

Environmental Social Governance Report

ESG data summary

Environment

Greenhouse gas emissions

			Fiscal year					
		2021	2020	2019	2018	2017		
Corporate emissions¹ (metric tons CO ₂ e)	Scope 1 (gross emissions)	55,200	47,430	52,730	57,440	47,050		
	Natural gas, diesel, propane	40,070	39,340	40,910	42,840	36,210		
	Fleet vehicles	12,090	4,270	6,950	11,110	8,300		
	Process emissions ²	3,040	3,830	4,870	3,490	2,540		
	Scope 2 (market-based)	2,780	0	0	8,730	36,250		
	Electricity	0	0	0	8,730	36,250		
	Steam, heating, and cooling	3 2,780	-	-	-	-		
	Scope 3 (gross emissions) ⁴	23,130,000	22,550,000	24,980,000	25,070,000	27,330,000		
	Business travel ⁵	22,850	153,000	326,000	337,000	121,000		
	Employee commute ⁶	85,570	134,000	195,000	183,000	172,000		
	Corporate carbon offsets ⁷	-167,000	-70,000	-	-	-		
Product life cycle emissions ⁸ (metric tons CO ₂ e)	Manufacturing (purchased goods and services)	16,200,000	16,100,000	18,900,000	18,500,000	21,100,000		
	Product transportation (upstream and downstream)	1,750,000	1,800,000	1,400,000	1,300,000	1,200,000		
	Product use (use of sold products)	4,990,000	4,300,000	4,100,000	4,700,000	4,700,000		
	End-of-life treatment	80,000	60,000	60,000	50,000	40,000		
	Product carbon offsets ⁹	-500,000	-	-	-	-		
Total gross carbon footprint (without offsets) ¹⁰ (metric tons CO ₂ e)		23,200,000	22,600,000	25,100,000	25,200,000	27,500,000		
Total net carbon footprint (after applying offsets) ¹⁰ (metric tons CO ₂ e)		22,530,000	22,530,000	25,100,000	25,200,000	27,500,000		

Eicoal year

- 1. Apple is carbon neutral for corporate emissions as of April 2020.
- 2. Emissions from R&D processes.
- Beginning in FY2021, we're accounting for scope 2 emissions from the purchase of district heating, chilled water, and steam.
- 4. In fiscal year 2017, we started calculating scope 3 emissions not listed in this table. In fiscal year 2021, these include electricity transmission and distribution losses amounted to about 28,000 metric tons CO₂e and life cycle emissions associated with renewable energy amounted to about 95,000 metric tons CO₂e. We have not accounted for emissions resulting from employees working from home, because we anticipated these emissions are small relative to our carbon footprint and we are still evolving our methodology.
- 5. We regularly revisit our methodology to hold ourselves to high accountability standards. So in fiscal year 2018, we changed how we calculate emissions from business travel in order to better account for classes of service in air travel. As a result of this change, our scope 3 transportation emissions increased by 77 percent between 2017 and 2018. Without the methodology change, these emissions would have increased by 14 percent, which reflects the growth in our business.
- Beginning in fiscal year 2020, we updated our methodology to reflect the impact of COVID-19 on employee commute.
- We retired 167,000 metric tons of carbon credits from the <u>Chyulu Hills</u> project in Kenya to maintain carbon neutrality for our corporate emissions in fiscal year 2021. This project is certified to the VCS and CCB standards.
- 8. Because we're committed to accuracy and transparency, we regularly refine our product life cycle assessment model and sources of data. For example, we recently obtained more granular data summarizing in which countries our products are sold and used, resulting in more granularity possible for grid emission factors used in the carbon footprint of the product use phase. The net result was an increase in our 2021 carbon footprint. When using the same level of data granularity and model as 2021, our product use carbon emissions in 2021 would have been about 2.5 percent lower.
- 9. For fiscal year 2021, we retired credits from the Chyulu Hills project in Kenya, and purchased carbon credits from two additional projects to offset a total of 500,000 metric tons of direct emissions across our value chain. The <u>first project</u>, a REDD+ coastal conservation project in Guatemala, protects and conserves forests from deforestation and degradation. The <u>second project</u> aims to establish forests on about 46,000 hectares of barren land that is not otherwise in use across seven counties in the Guizhou Province of China. Both projects are certified to the same high standards that we require for projects in the Restore Fund, including VCS and CCBS. These projects are all certified to the VCS and CCB standards.
- Due to rounding, our gross and net carbon footprints do not always the sum of the subtotals disclosed above.

Notes: For data on previous years, please reference past Environmental Progress Reports, available at apple.com/environment. Dash indicates data that are not available. Due to rounding, totals may not be the sum of the subtotals above.

Apple's 2022 ESG Report 79

Energy

		Unit	Fiscal year					
			2021	2020	2019	2018	2017	
Corporate facilities en	ergy use							
Electricity	Total	MWh	2,854,000	2,580,000	2,427,000	2,182,000	1,832,000	
	U.S.	MWh	2,377,000	2,192,000	2,075,000	1,830,000	1,536,000	
	International	MWh	477,000	389,000	351,000	351,000	296,000	
Fuel	Total	MWh	476,280	439,170	462,680	494,460	420,650	
	Natural gas	MWh	203,010	202,360	202,340	204,970	174,420	
	Biogas	MWh	208,620	210,820	217,140	226,660	193,280	
	Propane liquid	MWh	40	140	280	280	280	
	Gasoline	MWh	34,880	14,910	23,950	37,740	31,310	
	Diesel (other)	MWh	9,780	9,610	16,450	20,270	20,670	
	Diesel (mobile combustion)	MWh	10,950	1,330	2,520	4,540	690	
Other	Steam, heating, and cooling ¹	MWh	22,480	-	-	-	-	
Energy efficiency ²								
Corporate facilities	Electricity savings ³	MWh/year	260,390	244,690	208,640	113,200	69,980	
	Fuel savings	mmBTU/year	299,780	297,090	277,120	254,140	245,340	
Supplier facilities ³	Electricity savings	MWh/year	1,418,825,350	1,101,440	943,890	798,930	473,510	
	Fuel savings	mmBTU/year	1,047,440	752,680	25,120	25,120	5,620	
Renewable electricity								
Corporate facilities	Renewable electricity use	MWh	2,854,000	2,580,000	2,430,000	2,170,000	1,770,000	
	% Renewable electricity ⁴	percent of total energy	100%	100%	100%	99%	97%	
	Scope 2 emissions avoided	metric tons CO₂e	1,063,720	948,000	899,000	690,000	589,000	
Supply chain⁵	Renewable electricity capacity (operational)	GW	10.3	4.5	2.7	1.9	1.2	
	Renewable electricity capacity (committed)	GW	15.9	7.9	5.1	3.3	2	
	Renewable electricity use	MWh	18,100,000	11,400,000	5,700,000	4,100,000	1,900,000	

Notes: For data on years prior to 2017, please reference past Environmental Progress Reports, available at www.apple.com/environment

Dash indicates data that are not available.

- 1. Beginning in FY2021, we're accounting for the purchase of district heating, chilled water, and steam.
- 2. Because energy efficiency measures have lasting benefits, energy efficiency savings are calculated cumulatively since 2012. All efficiency measures are retired based on their effective useful lifetime as documented by the California Energy Commission. Due to the COVID-19 pandemic, corporate facilities energy use declined temporarily as we adjusted lighting and climate controls due to shutdowns and reduced occupancy. These savings are not included in the total savings from our energy efficiency program initiatives. We also recognize that energy use at our employees' homes likely increased during this period. We have not accounted for this energy use, because we anticipated this impact is small relative to our overall energy use and we are still evolving our methodology.
- 3. Energy savings from supplier energy efficiency improvements are reported as annualized annual numbers. Prior to 2020, supplier energy savings are calculated on a calendar year basis. Beginning in 2020, supplier energy savings are calculated based on the fiscal year.
- 4. Beginning January 1, 2018, 100 percent of the electricity we use to power our global facilities is sourced from renewable energy.
- 5. Supply chain renewable electricity capacity (operational) and renewable electricity use for FY2021 do not include REC purchases Apple made, equivalent to 0.3 GW and 500,000 MWh, respectively, to address a small increase to its carbon footprint.

Introduction Environment Our People Suppliers Customers Communities Governance Appendix

Corporate footprint

Apple's 2022 ESG Report 15

22.5 MILLION METRIC TONS

Apple's comprehensive carbon footprint

This past year we intensified our efforts to reduce Apple's emissions. In fiscal year 2021, we avoided over 23 million metric tons of emissions across all scopes. Initiatives that we've been growing for years — like sourcing 100 percent renewable electricity for our facilities, transitioning suppliers to clean energy, and using low-carbon materials in products — yielded indisputable results.

Thanks to this work, we've begun to decouple business growth from emissions: While our revenue grew 33 percent, our emissions grew by less than 5 percent. To mitigate this increase in emissions, we applied an additional 0.6 million tons of renewable energy credits (RECs) and 0.5 million metric tons of carbon offsets to proportionally cover electricity use and direct emissions, respectively, across our value chain. This represents a short-term bridging solution as we grow our carbon reduction programs to meet the scale of the challenge.

net carbon emissions** FY21 REC PURCHASE: 0.4 million metric tons avoided Gross emissions SUPPLIER ENERGY EFFICIENCY: Avoided emissions 1.1 million metric tons avoided Emissions offset LOW-CARBON MATERIALS*: 7.3 million metric tons avoided SUPPLIER CLEAN ENERGY: 13.9 million metric tons avoided USE OF RENEWABLE ELECTRICITY: 1.0 million metric tons avoided FY21 REC PURCHASE: 0.2 million metric tons avoided CORPORATE ENERGY EFFICIENCY: PRODUCT ENERGY EFFICIENCY: LOAD REDUCTION AND 0.06 million metric 0.2 million metric tons avoided MODE SWITCHING: tons avoided 0.2 million metric tons avoided 0.5% 70% 22% 0.02% 0.3% Direct emissions Electricity Business travel Product Product use Product transport End-of-life product (Scope 1) and commute manufacturing processing (Scope 2) (Scope 3) (Scope 3) (Scope 3) (Scope 3) (Scope 3)

Product footprint

Gross emissions

Offsets

Emissions categories (% of gross emissions)

* Low-carbon materials represents emissions savings from transitioning to recycled materials in our products, or use of low-carbon aluminum, as described on page 18.

^{**} Net carbon emissions represents our total gross footprint minus carbon offsets applied to each category. Percentages shown for each emissions category represent the share of Apple's gross footprint. Totals add up to more than 100 percent, due to rounding.

Providing access to clean energy in South Africa

Even a few years ago, not everyone in one community in South Africa had electricity at home. Many people had been using battery-powered lanterns because upfront costs and other challenges put connecting to the grid out of reach. As we worked with our partners to identify new renewable energy projects for our Power for Impact program, we saw exciting potential in this community.

Our partner on the ground, DC GO, a solar energy provider based in Johannesburg, got to work meeting members of the community and learning more about their needs. Ultimately, DC GO developed a pay-as-you-go model that brought solar energy to 3500 homes that previously lacked access. This was possible only because of the way they built relationships with community members and worked with Apple to price the solution in line with what people were already spending on batteries for their lanterns.

In addition, DC GO hired and trained local people for jobs in sales, maintenance, and other roles that not only created local jobs but also helped to make sure the project — and the community's access to electricity — would be sustainable over time. This is just one example of how the Power for Impact program is working to benefit communities, our company, and the environment at the same time. Learn more on pages 22 and 27 of our Environmental Progress Report.



With access to electricity in their homes, kids can now do homework at night and families can cook meals indoors.

Renewable electricity

Our retail stores, data centers, and offices around the world currently source 100 percent renewable electricity. We've focused our efforts to source renewables around several key pillars: creating new renewable energy projects, undertaking projects that deliver clear benefits to local communities, and supporting renewable energy innovations. About 1.5 gigawatts of Apple-created renewable electricity projects account for over 90 percent of the renewable electricity our facilities use.

We continue to experience tremendous progress toward our goal of transitioning our manufacturing supply chain to 100 percent renewable electricity by 2030. As of March 2022, 213 manufacturing partners in 25 countries have committed to 100 percent renewable energy for Apple production.

Over 70 percent of companies on Apple's Supplier List — those suppliers that make up 98 percent of Apple's direct spend for materials, manufacturing, and assembly of our products worldwide — have committed to 100 percent renewable electricity. In addition, many other smaller suppliers have also made these commitments.

Direct emissions abatement

To address the non-electricity emissions associated with our materials and manufacturing processes, we seek technological solutions through emissions abatement or switching to low-carbon fuel options. For example, we partnered with aluminum companies and the governments of Canada and Quebec to help fund research and development for ELYSIS, a technology that eliminates direct greenhouse gas emissions from aluminum smelting.

Many components essential to products like ours, including integrated circuit chips and display panels, currently rely on manufacturing processes that use fluorinated gases, which have high global warming potential. We're partnering closely with key manufacturers to prevent these gases from being released into the atmosphere by optimizing manufacturing processes and deploying abatement technologies.

To address emissions from shipping products to our customers, we're shifting whenever possible toward less carbon-intensive shipping modes, such as rail and ocean. And we're seeking out technical innovations, including alternative fuels and electric vehicles. In fiscal year 2021, Apple avoided 180,000 metric tons of CO₂e by shifting the mode of transport and reducing product weight through the removal of the power adapter from the box of iPhone devices.

Climate scenario analysis

In 2020, we conducted a climate scenario analysis to help us better understand the potential physical and transition effects of climate change. To align with the Task Force on Climate-related Financial Disclosures (TCFD) recommendations, we considered a range of future scenarios, including a scenario below 2°C. And we assessed geographies around the world to capture both corporate and supplier activities. The analysis highlighted how our renewable energy program and carbon neutrality goals could contribute to our corporate resiliency. It also provided environmental data that we considered in developing business strategies, including considerations around supply chain diversification, as well as safeguarding our global assets.

We're committed to managing regulatory, reputational, and market risks related to climate change. For more information on these climate-related risks and Apple's governance of these risks, read our 2021 CDP submission (PDF).

Carbon removal

To address the emissions we can't yet avoid, we're are investing in carbon removal projects. In addition to removing carbon, nature-based carbon removal projects also offer important ecological and social benefits, such as preserving biodiversity and enhancing the resilience of ecosystems, while often providing economic development opportunities for local communities.

We partnered with Conservation International and Goldman Sachs to launch the innovative Restore Fund, which seeks to blend responsible forestry practices with carbon removal: We're working with forestry managers to create sustainably managed forests that optimize for both carbon and wood production, creating revenue from timber, and generating highquality carbon credits. Apple will invest up to \$200 million in projects that aim to remove carbon from the atmosphere and store it, all while meeting clear social and environmental impact criteria and offering a financial return. In its pilot phase, the Restore Fund has a goal of removing at least 1 million metric tons of carbon dioxide per year.

As the projects in the Restore Fund come online, we're also working to address difficult-to-avoid emissions in the short term. In fiscal year 2021, 167,000 metric tons of carbon credits were retired from the Chyulu Hills project in Kenya to maintain carbon neutrality for our corporate emissions in fiscal year 2021. And we purchased carbon credits from two additional projects to offset a total of 500,000 metric tons of direct emissions across our value chain: a REDD+ coastal conservation project in Guatemala and a reforestation project in Guizhou Province of China. These projects are all certified to the VCS and CCB standards.



For more information on our efforts to combat climate change and reach our 2030 carbon neutral goal, read our 2022 Environmental Progress Report.



As the Restore Fund projects come online, we've partnered with Conservation International to develop and invest in nature-based carbon removal projects. This includes a project to protect and restore 27,000 acres of mangrove forests in Colombia.

At Apple, we're acting with urgency to protect our planet's limited resources and to be a leader in the fight against climate change. Since 2020, we've been carbon neutral for our worldwide operations, and by 2030, we plan to expand that progress to our entire supply chain and the lifetime use of our products. And today, nearly 20 percent of the materials in our products were made from recycled content — a number we're working to increase.

Across our environmental work, we're also committed to being a force for equity. We're working with communities on the frontlines of climate change and the next generation of diverse entrepreneurs to create shared opportunity and to build a more just world.

Our approach

The environmental challenges we face today are significant, and we're responding with urgency and dedication. We approach our work by focusing on fundamental questions. What matters most? And where can we make the greatest impact? These questions guide our work across our strategic focus areas of climate change, resources, and smarter chemistry — and inform our goals in how we can best achieve change.



Our 2022 Environmental Progress Report provides a detailed overview of our work and how we're progressing toward our goals.

We know we're not alone in working to reduce our environmental footprint. So we're engaging with others to support our efforts and find opportunities to lift local communities along the way.

Setting ambitious goals is essential to our approach — to drive the innovation and collaboration that makes change possible and to be transparent and accountable to our progress.

Our work is led by Lisa Jackson, Apple's Vice President of Environment, Policy and Social Initiatives, reporting directly to CEO Tim Cook. The Environment, Policy and Social Initiatives team works with other teams across Apple to set strategy, engage stakeholders, and communicate progress. Our integrated approach means that decisions about the environment are reviewed and supported at the highest levels of the company.

Climate change

As a global business, we believe it is our responsibility to take strong, decisive, and inclusive steps to mitigate our climate impact. We've committed to achieving carbon neutrality — reducing emissions 75 percent compared with fiscal year 2015 and balancing the residual emissions with carbon removal — across the life cycle of all of our products by 2030.¹ And the Science Based Targets initiative (SBTi) has validated an emissions reduction target for Apple derived from this goal.² It's an ambitious plan with plenty of challenges ahead. But we're already well on our way, having cut carbon emissions across our value chain by 40 percent since fiscal year 2015.

Our work began years ago, making the transition to sourcing 100 percent renewable electricity at our offices, retail stores, and data centers,

which we achieved in 2018. And in 2020, we reached the milestone of being carbon neutral for our corporate operations, including direct emissions as well as business travel and employee commute.

Our 10-year Climate Roadmap is addressing Apple's carbon footprint through five pillars:

Low-carbon design: We will design products and manufacturing processes to be less carbon-intensive through thoughtful material selection, increased material efficiency, and greater product energy efficiency.

Energy efficiency: We will increase energy efficiency at our facilities and in our supply chain by finding opportunities, such as retrofitting, to reduce energy use.

40%

decrease in emissions across our entire value chain since 2015

100%

renewable energy sourced for all Apple facilities

213

suppliers committed to 100 percent renewable electricity for Apple production

\$4.7B

Issued in green bonds to model how businesses can drive investments to reduce global emissions. In our latest Green Bond Impact Report, we share progress on the projects funded in fiscal year 2021. **Renewable electricity:** We will continue to source 100 percent renewable electricity for our facilities, and transition our entire supply chain to 100 percent clean, renewable sources of electricity.

Direct emissions abatement: We will

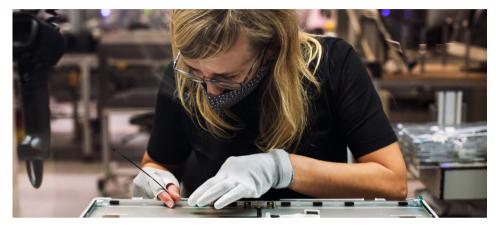
reduce direct greenhouse gas emissions in our facilities and our supply chain through process innovation, emissions abatement, and the use of non-fossil-based low-carbon fuels.

Carbon removal: Working in parallel with our emissions reduction efforts, we will scale up investments in carbon removal projects, including nature-based solutions that protect and restore ecosystems around the world.

Low-carbon design

To reduce the carbon footprint of our products, we're increasing efficiency and transitioning to materials from recycled sources and those made using low-carbon energy. In 2021, we continued to improve the carbon efficiency of the integrated circuits we use in our products — components we've prioritized because they are carbon-intensive. For example, switching to the Apple M1 chip for the 13-inch MacBook Pro reduced the energy needed to manufacture and use the device, driving down the product's carbon footprint by over 8 percent.

We've continued to expand our use of 100 percent recycled aluminum in the enclosures of a number of products. All iPad models in our lineup now use 100 percent recycled aluminum in their enclosures — joining Apple Watch Series 7, Apple Watch SE, MacBook Air, Mac mini, and the 14-inch and 16-inch MacBook Pro devices. For products released in 2021 that had enclosures made with primary aluminum, we



To minimize the carbon footprint of our products, we seek to create less waste in the processing of materials, reduce machining time and the associated energy used, more efficiently transform material into the shapes we need, and maximize recovery and reprocessing of manufacturing scrap.

prioritized the use of aluminum smelted using low-carbon sources of electricity rather than fossil fuels — for a lower carbon impact. These changes alone have decreased the carbon emissions associated with our use of aluminum by 68 percent since 2015.

Product energy use accounts for 22 percent of our gross carbon footprint — and has an impact on the individual energy use of each of our customers. By addressing this in the earliest phases of design, we've cut the product energy use across all major product lines by more than 70 percent since 2008 through energy efficiency improvements.³ In fiscal year 2021, over 99 percent of Apple's eligible products, by revenue, received an ENERGY STAR rating for superior energy efficiency.⁴ And over 99 percent of Apple's eligible products, by revenue, met the requirements for EPEAT registration.⁵

Energy efficiency

We're focused on using less energy across our operations, beginning with how we design, operate, and maintain our facilities. And we continue these same efforts into our supply chain, which benefits the communities where our suppliers operate. Drawing less energy from electrical grids — many of which still rely heavily on fossil fuels — helps reduce local air pollution and improve air quality for nearby communities.

The emissions from manufacturing our products account for about 70 percent of Apple's gross carbon footprint. We launched our Supplier Energy Efficiency Program in 2015 with the goal of helping suppliers optimize their facilities and operations to use as little energy as possible. We provide guidance designed to help suppliers uncover opportunities for energy efficiency. Suppliers in our Supplier Energy Efficiency Program avoided more than 1,150,000 annualized metric tons of supply chain carbon emissions in fiscal year 2021.

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.

→ Continue reading on page 13



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.

→ Continue reading on page 13

renewable energy in our supply chain As of March 2022, 213 suppli

More than doubled

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.

-> Continue reading on page 16

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.*

→ Continue reading on page 28



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.

→ Continue reading on page 24



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.

→ Continue reading on page 49

- 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.

Advocating for change

We're committed to helping address shared global challenges. That's why we engage with public policy and the legal system when we identify an opportunity to support the rights and well-being of our people, customers, communities, and planet.

Advocating for strong climate policies

Apple's climate policy advocacy centers on several principles, each of which govern Apple's public policy positions on climate:
Set strong targets based on science; disclose comprehensive emissions; create sector-specific policies; and support a green economy for all.

In April 2021, we made a public statement calling for mandatory disclosures of global greenhouse gases across all emissions scopes. The statement also focused the discussion within industry and government toward greater transparency and increased attention by regulators.

In May 2021, Apple also became one of the first companies to voice support for the enactment of the Clean Energy Standard (CES) that would decarbonize the power grid by 2035. And at the 26th UN Climate Change Conference of the Parties (COP26) in Glasgow, Scotland, in 2021, Apple called for bold government action on climate change, joining several new initiatives, including the First Movers Coalition, the Forest Investor Club, and the Clean Energy Demand Initiative.

We also advocate for country-specific measures that motivate climate action. For example, we've called for enhanced climate ambition and renewable energy deployment in Japan's Basic Energy Plan and Nationally Determined Contribution (Japan's plan to reduce emissions in furtherance of the Paris Agreement), and for



Apple's Vice President of Environment, Policy and Social Initiatives, Lisa Jackson, alongside President Joe Biden and other leaders from around the world at the 2021 United Nations Climate Change Conference. Photo credit: World Economic Forum.

decarbonization policies to prioritize support for new technologies that can fully account for reducing emissions across their life cycle.

Speaking out for rights

We believe that every person should be treated with dignity and respect, and we speak out publicly in ways that reflect our values. As just one recent example, we've continued our public support for LGBTQ+ equality by working with The Human Rights Campaign and other organizations to support LGBTQ+ equality protections and oppose discriminatory proposals. This includes legislative advocacy at the federal and state levels, and working with coalitions of businesses to stand against what we believe to be harmful and divisive legislation that threatens individuals, families, and communities. Most recently, that included sending a letter to Texas leadership opposing laws that discriminate against the LGBTQ+ community. Read more here.

Protecting our customers

In the U.S., the legal system is one avenue through which Apple can take action to support our values. For example, in January 2022, Apple, along with other leading companies, filed an amicus brief in support of the EPA's authority to regulate greenhouse gas emissions because that authority "is critical to combatting climate change."

In November 2021, Apple filed a lawsuit against NSO Group and its parent company to hold it accountable for the surveillance and targeting of Apple users. The complaint provides new information on how NSO Group infected victims' devices with its Pegasus spyware. To prevent further abuse and harm to its users, Apple is seeking a permanent injunction to ban NSO Group from using any Apple software, services, or devices.

About the report

Reporting year: This report focuses primarily on fiscal year 2021 activities, unless otherwise noted. All references to a year throughout the report refer to Apple's fiscal years, unless "calendar year" is specified. Apple's fiscal year is the 52- or 53-week period that ends on the last Saturday of September.

Alignment to reporting frameworks: The report leverages reporting frameworks and standards such as the Global Reporting Initiative (GRI), Sustainable Accounting Standards Board (SASB), and the Task Force on Climate-related Financial Disclosures (TCFD). Apple's ESG Index maps the disclosures in this report and other Apple publications against the metrics in these reporting frameworks, as relevant to our business.

Data assurance: We obtain third-party verification for scope 1, 2, and 3 greenhouse gas emissions, as well as energy use, paper use, and waste and water impacts for our data centers, offices, and retail stores worldwide. Apex Companies (Apex) provides "reasonable assurance" — one of the highest levels of verification in the industry — for this environmental impact data.. Apex also provides "limited assurance" of scope 3 renewable energy production and avoided carbon emissions related to our Supplier Clean Energy Program as well as energy savings associated with our Supplier Energy Efficiency Program. Scope 3 greenhouse gas emissions related to our products, calculated

using life cycle assessment, are checked for quality and accuracy by the Fraunhofer Institute in Germany in accordance with the internationally recognized ISO 14000 environmental management standards: ISO 14040 and 14044. Finally, Apple's plastic packaging footprint is also reviewed by Fraunhofer Institute. These assurance statements are available on pages 100-120 of Apple's 2022 Environmental Progress Report. Data in this report reflects estimates using methodologies and assumptions believed to be reasonable and accurate. Those estimates, methodologies and assumptions may change in the future as a result of new information or subsequent developments.

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Forward-looking statements: The report does not cover all information about our business. References in this report to information should not be construed as a characterization regarding the materiality of such information to our financial results or for purposes of the U.S. securities laws. The information covered by the report contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including statements regarding our ESG goals, targets, commitments, and strategies and related business and stakeholder impacts. These statements involve risks and uncertainties, and actual results may differ materially from any future results expressed or implied by

the forward-looking statements, including any failure to meet stated ESG goals and commitments, and execute our strategies in the time frame expected or at all, as a result of many factors, including changing government regulations or stakeholder expectations, and our expansion into new products, services, technologies, and geographic regions. Forwardlooking statements can also be identified by words such as "future," "anticipates," "believes," "estimates," "expects," "intends," "plans," "predicts," "will," "would," "could," "can," "may," and similar terms. More information on risks, uncertainties, and other potential factors that could affect our business and performance is included in our filings with the SEC, including in the "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" sections of the company's most recently filed periodic reports on Form 10-K and Form 10-Q and subsequent filings. We assume no obligation to update any forward-looking statements or information for any reason, which speak as of their respective dates.

Terminology: "Carbon emissions" refers to carbon dioxide equivalent emissions. "Team members" generally refers to Apple employees unless otherwise specified.

Imagery: All photographs in the report showing people without masks were taken prior to the COVID-19 pandemic or in accordance with Apple and other local COVID-19 protocols.