



DIVISION OF
CORPORATION FINANCE

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

December 15, 2017

Gene D. Levoff
Apple Inc.
glevoff@apple.com

Re: Apple Inc.
Incoming letter dated October 9, 2017

Dear Mr. Levoff:

This letter is in response to your correspondence dated October 9, 2017 concerning the shareholder proposal (the "Proposal") submitted to Apple Inc. (the "Company") by Holy Land Principles, Inc. for inclusion in the Company's proxy materials for its upcoming annual meeting of security holders. Copies of all of the correspondence on which this response is based will be made available on our website at <http://www.sec.gov/divisions/corpfin/cf-noaction/14a-8.shtml>. For your reference, a brief discussion of the Division's informal procedures regarding shareholder proposals is also available at the same website address.

Sincerely,

Matt S. McNair
Senior Special Counsel

Enclosure

cc: Sean Mc Manus
Holy Land Principles, Inc.
sean@holylandprinciples.org

December 15, 2017

Response of the Office of Chief Counsel
Division of Corporation Finance

Re: Apple Inc.
Incoming letter dated October 9, 2017

The Proposal requests that the board make all possible lawful efforts to implement and/or increase activity on each of the eight principles specified in the Proposal.

There appears to be some basis for your view that the Company may exclude the Proposal under rule 14a-8(i)(10). Based on the information you have presented, it appears that the Company's policies, practices and procedures compare favorably with the guidelines of the Proposal and that the Company has, therefore, substantially implemented the Proposal. Accordingly, we will not recommend enforcement action to the Commission if the Company omits the Proposal from its proxy materials in reliance on rule 14a-8(i)(10).

Sincerely,

M. Hughes Bates
Special Counsel

DIVISION OF CORPORATION FINANCE
INFORMAL PROCEDURES REGARDING SHAREHOLDER PROPOSALS

The Division of Corporation Finance believes that its responsibility with respect to matters arising under Rule 14a-8 [17 CFR 240.14a-8], as with other matters under the proxy rules, is to aid those who must comply with the rule by offering informal advice and suggestions and to determine, initially, whether or not it may be appropriate in a particular matter to recommend enforcement action to the Commission. In connection with a shareholder proposal under Rule 14a-8, the Division's staff considers the information furnished to it by the company in support of its intention to exclude the proposal from the company's proxy materials, as well as any information furnished by the proponent or the proponent's representative.

Although Rule 14a-8(k) does not require any communications from shareholders to the Commission's staff, the staff will always consider information concerning alleged violations of the statutes and rules administered by the Commission, including arguments as to whether or not activities proposed to be taken would violate the statute or rule involved. The receipt by the staff of such information, however, should not be construed as changing the staff's informal procedures and proxy review into a formal or adversarial procedure.

It is important to note that the staff's no-action responses to Rule 14a-8(j) submissions reflect only informal views. The determinations reached in these no-action letters do not and cannot adjudicate the merits of a company's position with respect to the proposal. Only a court such as a U.S. District Court can decide whether a company is obligated to include shareholder proposals in its proxy materials. Accordingly, a discretionary determination not to recommend or take Commission enforcement action does not preclude a proponent, or any shareholder of a company, from pursuing any rights he or she may have against the company in court, should the company's management omit the proposal from the company's proxy materials.



Rule 14a-8(i)(10)

October 9, 2017

VIA E-MAIL (shareholderproposals@sec.gov)

Office of Chief Counsel
Division of Corporation Finance
U.S. Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549

Re: Apple Inc.
Shareholder Proposal of Holy Land Principles, Inc.

Dear Ladies and Gentlemen:

Apple Inc., a California corporation (the “**Company**”), hereby requests confirmation that the staff of the Division of Corporation Finance of the U.S. Securities and Exchange Commission (the “**Commission**”) will not recommend enforcement action to the Commission if, in reliance on Rule 14a-8(i)(10) under the Securities Exchange Act of 1934, as amended (the “**Exchange Act**”), the Company omits the enclosed shareholder proposal (the “**Proposal**”) and supporting statement (the “**Supporting Statement**”) submitted by Holy Land Principles, Inc. (the “**Proponent**”) from the Company’s proxy materials for its 2018 Annual Meeting of Shareholders (the “**2018 Proxy Materials**”).

Copies of the Proposal and the Supporting Statement and other correspondence relating to the Proposal are attached hereto as Exhibit A.

In accordance with Staff Legal Bulletin No. 14D (Nov. 7, 2008) (“**SLB No. 14D**”), this submission is being delivered by e-mail to shareholderproposals@sec.gov. Pursuant to Rule 14a-8(j), a copy of this submission also is being sent to the Proponent. Rule 14a-8(k) and SLB No. 14D provide that a shareholder proponent is required to send the company a copy of any correspondence which the proponent elects to submit to the Commission or the staff. Accordingly, we hereby inform the Proponent that, if the Proponent elects to submit additional correspondence to the Commission or the staff relating to the Proposal, the Proponent should concurrently furnish a copy of that correspondence to the undersigned.

Pursuant to the guidance provided in Section F of Staff Legal Bulletin 14F (October 18, 2011), we ask that the staff provide its response to this request to the undersigned via e-mail.

The Company intends to file its definitive 2018 Proxy Materials with the Commission more than 80 days after the date of this letter.

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THE PROPOSAL

On July 17, 2017, the Company received from the Proponent, as an attachment to an e-mail, a letter submitting the Proposal for inclusion in the 2018 Proxy Materials. The Proposal requests that the Company's Board of Directors "[m]ake all possible lawful efforts to implement and/or increase activity on each of the eight Holy Land Principles," which the Proposal says are:

1. Adhere to equal and fair employment practices in hiring, compensation, training, professional education, advancement and governance without discrimination based on national, racial, ethnic or religious identity.
2. Identify underrepresented employee groups and initiate active recruitment efforts to increase the number of underrepresented employees.
3. Develop training programs that will prepare substantial numbers of current minority employees for skilled jobs, including the expansion of existing programs and the creation of new programs to train, upgrade, and improve the skills of minority employees.
4. Maintain a work environment that is respectful of all national, racial, ethnic and religious groups.
5. Ensure that layoff, recall and termination procedures do not favor a particular national, racial, ethnic or religious group.
6. Not make military service a precondition or qualification for employment for any position, other than those positions that specifically require such experience, for the fulfillment of an employee's particular responsibilities.
7. Not accept subsidies, tax incentives or other benefits that lead to the direct advantage of one national, racial, ethnic or religious group over another.
8. Appoint staff to monitor, oversee, set timetables, and publicly report on their progress in implementing the Holy Land Principles.

The Supporting Statement indicates that "[t]he proponent believes that APPLE benefits by hiring from the widest available talent pool" and that "[i]mplementation of the Holy Land Principles — which are pro-Jewish, pro-Palestinian and pro-company — will demonstrate concern for human rights and equality of opportunity in its international operations."

BASIS FOR EXCLUSION OF THE PROPOSAL

As discussed more fully below, the Company believes that it may omit the Proposal from its 2018 Proxy Materials in reliance on Rule 14a-8(i)(10) because the Company has already substantially implemented the Proposal through its commitment to, and actions to implement and promote, equal employment opportunity and inclusion and diversity, including the Company's affirmative actions to offer employment and advancement opportunities to all

employees and applicants for employment, including minorities, women, protected veterans, and individuals with disabilities.

Rule 14a-8(i)(10) – The Company has already Substantially Implemented the Proposal

A. The Exclusion

Rule 14a-8(i)(10) permits a company to exclude a shareholder proposal from its proxy materials if “the company has already substantially implemented the proposal.” The Commission stated in 1976 that the predecessor to Rule 14a-8(i)(10) was “designed to avoid the possibility of shareholders having to consider matters which already have been favorably acted upon by the management.” *SEC Release No. 34-12598* (July 7, 1976). Originally, the staff narrowly interpreted this predecessor rule and granted no-action relief only when proposals were “‘fully’ effected” by the company. *SEC Release No. 34-19135* (October 14, 1982). By 1983, however, the Commission recognized that the “previous formalistic application of [the rule] defeated its purpose” because proponents were successfully convincing the staff to deny no-action relief by submitting proposals that differed from existing company policy by only a few words. *SEC Release No. 34-20091* (August 16, 1983). Therefore, in 1983, the Commission adopted a revised interpretation to the rule to permit the omission of proposals that had been “substantially implemented” (*id.*) and subsequently codified this revised interpretation. *SEC Release No. 34-40018* (May 21, 1998). The purpose of the exclusion under Rule 14a-8(i)(10) has been described as follows:

“A company may exclude a proposal if the company is already doing—or substantially doing—what the proposal seeks to achieve. In that case, there is no reason to confuse shareholders or waste corporate resources in having shareholders vote on a matter that is moot. In the [Commission’s] words, the exclusion ‘is designed to avoid the possibility of shareholders having to consider matters which have already been favorably acted upon by the management’”

See Broc Romanek and Beth Young (W. Morley, editor), *Shareholder Proposal Handbook*, Sec. 23.01(B) at p. 23-4 (Aspen Law & Business 2003 ed.).

A company need not implement a proposal in exactly the manner set forth by the proponent in order to exclude the proposal under Rule 14a-8(i)(10). *SEC Release No. 34-40018* (May 21, 1998). For example, in *Hewlett-Packard Co. (Steiner)* (December 11, 2007), the staff concurred that a proposal requesting that the board permit shareholders to call special meetings was substantially implemented by a proposed bylaw amendment permitting shareholders to call a special meeting unless the board determined that the specific business to be addressed had been addressed recently or would soon be addressed at an annual meeting. Differences between a company’s actions and a shareholder proposal are permitted as long as the company’s actions satisfactorily address the proposal’s essential objectives. For example, in *Johnson & Johnson* (February 17, 2006), the staff concurred that a proposal requesting that

the company confirm the authorization to work in the U.S. of all current and future U.S. employees was substantially implemented when the company had verified the authorization to work in the U.S. of 91% of its domestic workforce. Even if a company's actions do not go as far as those requested by the shareholder proposal, they nevertheless may be deemed to "compare favorably" with the requested actions. See, e.g., *Walgreen Co.* (September 26, 2013) (concurring in the exclusion of a proposal requesting elimination of supermajority voting requirements in the company's governing documents where the company had eliminated all but one of the supermajority voting requirements); *Exelon Corp.* (February 26, 2010) (concurring in the exclusion of a proposal that requested a report on different aspects of the company's political contributions when the company had already adopted its own set of corporate political contribution guidelines and issued a political contributions report that, together, provided "an up-to-date view of the [c]ompany's policies and procedures with regard to political contributions").

The staff recently considered whether another large U.S. company with international operations had substantially implemented the Proponent's proposal. See *AT&T Inc. (Holy Land Principles, Inc.)* (January 13, 2017) ("**AT&T**"). There, the staff agreed that the company had substantially implemented the proposal through its prior adoption of company policies and practices that applied to all of the company's employees, including those in Israel. The staff noted that the company's existing policies, which were designed to protect all of the company's employees from discrimination and harassment on the basis of certain personal characteristics and called upon the company to "take[] affirmative action to employ, advance in employment and otherwise treat qualified minorities, women, individuals with disabilities and protected veterans ... without regard to their protected class status, in all employment practices, terms, conditions and privileges of employment," compared favorably with the guidelines of the proposal. AT&T's policies and practices, like those of the Company, applied to the company's operations and employees both in the United States and abroad.

B. The Company has already substantially implemented the Proposal because the Company's existing policies and initiatives "compare favorably with the guidelines" of the Proposal and provide employees and applicants with even broader protections.

The Proposal seeks to establish a set of eight equal opportunity employment and affirmative action principles (the "**Principles**") applicable to corporations with operations in "Israel/Palestine." Because the Company has operations around the world, including in Israel, the Proposal would apply the Principles to the Company's global operations as part of an effort to "demonstrate concern for human rights and equality of opportunity in [the Company's] international operations." As described in detail below, the Company's existing policies and initiatives already implement each of the Principles. In many cases, the Company's policies and initiatives provide employees and job applicants with even greater protections from discrimination and harassment than would the Principles. The Company's policies and initiatives therefore compare favorably with the guidelines of the Proposal, and for that reason the Company may exclude the Proposal from the 2018 Proxy Materials pursuant to Rule 14a-8(i)(10).

1. *Adhere to equal and fair employment practices in hiring, compensation, training, professional education, advancement and governance without discrimination based on national, racial, ethnic or religious identity.*

The Company's Equal Employment Opportunity Policy (the "**EEO Policy**"), a copy of which is attached hereto as Exhibit B, confirms that "Apple is an equal opportunity employer and does not discriminate in recruiting, hiring, training or promoting, on the basis of race, color, creed, religion, ancestry, national origin, marital status, age, sex, sexual orientation, gender, gender identity characteristics or expression, genetic information, physical or mental disability, pregnancy, medical condition, or U.S. military or protected Veteran status or on any other basis protected by law. All other aspects of employment, such as compensation, benefits, transfers, terminations, training and social and recreational programs shall continue to be administered so as to reflect the above policy." (emphasis added). The EEO Policy ensures that all of the Company's employees receive equal and fair treatment by protecting them from discrimination on the basis of a variety of personal characteristics, including all of those listed in the first Principle.

The Company's Business Conduct Policy (the "**Conduct Policy**"), a copy of which is attached hereto as Exhibit C, applies to all "employees, independent contractors, consultants, and others who do business with Apple"¹ and ensures equal and fair employment practices of the type specified in the first Principle by prohibiting any "harassment or discrimination based on such factors as race, color, creed, religion, sex, national origin, marital status, age, sexual orientation, gender identity characteristics or expression, genetic information, physical or mental disability, pregnancy, medical condition, or any other basis protected by local law."² The Conduct Policy also affirms that the Company "encourages a creative, culturally diverse, and supportive work environment . . . free of discrimination"³ All employees are required to complete training regarding the Conduct Policy every year.

The EEO Policy and the Conduct Policy protect all Company employees and job applicants, including any in Israel or Palestine, from discrimination based on a greater number of personal characteristics than the four identified in the first Principle. These policies also extend beyond the Company by protecting employees from similar discriminatory practices by "independent contractors, consultants, and others who do business with Apple."⁴

As noted in the excerpt from the EEO Policy set forth above, the Company's prohibition against discrimination applies to all aspects of employment, including, as required by the first Principle, hiring, compensation, training (which includes professional education) and advancement. In the same way the EEO Policy specifically applies to all aspects of employment, the Conduct Policy applies to "every business decision in every area of the [C]ompany worldwide," which protects employees and job applicants in any of the protected

¹ Conduct Policy at 2.

² *Id.* at 5.

³ *Id.*

⁴ *Id.* at 2.

categories from discrimination in the context of any decision relating to hiring, compensation, training or advancement, in each case as contemplated by the Proposal.

It is not clear what is encompassed within the first Principle's reference to equal and fair employment practices in "governance." As noted above, however, both the EEO Policy and the Conduct Policy prohibit discrimination against any employee or job applicant on the basis of any protected category in any aspect of employment and in any business decision. The Company's policies therefore prohibit discriminatory or unfair employment practices in "governance."

In addition to ensuring that Company employees are protected from discrimination on the basis of their identification with a protected category, the Company also requires that all "authorized resellers, distributors, carriers and service providers" (collectively, "**Channel Members**") adhere to the Channel Member Code of Conduct (the "**Channel Member Policy**"), a copy of which is attached hereto as Exhibit D. The Channel Member Policy prohibits Channel Members from discriminating against any of their workers "based on race, color, age, gender, sexual orientation, ethnicity, disability, religion, political affiliation, union membership, national origin, or marital status in hiring, job assignments, wages, benefits, discipline, termination and retirement."⁵ The Company's commitment to all individuals being protected from discrimination and harassment on the basis of the those characteristics is further evidenced by the statement in the Channel Member Policy that "[a]ny violation of the [Channel Member Policy] or Apple policy will constitute the basis for the immediate termination of your agreements with Apple, pursuant to applicable laws, and without liability to Apple."⁶ The Channel Member Policy also requires Channel Members to (i) maintain processes in place for their workers to confidentially report violations of the policy, (ii) afford such workers whistleblower protections, and (iii) report any violations to the Company's compliance personnel within three days of identifying a violation.

The three Company policies described above exceed the guidelines of the first Principle because they protect the Company's employees and job applicants from discrimination on the basis of an even broader set of characteristics than those called for by such Principle, and they also protect the workers of other companies that do business with the Company. Together, these three policies demonstrate an approach to "equal and fair employment practices" that is much more comprehensive and far-reaching than the one included in the first Principle.

2. Identify underrepresented employee groups and initiate active recruitment efforts to increase the number of underrepresented employees.

As noted on the Company's Jobs at Apple website⁷, "[the Company] is an Equal Opportunity Employer that is committed to inclusion and diversity. [It] also take[s] affirmative action[s] to offer employment and advancement opportunities to all applicants, including minorities, women, protected veterans, and individuals with disabilities." The Company's

⁵ Channel Member Policy at 5.

⁶ *Id.* at 2.

⁷ <https://www.apple.com/jobs/us/>.

Inclusion & Diversity website⁸ details the progress the Company has made in improving the diversity of its workforce. The website presents workforce and hiring data and highlights some of the Company's successes in this area. The Company notes that during each of the past three years (ending in June 2016, the end of the latest reporting period), the Company increased the percentage of new hires who identified themselves as underrepresented minorities.⁹ Progress in the Company's efforts to increase the diversity of its workforce is also evidenced by the fact that the majority of its new hires, 54% in the United States, are minorities and that the group of employees most recently hired is more diverse than the Company's existing employees as a group.

The Company's progress on these and other metrics is a result of a number of "inclusion and diversity initiatives [that] are designed to drive retention and development, create robust talent pools, support strategic business practices, enhance employee cultural awareness and develop external partnerships focused on diversity outreach."¹⁰ Recognizing that "each employee contributes a wealth of perspective to [the Company's] culture . . . , [the Company] seek[s] to tap into this extraordinary resource" with these initiatives.¹¹ Among the initiatives highlighted on the Inclusion and Diversity at Apple website, a copy of which is attached hereto as Exhibit E, are those of the "Global Recruiting" department, which is directly involved in creating a culture of inclusion. Global Recruiting "develops strategies for attracting and retaining the talent needed to meet business objectives," which, as noted on the Inclusion and Diversity at Apple website, includes developing a diverse workforce with a variety of perspectives the Company can leverage to "drive innovation."¹²

In addition to initiatives that "identify underrepresented employee groups and initiate active recruitment efforts to increase the number of underrepresented employees" at the Company as required by the second Principle, the Company's ongoing initiatives also include programs to increase diversity in the technology industry as a whole. As noted on the Company's Creating Opportunities website¹³, the Company is "investing in programs so that people everywhere have the opportunity to realize their potential." These investments include joining former President Obama's ConnectED initiative and pledging \$100 million to bring technology into underserved schools across the United States. The Company has also partnered with a wide variety of STEM (science, technology, engineering and math) organizations to help better prepare the next generation for opportunities in the technology industry, including:

⁸ Available as of the date hereof at apple.com/diversity.

⁹ See, *id.* The Company considers "underrepresented minorities" to be those "groups whose representation in tech has been historically low – Black, Hispanic, Native American, Native Hawaiian, and Other Pacific Islander." *Id.*

¹⁰ "Inclusion and Diversity at Apple" website, a copy of which is attached hereto as Exhibit E.

¹¹ *Id.*

¹² See *id.*

¹³ Available as of the date hereof at apple.com/diversity/creating-opportunities.

- All Star Code
- Anita Borg Institute
- App Camp For Girls
- Black Founders
- Black Girls Code
- Blacks In Technology
- ChickTech
- Coalition for Queens
- CodeNow
- Code.org
- CodePath
- CODE2040
- Embark Labs
- Girl Develop It
- Girls in Tech
- Girls Who Code
- Grace Hopper Celebration of Women in Computing
- Hackbright Academy
- Hack the Hood
- The Hidden Genius Project
- Hispanic Heritage Foundation
- La TechLa
- Latina Girls Code
- Latinos in Information Sciences and Technology Association
- Made by Girls
- National Center for Women & Information Technology
- National Society of Black Engineers
- New York On Tech
- Sabio
- Sage Corps
- Silicon Valley Forum
- Society of Women Engineers
- TECHNOLOchicas
- Technovation
- Thurgood Marshall College Fund
- Women Who Code
- #YesWeCode

Through these and other efforts, the Company is already implementing the second Principle with, among other things, its active efforts to recruit and retain employees from underrepresented groups and its partnership with organizations that foster increased participation in the technology industry by individuals from underrepresented groups, which as noted above, includes individuals who identify as minorities on the basis of, among other things, race and ethnicity.

3. *Develop training programs that will prepare substantial numbers of current minority employees for skilled jobs, including the expansion of existing programs and the creation of new programs to train, upgrade, and improve the skills of minority employees.*

The Company has a wide variety of training programs available to its employees around the world to improve the skills used in their current positions and develop new skills for subsequent opportunities. The available training programs cover a significant range of topics and skills as the programs include offerings for all employees, from the Company's most recently hired retail specialist to its senior executives. In addition to training offered at the Company, tuition reimbursement is also available for employees who are pursuing courses of study to develop their knowledge or skills in areas beneficial to their positions or any positions with the Company. Employees are encouraged to participate in these programs, as they form part of the Company's strategy of attracting a diverse set of employees, improving retention and furthering the professional development of the Company's workforce.

As the EEO Policy prohibits discrimination on the basis of any protected category in any aspect of employment, including training, access to training programs is available to all employees, including those in Israel, regardless of their national, racial, ethnic or religious identity.

In addition to the programs highlighted above, the Company also sponsors Diversity Network Associations (“**DNAs**”). The DNAs are community groups for employees that are directly involved in the Company’s Inclusion and Diversity efforts. These groups promote awareness, education and leadership, provide their members with additional resources to advance their professional development and create networking opportunities.¹⁴

The third Principle has already been substantially implemented by the combination of the Company’s training and tuition reimbursement programs and the efforts of the DNAs. These programs allow for all of the Company’s current and future employees, including minority employees and those in Israel, to receive the training needed to succeed in their roles and to improve their skills for future opportunities.

4. Maintain a work environment that is respectful of all national, racial, ethnic and religious groups.

In order to reach its goal of “attracting, hiring, and retaining the best and most diverse workforce in the world,”¹⁵ the Company recognizes that it needs to maintain a “creative, culturally diverse, and supportive work environment.”¹⁶ It fosters that type of work environment by prohibiting harassment and discrimination and through initiatives that create a culture of inclusion that leverages differences to drive innovation.

The Conduct Policy clearly prohibits harassment and broadly outlines what the Company considers to be harassment. Harassment “can be verbal, visual or physical in nature . . . includ[ing], but not . . . limited to, slurs, jokes, statements, notes, letters, electronic communication, pictures, drawings, posters, cartoons, gestures and unwelcome physical contact that are based on an individual’s protected class.”¹⁷ As noted above, the protected categories include “race, color, creed, religion, sex, [and] national origin”¹⁸ as well as numerous other individual characteristics. By protecting employees from harassment and discrimination, the Company creates a work environment respectful of all individuals, regardless of their national, racial, ethnic or religious identity, where its diversity and inclusion initiatives can flourish.

The Company’s Inclusion and Diversity website¹⁹ notes just a few of the ongoing initiatives that are building toward a culture of inclusion. These initiatives include sponsoring

¹⁴ See, “Inclusion and Diversity at Apple” website.

¹⁵ See 2017 Letter of Affirmation, a copy of which is attached hereto as Exhibit F.

¹⁶ Conduct Policy at 5.

¹⁷ *Id.*

¹⁸ *Id.*

¹⁹ Available as of the date hereof at apple.com/diversity.

DNAs, “helping employees identify and address unconscious racial and gender bias,” “cultivating diverse leadership and tech talent,” “advoca[ting] for LGBTQ equality,” “investing in resources for Veterans and service members and their families,” “exploring new ways to support employees with disabilities,” and “strengthening our common bonds through on-campus groups, events and programs.”

As the Company has enacted policies and initiatives to prevent harassment and discrimination on the basis of protected categories, including national, racial, ethnic and religious identity, and has implemented initiatives to create a work environment that respects and celebrates employee’s identities and differences, the fourth Principle has already been substantially implemented.

5. *Ensure that layoff, recall and termination procedures do not favor a particular national, racial, ethnic or religious group.*

Both the EEO Policy and the Conduct Policy prohibit discrimination on the basis of national, racial, ethnic or religious identity. As noted above, the EEO Policy applies to all aspects of employment, and the Conduct Policy applies to every business decision in every area of the Company worldwide. Each of these policies, therefore, prohibits any layoff, recall or termination procedure that favors or discriminates against any particular group on the basis of national, racial, ethnic or religious identity in any jurisdiction, including Israel. The Company therefore has already substantially implemented the fifth Principle.

6. *Not make military service a precondition or qualification for employment for any position, other than those positions that specifically require such experience, for the fulfillment of an employee’s particular responsibilities.*

Military service is not a precondition or qualification for employment for any position with the Company. The EEO Policy prohibits discrimination on the basis of U.S. military or protected Veteran status, ensuring that an individual’s military service, or lack thereof, is not considered in “any aspect[] of employment,” including hiring.²⁰ The Company therefore has substantially implemented the sixth Principle.

7. *Not accept subsidies, tax incentives or other benefits that lead to the direct advantage of one national, racial, ethnic or religious group over another.*

The Company’s Conduct Policy applies to “every business decision in every area of the [C]ompany worldwide,” and prohibits discrimination on the basis of [membership in] any of the protected categories, which include national, racial, ethnic and religious identity. Accepting a subsidy, tax incentive or any other benefit that directly advantages one national, racial, ethnic or religious group over another would violate the Company’s Conduct Policy. Employees involved in accepting such a subsidy, incentive or other benefit would be subject to disciplinary action up to and including termination of employment.²¹

²⁰ See EEO Policy.

²¹ See Conduct Policy at 2.

As the Company has not accepted, has no plans to accept, and its policies prohibit accepting, any subsidy, tax incentive or any other benefit that directly advantaged one national, racial, ethnic or religious group over another, the seventh Principle has already been substantially implemented.

8. *Appoint staff to monitor, oversee, set timetables, and publicly report on their progress in implementing the Holy Land Principles.*

The Company has appointed staff, including a dedicated Business Conduct Group and senior executives, to monitor, oversee, and report, both internally and publicly, on the Company's compliance with its policies prohibiting discrimination on the basis of identification with any of the protected categories and the Company's continuing progress in achieving greater inclusion and diversity.

In 2017, the Company created a new position, Vice President of Inclusion and Diversity, which reports directly to the Company's Chief Executive Officer and is charged with leading the Company's global efforts to ensure an inclusive culture that is representative and embracing of all individuals and their differences. The Company's current Vice President of Inclusion and Diversity is also the Company's Equal Employment Opportunity Officer. The Vice President of Inclusion and Diversity and her team support the Company's continued commitment to equal employment opportunities, including the Company's policies prohibiting harassment and discrimination on the basis of any protected category.

In addition to dedicated staff, every Company employee, independent contractor, and consultant, and every other person who does business with the Company, is required to report to appropriate Company personnel any potential violation of the EEO Policy, the Conduct Policy or any other Company policy.²² Appropriate Company personnel include an employee's manager (if not involved in the potential violation) Human Resources, Legal, Internal Audit and the Finance departments as well as the Business Conduct Group. An employee, independent contractor, consultant or any other person who does business with the Company who fails to report a violation of the Conduct Policy is subject to "disciplinary action up to and including termination of employment or the end of [their] working relationship with Apple" (which is the same potential consequence applicable to individual involved in the underlying violation).²³

On its Inclusion & Diversity website, the Company already publicly reports on its commitment to being an equal opportunity employer and on its progress in improving the diversity of its workforce and creating a culture of inclusion.²⁴ In addition to making public its Federal Employer Information Report EEO-1²⁵, the Company presents workforce and hiring data with interactive graphics and charts that, in an accessible way, show the progress the Company

²² See Conduct Policy at 2.

²³ See *id.*

²⁴ Available as of the date hereof at apple.com/diversity/.

²⁵ Available as of the date hereof at images.apple.com/diversity/pdf/2016-EEO-1-Consolidated-Report.pdf.

has already made and the work it still needs to do to fully realize its goal of developing a diverse and inclusive workforce that “is a reflection of the world around [it].”²⁶ In addition to quantitative data, the website highlights certain of the Company’s ongoing efforts, including “continuing advocacy for LGBTQ equality . . . new ways to support employees with disabilities” and continued sponsorship of DNAs. The DNAs are additional community groups for employees and include the following groups: African American Employee Association Agnostic Community at Apple, Amigos@Apple, Apple Asian Association, Apple Christian Fellowship, Apple Indian Association, Apple Jewish Association, Apple Muslim Association, Apple Veterans Association, Pride@Apple, and Women@Apple. These groups promote awareness, education and leadership, provide their members with additional resources to help with their professional development and create networking opportunities.²⁷

As the Company has already appointed staff to monitor, oversee, and publicly reports on the Company’s status as an equal opportunity employer and its progress in improving the diversity of its workforce, the Company has already substantially implemented the eighth Principle.

* * *

As noted above, the staff has previously permitted AT&T to exclude a proposal identical to the Proposal in reliance on Rule 14a-8(i)(10). Like AT&T, the Company has extensive policies and initiatives in place that compare favorably with the guidelines of the Proposal because (i) they meet or exceed the types of protections and affirmative actions called for by all eight of the Principles and (ii) they apply to the Company’s employees around the world, including in Israel. The Company’s policies and initiatives are to be distinguished from those considered in *Corning Incorporated* (February 11, 2015), which addressed only a subset of the eight principles addressed by the proposal under consideration.

Apple is committed to “attracting, hiring, and retaining the best and most diverse workforce in the world”²⁸ and, as described above, has enacted numerous policies and undertaken a variety of initiatives to reach that goal. Annually, the Company “reaffirms [its] corporate commitment to equal employment opportunity, affirmative action, and inclusion and diversity. It is not clear to the Company what additional policies, practices or procedures could be implemented to further address the Proposal’s eight Principles.

²⁶ Inclusion & Diversity website.

²⁷ See, “Inclusion and Diversity at Apple” website.

²⁸ See 2017 Letter of Affirmation, a copy of which is attached hereto as Exhibit F.

CONCLUSION

For the reasons discussed above, the Company believes that it may omit the Proposal from its 2018 Proxy Materials in reliance on Rule 14a-(8)(i)(10). We respectfully request that the staff concur with the Company's view and confirm that it will not recommend enforcement action to the Commission if the Company omits the Proposal from the 2018 Proxy Materials.

If you have any questions or need additional information, please feel free to contact me at (408) 974-6931 or by e-mail at glevoff@apple.com.

Sincerely,



Gene D. Levoff
Associate General Counsel,
Corporate Law

Attachments

cc: Holy Land Principles, Inc.
Alan L. Dye, Hogan Lovells US LLP

Exhibit A

Copy of the Proposal and Supporting Statement and Related Correspondence

Holy Land Principles

American principles following American investment

President, Fr. Sean Mc Manus • Executive Vice President, Barbara J. Flaherty

Corporate Secretary
Apple, Inc.
Infinite Loop
301-4GC
Cupertino, CA 95014

July 17, 2017

Dear Secretary,

We are the two executive officers of Holy Land Principles, Inc. who are duly authorized to act on its behalf. Holy Land Principles, Inc. owns over \$2000 worth of **Apple Inc.** shares that were purchased 7/6/2016, and have been continuously owned.

We are informing **Apple Inc.** that we will offer the enclosed Shareholder Resolution on behalf of Holy Land Principles, Inc. for consideration of stockholders at the 2017 Annual General Meeting.

We submit the enclosed Resolution to you in accordance with rule 14a-8 of the Securities Exchange Act of 1934 and ask that it be included in 3M's 2018 proxy statement.

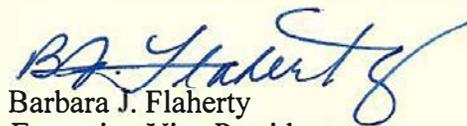
A letter from Wells Fargo, the custodial bank, verifying Holy Land Principles, Inc.'s continual ownership of over \$2000 worth of **Apple Inc.** shares will follow.

Holy Land Principles, Inc. will continue to hold at least \$2000 worth of these **Apple Inc.** shares through the date of the 2018 Annual General Meeting.

We would be happy to discuss this initiative with you. Should **Apple Inc.** decide to implement the Holy Land Principles, we will withdraw the Resolution. Please feel free to contact us at 202-488-0107 should you have any further questions on this matter.

Sincerely,


Fr. Sean Mc Manus
President
Holy Land Principles, Inc.


Barbara J. Flaherty
Executive Vice President
Holy Land Principles, Inc.

Enclosures (1)

•Capitol Hill• P.O. Box 15128, Washington, D.C. 20003-0849•Tel: (202) 488-0107

Fax: (202) 488-7537• Email: Sean@HolyLandPrinciples.org • Barbara@HolyLandPrinciples.org

Website: www.HolyLandPrinciples.org

Holy Land Principles, Inc.'s Resolution



American Principles Following American Investment

WHEREAS, Apple has operations in Palestine/Israel;

WHEREAS, achieving a lasting peace in the Holy Land — with security for Israel and justice for Palestinians — encourages us to promote a means for establishing justice and equality;

WHEREAS, fair employment should be the hallmark of any American company at home or abroad and is a requisite for any just society;

WHEREAS, Holy Land Principles Inc., a non-profit organization, has proposed a set of equal opportunity employment principles to serve as guidelines for corporations in Israel/Palestine. These are:

1. Adhere to equal and fair employment practices in hiring, compensation, training, professional education, advancement and governance without discrimination based on national, racial, ethnic or religious identity.
2. Identify underrepresented employee groups and initiate active recruitment efforts to increase the number of underrepresented employees.
3. Develop training programs that will prepare substantial numbers of current minority employees for skilled jobs, including the expansion of existing programs and the creation of new programs to train, upgrade, and improve the skills of minority employees.
4. Maintain a work environment that is respectful of all national, racial, ethnic and religious groups.
5. Ensure that layoff, recall and termination procedures do not favor a particular national, racial, ethnic or religious group.
6. Not make military service a precondition or qualification for employment for any position, other than those positions that specifically require such experience, for the fulfillment of an employee's particular responsibilities.
7. Not accept subsidies, tax incentives or other benefits that lead to the direct advantage of one national, racial, ethnic or religious group over another.
8. Appoint staff to monitor, oversee, set timetables, and publicly report on their progress in implementing the Holy Land Principles.

RESOLVED: Shareholders request the Board of Directors to:

Make all possible lawful efforts to implement and/or increase activity on each of the eight Holy Land Principles.

SUPPORTING STATEMENT

The proponent believes that APPLE benefits by hiring from the widest available talent pool. An employee's ability to do the job should be the primary consideration in hiring and promotion decisions.

Implementation of the Holy Land Principles — which are pro-Jewish, pro-Palestinian and pro-company — will demonstrate concern for human rights and equality of opportunity in its international operations.

Please vote your proxy **FOR** these concerns.

•Capitol Hill* P.O. Box 15128, Washington, D.C. 20003-Q849*Tel: (202) 488-0107 Fax: (202) 488-7537* Email:

Sean@HolyLandPrinciples.org * Sarharat@HolyLandPrinciples.org
Website: www.HolyLandPrinciples.org

•Capitol Hill* P.O. Box 15128, Washington, D.C. 20003-0849*Tel: (202) 488-0107

Fax: (202) 488-7537* Email: Sean@HolyLandPrinciples.org • Barbara@HolyLandPrinciples.org

Website: www.HolyLandPrinciples.org



Wealth Brokerage Services
MAC H0005-035
One North Jefferson Avenue
St. Louis, MO 63103

July 19, 2017

Holy Land Principles, Inc.
608 3rd Street Southwest
Washington, DC 20024-3102

RE: Verification of Assets

To Whom It May Concern:

I am writing in response to your request to verify the financial information of Holy Land Principles, Inc. with Wells Fargo Advisors.

This letter serves as confirmation that Holy Land Principles, Inc. owns 21 shares of Apple Inc. (AAPL) within their Brokerage Account number ending in *** that is currently valued in the amount of \$3,151.68 with our firm. These shares were purchased on July 6, 2016 and the original cost basis was \$2,077.61. In addition, all 21 shares have been continuously held within the above referenced account since July 6, 2016. This information was based on the values and details of the account as of the close of business on July 18, 2017.

Sincerely,

Erica Jackson
Field Services – Verifications

Investment and Insurance Products

•Not FDIC Insured •NO Bank Guarantee •May Lose Value

Wells Fargo Advisors is a trade name used by Wells Fargo Clearing Services, LLC, Member

FINRA/SIPC, a registered broker-dealer and non-bank affiliate of Wells Fargo & Company.

Insurance products are offered through our affiliated non-bank insurance agencies.



*** FISMA & OMB Memorandum M-07-26

Exhibit B

Copy of the Equal Employment Opportunity Policy



Equal Employment Opportunity Policy

Apple is an equal opportunity employer and does not discriminate in recruiting, hiring, training, or promoting on the basis of race, color, creed, religion, ancestry, national origin, marital status, age, sex, sexual orientation, gender, gender identity characteristics or expression, genetic information, physical or mental disability, pregnancy, medical condition, or U.S. military or protected Veteran status or on any other basis protected by law. All other aspects of employment, such as compensation, benefits, transfers, terminations, training, and social and recreational programs shall continue to be administered so as to reflect the above policy.

Apple will not tolerate discrimination, harassment (including sexual harassment) or retaliation against employees or non-employees with whom we have a business, service, or professional relationship. This includes discrimination, harassment or retaliation by management, employees, coworkers, or third parties.

If you feel you have been subjected to or have witnessed discrimination, harassment, or retaliation, you may contact any member of the Human Resources department, the Business Conduct Helpline (1-866-485-6789), or any supervisor or manager, up to and including the CEO, and you will receive a timely response. You may also contact a state or federal anti-discrimination agency, such as the Equal Employment Opportunity Commission. Managers are required to report any complaints of misconduct under this policy.

Apple's qualified personnel will conduct a thorough and timely investigation of any complaint of discrimination, harassment, or retaliation and will take prompt appropriate corrective action. To the extent possible, every effort will be made to maintain confidentiality.

Apple will not retaliate or tolerate retaliation against anyone for filing a complaint in good faith or participating in the investigation of a complaint under this policy. Anyone who is found to have violated this policy will be subject to disciplinary action, up to and including termination of employment.

Denise Young-Smith, Vice President of Inclusion and Diversity, is Apple's Equal Employment Opportunity Officer and supports Apple's continued commitment to equal employment opportunities, including Apple's policies prohibiting unlawful discrimination and harassment.

Exhibit C

Copy of the Business Conduct Policy



Business Conduct

The way we do business
worldwide

Business Conduct

The way we do business worldwide

Apple conducts business ethically, honestly, and in full compliance with applicable laws and regulations. This applies to every business decision in every area of the company worldwide.

Apple's Principles of Business Conduct

Apple's success is based on creating innovative, high-quality products and services and on demonstrating integrity in every business interaction. Apple's principles of business conduct define the way we do business worldwide. These principles are:

- **Honesty.** Demonstrate honesty and high ethical standards in all business dealings.
- **Respect.** Treat customers, suppliers, employees, and others with respect and courtesy.
- **Confidentiality.** Protect the confidentiality of Apple's information and the information of our customers, suppliers, and employees.
- **Compliance.** Ensure that business decisions comply with applicable laws and regulations.

Your Responsibilities

Apple's Business Conduct Policy and principles apply to employees, independent contractors, consultants, and others who do business with Apple. You are expected to:

- **Follow the policy.** Comply with Apple's Business Conduct Policy, principles, and all applicable legal requirements.
- **Speak up.** If you have knowledge of a possible violation of Apple's Business Conduct Policy or principles, other Apple policies, or legal or regulatory requirements, you must notify either your manager (provided your manager is not involved in the violation), HR, Legal, Internal Audit, Finance, or the Business Conduct office. If you need more support, contact the [Business Conduct Helpline](#).
- **Use good judgment.** Apply Apple's principles of business conduct, review our policies, review legal requirements, and then decide what to do.
- **Ask questions.** When in doubt about how to proceed, discuss it with your manager, your Human Resources representative, or the Business Conduct Group. If you need more support, contact the [Business Conduct Helpline](#).

Failure to comply with Apple's Business Conduct Policy, or failure to report a violation, may result in disciplinary action up to and including termination of employment or the end of your working relationship with Apple.

Retaliation Is Not Tolerated

Apple will not retaliate—and will not tolerate retaliation—against any individual for filing a good-faith complaint with management, HR, Legal, Internal Audit, Finance, or the [Business Conduct Helpline](#), or for participating in the investigation of any such complaint.

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Individual Conduct

Can you give an example of conflicts of interest or potential divided loyalty?

Your niece needs a summer internship and you decide to hire her into your organization, or, your brother-in-law owns a business that is being considered as a vendor for Apple, and you are one of the decision makers.

Are employees permitted to develop outside iOS or Mac apps on their own time?

Employees are permitted to create iOS and Mac apps in Xcode for personal or educational purposes but they may not join the Developer Program, nor share, sell, or distribute apps for iOS, Android, or any other operating system, unless required for Apple business.

May I occasionally use my Apple email address for my outside business?

You may never use your Apple email for an outside business.

May I post my outside music, videos, or books on iTunes or the iBookstore?

Generally, yes, as long as the content isn't related to Apple's business or products. Do not use your position at Apple to get favored treatment for your content.

May I serve on the board of directors of an outside enterprise or organization?

Yes. Employees must obtain written permission from their manager and vice president before accepting board positions on non-profit organizations that do not relate to Apple's present, or reasonably anticipated business. Employees must obtain written permission from their manager and senior vice president before accepting board positions on for-profit organizations, or for other groups that relate to Apple's present, or reasonably anticipated business. Vice presidents and Executive Team members must obtain written permission from the CEO before accepting such positions.

Conflicts of Interest

A conflict of interest is any activity that is inconsistent with or opposed to Apple's best interest, or that gives the appearance of impropriety or divided loyalty. Avoid any situation that creates a real or perceived conflict of interest. Use good judgment, and if you are unsure about a potential conflict, talk to your manager, contact Human Resources, or contact the [Business Conduct Helpline](#).

Do not conduct Apple business with family members or others with whom you have a significant personal relationship. In rare cases where exceptions may be appropriate, written approval from the senior vice president of your organization is required.

You shouldn't use your position at Apple to obtain favored treatment for yourself, family members, or others with whom you have a significant relationship. This applies to product purchases or sales, investment opportunities, hiring, promoting, selecting contractors or suppliers, and any other business matter. This does not apply to special purchase plans offered by Apple like the employee discount. If you believe you have a potential conflict involving a family member or other individual, disclose it to your manager.

Outside Employment and Inventions

Apple employees must notify their manager before taking any other employment. In addition, any employee (full-time or part-time) who obtains additional outside employment, has an outside business, or is working on an invention must comply with the following rules.

Do not:

- Use any time at work or any Apple assets for your other job, outside business, or invention. This includes using Apple workspace, phones, computers, Internet access, copy machines, and any other Apple assets or services.
- Use your position at Apple to solicit work for your outside business or other employer, to obtain favored treatment, or to pressure others to assist you in working on your invention.
- Participate in an outside employment activity that could have an adverse effect on your ability to perform your duties at Apple.
- Use confidential Apple information to benefit your other employer, outside business, or invention.

Before participating in inventions or businesses that are in the same area as your work for Apple or that compete with or relate to Apple's present or reasonably anticipated business, products, or services, you must have written permission from your manager, an Apple product law attorney, and the senior vice president of your organization.

Personal Investments

Many Apple employees have investments in publicly traded stock or privately held businesses. In general, these are fine, but investments may give rise to a conflict of interest if you are involved in or attempt to influence transactions between Apple and a business in which you are invested. If a real or apparent conflict arises, disclose the conflict to your manager. Your manager will help determine whether a conflict exists and, if appropriate, the best approach to eliminate the conflict. If you still need help, contact the [Business Conduct Helpline](#).

Individual Conduct

I have stock in companies that do business with Apple. Is this a problem?

Probably not. However, it could be a concern if you are influencing a transaction between Apple and the company, or the transaction is significant enough to potentially affect the value of your investment.

How do I know whether information is material?

Determining what constitutes material information is a matter of judgment. In general, information is material if it would likely be considered important by an investor buying or selling the particular stock.

Does Apple's policy apply to buying or selling stock in other companies?

Yes. For example, say you learn about a customer's nonpublic expansion plans through discussions about hardware purchases. If you purchase stock in the customer's company or advise others to do so, it could be viewed as insider trading.

What is harassment?

Harassment can be verbal, visual, or physical in nature. Specific examples of prohibited harassing conduct include, but are not limited to, slurs, jokes, statements, notes, letters, electronic communication, pictures, drawings, posters, cartoons, gestures, and unwelcome physical contact that are based on an individual's protected class.

Need more information?

In the U.S., refer to Apple's [Harassment Policy](#). Outside the U.S., contact Human Resources.

Workplace Relationships

Personal relationships in the workplace may present an actual or perceived conflict of interest when one individual in the relationship is in a position to make or influence employment decisions regarding the other. If you find yourself in such a relationship, you must notify Human Resources so they may assist you in resolving any potential conflicts. Employees should not allow their relationships to disrupt the workplace or interfere with their work or judgment. For additional information, see Apple's policy on [Personal Relationships](#).

Buying and Selling Stock

Never buy or sell stock when aware of information that has not been publicly announced and could have a material effect on the value of the stock. This applies to decisions to buy or sell Apple stock and to third party stock, such as the stock of an Apple supplier or vendor. It is also against Apple policy and may be illegal to give others, such as friends and family, tips on when to buy or sell stock when aware of material, nonpublic information concerning that stock.

In addition, employees are prohibited from investing in derivatives of Apple stock, including hedging transactions and transactions involving options, warrants, puts, or calls or similar instruments related to shares of Apple stock.

Members of Apple's board of directors, executive officers, and certain other individuals are subject to blackout periods during which they are prohibited from trading in Apple stock. If you are subject to these restrictions, you will be notified by the legal department. Even if you are not subject to blackout periods, you may never buy or sell stock when aware of material, nonpublic information.

Review Apple's [Insider Trading Policy](#). Specific questions on buying and selling stock should be referred to the legal department.

Harassment and Discrimination

Apple encourages a creative, culturally diverse, and supportive work environment. Apple is committed to providing a workplace free of discrimination and sexual harassment, as well as harassment or discrimination based on such factors as race, color, creed, religion, sex, national origin, marital status, age, sexual orientation, gender identity characteristics or expression, genetic information, physical or mental disability, pregnancy, medical condition, or any other basis protected by local law. Apple will not tolerate discrimination or harassment of employees or non-employees with whom we have a business, service, or professional relationship. This applies to interactions with employees, customers, suppliers, and applicants for employment, and any other interactions where you represent Apple.

If you feel that you have been harassed or discriminated against or have witnessed such behavior, report the incident to any member of the Human Resources department, any supervisor or manager, up to, and including, the CEO, or the [Business Conduct Helpline](#).

Individual Conduct

Where can I learn more about policies on confidential employee information?

View the [Safe Harbor Privacy Policy](#).

Is personal information on my computer system private?

No. Limited personal use of Apple equipment and systems is allowed. However Apple may monitor equipment and systems. You should not have any expectation about the privacy of content or personal information.

If I make a presentation on my own time, may I accept a payment?

That depends. If you are representing Apple, you may not accept payment. If you are on your own time and are not representing Apple, you may be allowed to accept payment. Before accepting this type of opportunity check with your manager, Human Resources, or the [Business Conduct Helpline](#).

What if I have a substance abuse issue?

Help yourself and Apple by taking action. Talk to your Human Resources representative or, in the U.S., view information on the [Employee Assistance Program](#).

Confidential Employee Information

As part of your job, you may have access to personal information regarding other Apple employees or applicants, including information regarding their employment history, personal contact information, compensation, health information, or performance and disciplinary matters. This information is confidential and should be shared only with those who have a business need to know. It should not be shared outside Apple unless there is a legal or business reason to share the information and you have approval from your manager.

Workplace Privacy

As an Apple employee, it's important you understand that, subject to local laws and regulations and in accordance with Apple's review process, Apple may take the following steps when you access Apple's network or systems or use any device, regardless of ownership, to conduct Apple business:

- Access, search, monitor, and archive all data and messages sent, accessed, viewed, or stored (including those from iCloud, Messages, or other personal accounts).
- Conduct physical, video, or electronic surveillance, search your workspace (such as file cabinets, desks, and offices, even if locked), review phone records, or search any non-Apple property (e.g. backpacks, purses) on company premises.
- Disclose to law enforcement information discovered during any search that indicates possible unlawful behavior without prior notice.

You should familiarize yourself with the [Workplace Property](#) and [Privacy Policy](#) which sets out Apple's rights and your rights when conducting Apple business or using Apple provided equipment. If you have questions regarding the policy, reach out to the [Business Conduct Helpline](#).

Public Speaking and Press Inquiries

All public speaking engagements that relate to Apple's business or products must be pre-approved by your manager and [Corporate Communications](#). If you receive approval to make a public presentation at a business meeting or conference, you may not request or accept any form of personal compensation from the organization that requested the presentation. This does not prohibit accepting reimbursement for expenses, if approved by your manager.

All inquiries from the press or the financial analyst community must be referred to [Corporate Communications](#) or [Investor Relations](#).

Publishing Articles

If you author an article or other publication, do not identify yourself in the publication as an Apple employee without prior approval from [Corporate Communications](#). In addition, in some cases, such publications may require Senior Vice President and Legal approval. For guidance regarding posting on social media or blogging, see Apple's [Social Media and Online Communications Policy](#) on HRWeb.

Alcohol, Drugs, and a Smoke Free Environment in the Workplace

Employees are prohibited from manufacturing, distributing, dispensing, possessing, using, or being under the influence of illegal drugs in the workplace. Use of alcohol or medications on the job or before work can cause safety issues, damage customer relations, and hurt productivity and innovation. Use good judgment and keep in mind that you are expected to perform to your full ability when working for Apple. For more information, view the HR [Alcohol, Drugs, and Smoke Free Environment Policy](#).

Responsibilities to Apple

What are assets?

Assets include Apple's proprietary information (such as intellectual property, confidential business plans, unannounced product plans, sales and marketing strategies, and other trade secrets), as well as physical assets like cash, equipment, supplies, and product inventory.

Can I give an Apple-owned iPhone to my family member for use?

No. You are responsible for protecting Apple's assets at all times. You must follow all security procedures regarding Apple's property.

If I believe that it is appropriate to disclose confidential proprietary information to a vendor or other third party, what should I do?

First, verify that there is a business need for the disclosure. Second, obtain your manager's approval for the disclosure. Third, be sure that a [non-disclosure/confidentiality agreement](#) is in place with the vendor, or third party, and that you forward the original copy of the agreement to the [legal](#) department. If you are still unsure, check with the legal department before making the disclosure.

How do I identify confidential Apple information in documents?

Mark these documents "Apple Confidential."

What if I have a specific question on the use of the Apple name, names of products or services, or the Apple logo?

Please direct questions to [Apple Corporate Identity](#).

How can I find out more about patents?

Visit Apple's [Patent Information](#) site.

Protecting Apple's Assets and Information

We all have an obligation to protect Apple's property and to abide by the following guidelines:

- **Watch what you say.** Surprise and delight are Apple hallmarks. Being aware of who is around you, and what they might learn from you is an important way we all protect Apple's secrets. Don't let Apple secrets fall into the wrong hands.
- **Protect our stuff.** Keeping track of Apple assets and information entrusted to you, and preventing opportunities for loss, misuse, waste, or theft of Apple property is everyone's responsibility. Trash is inevitable. Waste is not. Before disposing of Apple assets, discuss your plans with your manager, get approval, and follow applicable policies.
- **Set the example.** Behaviors are contagious. Be a model for your co-workers and our partners. Follow our procurement procedures when acquiring goods or services, and use Apple's assets only for legal and ethical purposes.

Confidential Apple Information

One of Apple's greatest assets is information about our products and services, including future product offerings. Never disclose confidential, operational, financial, trade secret, or other business information without verifying with your manager that such disclosure is appropriate. Typically, disclosure of this information is very limited, and the information may be shared with vendors, suppliers, or other third parties only after a non-disclosure agreement is in place. Even within Apple, confidential information should be shared only on a need-to-know basis. The Intellectual Property Agreement you signed when you joined Apple defines your duty to protect information.

The Apple Identity and Trademarks

The Apple name, names of products (such as iPhone), names of services (such as AppleCare), taglines (such as "Don't steal music"), and logos (such as the familiar Apple logo) collectively create the Apple identity. Before publicly using the Apple name, product names, service names, taglines, or the Apple logo, review Apple's [Trademark List](#) and [Corporate Identity Guidelines](#) on how names and logos can be used and presented (for example, the size of the Apple logo and the amount of white space surrounding it). Before using the product names, service names, taglines, or logos of third parties, check with the legal department.

Apple Inventions, Patents, and Copyrights

Apple's practice is to consider patenting the inventions of its employees, regardless of whether the inventions are implemented in actual products. If you are involved in product development, you should contact Legal regarding the patentability of your work. Be alert to possible infringement of Apple's patents and bring any possible infringements directly to Legal.

If you create original material for Apple that requires copyright protection, such as software, place Apple's copyright notice on the work and submit a copyright disclosure form to Legal. For more information, visit the Apple [Copyright Information](#) site.

Activities Related to Technical Standards

There are numerous organizations that develop or promote technical standards (such as W3C, OASIS, INCITS, IEEE, ETSI). Before engaging in activities related to technical standards, including, for example, joining a standards organization or working group, contributing technology to a standard, or using a standard in the development of an Apple product, employees must receive management and Legal approval. For additional information, see Apple's [Standards Legal Policy](#).

Accuracy of Records and Reports

Accurate records are critical to meeting Apple's legal, financial, and management obligations. Ensure that all records and reports, including timecards, customer information, technical and product information, correspondence, and public communications, are full, fair, accurate, timely, and understandable.

Never misstate facts, omit critical information, or modify records or reports in any way to mislead others, and never assist others in doing so.

Business Expenses

All employees must observe policies and procedures regarding business expenses, such as meal and travel expenses, and submit accurate expense reimbursement requests. Guidelines on daily meal expenses vary worldwide. For more information view the Apple [Travel Policy](#).

How can I learn more about procedures for meals and travel?

See Apple's [Travel Policy](#) or talk to your manager.

Money Laundering

Money laundering is the process by which individuals or organizations try to conceal illicit funds or make these funds look legitimate. Money laundering is strictly prohibited. The laws in certain countries require Apple to report suspicious activity. If you deal directly with customers or vendors, the following examples may be indications of potential money laundering:

- Attempts to make large payments in cash.
- Payments by someone who is not a party to the contract.
- Requests to pay more than provided for in the contract.
- Payments made in currencies other than those specified in the contract.
- Payments from an unusual, nonbusiness account.
- Transactions forming an unusual pattern such as bulk purchases of products or gift cards, or many repetitive cash payments.

If I suspect money laundering, what should I do?

Advise your manager or contact the [Business Conduct Helpline](#).

Responsibilities to Apple

Tell me more about legal holds.

In a litigation case or other legal matter, Apple may be required to produce documents. In these cases the legal department may put a legal hold on certain documents to prevent the documents from being destroyed, altered, or modified. If it is found that Apple has failed to retain or produce required documents, penalties or adverse rulings may result.

Adverse rulings in major litigation cases can cost Apple a significant amount of money. Failure of employees to retain and preserve documents placed on legal hold may result in discipline or discharge.

Records & Information Management and Legal Hold

As an Apple employee, you have a responsibility to manage records and information. The definition of “records and information” is extremely broad. **Information** includes all documents and data; however, **Records** are a subset and must be kept because they have enduring business value, must be kept pursuant to other Apple policies for legal, accounting and other regulatory requirements. Check [Global Records & Information Management’s website](#) to access Apple’s policy and retention schedule to determine the appropriate retention period for your records. For assistance contact the Global Records & Information Management team at global_rim@apple.com.

At times, Apple may need to retain records and information beyond the period they would normally be kept. The most common reasons are litigation, other legal matters or audits.

In these situations, retention and preservation of records and information is critical. If you have records and information that may be required for litigation or other legal matters, the legal department will place those documents on a legal hold, meaning the records and information cannot be altered, destroyed, deleted, or modified in any manner. Legal will notify the individuals most closely identified with the records and information about the legal hold and will provide instructions for retaining the records and information. Recipients of a legal hold must ensure that these instructions are followed. A legal hold remains in effect until you are notified by the legal department in writing.

To what extent may I use an existing customer list to market other Apple products or services?

Before using a customer list for marketing, sales, or other activities, talk to your manager or the legal department. Using an existing customer list may or may not be appropriate.

Where can I learn more about information protection and non-disclosure agreements?

See [frequently asked questions](#) about non-disclosure and confidentiality agreements at Apple.

Where can I get a non-disclosure agreement?

Apple provides [non-disclosure/confidentiality agreements](#) for the U.S. and other locations outside the US.

As long as the information helps Apple, why is the source of business intelligence an issue?

Obtaining information illegally or unethically could damage Apple's reputation and in some cases could subject you and Apple to legal liability. For example, using illegally or unethically obtained information in a bid to the government could result in disqualification from future bidding and criminal charges.

May I keep my personal music on my computer at work?

If you are authorized to make copies of the music for personal use (for example, you purchased the music on iTunes), you may keep the music on your computer.

Customer Focus

Every product we make and every service we provide is for our customers. Focus on providing innovative, high-quality products and services and demonstrating integrity in every business interaction. Always apply Apple's principles of business conduct.

Customer and Third-Party Information

Customers, suppliers, and others disclose confidential information to Apple for business purposes. It is the responsibility of every Apple employee to protect and maintain the confidentiality of this information. Failure to protect customer and third-party information may damage relations with customers, suppliers, or others and may result in legal liability. See the [Apple Customer Privacy Policy](#).

Non-Disclosure/Confidentiality Agreements

When dealing with a supplier, vendor, or other third party, never share confidential information without your manager's approval. Also, never share confidential information outside Apple (for example, with vendors, suppliers, or others) unless a [non-disclosure/confidentiality agreement](#) is in place. These agreements document the need to maintain the confidentiality of the information. Original copies of non-disclosure agreements must be forwarded to the legal department. Always limit the amount of confidential information shared to the minimum necessary to address the business need.

Obtaining and Using Business Intelligence

Apple legitimately collects information on customers and markets in which we operate. Apple does not seek business intelligence by illegal or unethical means, and competitors may not be contacted for the purpose of obtaining business intelligence. Sometimes information is obtained accidentally or is provided to Apple by unknown sources. In such cases, it may be unethical to use the information, and you should immediately contact your manager, the legal department, or the [Business Conduct Helpline](#) to determine how to proceed.

Third-Party Intellectual Property

It is Apple's policy not to knowingly use the intellectual property of any third party without permission or legal right. If you are told or suspect that Apple may be infringing an intellectual property right, including patents, copyrights, trademarks, or trade secrets owned by a third party, you should contact the legal department.

Copyright-Protected Content

Never use or copy software, music, videos, publications, or other copyright-protected content at work or for business purposes unless you or Apple are legally permitted to use or make copies of the protected content. Never use Apple facilities or equipment to make or store unauthorized copies. For more information about personal content on an Apple owned device view the IS&T [Illegal Downloading, Copying, and Distribution Policy](#).

Are business meals, travel, and entertainment considered gifts?

Yes. Anything of value is considered a gift.

Can I avoid these rules if I pay for gifts to customers or business associates myself?

No. If the gift is given for business reasons and you are representing Apple, the gift rules apply.

What is an example of a side deal?

In a sales environment, a side deal may involve a guarantee to accept back unsold products or other special agreements to encourage certain customers to place larger orders. Such a side deal, whether written or oral, can have an impact on Apple's potential liability with respect to that transaction and may make it inappropriate for Apple to recognize revenue on the products sold, affecting the accuracy of Apple's books and records. Side deals or side letters made outside of Apple's formal contracting and approvals process are strictly prohibited.

Giving and Receiving Business Gifts

Employees may not give or receive gifts or entertainment to or from current or potential vendors, suppliers, customers, or other business associates unless all of the following conditions are met:

- **Nominal value.** The value of the gift is less than US\$150. Exceptions must be approved by your vice president (for vice president-level employees, exceptions must be approved by your manager).
- **Customary.** The item is a customary business gift and would not embarrass Apple if publicly disclosed. Cash is never an acceptable gift. Giving or receiving cash is viewed as a bribe or kickback and is always against Apple policy.
- **No favored treatment.** The purpose of the gift is not to obtain special or favored treatment.
- **Legal.** Giving or accepting the gift is legal in the location and under the circumstances where given.
- **Recipient is not a government official.** Never provide a gift, including meals, entertainment, or other items of value, to a U.S. or foreign government official without checking with Government Affairs in advance. See page 13 for more information on gifts to government officials.

This policy does not preclude Apple as an organization from receiving and evaluating complimentary products or services. It is not intended to preclude Apple from giving equipment to a company or organization, provided the gift is openly given, consistent with legal requirements, and in Apple's business interests. The policy also does not preclude the attendance of Apple employees at business-related social functions, if attendance is approved by management and does not create a conflict of interest.

Zero Gift Rule: Certain departments, including AppleCare, Apple Online Store, Apple Retail, ASC/ASM/ACEs, Business Conduct and Global Compliance, Facilities, Filemaker, Finance, Global Security, Hardware, Hardware Technologies, Human Resources, Industrial Design, IS&T, Operations and Software have more restrictive gift policies that prohibit giving or receiving gifts altogether. Employees in these departments must adhere to the stricter policies. For more information, if you are in Operations, Hardware, Hardware Engineering or Industrial Design see the [Code of Conduct Policy](#), all other groups see [Apple's Zero Gift Policy](#).

Side Deals or Side Letters

All the terms and conditions of agreements entered into by Apple must be formally documented. Contract terms and conditions define the key attributes of Apple's rights, obligations, and liabilities and can also dictate the accounting treatment given to a transaction. Making business commitments outside of the formal contracting process, through side deals, side letters, or otherwise, is unacceptable. You should not make any oral or written commitments that create a new agreement or modify an existing agreement without approval through the formal contracting process.

What can I do if a reseller complains to me about low prices at another reseller?

Advise the reseller that you can't discuss or attempt to influence pricing of other parties since this could violate antitrust laws.

How should I handle customer inquiries about resellers and service providers?

Apple resellers and service providers are key members of the Apple family. They promote and sell Apple products and they provide service and support to Apple customers.

Accordingly, you should never make disparaging remarks to customers about resellers or service providers.

What is an example of an endorsement?

A friend writes a great book on software design and asks you to endorse the book by making a statement on the back cover. If you make such an endorsement, don't include your job title or affiliation with Apple.

Competition and Trade Practices

Agreements with competitors are subject to rigorous scrutiny in all countries. Competitors are expected to compete, and compete aggressively on all terms. Agreements with our resellers, distributors, and suppliers can also give rise to scrutiny, particularly if Apple has a leading position in the market.

You should not:

- Agree with competitors or exchange information with competitors on price, policies, contract terms, costs, inventories, marketing plans, capacity plans, or other competitively significant terms.
- Agree with competitors to divide sales territories, products, or assign customers.
- Agree with resellers on the resale pricing of Apple products without legal approval. Resellers must be free to determine their own resale prices.
- Violate fair bidding practices, including bidding quiet periods, or provide information to benefit one vendor over other vendors.
- Engage in any pricing or other practices that could defraud a supplier or others.

Remember: Always consult the [Competition Law Team](#) whenever you have a question. For more detail, please see the [Antitrust and Competition Law Policy](#).

Endorsements

When representing Apple, never endorse a product or service of another business or an individual unless the endorsement has been approved by your manager and Corporate Communications. This does not apply to statements you may make in the normal course of business about third-party products that are sold by Apple.

Open Source Software

Open source software is software for which the source code is available without charge under a free software or open source license. Before using, modifying, or distributing any open source software for Apple infrastructure or as part of an Apple product or service development effort, you must review Apple's [Open Source Software Policy](#) and contact Legal for approval using the forms referenced in that policy.

Tell me more about pricing products that are sold to governments.

Governments shouldn't be charged more for our products or services than Apple charges other customers for the same products or services. There are laws that make it a crime to overcharge the U.S. government. Some other countries have similar laws.

Can I avoid a gift limitation by paying for a gift, such as lunch or golf, myself?

No. If you are representing Apple, any gift to a government employee would be viewed as coming from Apple.

What is considered a gift to a U.S. or foreign official?

In most cases, anything of value that is given is considered a gift. This includes items such as meals, golf, entertainment, and product samples. Cash is never an acceptable gift. Typically, giving cash is viewed as a bribe or kickback and is against Apple policy.

Who is a "foreign official"?

A foreign official is any official or employee of a foreign government or public international organization (including departments or agencies of those governments or organizations), or any person acting in an official capacity. Also included are employees of a state-run or state-owned business, such as a public utility, and employees of a public/government-run school or university.

Governments as Customers

Governments are unique customers for Apple. Governments often place special bidding, pricing, disclosure, and certification requirements on firms with which they do business. Discuss these requirements with Government Affairs or your local Apple Legal representative before bidding for government business.

Gifts to U.S. Officials

It may be illegal to give a gift, even an inexpensive meal or a T-shirt, to a government employee. The rules vary depending on the location and job position of the government employee (for example, rules may vary by state, school district, and city, and there may be different rules for various elected and non-elected officials).

To prevent violations, review all gifts to government officials with [Government Affairs](#) before giving a gift.

Gifts to Non-U.S. Officials

In many countries it is considered common courtesy to provide token/ceremonial gifts to government officials on certain occasions to help build relationships. Check local requirements and review any such gifts exceeding US\$25 in advance with Legal. For meals, the US\$25 limit does not necessarily apply. Check for [value limits by country](#) on meals to public officials and employees. Meals of any value should be avoided with officials from government agencies where Apple has a pending application, proposal, or other business.

No Bribery or Corruption

At Apple, we do not offer or accept bribes or kickbacks in any form and we do not tolerate corruption in connection with any of our business dealings. You may not offer or receive bribes or kickbacks to, or from, any individual, whether that individual is a government official or a private party. For additional information, see [Apple's Anti-Corruption Policy](#).

Political Contributions

Apple does not make political contributions to individual candidates or parties. All corporate political contributions, whether monetary or in-kind (such as the donation/lending of equipment or technical services to a campaign), must be approved in advance by Apple's CEO and processed by Apple Government Affairs to ensure compliance with disclosure regulations and Apple's policy of promptly reporting contributions on the Apple website. Employees may not use Apple assets (including employee work time, or use Apple premises, equipment, or funds) to personally support candidates and campaigns. It is illegal for Apple to reimburse an employee for a contribution. For more information, see the [Apple Corporate Political Compliance Policy](#) and the [Apple Public Policy Advocacy Website](#).

What should I do if I'm interested in hiring a current or recent government employee?

Contact [Government Affairs](#) before beginning any negotiations to hire a current or recent government, military, or other public sector employee as an Apple employee or consultant.

How do I get more information regarding Apple's environmental, health, and safety programs?

Visit the [Environment, Health & Safety](#) site.

What if I want to get more involved in community activities?

Contact [Community Affairs](#). This group promotes, supports, and facilitates employee involvement in community volunteer activities. Outside the U.S., check with your local Public Relations team or Human Resources.

Hiring Government Employees

Laws often limit the duties and types of services that former government, military, or other public sector employees may perform as employees or consultants of Apple. Employment negotiations with government employees are prohibited while the employees are participating in a matter involving Apple's interests.

Trade Restrictions and Export Controls

Many countries periodically impose restrictions on exports and other dealings with certain countries, persons, or groups. Export laws may control trading of commodities or technologies that are considered to be strategically important because they have the potential to be used for military purposes. Laws may cover travel to or from a sanctioned country, imports or exports, new investments, and other related topics. Certain laws also prohibit support of boycott activities. See Apple's [Export Control Policy](#) for more information.

If your work involves the sale or shipment of products, technologies, or services across international borders, check with the export department to ensure compliance with any laws or restrictions that apply.

Environment, Health, and Safety (EHS)

Apple operates in a manner that conserves the environment and protects the safety and health of our employees. Conduct your job safely and consistently with applicable EHS requirements. Use good judgment and always put the environment, health, and safety first. Be proactive in anticipating and dealing with EHS risks.

In keeping with our commitment to the safety of our people, Apple will not tolerate workplace violence. For additional information, review Apple's [Workplace Violence Policy](#).

Charitable Donations

Employees are encouraged to support charitable causes of their choice as long as that support is provided without the use or furnishing of Apple assets (including employee work time or use of Apple premises, equipment, or funds). Any charitable donations involving Apple assets require the approval of the Chief Executive Officer or Chief Financial Officer. For additional information, see [Finance Policy 1.10](#).

This policy does not preclude Apple employees from using the [Apple Matching Gifts Program](#) to contribute to the nonprofit organization of their choice.

Community Activities and Public Positions

At Apple, we comply with applicable laws and regulations and operate in ways that benefit the communities in which we conduct business. Apple encourages you to uphold this commitment to the community in all your activities.

If you hold an elected or appointed public office while employed at Apple, advise Government Affairs. Excuse yourself from involvement in any decisions that might create or appear to create a conflict of interest.

Your Obligation to Take Action

Always apply Apple's principles of business conduct, follow Apple policies, and comply with laws and regulations. When you are unsure, take the initiative to investigate the right course of action. Check with your manager, Human Resources, Legal, Internal Audit, or Finance, and review our policies on AppleWeb. If you would like to talk with someone outside your immediate area, consider contacting the [Business Conduct Helpline](#).

If you know of a possible violation of Apple's Business Conduct Policy or legal or regulatory requirements, you are required to notify your manager (provided your manager is not involved in the violation), Human Resources, Legal, Internal Audit, Finance, or the [Business Conduct Helpline](#). Failure to do so may result in disciplinary action.

Employees must cooperate fully in any Apple investigation and keep their knowledge and participation confidential to help safeguard the integrity of the investigation.

Business Conduct Helpline

The Business Conduct Helpline is available 24/7 to all employees worldwide to help answer your questions on business conduct issues, policies, regulations, and compliance with legal requirements. It also allows you to advise Apple of situations that may require investigation or management attention.

The Business Conduct Helpline is committed to keeping your issues and identity confidential. If you would be more comfortable doing so, you may contact the Helpline anonymously. Your information will be shared only with those who have a need to know, such as those involved in answering your questions or investigating and correcting issues you raise. If your information involves accounting, finance, or auditing, the law may require that necessary information be shared with the Audit and Finance Committee of the Apple Board of Directors.

Due to legal restrictions, anonymous use of the Business Conduct Helpline is not encouraged in certain countries (for example, France).

Apple will not retaliate—and will not tolerate retaliation—against any individual for reporting a concern in good-faith with the [Business Conduct Helpline](#).

Information on contacting the Business Conduct Helpline—including via email, toll-free telephone, and web access—is available on the [Business Conduct website](#).

Policies and References

[Alcohol, Drugs and a Smoke Free Environment in the Workplace](#)

[Anti-Corruption Policy](#)

[Business Conduct Helpline](#)

[Charitable Contributions \(Finance Policy 1.10\)](#)

[Community Affairs](#)

[Copyright Information](#)

[Copyright Policy](#)

[Corporate Identity Guidelines](#)

[Customer Privacy Policy](#)

[Diversity](#)

[Employee Assistance Program \(U.S. only\)](#)

[Environment, Health & Safety](#)

[Equal Employment Opportunity](#)

[Expense Reimbursements \(Finance Policy 10.01\)](#)

[Export Control](#)

[Government Affairs](#)

[Harassment](#)

[Illegal Downloading, Copying, and Distribution Policy](#)

[Information Security](#)

[Insider Trading Policy](#)

[Intellectual Property](#)

[Legal Department Contacts](#)

[Mail and Electronic Communications](#)

[Matching Gifts Program](#)

[Name and Logo Use Questions](#)

[Personal Relationships](#)

[Political Compliance](#)

[Political Contributions and Expenditures](#)

[Privacy Policy](#)

[Procurement](#)

[Reasonable Accommodation](#)

[Records Management](#)

[Safe Harbor Privacy Policy](#)

[Standards Legal Policy](#)

[Stock Blackout Periods](#)

[Trademarks](#)

[Travel Policy](#)

[Workplace Property Policy](#)

Exhibit D

Copy of the Channel Member Code of Conduct



Channel Member Code of Conduct

Last Updated March 2017

At Apple, we believe in doing business ethically, honestly, and in full compliance with all laws and regulations. Apple requires businesses that associate themselves with our brand through the resale or distribution of our products to uphold these same high standards. To that end, Apple requires all authorized resellers, distributors, carriers, and service providers (“Channel Members”) worldwide to adhere to this Channel Member Code of Conduct (“Code”). Apple conducts due diligence and periodic monitoring of channel members to ensure compliance with the Code and with other Apple policies, including but not limited to, its Anti-Corruption Policy and Export Compliance policies. As a condition of doing business with Apple, you consent to such due diligence and monitoring. Any violation of the Code or Apple policy will constitute the basis for the immediate termination of your agreements with Apple, pursuant to applicable laws, and without liability to Apple.

Apple’s Principles of Business Conduct

Apple’s success is based on creating innovative, high-quality products and services. We strive to demonstrate integrity in every business interaction. Apple’s Principles of Business Conduct define the way we do business worldwide and must also define the way our Channel Members operate.

These principles are:

- **Honesty.** Demonstrate honesty and high ethical standards in all business dealings.
- **Respect.** Treat customers, suppliers, employees, and others with respect and courtesy.
- **Confidentiality.** Protect the confidentiality of Apple’s information and the information of our customers, suppliers, and employees.
- **Compliance.** Ensure that business decisions comply with all applicable laws and regulations.

Your Responsibilities

Apple’s Code applies to all Channel Members. It is a Channel Member’s obligation to comply with this Code. Channel Members are responsible for establishing policies and monitoring practices so that all your employees, independent contractors, consultants, and all others who do business for or on your behalf understand and comply with all provisions of this Code.

Ethics and Legal Compliance

Channel Members must be committed to high standards of ethical conduct in all business dealings and must comply with all applicable legal requirements. Channel Members must demonstrate integrity in every business interaction. Apple expects Channel Members to avoid engaging in any activity that involves even the appearance of impropriety.

Corruption, Extortion, Bribery or Embezzlement

Corruption, extortion, bribery or embezzlement, in any form, is strictly prohibited. It may result in the immediate termination of the Channel Member's business relationship with Apple and possibly additional legal action.

Without exception, Channel Members worldwide must conduct their activities in full compliance with the anti-corruption and anti-bribery laws of the country, or countries, in which they are operating and with the United States Foreign Corrupt Practices Act, the UK Bribery Act, and the principles of the OECD Convention on Combating Bribery of Foreign Public Officials.

Channel Members may not, directly or indirectly through a third party, pay, offer, promise to pay, or receive bribes or kickbacks from any individual, whether that individual is a public official or a private party. A public official is any person who is paid with government funds. This includes individuals who work for a local, state/provincial or national government, or a public international organization, as well as employees of public (government-owned or operated) schools and state-owned enterprises. Employees at such organizations are considered public officials regardless of title or position.

Bribes

A bribe is offering or giving anything of value to any person for the purpose of obtaining or retaining business, or securing an improper advantage. Anything of value includes cash, cash equivalents, meals, or entertainment, and may also include a promise or other intangible benefit.

Kickbacks

A kickback is a payment or anything of value given to individuals after a transaction, typically for providing a discount or arranging high volume in a sales agreement.

Facilitating Payments

Facilitating payments are small payments to a public official to expedite or secure the performance of routine, nondiscretionary government action. These types of payments are typically demanded by low-level officials in exchange for providing a service to which you are entitled even without the payment. Facilitating payments are not permissible and strictly prohibited by Apple except in limited circumstances (e.g., imminent threat to health or safety).

Money Laundering

Channel Members may not engage in or assist others in concealing illicit funds or money laundering activities. The following are sample indicators of money laundering that merit further investigation of Channel Members:

- Attempts to make large payments in cash
- Payments by someone who is not a party to the contract
- Requests to pay more than provided for in the contract
- Payments made in currencies other than those specified in the contract
- Payments from an unusual, nonbusiness account

Trade Restrictions, Export Controls, and Customs

All transactions must comply with United States export and customs laws and additional export and customs laws in the countries where business is being conducted. Channel Members whose business activities involve the sale or shipment of Apple products, technologies, or services across international borders must understand and ensure compliance with all laws or restrictions that apply in connection with those activities.

Fair Business, Advertising, and Competition Practices

Channel Members must uphold fair business standards in advertising, sales, and competition.

Competition and Sales Practices

Apple is committed to adhering to applicable antitrust or competition laws. Unfair methods of competition and deceptive practices involving Apple products are prohibited. Laws regulating competition and trade practices vary around the world, but certain activities, such as price fixing or agreeing with a competitor to allocate customers, are almost always illegal. Channel Members must understand and ensure compliance with all competition and trade practices laws or restrictions that apply in connection with their business activities.

Obtaining and Using Business Intelligence

Channel Members who collect information on customers and markets in which they operate must do so only through legitimate means. Channel Members must not seek business intelligence by illegal or unethical means.

Records Accuracy and Information Protection

Accuracy of Records and Reports

Accurate records are critical to meeting legal, financial, and management obligations. Channel Members must ensure that all records and reports that they provide to Apple, or to any government or regulatory body that reflects business with Apple, are prepared in reasonable detail to accurately reflect the operations of its business and dispositions of its corporate assets, and are full, fair, accurate, timely, understandable, and compliant with applicable legal and financial standards. Channel Members must never misstate facts, omit critical information, or modify records or reports in any way to mislead others, or assist others in doing so.

Privacy

Apple is committed to ensuring the privacy of the end-user customers of Apple products and services. Apple's Privacy Policy covers the collection, use and disclosure of personal information that may be collected by Apple, a copy of which may be found at <http://www.apple.com/privacy>. Channel Members are required to comply with all privacy laws and regulations. Minimally, Channel Members must take appropriate precautions — including administrative, technical, and physical measures — to safeguard customers' personal information against loss, theft, and misuse, as well as unauthorized access, disclosure, alteration, and destruction. Failure to protect customer private information may damage Apple's relations with its customers and may result in legal liability for Channel Members.

Confidentiality of Apple Information

One of Apple's greatest assets is information about our products and services, including future product offerings. Channel Members must strictly abide by all nondisclosure agreements and other agreements regarding the confidentiality of information. Channel Members must not comment on Apple business matters, including any programs, policies, or contract terms.

Protection of Intellectual Property

Channel Members must respect the intellectual property rights of Apple and third parties and may not knowingly use the intellectual property of any third party without permission or legal right.

Labor and Human Rights

Channel Members must uphold the human rights of workers, and treat them with dignity and respect as understood by the international community.

Discrimination

Channel Members may not discriminate against any worker based on race, color, age, gender, sexual orientation, ethnicity, disability, religion, political affiliation, union membership, national origin, or marital status in hiring and employment practices such as applications for employment, promotions, rewards, access to training, job assignments, wages, benefits, discipline, termination, and retirement. Channel Members may not require a pregnancy test or discriminate against pregnant workers (subject to requirements of applicable laws and regulations). In addition, Channel Members may not require workers or potential workers to undergo medical tests that could be used in a discriminatory way except where required by applicable law or regulation or prudent for workplace safety.

Harsh Treatment and Harassment

Channel Members must be committed to a workplace free of harassment. Channel Members may not threaten workers with or subject them to harsh or inhumane treatment, including sexual harassment, sexual abuse, corporal punishment, mental coercion, physical coercion, or verbal abuse.

Wages and Benefits

Channel Members must pay their workers at least the minimum wage required by applicable laws and regulations and provide all legally mandated benefits. In addition to their compensation for regular hours of work, Channel Members' workers must be compensated for overtime hours at the premium rate required by applicable laws and regulations. Channel Members may not use deductions from wages as a disciplinary measure. Workers must be paid in a timely manner, and the basis on which workers are being paid must be clearly conveyed to them in a timely manner. Channel Members must maintain accurate records of employee hours worked and wages paid.

Child Labor

Child labor is strictly prohibited. Channel Members must comply with all applicable child labor laws, including the minimum age for employment in all countries where it does business, or the age for completing compulsory education in such countries, whichever is higher. This Code does not prohibit participation in legitimate workplace apprenticeship programs that are consistent with Article 6 of ILO Minimum Age Convention No. 138 or light work consistent with Article 7 of ILO Minimum Age Convention No. 138.

Health and Safety

Apple recognizes that integrating sound health and safety management practices into all aspects of business is essential to maintain high morale, produce innovative products and provide high-quality services. Channel Members must be committed to creating safe working conditions and a healthy work environment for all of their workers, and must comply with all safety regulations.

The Environment

At Apple, environmental considerations are an integral part of our business practices. Channel Members must have a similar commitment to reducing the environmental impact of their operations. Channel Members must endeavor to reduce or eliminate waste of all types, including water and energy, by implementing appropriate conservation measures in its facilities and by recycling, reusing, or substituting materials.

Ensuring Compliance with this Code

Process to Receive and Investigate Reports of Violations

Channel Members must have in place a process whereby their employees, independent contractors, consultants, and others who do business for or on behalf of Channel Members can safely and confidentially report violations of this Code to the Channel Member's management, and to do so anonymously (subject to local legal restrictions on anonymous reporting). Channel Members must promptly investigate any observed or reported violations of this Code.

Whistleblower Protection

Channel Members must create programs to ensure the protection of whistleblower confidentiality and to prohibit retaliation against workers who participate in such programs in good faith or refuse an order that is in violation of this Code.

Corrective Action Process

Channel Members must have a process for timely correction of any deficiencies or violations of this Code identified by any internal or external audit, assessment, inspection, investigation, or review.

Reporting

Channel Members must in good faith report any violations of this Code (whether such violations are your own, another Channel Member's, or an Apple employee's) to Apple Compliance within three (3) days of identifying such a violation. Please send reports to globalcompliance@apple.com.

Exhibit E

Copy of the Inclusion and Diversity at Apple Website



Inclusion and Diversity at Apple

Apple recognizes that each employee contributes a wealth of perspectives to our culture. We seek to tap into this extraordinary resource and incorporate it into how we do business with our customers and communities. By leveraging differences, we drive innovation.

Apple's inclusion and diversity initiatives are designed to drive retention and development, create robust talent pools, support strategic business practices, enhance employee cultural awareness and develop external partnerships focused on diversity outreach.

To support Apple's culture of inclusion, all employees are expected to respect the diverse ideas, experiences and backgrounds of each other and of all with whom we do business.

A number of Apple departments and the Diversity Network Associations are directly involved in creating a culture of inclusion:

Who	Does What
Global Recruiting	Develops strategies for attracting and retaining the talent needed to meet business objectives.
Employee Giving	Promotes, supports, and facilitates employee volunteer activities and matching gifts for employee donations of time and money.
Government Affairs	Facilitates outreach to community groups and organizations in an effort to support the activities of the groups/organizations.
Procurement	Promotes equal and fair treatment of suppliers to develop and maintain a diverse supplier base.
Apple Inclusion and Diversity	Implements inclusion-based initiatives to recruit, retain, and develop our workforce, and connect with diverse communities.
Diversity Network Associations	Support the priorities of Apple Inclusion and Diversity through awareness, education, leadership, programs, networking, and resources.

For Managers

The guide below can help you and HR work with and provide a supportive environment to employees undergoing a gender transition.

[Gender Transition Guide for Managers](#)

Additional resources

[Equal Employment Opportunity Policy](#)

[Affirmative Action](#)

[Diversity Network Associations](#)

Exhibit F

Copy of the 2017 Letter of Affirmation



2017 Letter of Reaffirmation

Every year, Apple Inc., as a company, reaffirms our corporate commitment to equal employment opportunity, affirmative action, and inclusion and diversity.

Apple is committed to attracting, hiring, and retaining the best and most diverse workforce in the world. This does not imply giving preference on the basis of race, gender, protected Veteran status, or disability status, but rather striving to attract a diverse, richly representative pool of talent so we can select the best candidates—based on job-related criteria.

Apple has always created products for everyone. We encourage all employees to help Apple broaden our talent pool to better reflect and represent the world around us. You can do so by participating in Apple's Employee Referral Program.

Or, if you are a manager who will have an opportunity to hire or promote during this year, think about ways you can grow your talent pool, and proactively identify and recruit a wide range of applicants. You can contact your local Apple Human Resources representative and/or your recruiter for assistance in support of this effort.

Thank you for joining me in reaffirming this important commitment.

Denise Young Smith
Vice President, Worldwide Talent and Human Resources