the business with Arm's policies. The Risk Owner and Senior Accounting Officer for tax is the CFO. The CFO assigns the day-to-day operations for the management of tax to the Tax function, led by the Global Head of Tax, who works closely with the business. The Tax function provides an oversight role in identifying, managing, and monitoring tax risk, in addition to providing advice on tax issues and preparing or reviewing tax filings. Arm's Tax function consists of suitably qualified and experienced individuals who have development plans in place to support their ongoing training to ensure they remain up to date with changes in legislation and industry practice. Where there is uncertainty or complexity in how relevant tax law should be applied, external advice may be sought to support Arm's decision-making process, including, where necessary, support with Arm's tax compliance filing obligations. Key tax risk indicators are tracked and reported to the Executive Committee for consideration on a periodic basis. We published our Arm Tax Strategy 2021.

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GRI Index continued

GRI Standard	GRI Number	Disclosure	FY20 Location and Notes
GRI 207: Tax (2019) (continued)	207-2	Tax governance, control, and risk management	Arm's policy is to comply with all applicable laws, rules, regulations, and reporting requirements relevant to the Group. Tax compliance is key to the Group and Arm manages tax in line with its governance framework and risk management procedures, which reflect the regulatory, legal, and commercial environment in which Arm operates. Arm strives to comply with the spirit as well as the letter of the law and seeks to pay the right amount of tax, at the right time and in the right place.

Arm has a robust risk management process in place to identify key risks; assign ownership for each risk at a senior management level; identify existing and planned management activities against each risk; assess the residual likelihood and impact of each risk; and to ensure ongoing monitoring and reporting of each key risk.

Arm has a risk management framework that provides guidance on the Group's risk management processes. The AMS is the business management and governance system used across Arm and sets out roles and responsibilities that guide the risk management culture within the Arm Group. It details the internal controls that Arm needs to manage risk for the long- and short-term success of the business. Captured within the AMS are the policies, procedures, and controls that are embedded in the approach Arm takes to managing risk, including tax risk.

Internal Audit is responsible for regularly monitoring and testing the effective operation of Arm's tax control framework. |
| | 207-3 | Stakeholder engagement and management of concerns related to tax | Arm is committed to paying the correct taxes in each relevant jurisdiction and follows a policy of full disclosure in its dealings with tax authorities worldwide. Arm engages, on a timely basis, with all relevant tax authorities with integrity, transparency, and in a spirit of cooperative compliance.

Arm typically seeks to engage proactively with tax authorities to resolve any uncertainty over the treatment or administration of its tax affairs. The complexity of the tax laws and regulations that relate to Arm's businesses means that from time to time Arm may disagree with tax authorities on the technical interpretation of a particular area of tax law—for example, where there is ambiguity in the law and its intent. Historically, such occasions have been resolved through discussion with the respective tax authority. |
| | 207-4 | Country-by-country reporting | Arm does not publicly report tax paid on a country-by-country basis. However, within our published annual report and consolidated financial statements lodged with U.K. Companies House, we disclose total tax paid, including withholding taxes from which an effective global tax rate can be calculated. |

GLOBAL REPORTING INITIATIVE

GRI Index continued

GRI Standard	GRI Number	Disclosure	FY20 Location and Notes
ENVIRONMENTAL			
Energy			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundaries	Energy consumption is a material topic for Arm, and data is collected for energy consumption from all Arm sites where available. Where consumption data is not available, best estimates are made. For all calculations involving energy consumption, the total is used. Materiality Assessment, p.8 Decarbonize Compute, pp.11–16 Environmental Policy
	103-2	The management approach and its components	Arm integrates climate change into its business strategy both operationally and in the development of future products and services. Operationally, the Sustainability Committee and the Workplace team manage the strategy. The governance structures we have in place at Arm ensure that our direct and indirect activities influencing policy are consistent with our overall climate change strategy. The tone is set from the top, with the CEO providing leadership and driving company-wide support in implementing our climate change strategy. The Arm Sustainability Committee plays a significant role in ensuring consistency across our activities with the principles of the climate change strategy. The Sustainability Committee meets quarterly and reports to the Executive Committee. The Sustainability Committee comprises a number of Executive members and other senior individuals representing sustainability, legal, strategy, finance, and people (HR). The Arm Risk Review Committee will prioritize risks, including climate-related risks, and escalate to the Executive Committee if deemed necessary. Risks are scored using a matrix based on likelihood and impact. Risks of the highest status become corporate-level risks and are reviewed by the board of our parent company. Asset-level risks follow the same applied process for review, escalation, and mitigation within the AMS as company-level risks. Governance, Ethics, and Code of Conduct, pp.26–29 Decarbonize Compute, pp.11–16 Environmental Policy
	103-3	Evaluation of the management approach	Environmental Policy
GRI 302: Energy 2016	302-1	Energy consumption within the organization	Arm does not collect separate data on energy consumption for heating and cooling; this is included in overall electricity and gas consumption. We do not use any energy for steam generation. We do not sell any electricity. To collate energy data and calculate emissions, we use an online portal from Ecometrica. We use the most recent BEIS emissions factors to calculate emissions. Scope 1 (market based): Natural gas (54 tCO_2e) Scope 2 (market based): Electricity (1,821 tCO_2e) Decarbonize Compute, pp.11–16

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GRI Index continued

GRI Standard	GRI Number	Disclosure	FY20 Location and Notes
GRI 302: Energy 2016 (continued)	302-2	Energy consumption outside of the organization	Due to the scale and range of devices powered by Arm technology, we are not able to quantify the energy use of our products in their end use.
	302-3	Energy intensity	Decarbonize Compute, pp.11–16
	302-4	Reduction of energy consumption	Decarbonize Compute, pp.11–16
Water and Effluents (2018)			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundaries	Arm only uses water for employee welfare facilities. Arm collects water consumption data from all sites where the data is available. Where data is not available, best estimates are made based on headcount. For intensity figures, we use mid-year headcount figures including all full-time and fixed-term employees, and contractors (FTE). Materiality Assessment, p.8 Decarbonize Compute, pp.11–16
	103-2	The management approach and its components	The current management approach to water consumption is based on water not being a significant risk to the business or a limiting factor. Decarbonize Compute, pp.11–16
	103-3	Evaluation of the management approach	We continue to improve the scope of water consumption and discharge measurement to report on actuals (rather than estimates) from a greater proportion of our global estate. Decarbonize Compute, pp.11–16
Water and Effluents 2018	303-1	Interactions with water as a shared resource	We assess water risk using World Resources Institute (WRI) Aqueduct mapping data managed by a third-party consultancy to identify our office locations that sit within higher water security risk areas. However, within our business we do not use water for any part of our business operations outside welfare facilities for our employees and a relatively small amount with our HPCDCs. Arm does not withdraw water from wetlands, rivers, lakes, or oceans. Decarbonize Compute, pp.11–16

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GRI Index continued

GRI Standard	GRI Number	Disclosure	FY20 Location and Notes
Water and Effluents 2018	303-2	Management of water discharge-related impacts	Waste water from Arm offices in every location around the world is passed through domestic waste water systems and treated according to local laws and regulations. Decarbonize Compute, pp.11–16
	303-3	Water withdrawal	Arm's water consumption is for general office requirements (personal sanitation, catering requirements, and human consumption) and is sourced through domestic water supply systems. Arm does not withdraw water from wetlands, rivers, lakes, or oceans. Decarbonize Compute, pp.11–16
	303-4	Water discharge	Arm's water consumption is for general office requirements (personal sanitation, catering requirements, and human consumption) and waste water is discharged through domestic water waste systems. Decarbonize Compute, pp.11–16
	303-5	Water consumption	Our total water consumption for FY20 was 30.6 megaliters (down from 91.3 megaliters in FY19). Arm collects water consumption data from all sites where the data is available. Where data is not available, best estimates are made based on headcount. Materiality Assessment, p.8 Decarbonize Compute, pp.11–16
Emissions			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundaries	Arm collects emissions data from all Arm sites where it is available. The data collected includes electricity consumption, gas consumption, and business air travel. Materiality Assessment, p.8 Decarbonize Compute, pp.11–16
	103-2	The management approach and its components	The Arm Risk Review Committee will prioritize risks, including climate-related risks, and escalate to the Executive Committee if deemed necessary. Risks are scored using a matrix based on likelihood and impact. Risks of the highest status become corporate-level risks and are reviewed by the board of our parent company. Asset-level risks follow the same applied process for review, escalation, and mitigation within the AMS as company-level risks. Outputs of the AMS are reviewed by the Executive Committee. Decarbonize Compute, pp.11–16 Governance, Ethics, and Code of Conduct, pp.26–29

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GRI Index continued

GRI Standard	GRI Number	Disclosure	FY20 Location and Notes
GRI 103: Management Approach 2016 (continued)	103-3	Evaluation of the management approach	Governance, Ethics, and Code of Conduct, pp.26–29
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	Decarbonize Compute, pp.11–16 Emissions are calculated using the U.K. Government Department for Business, Energy & Industrial Strategy (BEIS) greenhouse gas (GHG) conversion factors for company reporting.
	305-2	Energy indirect (Scope 2) GHG emissions	Decarbonize Compute, pp.11–16 Emissions are calculated using the latest U.K. Government Department for BEIS GHG conversion factors for company reporting, using an operational control approach. In FY20, we expanded Scope 3 reporting across all 15 categories of emission source, resulting in a significant increase in reported emissions (FY19 was also restated using updated methodology for Scope 3 categories 1 and 2 aligned to CDP Supply Chain data).
	305-3	Other indirect (Scope 3) GHG emissions	Decarbonize Compute, pp.11–16 Emissions are calculated using the latest UK Government Department for BEIS GHG conversion factors for company reporting, using an operational control approach. In FY20, we expanded Scope 3 reporting across all 15 categories of emission source, resulting in a significant increase in reported emissions (FY19 was also restated using updated methodology aligned to CDP Supply Chain).
	305-4	GHG emissions intensity	Decarbonize Compute, pp.11–16 We are no longer reporting on our emissions intensity by headcount as we focus on achieving absolute reductions. Intensity was previously used as a metric for our 2010–2020 emissions and energy consumption targets and is no longer relevant to our new, ambitious net zero targets for 2030 and our commitments to RE100 for 100 percent renewable sourced electrical energy by 2023. We do still report on emissions intensity per $m revenue, which provides a comparable reflection of our environmental footprint by economic output. We continually strive to improve our internal processes and systems for data collection, analysis, and reporting to improve the quality, consistency, and completeness of our data. Therefore, it has been necessary to adjust some prior year reporting on our use of renewable energy to allow for consistency in the methodology applied as we look forward.
	305-5	Reduction of GHG emissions	Decarbonize Compute, pp.11–16 Our environmental performance data for FY20 shows significant variations in absolute terms and in trend from previous years. This is, as may be expected, partly due to the impacts of the COVID-19 pandemic on work and travel patterns of our people. However, the FY20 data also reflects some excellent progress in us moving toward our net zero and 100 percent renewable targets. While COVID-19 clearly had a significant impact on our data, this extraordinary year also allowed us to accelerate new policies and processes that will continue to reduce our emissions in a post-COVID world.

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GRI Index continued

GRI Standard	GRI Number	Disclosure	FY20 Location and Notes
Effluents and Waste			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundaries	Across our global estate, Arm does not have any uncontrolled or unplanned water discharge from its operations.
			All waste streams relating to employee consumption, catering, and cleaning (and other domestic uses) are managed through recognized local or regional agencies.
			Materiality Assessment, p.8 Decarbonize Compute, pp.11–16 Responsible Technology, Combating E-waste, p.25
	103-2	The management approach and its components	The management approach to waste management varies depending on location and region. Our global estate is either rented, leased, or serviced office space, and in many locations, our landlords will be managing the waste removal as well as the effluents. In other locations, waste is managed under contracts for cleaning.
			Decarbonize Compute, pp.11–16 Responsible Technology, Combating E-waste, p.25 Governance, Ethics, and Code of Conduct, pp.26–29
	103-3	Evaluation of the management approach	The current management approach to effluents and waste is under review.
			Governance, Ethics, and Code of Conduct, pp.26–29
GRI 306: Effluents and Waste 2016	306-1	Water discharge by quality and destination	The majority of water use and waste at Arm occurs within office spaces. Where data is available, we collect water consumption data, while best estimates based on headcount are made in facilities where data is not available.
			Arm does not currently have any material impacts or risks relating to water, materials, biodiversity, products and services, compliance, or transport. However, we recognize that all human activities interact with the environment, and consider environmental management to be integral to good business practice.
			Decarbonize Compute, pp.11–16

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GRI Index continued

GRI Standard	GRI Number	Disclosure	FY20 Location and Notes
GRI 306: Effluents and Waste 2016 (continued)	306-2	Waste by type and disposal method	Waste is a material topic but is very difficult to measure across the global estate due to the different approaches to waste and dependency on landlords in many locations. Waste data is not collected consistently across the global estate, and reliable data is only available for some U.K. sites. The types of waste generated from our estate include general office waste, food waste where recycling facilities are not provided, recyclable waste (for example, paper, cardboard, glass, cans, and plastic) and non-recyclable waste such as non-recyclable plastic. We recycle our IT equipment and other electrical waste. Furniture is recycled as much as possible. Decarbonize Compute, pp.11–16 Responsible Technology, Combating E-waste, p.25
	306-3	Significant spills	For the year ending March 31, 2021, Arm recorded no significant spills or unplanned or uncontrolled discharges across its global estate.
Environmental Compliance			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundaries	Environmental compliance is a material issue for Arm. The global estate and all employees are covered by environmental compliance. Materiality Assessment, p.8 Arm's Sustainability Framework, p.9 Decarbonize Compute, pp.11–16
	103-2	The management approach and its components	Arm complies with all current legal regulations and is prepared to adapt to comply with future legal regulations as they come to the fore. The Health, Safety, and Environment (HSE) team is supported by the Compliance Committee to pull in and consult Arm's in-house Legal department (which in turn retains the option to bring in external specialist Legal expertise when needed), enabling the regular and audited processes to keep regular oversight of all types of risks, which include climate change as well as options available/to be made available to better prevent/mitigate risks in short-, medium- and long-term endeavors. Governance, Ethics, and Code of Conduct, pp.26–29
	103-3	Evaluation of the management approach	The management approach to environmental compliance is considered to be sufficient for the current needs of the Company. Governance, Ethics, and Code of Conduct, pp.26–29
GRI 307: Environmental Compliance 2016	307-1	Non-compliance with environmental laws and regulations	No fines or non-monetary sanctions were issued to Arm for non-compliance with environmental laws and regulations in any of its global locations for the year ending March 31, 2021.

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GRI Index continued

GRI Standard	GRI Number	Disclosure	FY20 Location and Notes
Supplier Environmental Assessment			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundaries	Arm has a self-serve model for procurement. Our central Procurement team develops policies and provides support on processes and technology to enable us to identify suppliers and make sourcing decisions. The Procurement team supports procurement across Arm's largest locations (the U.K. and U.S.). Our procurement policies apply to all suppliers set up on the finance system. A small number of low-value suppliers are paid outside of this system.
			The Procurement team is responsible for the Supplier Code of Conduct. Arm Supplier Code of Conduct
			Governance, Ethics, and Code of Conduct, Smart Supply Chains, p.29 Materiality Assessment, p.8
	103-2	The management approach and its components	The Procurement team reports to the CFO, who heads up the Finance Leadership team. Procurement engages with client groups on procurement issues via category managers.
			Governance, Ethics, and Code of Conduct, pp.26–29 Governance, Ethics, and Code of Conduct, Smart Supply Chains, p.29
	103-3	Evaluation of the management approach	The CFO represents procurement on the Arm Executive Committee, which reports to the Board.
			Governance, Ethics, and Code of Conduct, pp.26–29 Governance, Ethics, and Code of Conduct, Smart Supply Chains, p.29
GRI 308: Supplier Environmental Assessment 2016	308-1	New suppliers that were screened using environmental criteria	All new suppliers are sent the Supplier Code of Conduct before being added to the finance system. New suppliers must accept the Supplier Code of Conduct in writing and are therefore self-screened. The Supplier Code of Conduct includes environmental criteria that suppliers must manage and remain compliant with. All new contracts require reconfirmation of compliance with the Supplier Code of Conduct.
			Arm Supplier Code of Conduct Governance, Ethics, and Code of Conduct, Smart Supply Chains, p.29
	308-2	Negative environmental impacts in the supply chain and actions taken	Arm has not identified any materially significant negative environmental impacts in our supply chain that exist as a direct consequence of our operations.
			Governance, Ethics, and Code of Conduct, Smart Supply Chains, p.29

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GRI Index continued

GRI Standard	GRI Number	Disclosure	FY20 Location and Notes
SOCIAL			
Employment			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundaries	Materiality Assessment, p.8 Governance, Ethics, and Code of Conduct, pp.26–29 Global Problem Solvers, Our People, pp.21–22
	103-2	The management approach and its components	Governance, Ethics, and Code of Conduct, pp.26–29 Global Problem Solvers, Our People, pp.21–22
	103-3	Evaluation of the management approach	Governance, Ethics, and Code of Conduct, pp.26–29 Global Problem Solvers, Our People, pp.21–22
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	Governance, Ethics, and Code of Conduct, pp.26–29 Global Problem Solvers, Our People, pp.21–22 Global Reporting Initiative, GRI Index—Tables, Employee Data, pp.67–72
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	All permanent part-time employees receive the same benefits as permanent full-time employees. We offer benefits packages across all of our global offices, including: • Pension/401k schemes • Insurance, such as medical, travel, life, and permanent health insurance • Bonuses There are two types of temporary employees: those employed on a fixed-term basis by Arm and contractors. In some locations, temporary employees do not receive some benefits and are compensated by receiving increased levels of basic pay.
	401-3	Parental leave	We offer parental leave to all our established employees. Global Reporting Initiative, GRI Index—Tables, Employee Data, pp.67–72
Labor/Management Relations			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundaries	Materiality Assessment, p.8 Arm's Sustainability Framework, p.9 Global Problem Solvers, Our People, pp.21–22
	103-2	The management approach and its components	Arm's Sustainability Framework, p.9 Global Problem Solvers, Our People, pp.21–22
	103-3	Evaluation of the management approach	Governance, Ethics, and Code of Conduct, pp.26–29

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GRI Standard	GRI Number	Disclosure	FY20 Location and Notes
GRI 402: Labor/Management Relations 2016	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. Employee participation in collective bargaining agreements is country-specific and subject to country-specific regulation. There is no detailed information available for reporting in relation to this indicator.
Occupational Health and Safety (2018)			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundaries	Data is collected for accidents and near misses across all Arm sites globally. Materiality Assessment, p.8 Global Problem Solvers, Our People, pp.21–22
	103-2	The management approach and its components	Health and safety is part of the AMS and is managed by the Global Health and Safety and Environment team (HSET). The team is focused on the needs of our people, and is responsible for a fast-growing property portfolio of office space while delivering a safe and sustainable environment. Arm approaches health, safety, and welfare by ensuring we exceed all legislation and compliance requirements and by adopting best practice to ensure the safety and wellbeing of our people at work. HSET and the Workplace team have operational responsibility for identifying and managing risks and delivering energy efficiency projects and controlling costs within our estate. The team, which has membership and oversight from BCM (Business Continuity Management), Audit, Workplace, IT, Legal and People departments, meets monthly (a mandatory process enforced by AMS) and discusses current regulations as an ongoing agenda item in every meeting. Governance, Ethics, and Code of Conduct, pp.26–29 Global Problem Solvers, Promotion of Worker Health, p.21 Supplier Code of Conduct
	103-3	Evaluation of the management approach	The current management approach to occupational health and safety has been evaluated and is considered to be sufficient for the current needs of the Company. Arm's Sustainability Framework, p.9 Global Problem Solvers, Our People, pp.21–22 Global Problem Solvers, Promotion of Worker Health, p.21

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GRI Index continued

GRI Standard	GRI Number	Disclosure	FY20 Location and Notes
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	We operate in an industry and in environments that are considered low risk from a health and safety perspective. However, the safety and welfare of employees, contractors, and visitors remain a priority in all our global workspaces. Arm's Global HSET sits within the Workplace Planning & Resilience team, working closely with the Regional Workplace Experience teams, which implement operational aspects of occupational health and safety across the Company. Arm complies with all current regulations and is prepared to adapt to comply with future regulations as they are published. The regional Health and Safety Governance teams (HSGTs) meet on a monthly basis and discuss changes to current regulations as an ongoing agenda item in every meeting. The ultimate responsibility for health and safety sits with the Board and the CEO. Global Problem Solvers, Our People, pp.21–22
	403-2	Hazard identification, risk assessment, and incident investigation	The Arm Workplace team is responsible for ensuring that the Arm offices are safe and secure places of work. Both internal and external risk assessments are carried out regularly, and any actions arising are tracked and reviewed on an ongoing basis. All regions have a dedicated Workplace Experience team, which is responsible for ensuring corrective actions are carried out and that control measures are in place. All accidents, incidents, and near misses are logged centrally, investigated, and reviewed regularly. Global Problem Solvers, Our People, pp.21–22
	403-3	Occupational health services	The Company is continually looking at improving the workplace and wellbeing offerings across all offices. For example, sit-stand desks are now offered in many offices as standard. There is a dedicated Wellbeing team, which carries out display screen equipment (DSE) assessments, and provides physiotherapy and physical wellbeing sessions such as HIIT training, yoga, and pilates. All employees can access online DSE training, as well as an online desk-assessment tool where they are guided through a desk setup and shown how they can make improvements to their desk setup. An online course is available for people who carry out manual handling as part of their job. Medical health insurance is included for employees in certain locations and is also available as an optional, tax-efficient benefit in some locations. Global Problem Solvers, Promotion of Worker Health, p.21
	403-4	Worker participation, consultation, and communication on occupational health and safety	There is no formal process for employee consultation on health and safety. However, it is the responsibility of all employees to report any concerns or maintenance requirements relating to the safe and secure operating environment within or in close proximity to any Arm office. Global Problem Solvers, Promotion of Worker Health, p.21
	403-5	Worker training on occupational health and safety	Health and safety standards, expectations, protocols, and responsibilities are included within the induction process for all new employees.
	403-6	Promotion of worker health	Global Problem Solvers, Promotion of Worker Health, p.21

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GRI Index continued

GRI Standard	GRI Number	Disclosure	FY20 Location and Notes
GRI 403: Occupational Health and Safety 2018 (continued)	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	The Arm Workplace team is responsible for ensuring that the Arm offices are safe and secure places of work. Risk assessments are carried out when large events are taking place within the offices, including when large numbers of external visitors (more than 10 people) are expected to attend an event within an Arm office building.
	403-8	Workers covered by an occupational health and safety management system	The Arm Health and Safety Management System is used to manage health and safety for all employees globally, which includes full-time established employees, fixed-term employees, and contractors. The management system is audited annually through the Arm-wide Enterprise Assurance ISO 9001 audit.
	403-9	Work-related injuries	We do not publicly disclose data on incidences.
	403-10	Work-related ill health	All employees at Arm are required to report any accidents or near misses at work, logging them on an online central portal. The accident and near-miss statistics from the portal are reviewed monthly in the regional HSET meetings. Regional variations in the regulations regarding the reporting of accidents are adhered to. We do not publicly disclose data on incidences.
Training and Education			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundaries	Materiality Assessment, p.8 Global Problem Solvers, Training and Development, p.21 Global Problem Solvers, Promotion of Worker Health, p.21 Global Problem Solvers, Our People, pp.21–22
	103-2	The management approach and its components	Arm's Sustainability Framework, p.9 Global Problem Solvers, Our People, pp.21–22 Global Problem Solvers, Training and Development, p.21
	103-3	Evaluation of the management approach	Arm's Sustainability Framework, p.9 Global Problem Solvers, Our People, pp.21–22 Global Problem Solvers, Training and Development, p.21

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GRI Standard	GRI Number	Disclosure	FY20 Location and Notes
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	7.31 hrs average training hours per full-time employee. As an organization we do not measure individual development based on the training hours. Hence the data provided here is based on the training sessions recorded on our learning management system, which includes mandatory training and compliance-based training. This does not include all training conducted/attended by employees such as Learning communities, external/internal technical trainings, LinkedIn online trainings, virtual Lunch and Learns, and team effectiveness sessions. Global Problem Solvers, Training and Development, p.21
	404-2	Programs for upgrading employee skills and transition assistance programs	Arm's strategy for developing its people does not focus on the quantity of training hours but on providing quality and relevant training to ensure all our employees are provided with the development they need in both the short and long term. Our Global Learning and Development team also leads global initiatives around various development requirements and career development. Additionally, a series of development-related questions are asked in our annual Employee Engagement Survey, allowing us to track the success of initiatives put in place the year prior and identify additional areas of focus for the year ahead. An example of transition assistance support provided to employees is the Essentials program. Essentials is designed to enable and empower People Managers at Arm with awareness and understanding of some of the key skills needed to be an effective People Manager. The program is modular (three modules) and focuses on continuity and practice. It looks at the strengths and work styles of each participant and makes the link to how to best leverage those strengths and styles in their management role. The course also covers critical People Manager skills such as communication, delegation, and change. Global Problem Solvers, Training and Development, p.21
Diversity and Equal Opportunity			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundaries	Materiality Assessment, p.8 Global Problem Solvers, Our People, pp.21–22 Global Problem Solvers, Diversity, Equity, and Inclusion Strategy, p.22
	103-2	The management approach and its components	Global Problem Solvers, Our People, pp.21–22 Global Problem Solvers, Diversity, Equity, and Inclusion Strategy, p.22
	103-3	Evaluation of the management approach	Governance, Ethics, and Code of Conduct, pp.26–29 Global Problem Solvers, Diversity, Equity, and Inclusion Strategy, p.22

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GRI Index continued

GRI Standard	GRI Number	Disclosure	FY20 Location and Notes
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	For the purpose of this disclosure, we define our governance body as the Arm Executive Committee. We do not collect information on other diversity categories such as minority or vulnerable groups. During FY20, two new non-executive directors were appointed to the Board, and the Chief Operating Officer (COO) retired from the Company, resulting in a total of six non-executive directors and one executive director. These two appointments have further increased the range of ethnic diversity and skill sets on the board. The six non-executive directors who represent the shareholders' interests all have business, corporate, finance, and investment expertise in the technology industry. Governance, Ethics, and Code of Conduct, Our Governance Structure, p.27 Global Problem Solvers, Our People, pp.21–22 Global Reporting Initiative, GRI Index—Tables, Employee Data, pp.66–72
	405-2	Ratio of basic salary and remuneration of women to men	U.K. figures were published publicly in April 2020 in our Gender Pay Gap Report. We have completed a comprehensive analysis globally; however, we are unable to share this publicly. Our pay structures don't systematically discriminate based on gender or any other factor—this is shown in the report, but the information is confidential. Global Problem Solvers, Gender Pay and Parity, p.22
Non-Discrimination			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundaries	Materiality Assessment, p.8 Governance, Ethics, and Code of Conduct, Discrimination, p.28
	103-2	The management approach and its components	Governance, Ethics, and Code of Conduct, Discrimination, p.28
	103-3	Evaluation of the management approach	Governance, Ethics, and Code of Conduct, Discrimination, p.28
GRI 406: Non-Discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	There were no substantiated incidents of discrimination raised and recorded by Arm during the year ending March 31, 2021.
Human Rights Assessment			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundaries	Arm has signed the Universal Declaration of Human Rights and integrated relevant human rights principles into our policies for employees and contractors. These include the CoC and the Supplier CoC. Arm also published its first Modern Slavery Statement last year. Boundaries: • Internal—all employees, all businesses and locations • External—suppliers Materiality Assessment, p.8 Arm's Sustainability Framework, p.9 Modern Slavery Statement Code of Conduct

GLOBAL REPORTING INITIATIVE

GRI Index continued

GRI Standard	GRI Number	Disclosure	FY20 Location and Notes
GRI 103: Management Approach 2016 (continued)	103-2	The management approach and its components	As an IP company, our supply chain of raw materials is negligible. As a result, our associated risks are low. We do, however, purchase a wide range of goods and services from a large number of globally distributed suppliers. We require all our suppliers and their employees to commit to Arm's Supplier CoC as a condition of doing business with us. Our Supplier CoC covers labor and human rights and sets out Arm's expectations of suppliers in relation to child labor, forced or involuntary labor, compensation and working hours, and diversity and equality. Governance, Ethics, and Code of Conduct, Discrimination, p.28 Code of Conduct Arm Supplier Code of Conduct
	103-3	Evaluation of the management approach	Our approach has been evaluated and is deemed suitable, given our risk profile in the area of human rights. We review our policies regularly and update them as necessary. Governance, Ethics, and Code of Conduct, Discrimination, p.28
GRI 412:Human Rights Assessment 2016	412-1	Operations that have been subject to human rights reviews or impact assessments	Our operations have not been reviewed for human rights, given our low risk profile.
	412-2	Employee training on human rights policies or procedures	We do not conduct any compulsory training on human rights topics as part of the CoC training and we haven't released any stand-alone training on human rights at this point. There are currently no plans to roll out a specific training module around human rights to all staff.
Supplier Social Assessment			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundaries	Arm has a self-serve model for procurement. Our central Procurement team develops policies and provides support on processes and technology to enable us to identify suppliers and make sourcing decisions. The Procurement team supports procurement across Arm's largest locations (the U.K. and U.S.). Our procurement policies apply to all suppliers set up on the finance system. A small number of low-value suppliers are paid outside of this system. The Procurement team is responsible for the Supplier Code of Conduct. Materiality Assessment, p.8
	103-2	The management approach and its components	The Procurement team reports to the CFO, who heads up the Finance Leadership team. Procurement engages with client groups on procurement via category managers. Governance, Ethics, and Code of Conduct, Smart Supply Chains, p.29 Arm Supplier Code of Conduct

GLOBAL REPORTING INITIATIVE

GRI Index continued

GRI Standard	GRI Number	Disclosure	FY20 Location and Notes
GRI 103: Management Approach 2016 (continued)	103-3	Evaluation of the management approach	The CFO represents procurement on the Arm Executive Committee, which reports to the Board. Governance, Ethics, and Code of Conduct, pp.26–29
GRI 414: Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria	All new suppliers are sent the Supplier CoC before being added to the finance system. New suppliers must accept the Supplier CoC in writing and are therefore self-screened against our social criteria. The Supplier CoC includes social criteria that suppliers must manage and remain compliant with. All new contracts require reconfirmation of compliance with the Supplier CoC. Governance, Ethics, and Code of Conduct, Smart Supply Chains, p.29 Arm Supplier Code of Conduct
Public Policy			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundaries	Materiality Assessment, p.8
	103-2	The management approach and its components	Governance, Ethics, and Code of Conduct, Public Policy Engagement, p.28 Governance, Ethics, and Code of Conduct, pp.26–29
	103-3	Evaluation of the management approach	Governance, Ethics, and Code of Conduct, Public Policy Engagement, p.28 Governance, Ethics, and Code of Conduct, pp.26–29
GRI 415: Public Policy 2016	415-1	Political contributions	The Group does not make any political donations. See Code of Conduct.
Customer Privacy			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundaries	Materiality Assessment, p.8 Governance, Ethics, and Code of Conduct, Public Policy Engagement, p.28
	103-2	The management approach and its components	Governance, Ethics, and Code of Conduct, Public Policy Engagement, p.28
	103-3	Evaluation of the management approach	Governance, Ethics, and Code of Conduct, Public Policy Engagement, p.28 Governance, Ethics, and Code of Conduct, pp.26–29
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	No substantiated complaints concerning breaches of customer privacy were issued to Arm for non-compliance with laws and regulations in any of its global locations during the year ending March 31, 2021.

GLOBAL REPORTING INITIATIVE

GRI Index continued

GRI Standard	GRI Number	Disclosure	FY20 Location and Notes
Socioeconomic Compliance			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundaries	Materiality Assessment, p.8
	103-2	The management approach and its components	Governance, Ethics, and Code of Conduct, pp.26–29
	103-3	Evaluation of the management approach	Governance, Ethics, and Code of Conduct, pp.26–29
GRI 419: Socioeconomic Compliance 2016	419-1	Non-compliance with laws and regulations in the social and economic area	No fines or non-monetary sanctions were issued to Arm for non-compliance with laws and regulations in any of its global locations during the year ending March 31, 2021.

GLOBAL REPORTING INITIATIVE

GRI Index—Tables

Employee Data

Total workforce by employment type, employment contract, and region, broken down by gender	Male	Female	Others	No information	Total
Total established, fixed term, and external*	5,901	1,576	1	472	7,950
Established employees*	5,027	1,298	1	44	6,370
Fixed-term employees*	67	41	0	12	120
External*	807	237	0	416	1,460

Total number of employees by employment type (full time and part time), by gender	Full-time total	Male	Female	Others	No information	Part-time total	Male	Female	Others	No information	Total employees
Total established, fixed term, and external*	7,684	5,749	1,488	1	446	266	152	88	0	26	7,950
Established employees*	6,116	4,881	1,215	1	19	254	146	83	0	25	6,370
Fixed-term employees*	115	65	38	0	12	5	2	3	0	0	120
External*	1,453	803	235	0	415	7	4	2	0	1	1,460

Total established, fixed term, and external, by region	Male	Female	Others	No information	Total
Total	5,901	1,576	1	472	7,950
Asia Pacific	287	79	0	0	366
EMEA	3,833	914	1	451	5,199
India	762	286	0	2	1,050
US & Canada	1,019	297	0	19	1,335

*Employee classifications:
- Established employees are permanent or indefinite employees
- Fixed-term workers include temporary contracts: for example, for short-term requirements, maternity leave, and placements students/interns
- External includes self-employed individuals, contractors, and consultants who are not directly employed by Arm
- New Employee Central system allows employees to select "no gender" so this data is reflected in the "Others" column

Regional variations:
- Arm employs a significant number of placement students/interns on fixed-term contracts over the summer months

GLOBAL REPORTING INITIATIVE

GRI Index—Tables continued

Employee Data (continued)

Total number and rate of new employee hires and employee turnover by age group, gender, and region

Starters—breakdown by gender and region	Male	Female	Others	No information	Total
Total	723	177	1	44	945
Asia Pacific	9	3	0	0	12
EMEA	563	132	1	44	740
India	61	19	0	0	80
US & Canada	90	23	0	0	113

Starters—breakdown by age group and region	<21	21–30	31–40	41–50	51–60	61–70	70+	Unknown	Total
Total	69	535	209	88	36	6	0	2	945
Asia Pacific	0	2	6	1	3	0	0	0	12
EMEA	69	432	151	61	23	2	0	2	740
India	0	57	22	1	0	0	0	0	80
US & Canada	0	44	30	25	10	4	0	0	113

Rate of 15 percent new hires (established only) (total number of new hires/end of March 2021 headcount)

New starters who left within period—breakdown by gender	Male	Female	No information	Total
Total	17	7	0	24
Asia Pacific	0	0	0	0
EMEA	16	6	0	22
India	0	0	0	0
US & Canada	1	1	0	2

New starters who left within period—breakdown by age group	<21	21–30	31–40	41–50	51–60	61–70	Unknown	Total
Total	2	11	4	4	1	1	1	24
Asia Pacific	0	0	0	0	0	0	0	0
EMEA	2	11	3	4	1	0	1	22
India	0	0	0	0	0	0	0	0
US & Canada	0	0	1	0	0	1	0	2

GLOBAL REPORTING INITIATIVE

GRI Index—Tables continued

Employee Data (continued)

Total number and rate of new employee hires and employee turnover by age group, gender, and region (continued)

Leavers—breakdown by gender and region	Male	Female	No information	Total
Total	276	96	4	376
Asia Pacific	4	5	0	9
EMEA	159	49	3	211
India	48	12	1	61
US & Canada	65	30	0	95

Leavers—breakdown by age group and region	<21	21–30	31–40	41–50	51–60	61–70	70+	Unknown	Total
Total	1	86	133	93	47	13	1	2	376
Asia Pacific	0	1	4	4	0	0	0	0	9
EMEA	1	53	76	50	22	7	1	1	211
India	0	23	27	8	2	0	1	1	61
US & Canada	0	9	26	31	23	6	0	0	95

	Percent
Rate of global average turnover for period (total)	5.8
Rate of global average turnover for period (natural attrition)	4.7
Rate of global average turnover for period (unnatural attrition)	1.0

	Male	Female
Total number of employees who took parental leave by gender	266	100
Total number of employees who returned to work after parental leave	258	98
Return to work and retention rates after parental leave, by gender	97%	98%

- Data is for established employees only
- Details provided of number of new starters who left in the same year
- Turnover stats are based on all employees as of March 31, 2021

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GLOBAL REPORTING INITIATIVE

GRI Index—Tables continued

Employee Data (continued)
Diversity and equal opportunity

Gender split	Male	Female	Others	No information	Total
Total established	5,027	1,298	1	44	6,370
Percentage	78.9%	20.4%	0.0%	0.7%	100%

Age split	<21	21–30	31–40	41–50	51–60	61–70	70+	Unknown	Total
Total established	60	1,653	2,224	1,631	696	99	7	0	6,370
Percentage	1%	26%	35%	26%	11%	2%	0%	0%	100%

GLOBAL REPORTING INITIATIVE

GRI Index—Tables continued

Employee Data (continued)
Diversity and equal opportunity (continued)

Management level—gender split	Male	Female	Others	No information	Total
Total	5,027	1,298	1	44	6,370
Executive Committee	6	2	0	0	8
Percentage	75%	25%	0%	0%	100%
Individual contributor	3,410	980	1	44	4,435
Percentage	77%	22%	0%	1%	100%
Management	1,062	225	0	0	1,287
Percentage	83%	17%	0%	0%	100%
Senior management	549	91	0	0	640
Percentage	86%	14%	0%	0%	100%

Management level—age group split	<21	21–30	31–40	41–50	51–60	61–70	70+	Unknown	Total
Total	60	1,653	2,224	1,631	696	99	7	0	6,370
Executive Committee	0	0	0	2	5	1	0	0	8
Percentage	0%	0%	0%	25%	63%	13%	0%	0%	100%
Individual contributor	60	1,534	1,496	858	415	67	5	0	4,435
Percentage	1%	35%	34%	19%	9%	2%	0%	0%	100%
Management	0	118	641	414	103	10	1	0	1,287
Percentage	0%	9%	50%	32%	8%	1%	0%	0%	100%
Senior management	0	1	87	357	173	21	1	0	640
Percentage	0%	0%	14%	56%	27%	3%	0%	0%	100%

- Established employees included only
- New Employee Central system allows employees to select "no gender" so this data is reflected in the "Others" column
- As ethnic origin categories differ by location, it is not possible to report on holistic figures for the whole organization
- Individual contributor: non-managers, any grade; Management: managers Grades 1 to 6; Senior management: managers Grade 7+; Executive Committee: Only those on the Arm Executive Committee

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GRI Index—Tables continued

Employee Data (continued)
Graduate hires and internships

Graduates hired between April 1, 2020, and March 31, 2021—Excludes part-time undergraduates	Male	Female	Others	No information	Total
Total	281	59	1	13	354
Asia Pacific	0	1	0	0	1
EMEA	244	46	1	13	304
India	18	5	0	0	23
US & Canada	19	7	0	0	26

Internships offered by location, April 2020 to March 2021	Number of placements
Total	251
France	25
Hungary	5
India	39
Ireland	1
Norway	9
Sweden	10
Taiwan	1
United Kingdom	107
United States	54

Part-time undergraduates	Number of placements
Total	125
U.K.	125

Location data

Employee office location	Established	External	Fixed term	Grand total
Total	6,370	1,460	120	7,950
North America	1,253	77	5	1,335
U.K.	3,162	906	44	4,112
Rest of Europe	931	29	31	991
Asia, Africa, and Middle East	1,024	448	40	1,512

Includes some locations for home workers.

Arm
110 Fulbourn Road
Cambridge CB1 9NJ
United Kingdom

Telephone +44 (0)1223 400400
www.arm.com

Twitter: @arm
youtube.com/armflix
linkedin.com/company/arm

arm