



Shaping Corporate Responsibility for a Connected World

ARM

ARM Holdings plc
Corporate Responsibility Report 2014

ARM Holdings – An Introduction

Creating a Revolution in Entry-Level Devices



Bringing the internet to the next five billion people

Transforming Mobile Computing



Desktop class performance, mobile class power

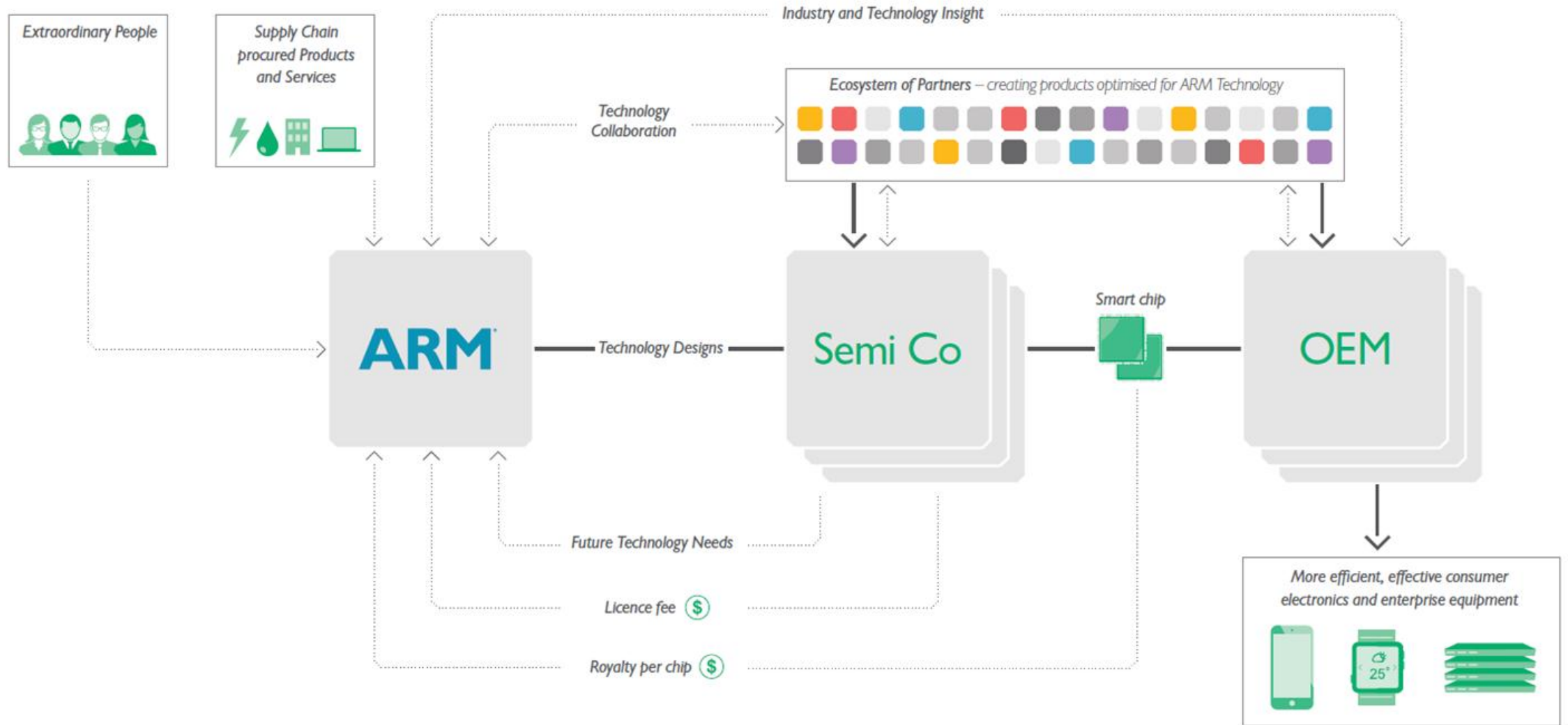
Intelligence and Connectivity Everywhere



Sensing and control enables better use of scarce resources

Our Business Model

How We Make Money



Key

3

— Product delivery
..... Knowledge and money



Opportunities For All

- Innovation in mobile has made advanced technology accessible to the majority of the world's population
- A processor chip for 3G smartphone costs less than \$5
- Smartphones costing \$30 are available today
- Entry-level devices have brought internet connectivity to billions of people

Access to entry-level smartphones is...



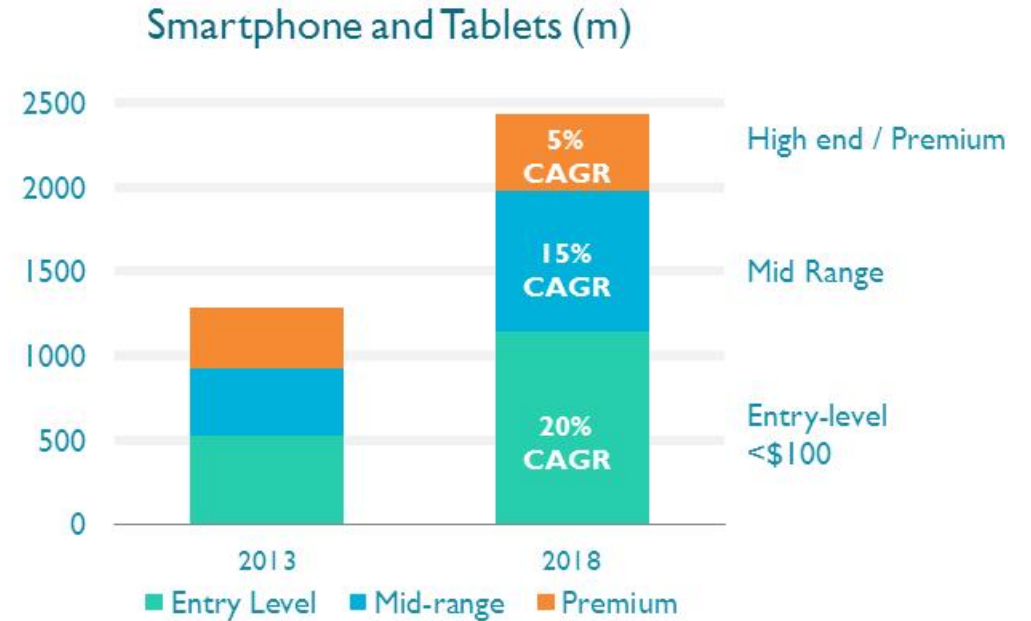
Enabling mobile banking across South America



Delivering transformational medical tools to communities in Africa



Improving disaster response and awareness in South-East Asia



Making Everything Intelligent



SD card contains WiFi/Cortex-M3
FCC certified: allows rapid retrofit

- Smart retrofit for steam apartment heating
- 6 building trial showed >15% energy saving
- Enabled compliance with Local Law 87
- 31,000 steam heated buildings in the Bronx alone

A Platform for Growth

1,198

At the end of 2014, ARM had signed 1,198 licences cumulatively with 389 semiconductor companies.



12 billion

In 2014, ARM Partners reported that they had shipped 12 billion ARM-based chips, taking the total shipped to date to more than 60 billion.



37%

ARM's market share grew to 37%. We retained our high share of chips into mobile devices, and increased penetration into key growth markets such as enterprise infrastructure and embedded intelligence.



+461 employees

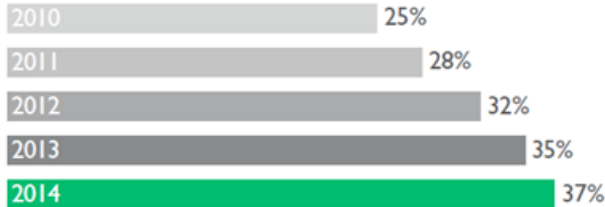
ARM hired 461 net new employees in 2014. More than 50% joined R&D teams developing ARM's next generation technology.



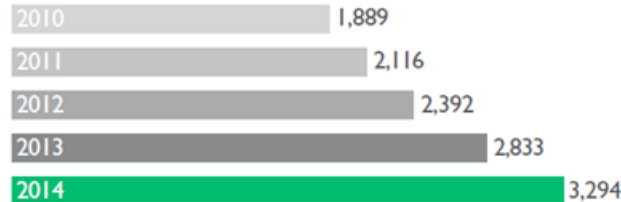
Dollar revenues \$



Market share %



Investment in people number of employees



ARM LN



Corporate Responsibility

Shaping Corporate Responsibility for a Connected World

Our four strategic focus areas for CR are:

Education

Supporting the educational needs of young people by helping teachers and society inspire the next generation of engineers.



Health

Using our technology to drive innovation and collaborating to improve access to affordable healthcare everywhere.



Building an ecosystem

Enabling ARM and its CR Partners to achieve more than they could if operating alone. By developing a shared purpose with our CR Partners, we deliver a bigger impact at lower cost. For example, the 2020 Scholars' Programme we initiated, brought together Villiers Park Educational Trust, The Smallpeice Trust and Arkwright Scholarship Trust.

Encouraging collaboration

Building partnerships through promotion, facilitation and funding. This enables ARM and our CR Partners to deliver the best solutions in the best possible way, supporting replicable open-source models. For example, our support for the global growth of Code Clubs.

Environment

Developing technology that will contribute to a reduction in world-wide carbon emissions through improved efficiency, whilst reducing ARM's direct environmental impact.



Communities

Engaging with local stakeholders, including our own people, and behaving with integrity to support communities wherever we operate.



Working with experts

Our projects are informed by robust evidence and are shaped by the advice and experience of specialists. For example, our ongoing relationship with the Faculty of Education and University of Cambridge is helping us to refine our approach to delivering a Connected Education programme.

Innovation and creativity

Being innovative enables us to tackle complex problems where solutions are not obvious nor have an established precedent.

Determining Report Content

Stakeholder Engagement

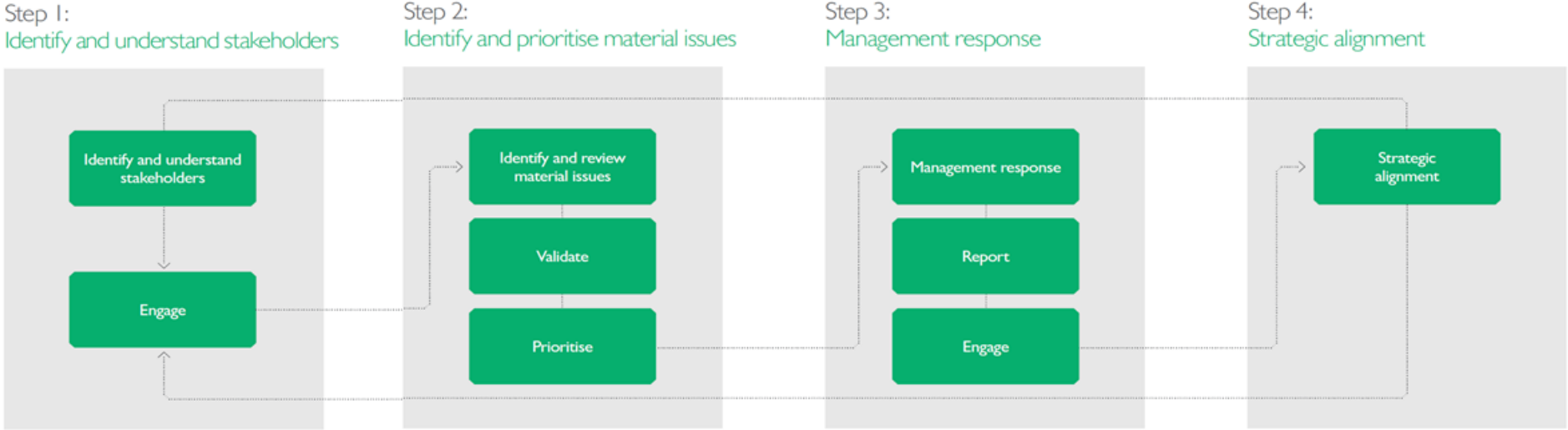
Who we engage:

- Local Community
- Investors
- Commercial Partners
- Industry
- Government and Regulators
- Charitable and community Partners
- Our People



Determining Report Content

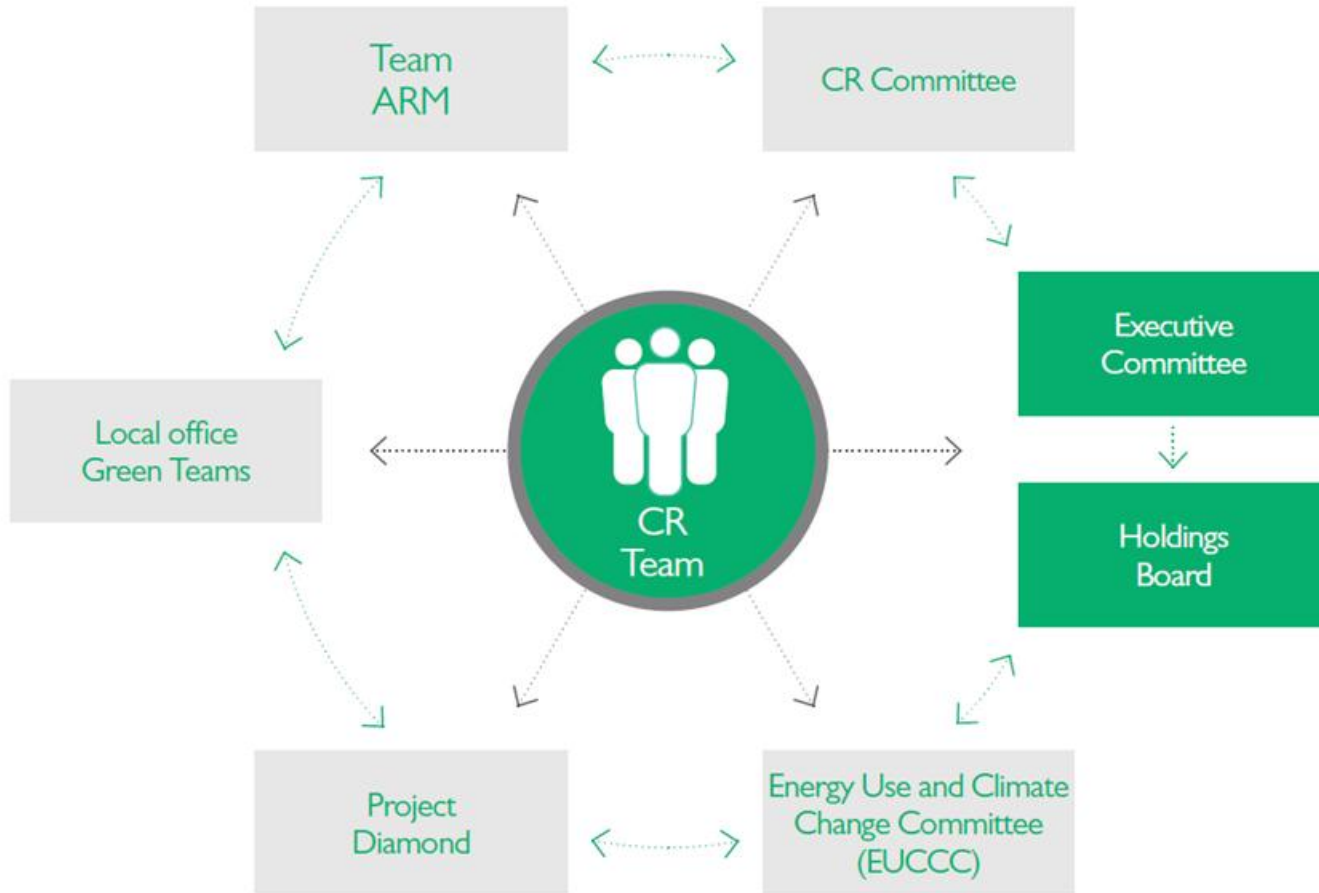
Materiality



Our material sustainability issues	Education	Health	Environment	Communities
Talent attraction, retention and well-being	✓	✓	✓	✓
Innovation	✓	✓	✓	✓
Partnership	✓	✓	✓	✓
Integrity and ethics			✓	✓
Community	✓			✓
Resource efficiency			✓	
Economic performance	Refer to annual Strategic Report and Governance and Financial Report			

Determining Report Content

Governance



- Conflict Minerals
- Code of Business Conduct and Ethics
- Human Rights
- Labour Rights
- Compliance
- Accountability
- Assurance

Determining Report Content

Our Reporting

Frameworks



Global Compact
LEAD
PARTICIPANT



Annual Reports



Recognition



FTSE4Good



Areas of focus

Education



Areas of focus

Communities



Areas of focus

Environment

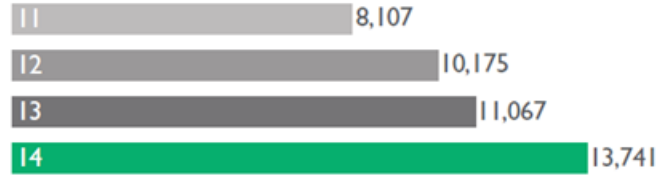


GeSI
GLOBAL e-SUSTAINABILITY
INITIATIVE

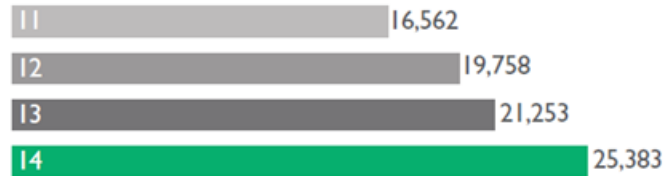


FAUNA & FLORA
INTERNATIONAL

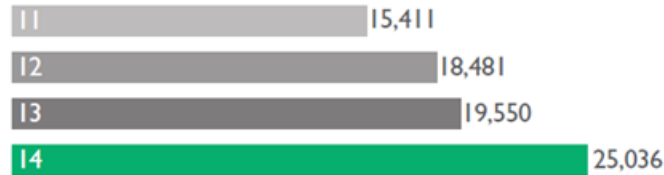
Total scope 1 and 2 emissions (TCO₂e)



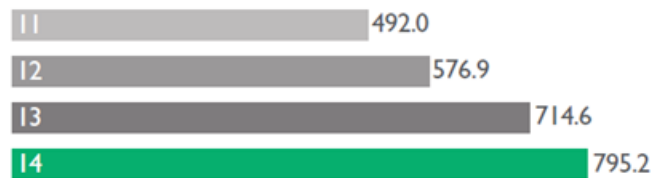
Total emissions (Scope 1, 2 & 3)



Energy consumption Mwh (electricity only)



Sterling revenues £m (normalised)



CO₂e intensity by headcount* (scope 1 and 2)



CO₂e intensity by headcount* (Scope 1, 2 & 3)



Total energy intensity by headcount (Mwh)*



Carbon by economic output (TCO₂e / £m)



Areas of focus

Health



Conclusion

- Low-cost mobile computing is improving the quality of life for billions of people, in all parts of the developed and developing world
- Embedded connectivity and intelligence will lead to efficient use of scarce resources
 - Energy
 - Arable land
 - Infrastructure
- ARM Holdings plc is working to make a difference in Education, Communities, Environment and Health