

Arm Holdings plc
Corporate Governance Principles

Amended July 2024

The Board of Directors of Arm Holdings plc has adopted these principles, which together with Arm's Articles of Association, committee charters and other policies and practices, form Arm's governance framework. The Board periodically reviews and approves updates to these principles. Arm is managed under the direction of the Board of Directors, whose primary responsibility is to protect and promote the best interests of Arm by providing advice, counsel and oversight to Arm's senior management.

I. BOARD ROLE, COMPOSITION AND STRUCTURE

1. **Role.** The primary duty of the directors is to act in the way they consider, in good faith, would be most likely to promote the success of Arm for the benefit of its shareholders as a whole, while having regard to the interests of key stakeholders. It is also the Board's role to oversee the management of Arm with the goal of building and maintaining a successful business, including optimizing long-term financial returns. The Board believes that it is the responsibility of directors to act proactively to ensure that Arm is being managed for the benefit of its stakeholders, including its shareholders, workforce, customers, suppliers/partners and society.
2. **Directors Duties.** In addition to promoting the success of Arm for its shareholders as a whole, the Companies Act 2006 sets out additional duties that directors owe to Arm:
 - a. Directors must act in accordance with Arm's constitutional documents and use their powers for the purposes for which they were granted;
 - b. Directors must exercise their own judgment in performing their role;
 - c. Directors must exercise reasonable care, skill and diligence in their role using their own general knowledge, skill and experience, together with the care, skill and diligence that may reasonably be expected of a person who is carrying out the functions of a director;
 - d. Directors must avoid any situation where they have or could have a conflict or possible conflict of interests with those of Arm and, where it is not reasonably practicable to avoid such conflict or possible conflict, must declare, manage and, to the extent required, seek authorization thereof under the Company's organizational documents;
 - e. Directors must not accept benefits from third parties that have arisen because they are a director and because of their acts or omissions as a director; and
 - f. Directors must declare the nature and extent of any interest they have in a transaction or arrangement with Arm, whether directly or indirectly.
3. **Size of the Board.** The exact number of directors may vary from time to time in accordance with Arm's Articles of Association, based on the Board's assessment of the skills necessary to fulfill the Board's oversight role and to serve the needs of Arm and in accordance with the rights of SoftBank Group Corp. set forth under the Shareholder Governance Agreement by and between Arm and SoftBank Group Corp.
4. **Independence.** Arm will comply with the listing rules of the Nasdaq Stock Market LLC regarding director independence, subject to any applicable exemptions. The Board will affirmatively determine annually that each independent director meets the standards for independence as defined by applicable law and the Nasdaq listing rules. Directors have an affirmative obligation to promptly inform the Board of any material changes in their circumstances or relationships that may impact their designation by the Board as "independent." Pursuant to the Shareholder Governance Agreement with SoftBank Group Corp., to the extent SoftBank Group Corp. nominates a director as an independent director that the Board determines does not meet the applicable independence standards, SoftBank Group Corp. will be required to propose a new nominee.
5. **Nomination Process.** Directors are elected annually for a term of one year. Pursuant to the Shareholder Governance Agreement with SoftBank Group Corp., SoftBank Group Corp has the right to designate a certain number of candidates for election to the Arm Board based on its and its controlled affiliates' ownership of Arm's outstanding ordinary shares, provided that a certain number of such candidates must be "independent" under law or stock exchange rules applicable to Arm's directors at the time of such nomination.

6. **Director Orientation and Continuing Education.** Non-management directors are expected to participate in an orientation program designed by Arm's senior management and overseen by the Board. In addition, Arm will conduct periodic continuing education for directors and will also arrange for director participation in director education programs offered by third parties that are cost effective and relevant. Each director is expected to maintain the necessary level of expertise to perform the responsibilities as a director.
7. **Board Leadership.** The Board is responsible for electing its Chair and establishing a leadership structure that allows the Board to work effectively and collaboratively as a unified team. The Board will exercise its discretion in combining or separating the offices of Chair and Chief Executive Officer. This determination will be based on the Board's judgment of the best interests of Arm from time to time and applicable laws and regulations.
8. **Director Terms and Tenure.** Term limits may result in the loss of unique and valuable insights that long-serving directors provide. The Board does not impose a mandatory retirement age or limits on the number of terms a director may serve because it does not believe they are in the best interests of Arm.
9. **Affiliations of Directors.** Service on other boards and/or committees should be consistent with Arm's conflict of interest policies and should allow directors sufficient time for Board and committee duties. Each director is required to advise the Chair, or their delegate, of any affiliation with public or privately held commercial enterprises and to call to the attention of the Board any such affiliation that may create a potential conflict of interest, potential embarrassment to Arm or possible inconsistency with Arm's policies or values. In addition, each director must advise and consult with the Chief Legal Officer before accepting an invitation to serve on the board of another company. A director must promptly tender a resignation to the Board upon any significant change in personal circumstances that materially impairs his or her ability to serve as a director, including a change in principal position, job responsibilities or situation. The Board will consider the change in circumstance and determine the action, if any, to be taken with respect to such offer of resignation.
10. **Code of Conduct and Conflicts of Interest.** The Board expects all directors to act ethically at all times and to adhere to the company's Code of Conduct. If an actual or potential conflict of interest (or a situation that is reasonably likely to appear to pose a potential conflict of interest) arises for a director, the director shall promptly inform the Chair. If a significant conflict exists and cannot be resolved through recusal or other means, the director should offer to resign. All directors will recuse themselves from any discussion or decision affecting their business, that of their affiliates or any personal interests.

II. BOARD PROCEDURES

1. **Number of Board Meetings.** The Board will meet on a periodic basis, in person or by other means of remote communication permitted by applicable law. Special meetings will be called as necessary.
2. **Meeting Attendance and Preparation.** Directors are expected to attend the annual shareholders' meeting, all regularly scheduled Board and committee meetings or to participate telephonically or by other means of remote communication permitted by law when they are unable to attend in person. Each director is expected to be familiar with the agenda for each meeting, have reviewed the materials distributed in advance of the meeting and be prepared to participate fully in the consideration of all scheduled items of business.
3. **Board Agendas.** Board agendas shall be set by the Chairman, or a director designated by the Chairman, with input from the Chief Executive Officer, Arm's senior management and other directors. Each Board member may raise, at any Board meeting, subjects that are not on the agenda for the meeting.
4. **Conduct of Meetings.** The Board will conduct its meetings in a manner that ensures open communication, objective and constructive participation and timely resolution of issues. To the extent possible, relevant materials will be distributed to Board members well in advance of each meeting.
5. **Confidentiality of Board and Committee Materials and Other Information.** Each director is required to protect and hold confidential all non-public information obtained by virtue of the individual's position as a director, absent the express or implied permission of the Board to disclose such information. Accordingly, no copies of any Board or committee materials distributed to or prepared by the directors, whether printed or electronic, may be retained by any director after the date of a meeting of the Board or committee (as applicable) immediately following the

meeting for which such materials were originally distributed or prepared. This policy allows the directors to retain Board or committee materials for a limited period of time in order to facilitate the review and approval of meeting minutes, while the official copy of all Board and committee materials shall be retained thereafter solely by the company.

6. **Evaluation of Board Performance.** The Board shall establish a process for an annual performance evaluation of the Board, its committees and each director, which process will include candid and constructive feedback on the performance of directors and committees.

III. BOARD COMMITTEES

1. **Board Committees.** The Board has established Committees of the Board and has delegated important responsibilities to them. All significant committee actions will be reported to the Board. Ad hoc committees and subcommittees may be established periodically by the Board. Each committee will comply with the independence and other requirements established by applicable law and regulations, subject to any applicable exemptions under the Nasdaq listing rules. At present, the Board has established the Audit Committee and the Remuneration Committee.
2. **Rotation of Committee Chairman and Membership.** Committee membership and leadership will be determined by the full Board and may be rotated periodically, taking into account the need for continuity and expertise. All directors are permitted to attend all or part of any Committee meeting and are provided access to Committee materials regardless of whether they are members of such Committees. Additionally, pursuant to the Shareholder Governance Agreement with SoftBank Group Corp., SoftBank Group Corp. designees will have proportional rights to representation on the committees of the Board, subject to independence and qualification requirements.
3. **Committee Meetings and Agendas.** Committee chairs, or a committee member designated by the committee chair, in consultation with committee members and Arm's senior management, will determine the frequency and length of committee meetings. Committee chairs, or a committee member designated by the committee chair, in consultation with committee members and appropriate members of executive management, will develop the committee's agenda.
4. **Committee Charters.** Each committee operates under a written charter setting forth its purpose, duties and responsibilities. The charters of each committee are published on Arm's website.
5. **Board Remuneration.** The Remuneration Committee of the Board has the responsibility to review and recommend to the Board for its approval the remuneration of the non-executive directors.

IV. BOARD OVERSIGHT AND RESPONSIBILITIES

1. **Board Reserved Matters.** Although day-to-day responsibility rests with the executive management of Arm and its subsidiaries, there are specific business matters, or Board Reserved Matters, which are only to be decided by the Board of Directors as a whole. Arm's Board has responsibility for determining the matters reserved for its decision. The Board Reserved Matters are not exclusive and do not derogate from the Board's duties and responsibilities. The Board Reserved Matters include, among other things, approval of Arm's long-term strategy, approval of any material changes to Arm's capital structure, oversight of Arm's management and risk oversight.
2. **Leadership Review and Development.** The Board is responsible for appointing Arm's executive officers, including the Chief Executive Officer, and planning for their succession. The Remuneration Committee of the Board, with input from the non-employee directors, will conduct a review at least annually of the performance of senior management. In accordance with its charter, the Remuneration Committee will establish the evaluation process and determine the criteria on which the performance of the CEO is evaluated.

V. OTHER MATTERS

1. **Board Advisors.** The Board and each committee may retain such independent advisors and/or consultants as they deem necessary or useful.

2. **Board Access to Executive Officers.** Board members shall have complete access to Arm’s executive officers. Board members will use their reasonable judgment to be sure that contact with the executive officers is not distracting to the company’s business operations and that the Chief Executive Officer, the Chief Financial Officer or the Chief Legal Officer are appropriately informed.
3. **Interaction with Investors, the Press, Customers and Others.** The Board believes that management speaks for Arm. Each director should refer all inquiries from investors, the press, customers or others regarding the company’s operations to the Vice President of Investor Relations or the Vice President of Public Relations, as applicable. Individual members of the Board may, from time to time, meet or otherwise communicate with various constituencies that are involved with Arm, subject to prior consultation with the Chairman, the Chief Executive Officer, the Chief Financial Officer or the Chief Legal Officer.
4. **Succession Planning and Management Development.** The Chief Executive Officer will report not less frequently than annually to the Board on succession planning and management development. The Board shall develop and periodically update plans for interim succession for the Chief Executive Officer in the event of an unexpected occurrence. The Board will also work with the Chief Executive Officer and appropriate members of management to plan for succession of each of the executives including interim succession plans.
5. **Reporting of Concerns.** Any person who has a concern about Arm’s conduct, accounting, internal accounting controls or auditing matters, may communicate that concern directly to any independent director or to the Audit Committee, or through the Arm Integrity Helpline. Such communication will be confidential.

VI. SHARE OWNERSHIP GUIDELINES

1. **Purpose.** The purpose of these Share Ownership Guidelines (the “Guidelines”) is to further align the financial interests of Arm’s executive officers and non-executive directors with those of Arm’s shareholders.
2. **Applicability.** The Guidelines are applicable to all non-executive directors, the Chief Executive Officer, the Chief Financial Officer and the other members of Arm’s Executive Committee (collectively, the “Senior Executives” and, together with the non-executive directors, the “Participants”); provided, that the Guidelines are not applicable to any director designated by a shareholder of Arm pursuant to a contractual arrangement with Arm if (i) the compensation payable to such director for his or her service as a director of Arm is required to be paid solely in cash pursuant to any regulation, rule or policy of the shareholder designating such director or the compensation payable to such director is paid or transferred to such shareholder pursuant to the internal policies of such shareholder or (ii) such director waives all compensation payable to such director for his or her service as a director of Arm.
3. **Minimum Ownership Requirements.** Subject to and in accordance with the terms of these Guidelines, the Participants must own Qualified Securities (as defined below) equal in value to the applicable amounts set forth below:

Position	Value of Qualified Securities
Chief Executive Officer	10x then-current annual base salary
Chief Financial Officer	3x then-current annual base salary
Other members of the Executive Committee	1x then-current annual base salary
Non-Executive Directors	3x value of then-current annual cash retainer (excluding any additional retainer for committee chairs or lead independent director)

4. **Qualified Securities.** Participants may satisfy the minimum ownership requirements with the following securities, whether owned directly or indirectly by the Participant (“Qualified Securities”):

- Arm’s ordinary shares;
- American depositary shares (“ADSs”) representing Arm’s ordinary shares; and
- Time-vesting restricted share units of Arm or similar time-vesting equity awards granted under Arm’s equity incentive plans, whether or not currently vested.

For purposes of the Guidelines, (i) indirect ownership includes Qualified Securities that would be beneficially owned and reported for purposes of the share ownership table in Arm’s Annual Report on Form 20-F under the Securities Exchange Act of 1934, as amended, and (ii) neither (A) share options nor (B) performance-vesting (w) restricted shares, (x) restricted share units, (y) share appreciation rights or (z) similar equity awards granted under Arm’s equity incentive plans for which the relevant performance targets have not been met shall be counted toward satisfying ownership requirements.

5. **Compliance.**

- *Time Period.* Each Participant must meet the applicable ownership requirement within 5 years of the later of (i) 24 August 2023 and (ii) the date the Participant became subject to the Guidelines. If a Participant becomes subject to a greater ownership requirement due to an amendment to the Guidelines or a promotion, and the Participant does not satisfy such requirement at that time, the Participant must meet such increased ownership requirement within five years of the date of such amendment to the Guidelines or promotion. If a Participant becomes subject to a greater ownership requirement due to an increase in salary or cash retainer, and the Participant does not satisfy such requirement at that time, the Participant must meet such increased ownership requirement within one year of the date of such increase.
- *Measurement Date and Valuation Methodology.* Each Participant’s compliance with the Guidelines will be measured as of 15 May of each year (the “Measurement Date”). The value of each Participant’s Qualified Securities as of such date will be determined based on the higher of (i) the closing price of ADSs on the last trading day of the immediately preceding fiscal year and (ii) the average of the closing price of ADSs for the twenty (20) consecutive trading days prior to the Measurement Date. Any currency conversion will be calculated on the same basis.
- *Reporting.* Management shall periodically report to the Remuneration Committee the number of Qualified Securities held at such time by each Participant. The frequency of such reports shall be determined by the Remuneration Committee. Each Participant shall respond to information requests for this purpose as required and in a timely manner.

6. **Retention.** Each Senior Executive must retain 20% of the net shares (as defined below) received from any award granted under Arm’s equity incentive plans until such Senior Executive satisfies the applicable ownership requirements. Each non-executive director must retain 20% of the shares received from any award granted under Arm’s equity incentive plans until such non-executive director satisfies the applicable ownership requirements. In addition, if a Participant does not satisfy the applicable ownership requirement as of the applicable compliance date, at the discretion of the Remuneration Committee, such Participant may be required to maintain 100% of the shares or, in the case of Senior Executives, net shares received from any award granted under Arm’s equity incentive plans until the Participant’s ownership requirement is met.

“Net shares” are those ordinary shares or ADSs that remain after shares are sold or withheld to pay the exercise price of any share options and applicable withholding taxes as a result of the exercise or vesting of any equity award.

7. **Administration.** The Guidelines shall be administered by the Remuneration Committee. The Remuneration Committee shall have the authority to grant waivers to the Guidelines in the event of financial hardship or other good cause, as determined in the discretion of the Remuneration Committee.

The Remuneration Committee shall report to the Board at least annually regarding each Participant’s compliance with the Guidelines, including the grant of any waivers. The Remuneration Committee shall review the Guidelines from time to time and recommend any changes for approval by the Board.