

# Environmental Social Governance Report

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**Environmental** 

Social

Governance

# At Apple, we believe the measure of any great innovation is the positive impact it has on people's lives. It's why we work every day to make our technology an even greater force for good.

Today, our teams around the world infuse Apple's deeply held values into everything we make. That work can take many forms. But whether we're protecting the right to privacy, designing technology that is accessible to all, or using more recycled material in our products than ever, we are always working to make a difference for the people we serve and the planet we inhabit.

As a company, we know that our impact on people's lives reaches beyond the technology we create. And we apply the same ethos of constant innovation and improvement to every aspect of our work — from building an inclusive company culture where everyone feels welcome to becoming carbon neutral across our global supply chain and the lifetime of our products by 2030.

At the heart of our efforts is a steadfast commitment to serving the communities we are a part of. We work with teachers, advocates, and entrepreneurs from diverse backgrounds as part of our Racial Equity and Justice Initiative. We help create opportunity in communities on the frontlines of climate change through the Restore Fund, which supports carbon removal and sustainable forestry. And we provide resources and training to the next generation of innovators through the Apple Developer Academy and educational initiatives across the globe.

In this report, we are pleased to share our progress, which is a product of collaboration with committed partners worldwide. At Apple, we believe that the only way to effectively tackle global challenges is by working together, and we are grateful to share this road with so many passionate leaders.

We're engaged in this work because it's right — and because we want to leave the world better than we found it in everything we do. By leading with our values, we hope to be a ripple in the pond that inspires a far greater change.

Tim Cook



Tim Cook CEO

# Report highlights

At Apple, we're demonstrating every day that business can and should be a force for good. And we've made important progress over the last year through our Environmental, Social, and Governance (ESG) initiatives. That would not be possible without the innovation and collaboration of teams across Apple, and the people and organizations we partner with. As we look ahead, we know there is more to be done. We're committed to continue to build on our efforts and drive even greater impact in the years to come.

## Carbon neutral for corporate emissions

Since April 2020, we've achieved carbon neutrality for our corporate emissions by sourcing 100 percent renewable electricity for Apple facilities, implementing energy efficiency initiatives, and securing carbon offsets for remaining emissions.

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## Reduced overall emissions by 40%

In fiscal year 2021, our environmental initiatives avoided over 23 million metric tons of emissions across all scopes, and we reduced our carbon footprint by 40 percent compared with fiscal year 2015. Efforts and initiatives that we've been growing for years made this possible — like sourcing 100 percent renewable electricity for our facilities, transitioning suppliers to clean energy, and using low-carbon materials in products.

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# More than doubled renewable energy in our supply chain

As of March 2022, 213 suppliers have committed to renewable electricity for Apple production, representing the majority of Apple's direct supplier spend. In fiscal year 2021, Apple and its suppliers brought online over 10 megawatts of renewable energy in our supply chain, doubling the amount from the prior year.

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## Continued to maintain pay equity

Since 2017, Apple has achieved and maintained gender pay equity for our employees worldwide. In the U.S., we've also achieved pay equity with respect to race and ethnicity — as well as pay equity at the intersections of race and ethnicity with gender.\*

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## Increased representation in leadership

In calendar year 2021, 47% of open leadership\*\* roles were filled by women globally, an increase of 10 percentage points since 2020, and we've had an 87% increase in women in leadership since 2014. And in 2021, we hired more Black and Hispanic/Latinx team members in the U.S. than ever before, with 13% open leadership roles filled by Black candidates and 12% filled by Hispanic/Latinx candidates. Since 2014, we've had an 84% increase in the number of Black employees and a 90% increase in the number of Hispanic/Latinx employees in leadership in the U.S.

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## Protected privacy with App Tracking Transparency

With iOS 14.5 in April 2021, we released App Tracking Transparency for iPad and iPhone, requiring developers to obtain a user's permission to track them across apps or websites owned by other companies for advertising purposes.

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- Pay equity at the intersections of race and ethnicity with gender was achieved in 2022.
- \*\* Leadership roles include managers at all levels of our company.

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# Upholding the highest standards in our supply chain

We hold ourselves and our suppliers to the highest standards of labor and human rights, health and safety, and environmental stewardship. In fiscal year 2021, we conducted 1177 assessments, including 291 smelter and refiner assessments, to verify that suppliers are meeting our strict requirements.

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# Responsibly sourced primary materials and supported local communities

We continue to source primary materials responsibly. 100 percent of the identified tin, tungsten, tantalum, and gold (3TG), cobalt, and lithium smelters and refiners in our supply chain have participated in independent, third-party audits to assess and identify social, environmental, human rights, and governance risks.

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# Expanded our investment in educational opportunities through our Supplier Employee Development Fund

We announced our Supplier Employee Development Fund, which will expand our best-in-class labor programs in our supply chain and establish a global Education Hub to scale the expansion of the technical and professional skills necessary for the jobs of today and tomorrow in our supply chain and surrounding communities.

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## Committed an additional \$55M to our Racial Justice and Equity Initiative

Building on our initial \$100 million commitment in 2020, we announced an additional \$30 million commitment in August 2021. The funding supports efforts including the Global HSI Equity Innovation Hub, expanded learning opportunities for HBCUs, the first Apple Entrepreneur Camp for Hispanic/Latinx Founders and Developers, and funding for organizations driving criminal justice reform and environmental justice. And in May 2022, we committed \$25 million to expand access to capital for community financial institutions supporting communities of color in historically underserved markets across the U.S.

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## Expanded new features to support accessibility

To celebrate Global Accessibility Awareness Day 2022, we previewed upcoming software features to offer users with disabilities new tools for navigation, health, communication, and more. Apple's announcement included Door Detection, a cutting-edge navigation feature for users who are blind or low vision, Live Captions for the Deaf and hard of hearing community, and Apple Watch Mirroring, which helps people with physical and motor disabilities control Apple Watch remotely from their paired iPhone.

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## Further supported inclusive design

Across Apple we've continued our sustained commitment to making products more inclusive. For example, we released new diverse voices for Siri, and we're taking steps to advance equity in our cameras' person recognition features. We've also developed Human Interface Guidelines to support developers in building inclusive apps.

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## Improved access to education for our schools and communities

Our Community Education Initiative continued to grow, supporting and partnering with 147 education institutions and nonprofit organizations — including 47 HBCUs — in over 500 different locations across 36 states in the U.S. and four locations across the UK since its launch in 2019.

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We launched Apple Learning Coach, a free professional learning program that trains instructional coaches, digital learning specialists, and other coaching educators to help teachers effectively use Apple technology in the classroom.

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## Marked 10 years of our Employee Giving program

In 2021, Apple's Employee Giving program celebrated its 10th anniversary, having raised nearly \$725 million for 39,000 organizations worldwide — with over \$120 million distributed to organizations around the globe in 2021 alone. The funds raised through Apple's Employee Giving program include the work of 68,000 employees who have logged almost 2 million volunteer hours.

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