



October 16, 2020

**VIA ELECTRONIC MAIL**

Office of the Chief Counsel  
Division of Corporation Finance  
Securities and Exchange Commission  
100 F Street, N.E.  
Washington, D.C. 20549

Re: **Apple Inc. Shareholder Proposal from the National Center for Public Policy Research**

Ladies and Gentlemen:

This letter is submitted pursuant to Rule 14a-8(j) under the Securities Exchange Act of 1934, as amended. Apple Inc., a California corporation ("**Apple**" or the "**Company**"), has received a shareholder proposal (the "**Proposal**") and related supporting statement (the "**Supporting Statement**") from the National Center for Public Policy Research (the "**Proponent**") for inclusion in the Company's proxy statement (the "**Proxy Materials**") for the Company's 2021 Annual Meeting of Shareholders (the "**Annual Meeting**"). A copy of the Proposal and the Supporting Statement, together with other correspondence relating to the Proposal, is attached hereto as [Exhibit A](#). The Company hereby advises the staff of the Division of Corporation Finance (the "**Staff**") that it intends to exclude the Proposal from its Proxy Materials. The Company respectfully requests confirmation that the Staff will not recommend enforcement action to the Securities and Exchange Commission (the "**Commission**") if the Company excludes the Proposal pursuant to Rule 14a-8(i)(10), as the Proposal has been substantially implemented.

By copy of this letter, the Company is advising the Proponent of its intention to exclude the Proposal. In accordance with Rule 14a-8(j)(2) and Staff Legal Bulletin No. 14D, the Company is submitting by electronic mail (i) this letter, which sets forth its reasons for excluding the Proposal; and (ii) the Proponent's letter submitting the Proposal.

Pursuant to Rule 14a-8(j), the Company is submitting this letter not less than 80 days before the Company intends to file its Proxy Materials and is sending a copy of this letter concurrently to the Proponent.

**I. The Shareholder Proposal.**

The Proposal, in material part, requests that the Company's shareholders approve the following:

**"Resolved:** Shareholders request our Board prepare a report based on a review of the BRT Statement of the Purpose of a Corporation, signed by our Chief Executive Officer, and provide the board's perspective regarding whether our Company's governance

and management systems should be altered to fully implement the Statement of Purpose.”

## **II. Background on the Statement of Purpose.**

The Business Roundtable’s “Statement on the Purpose of a Corporation” (the “**Statement of Purpose**”, attached hereto as [Exhibit B](#)), originally signed in 2019 by 181 CEOs including Apple’s CEO, Tim Cook, reflects an acknowledgment that businesses in the United States play a vital role in the economy and that, while each individual company serves its own corporate purpose, the signatories share a fundamental commitment to deliver value to all of their stakeholders, including generating long-term value for shareholders.

The Statement of Purpose is aligned with Apple’s mission and values. It is not a reorientation of Apple’s corporate purpose. The document reflects a broad consensus among prominent business leaders and is aligned with the Company’s practices and policies in each of the five areas identified by the Statement of Purpose: (1) delivering value to customers; (2) investing in Apple’s employees; (3) dealing fairly and ethically with suppliers; (4) supporting communities in which Apple works; and (5) generating long-term value for shareholders. Because Apple’s core values, practices, and policies and procedures already provide the framework for Apple to operate consistently with the Statement of Purpose, no amendments to Apple’s governing documents or changes to its management systems were or are necessary to fully implement the Statement of Purpose.

## **III. Basis for Exclusion – The Proposal Has Been Substantially Implemented by the Company in Accordance with Rule 14a-8(i)(10).**

The Company requests that the Staff concur in its view that the Company may exclude the Proposal from the Proxy Materials pursuant to Rule 14a-8(i)(10) because the Company has already substantially implemented the Proposal and, were the Proposal to be voted upon by shareholders at the Annual Meeting and pass, there is nothing further that the Company would do to implement the Proposal.

### **A. Rule 14a-8(i)(10)**

Rule 14a-8(i)(10) provides that a company may exclude a shareholder proposal from its proxy materials if the company has substantially implemented the proposal. In explaining the scope of a predecessor to Rule 14a-8(i)(10), the Commission stated that the exclusion is “designed to avoid the possibility of shareholders having to consider matters which already have been favorably acted upon by the management.” Exchange Act Release No. 12598 (July 7, 1976) (discussing the rationale for adopting the predecessor to Rule 14a-8(i)(10), which provided as a substantive basis for omitting a shareholder proposal that “the proposal has been rendered moot by the actions of the management”). At one time, the Staff interpreted the predecessor rule narrowly, considering a proposal to be excludable under this provision only if it had been “‘fully’ effected” by the company. See Exchange Act Release No. 19135 at § II.B.5. (Oct. 14, 1982). By 1982, however, the Commission recognized that the Staff’s narrow interpretation of the predecessor rule “may not serve the interests of the issuer’s security holders at large and may lead to an abuse of the security holder proposal process,” in particular by enabling proponents to argue “successfully on numerous occasions that a proposal may not be excluded as moot in cases where the company has taken most but not all of the actions requested by the proposal.” *Id.* Accordingly, the Commission proposed in 1982, and adopted in 1983, a revised interpretation

of the rule to permit the omission of proposals that had been “substantially implemented.” See Exchange Act Release No. 20091, at § II.E.6. (Aug. 16, 1983) (the “**1983 Release**”) (indicating that the Staff’s “previous formalistic application of” the predecessor rule “defeated its purpose” because the interpretation allowed proponents to obtain a shareholder vote on an existing company policy by changing only a few words of the policy). The Commission later codified this revised interpretation in Exchange Act Release No. 40018 at n.30 (May 21, 1998). Accordingly, the actions requested by a proposal need not be “fully effected” by the company to be excluded; rather, to be excluded, they need only to have been “substantially implemented” by the company. See the 1983 Release.

Applying this standard, the Staff has noted that “a determination that the company has substantially implemented the proposal depends upon whether [the company’s] particular policies, practices, and procedures compare favorably with the guidelines of the proposal.” *Texaco, Inc.* (avail. Mar. 28, 1991). Thus, when a company has already taken action to address the underlying concerns and essential objectives of a shareholder proposal, even though the company did not take the exact action requested by the proponent, did not implement the proposal in every detail, or exercised discretion in determining how to implement the proposal, the proposal has been “substantially implemented” and may be excluded. See, e.g., *Bank of New York Mellon Corp.* (avail. Feb. 15, 2019); *Exelon Corp.* (avail. Feb. 26, 2010); *Exxon Mobil Corp.* (Burt) (avail. Mar. 23, 2009); *Anheuser-Busch Companies, Inc.* (avail. Jan. 17, 2007); *ConAgra Foods, Inc.* (avail. Jul. 3, 2006); *Talbots Inc.* (avail. Apr. 5, 2002); *Exxon Mobil Corp.* (avail. Jan. 24, 2001); and *The Gap, Inc.* (avail. Mar. 8, 1996).

The Staff has previously taken the position that a shareholder proposal requesting that a company’s board of directors prepare a report pertaining to environmental, social, or governance (“**ESG**”) issues may be excluded when the company has provided information about the initiative in various public disclosures. See, e.g., *The Wendy’s Company* (avail. Apr. 10, 2019) (concurring with exclusion of a proposal requesting that the board of directors prepare a report on the company’s process for identifying and analyzing potential and actual human rights risks of operations and supply chain where the company already had a code of conduct for suppliers, a code of business conduct and ethics, and other policies and public disclosures concerning supply chain practices and other human rights issues that achieved the proposal’s essential objective); *McDonald’s Corporation* (avail. Feb. 28, 2014) (concurring with the exclusion of a proposal requesting that the board of directors review and prepare a report to shareholders articulating directors’ duties with respect to ESG issues where the charter for the board’s sustainability and corporate responsibility committee and a report undertaken by such committee described such duties); *The Dow Chemical Co.* (avail. Mar. 5, 2008) (concurring with exclusion of a proposal requesting that the board of directors prepare a report discussing how the company’s efforts to ameliorate climate change have affected the global climate where the company had already made statements about its efforts related to climate change in various corporate documents and disclosures); and *The Gap, Inc.* (avail. Mar. 16, 2001) (concurring that a proposal requesting that the board of directors prepare a report on child labor practices of company suppliers was substantially implemented when the company published information on its website with respect to the company’s vendor code and monitoring programs).

Notably, in *JPMorgan Chase & Co.* (avail. Feb. 5, 2020), the Staff determined that a proposal (the “**JPM Proposal**”) with a similar request as the Proposal was found to be substantially implemented under similar circumstances. The JPM Proposal requested that the company’s board provide oversight and guidance as to how the Statement of Purpose should

alter the company's governance practices and publish recommendations regarding implementation. The Staff concurred that the "board's actions compare favorably with the guidelines of the Proposal," and made particular note of the company's representation that the board's corporate governance and nominating committee had determined that no additional action or assessment was needed, as the company already operated in accordance with the Statement of Purpose.

B. The Company's Publicly Disclosed Governance and Management Systems Substantially Implement the Proposal, and the Nominating and Corporate Governance Committee has Determined no Alterations are Necessary to Fully Implement the Statement of Purpose

The Proposal requests a report to provide "the board's perspective regarding whether our Company's governance and management systems should be altered to fully implement the Statement of Purpose." As further described below, in considering the Proposal, the Nominating and Corporate Governance Committee (the "**Committee**") of Apple's Board of Directors (the "**Board**") reviewed the Statement of Purpose and the Company's governance and management systems, which are reflected in the Company's current practices and policies disclosed on the Company's website or in its filings with the Commission and which have been summarized in this letter. Following this review, the Committee determined that the Company's governance and management systems do not need to be altered in order to fully implement the Statement of Purpose because the Company already operates in accordance with the principles set forth in the Statement of Purpose and provides adequate disclosure to shareholders and the public about this alignment.

For many years, the Company has been firmly committed to its core values of accessibility, inclusion and diversity, education, privacy and security, protecting the environment, and supplier responsibility (the "**Values**"), and the actions it has taken to carry out those Values fully align with the items addressed in the Statement of Purpose. Through robust disclosure on the Company's website, in its filings with the Commission, and in its various governance policies and reports, the Company has been transparent about its Values and its governance and management systems to implement them, which reflect its commitment to all of its stakeholders. Thus, the Committee was able to determine that no alterations were necessary to the Company's governance and management systems in order to fully implement the Statement of Purpose.

1. The Company's Core Values Fully Align with the Statement of Purpose

The notion that a business should deliver value to all stakeholders, and not only its shareholders, lies at the heart of Apple's Values and is the overarching principle of the Statement of Purpose. Apple discloses its Values on its website and, since 2016, Apple has included these Values in its annual meeting proxy statements. The description of Apple's Values as disclosed in the Company's Proxy Statement for the 2020 Annual Meeting of Shareholders<sup>1</sup> (the "**2020 Proxy Statement**") is attached hereto as [Exhibit C](#).

On Apple's ESG website, the Company expresses its commitment to running its business in accordance with these Values, and thus with the interests of its various stakeholders, including customers, employees, suppliers, and communities, in mind. Apple states:

*We believe business can and should be a force for good. Achieving that takes innovation, hard work, and a focus on serving others. It also means leading with our values in the technology we make, in the way we make it, and in how we treat people and the planet we share. Apple is dedicated to leaving the world better than we found it, and to creating powerful tools that empower others to do the same.*

Therefore, Mr. Cook's signing of the Statement of Purpose did not represent a shift in strategy or require management to operate the business any differently than it had previously. Instead, the commitments in the Statement of Purpose to customers, employees, suppliers and communities, in addition to shareholders, mirror the commitments Apple had already made to these stakeholders through the Company's Values. Specifically:

- The Statement of Purpose commitment to *delivering value to customers* aligns with Apple's Values of accessibility and privacy. Apple believes accessibility is a fundamental human right and technology should be accessible to everyone. The Company builds powerful assistive features into the Company's products to give people with physical limitations greater control over their lives. Apple also believes privacy is a fundamental human right and every Apple product is designed from the ground up to protect privacy and security.
- The Statement of Purpose commitments to *investing in employees* and *supporting the communities in which the Company works* align with Apple's Values of education and inclusion & diversity. Apple has prioritized providing employees with education and training to improve skill-sets and create advancement opportunities, creating technology that can be deployed in classrooms around the world, and developing programs that teach the next generation fundamental skills in areas such as coding. Apple also strives to represent the customers and communities the Company serves — everywhere we operate around the world — because it makes us a better and more innovative company. Apple is committed to hiring and promoting inclusively, championing racial equity and equal pay, increasing diverse representation at all levels, and fostering an inclusive culture that gives every employee the opportunity to do the best work of their lives.
- The Statement of Purpose commitments to *dealing fairly and ethically with suppliers* and *supporting the communities in which the Company works* align with Apple's Value of supplier responsibility. Apple has required that the Company hold itself, as well as its suppliers, to the highest standards of ethical conduct in conducting business and has prioritized offering extensive education and training opportunities to supplier employees.
- The Statement of Purpose commitment to *supporting the communities in which the Company works* also aligns with Apple's Value of protecting the environment. Apple has prioritized the protection of local communities and the planet by donating to relief efforts for communities in need and by embracing sustainable business practices, including the use of recycled materials in product design and a pledge to achieve total carbon neutrality by 2030.
- The Statement of Purpose commitment to *generating long-term value for shareholders* aligns with all of Apple's Values. Apple believes that operating its business in accordance

with its Values and with the interests of all stakeholders in mind has generated, and will continue to generate, long-term value for shareholders. Apple has been transparent with shareholders about its efforts in this regard.

2. A Review of the Company’s Publicly Disclosed Business Practices and Policies Demonstrates that it has Fully Implemented Each Element of the Statement of Purpose

As discussed below, the Company’s website disclosures, filings with the Commission, and various governance policies and reports demonstrate Apple’s commitment to its Values and each element of the Statement of Purpose.

Statement of Purpose	Apple’s Key Responsive Disclosures
<p>“Delivering value to our customers. We will further the tradition of American companies leading the way in meeting or exceeding customer expectations.”</p>	<p><i>Delivering value to customers and meeting or exceeding customer expectations</i></p> <p><b>See Press Release dated July 22, 2020<sup>2</sup>, the 2019 10-K<sup>3</sup> at page 2, and Q3 2020 Earnings Release.<sup>4</sup></b> Apple consistently delivers value and exceeds customer expectations with its products and services. As Apple noted in a recent press release, “[s]ince its founding, Apple has been a pioneer in democratizing powerful technology through products and services designed for everyone.” Despite the recent uncertainty surrounding the COVID-19 pandemic, the Company saw revenue growth in the third quarter of 2020 of 11%, which the Company attributed, in part, “to the important role [its] products play in [its] customers’ lives and to Apple’s relentless innovation.” Although Apple competes in several highly competitive businesses, Apple believes customers select its products and services because they offer “superior innovation and integration of the entire solution, including hardware, software, and services.”</p> <p><b>See Human Rights Policy<sup>5</sup> at page 1.</b> Apple has consistently expressed its commitment to meeting the needs and advocating for the protection of all customers. As noted in the Company’s Human Rights Policy, which was approved by the Board in 2020, the Company “feel[s] a deep sense of responsibility for people that respects their human rights, empowers them with useful tools and information, and enhances their overall quality of life.” This is reflected in many of the features of Apple’s products, including:</p> <ul style="list-style-type: none"> <li>• <b>See Press Release, dated April 15, 2020.<sup>6</sup></b> Apple strives to deliver quality products at affordable prices, including by introducing lower-priced versions of popular devices such as the iPhone SE.</li> <li>• <b>See <a href="https://apple.com/accessibility/">apple.com/accessibility/</a>.</b> Apple’s products are designed to be accessible to everyone, including customers who are vision- or hearing-impaired and those with physical motor limitations. For example, Apple’s VoiceOver function audibly describes what is happening on a device so a customer can navigate solely by sound</li> </ul>

Statement of Purpose	Apple's Key Responsive Disclosures
	<p>or display settings, allowing customers with color blindness or other vision challenges to better utilize the devices.</p> <ul style="list-style-type: none"> <li>• <b>See <a href="https://apple.com/privacy/">apple.com/privacy/</a>, Privacy Policy<sup>7</sup>, Privacy Governance webpage<sup>8</sup>, and Transparency Report.<sup>9</sup></b> Apple believes that “privacy is a fundamental human right” and prioritizes protecting customer privacy and giving customers control over their information. This Value is reflected in the Company’s Privacy Policy, which governs how customer personal data is collected, used, disclosed, transferred, and stored. In addition, Apple’s Privacy Governance website outlines Apple’s approach to privacy governance and the measures the Company takes to enforce privacy safeguards for the protection of customers. As noted on the Privacy Governance website, Apple “design[s] [its] products and services according to the principle of privacy by default and collect[s] only the minimum amount of data necessary to provide [its] users with a product or service.” In furtherance of Apple’s commitment to privacy, Apple also publishes an annual Transparency Report that details government requests for customer data by category of request, date, and country/region.</li> </ul>
<p>“Investing in our employees. This starts with compensating them fairly and providing important benefits. It also includes supporting them through training and education that help develop new skills for a rapidly changing world. We foster diversity and inclusion, dignity and respect.”</p>	<p><i>Compensating employees fairly</i></p> <p><b>See <a href="https://apple.com/diversity/">apple.com/diversity/</a>.</b> Reflective of its Value of inclusion &amp; diversity, Apple is a champion of equal pay around the globe and has achieved pay equity in every country where it operates. Apple’s female employees globally earn the same as males performing similar work. Additionally, in the United States, our Black and Brown colleagues earn one dollar for every dollar earned by white employees performing similar work. Every year, Apple adjusts compensation levels to ensure it maintains pay equity. As part of Apple’s commitment to achieving pay equity, Apple has stopped asking candidates about their salary history. Furthermore, substantially all of the Company’s employees are eligible for awards of share-based compensation.</p> <p><i>Providing important benefits</i></p> <p><b>See Apple Jobs website.<sup>10</sup></b> Apple provides comprehensive benefits for its employees. The Company offers a range of medical benefits to all employees for both physical and mental health, including multiple flexible medical plans, free confidential counseling, onsite wellness centers at major Apple campuses, and assistance with fitness-related expenses. Apple also provides paid time away to care for ill family members and free guidance to help find childcare, eldercare, and legal referrals.</p> <p><i>Supporting employees through training and education</i></p>

Statement of Purpose	Apple's Key Responsive Disclosures
	<p><b>See Apple Jobs website.</b><sup>10</sup> Consistent with its Value of education, Apple provides extensive training and educational opportunities for its employees. For example, "Apple University creates classes, seminars, and beyond-the-classroom tools that help employees understand Apple's culture, organization, values, and role in the world. [Employees] can sharpen business and software skills through online classes and pick up some know-how from a variety of personal finance seminars." In addition, for more formal education related to advancing employees' careers at Apple, Apple will reimburse employees for certain educational expenses such as tuition. Apple also provides important training and educational opportunities to the employees of Apple's suppliers, as described in more detail below.</p> <p><i>Fostering diversity and inclusion, dignity and respect</i></p> <p><b>See <a href="https://apple.com/diversity/">apple.com/diversity/</a> and Business Conduct Policy<sup>11</sup> at page 5.</b> Consistent with Apple's Value of inclusion &amp; diversity, the Business Conduct Policy provides that the Company strives to provide "a creative, culturally diverse, and supportive work environment." Apple is devoted to an inclusive culture for all, including those who are historically underrepresented in the technology industry, U.S. veterans, and the LGBTQ+ community. Apple's commitment to increasing the diversity of its workforce is further reflected through partnerships with community colleges, Historically Black Colleges and Universities ("<b>HBCUs</b>"), minority-serving institutions, and others through programs like the Apple HBCU Scholars Program, a summer internship for students attending HBCUs. Further, as described in the Company's Business Conduct Policy, Apple "[does] not tolerate discrimination or harassment of employees or non-employees with whom [it has] a business, service, or professional relationship."</p>
<p>"Dealing fairly and ethically with our suppliers. We are dedicated to serving as good partners to the other companies, large and small, that help us meet our missions."</p>	<p><i>Dealing fairly and ethically with our suppliers</i></p> <p><b>See <a href="https://apple.com/supplier-responsibility">apple.com/supplier-responsibility</a> and <a href="https://apple.com/job-creation/">apple.com/job-creation/</a>.</b> Apple devotes substantial resources to its supplier relationships and has directly or indirectly supported over 450,000 jobs through its 9,000 U.S. suppliers. In addition, Apple has provided training on workplace rights to more than 19.4 million supplier employees and education and training on in-demand skills to more than four million supplier employees since 2008. Apple includes basic wellness training as part of supplier new employee orientation, with over 840,000 people participating in 2019 alone, and provides training in Swift, the Apple-designed coding language.</p> <p><b>See Supplier Code of Conduct<sup>12</sup> ("<b>Supplier Code</b>"), Supplier Responsibility Standards<sup>13</sup> ("<b>Supplier Standards</b>"), and 2020 Supplier Responsibility Progress Report<sup>14</sup> at page 4.</b> In addition, Apple</p>

Statement of Purpose	Apple's Key Responsive Disclosures
	<p>deals fairly and ethically with its suppliers by clearly laying out its expectations for suppliers. Apple requires that its suppliers adhere to Supplier Standards that explicitly define the Company's expectations for compliance with the Supplier Code. Suppliers are assessed against the Supplier Code and Supplier Standards through rigorous Apple-managed assessments and other third-party audit programs. Each year, Apple publishes a Supplier Responsibility Progress Report, which discloses the average performance of Apple's suppliers in the areas of labor and human rights, health and safety, and the environment relative to the Supplier Code, as well as the percentage of Apple's suppliers that qualify as high-, medium-, or low-performing based on Apple's ranking system. The 2020 Supplier Responsibility Progress Report drew on interviews from more than 50,000 employees in Apple's supply chain and more than one thousand audits of supplier facilities across 49 countries, including surprise audits.</p> <p><b>See Human Rights Policy<sup>5</sup> at page 3 and Business Conduct Policy<sup>11</sup> at page 3.</b> Apple also deals fairly and ethically with its suppliers by seeking protections for their employees. Apple's Human Rights Policy notes the Company's commitment to "respecting internationally recognized human rights in [its] business operations" and resolves "to remedy adverse impacts, track and measure [its] progress, and report [its] findings." Apple requires its employees to be trained annually on labor and human rights standards as well as the Company's Business Conduct Policy, which requires that all employees conduct business "ethically, honestly, and in full compliance with applicable laws and regulations," and treat suppliers with respect and courtesy.</p>
<p>"Supporting the communities in which we work. We respect the people in our communities and protect the environment by embracing sustainable practices across our businesses."</p>	<p><i>Supporting the communities in which we work</i></p> <p><b>See <a href="https://www.apple.com/connectED/">apple.com/connectED/</a>.</b> Consistent with Apple's Value of education, the Company has focused on giving products, support, and opportunities to schools in communities that need them most. As disclosed in the Company's ConnectED website, since 2014, Apple has pledged \$100 million of teaching and learning solutions to 114 underserved schools across the United States through the ConnectED initiative, which includes donating an iPad to every student, a Mac and iPad to every teacher, and an Apple TV for every classroom. Apple also provides teachers with support to help them utilize this technology in their classrooms and assists schools with upgrading their wireless infrastructure.</p> <p><b>See <a href="https://www.apple.com/job-creation/">apple.com/job-creation/</a>.</b> Apple also supports communities by serving as a major job creator. In the United States, Apple is responsible for creating 2,000,000 jobs across all 50 states. Apple publicly discloses on its Job Creation website, by state, the number of jobs created both at</p>

Statement of Purpose	Apple's Key Responsive Disclosures
	<p>Apple and through the App Store ecosystem, as well as the number of retail stores and suppliers.</p> <p><b>See Press Release dated May, 7, 2020<sup>15</sup> and Press Release dated November 4, 2019.<sup>16</sup></b> Apple also makes significant charitable contributions to organizations that support the communities in which it works. For example, in May 2020, Apple donated \$10 million to COPAN Diagnostics, a market leader in sample collection kits used for COVID-19 testing, to allow the company to accelerate production of its supply of sample collection kits for hospitals across the U.S. In connection with the donation, Apple's Chief Operating Officer stated, "[w]e feel a deep sense of responsibility to do everything we can to help medical workers, patients, and communities support the global response to COVID-19." In addition, in partnership with the state of California, Governor Gavin Newsom, and community-based organizations, Apple announced a comprehensive \$2.5 billion plan in November 2019 to help address the affordable housing crisis in California.</p> <p><i>Protecting the environment by embracing sustainable practices</i></p> <p><b>See <a href="https://www.apple.com/environment/">apple.com/environment/</a> and 2020 Environmental Progress Report<sup>17</sup> at pages 3 and 48-49.</b> Apple's commitment to communities is also reflected in its various environmental initiatives and sustainable practices. As noted in its 2020 Environmental Progress Report, Apple recognizes a "responsibility to protect our shared planet" against the threats of climate change and environmental degradation and dedicates tremendous resources to these efforts. This has included, for example, recycling programs for Apple's devices so that the Company is able to reuse critical components and reduce dependence on mining new materials and a move away from plastic to fiber-based packaging. Apple has also announced a pledge to achieve total carbon neutrality by 2030 and a Zero Waste Program for suppliers, which provides suppliers with onsite support to eliminate waste going to landfills.</p> <p><b>See Environmental Health and Safety Policy Statement.<sup>18</sup></b> Pursuant to its Environmental Health and Safety Policy Statement, Apple "communicate[s] environmental, health, and safety policies and programs to Apple employees and stakeholders" and "ensure[s] that all employees are aware of their role and responsibility to fulfill and sustain Apple's environmental, health, and safety management systems and policy." Certain employee benefits are also aimed at helping the environment and encouraging employees to use environmentally friendly modes of transportation to get to work, such as a transit subsidy of up to \$100 per month for US employees, bus commute programs, and electric vehicle charging stations.</p>

Statement of Purpose	Apple's Key Responsive Disclosures
<p>"Generating long-term value for shareholders, who provide the capital that allows companies to invest, grow and innovate. We are committed to transparency and effective engagement with shareholders."</p>	<p><i>Generating long-term value for shareholders</i></p> <p><b>See 2020 Proxy Statement<sup>1</sup> at pages 36-38.</b> Apple has consistently delivered long-term value for our shareholders. As discussed on pages 36 to 38 of the 2020 Proxy Statement, from August 25, 2016 through August 24, 2019, Apple's Total Shareholder Return for the three-year performance period was 100.20%, which was at the 90th percentile of the companies that were included in the S&amp;P 500 for the entire performance period. For the three-year performance period from the beginning of 2016 through the end of 2018, Apple's Total Shareholder Return during this period was 107.36%, which was at the 89th percentile of the companies that were included in the S&amp;P 500 for the three-year performance period.</p> <p><b>See Stock Ownership Guidelines.<sup>19</sup></b> The Company has also adopted robust Stock Ownership Guidelines for its directors and executive officers. The Stock Ownership Guidelines require that the CEO, other executive officers, and non-employee directors own shares of the Company's common stock having a fair market value of 10x the CEO's annual base salary, 3x the executive officer's annual base salary, and 5x the non-employee director's annual retainer, respectively. These guidelines serve to foster a long-term strategic mindset among Apple's senior management and Board members by aligning their incentives with Apple's shareholders.</p> <p><i>Commitment to transparency and effective engagement with shareholders</i></p> <p><b>See Business Conduct Policy<sup>11</sup>, Human Rights Policy<sup>5</sup>, Transparency Report<sup>9</sup>, Supplier Code<sup>12</sup>, Supplier Standards<sup>13</sup>, Environmental Health and Safety Policy Statement<sup>18</sup>, and ESG Index.<sup>20</sup></b> Apple is committed to transparency and effective engagement with shareholders. Through its Values and the various ESG-related policies and reports disclosed on Apple's website, Apple discloses its approach to ESG issues – and its progress against the goals it has established – far beyond the requirements imposed by the Commission. The Company also published this year for the first time, an ESG Index that maps the Company's existing disclosures to the Global Reporting Initiative, the Sustainable Accounting Standards Board, and the Task Force on Climate-Related Financial Disclosures voluntary disclosure frameworks, as relevant to the Company's business, to aid shareholders in locating information on the Company's efforts relating to these topics. The Company has a proactive engagement strategy where its representatives regularly engage in discussions with shareholders on a broad variety of topics including, among, others, ESG matters, privacy and data security, and human capital management. Additionally, the Company interacts and communicates with shareholders through quarterly earnings calls, investor conferences,</p>

Statement of Purpose	Apple's Key Responsive Disclosures
	annual shareholder meetings, press releases and filings with the Commission.

3. The Board's Nominating and Corporate Governance Committee Has Determined That the Company Already Operates in Accordance with the Principles Set Forth in the Statement of Purpose

In granting no-action relief in February 2020 to JPMorgan Chase & Co. under Rule 14a-8(i)(10) in connection with the JPM Proposal, the Staff stated that ". . . [I]t appears that the board's actions compare favorably with the guidelines of the Proposal and that the Company has, therefore, substantially implemented the Proposal," noting in particular the company's representation that "the Corporate Governance and Nominating Committee of the Board again reviewed the BRT Statement and determined that no additional action or assessment is required, as the Company already operates in accordance with the principles set forth in the BRT Statement with oversight and guidance by the Board of Directors, consistent with the Board's fiduciary duties." See *JPMorgan Chase & Co.* (avail. Feb. 2020).

Apple's Board has delegated to the Committee the responsibility of considering matters of corporate governance and recommending to the Board modifications to the Company's corporate governance policies as appropriate. Consistent with the Committee's charter and the fiduciary duties of its members, in October 2020, the Committee reviewed the Proposal, as well as the Statement of Purpose and the governance and management systems described in this letter. The Committee also considered, as suggested by the Proponent in the Supporting Statement to the Proposal, the option of rescinding the CEO's signature and the Company's name from the Statement of Purpose. Based on this review, the Committee determined that the Company's governance and management systems do not need to be altered in order to fully implement the Statement of Purpose because the Company already operates in accordance with the principles set forth in the Statement of Purpose and provides adequate disclosure to shareholders and the public about this alignment.

The analysis by and determination of the Committee substantially implements the Proposal because, as was the case in *JPMorgan Chase & Co.*, it addresses the underlying concerns and essential objective that Apple's Board provide its perspective as to whether the Company's governance and management systems should be altered to fully implement the Statement of Purpose. Furthermore, if the Proposal were to be voted upon by shareholders at the Annual Meeting and pass, there is nothing further that the Company or the Committee would do to implement the Proposal, as any subsequent report would contain substantially the same information as was already presented to the Committee and outlined in this letter.

In reaching its determination, the Committee considered, consistent with its fiduciary duties, the following documents and website disclosures as discussed above:

- Proposal
- Statement of Purpose
- Apple Values
- 2019 Form 10-K and 2020 Proxy Statement
- Press releases cited herein
- Business Conduct Policy
- Human Rights Policy
- Supplier Code
- Supplier Standards
- 2020 Supplier Responsibility Progress Report
- Environmental Health and Safety Policy Statement
- 2020 Environmental Progress Report
- Apple's Jobs website
- Apple's Job Creation website
- Stock Ownership Guidelines
- Transparency Report
- Privacy Policy
- Privacy Governance website

**IV. Conclusion.**

For the reasons described above, it is the Company's view that it may exclude the Proposal from its Proxy Materials pursuant to Rule 14a-8(i)(10) because it has already substantially implemented the Proposal. We request that the Staff concur or, alternatively, confirm that the Staff will not recommend any enforcement action to the Commission if the Company so excludes the Proposal.

\* \* \* \*

If the Staff does not concur with the Company's position, we would appreciate an opportunity to confer with the Staff concerning this matter prior to the determination of the Staff's final position. In addition, the Company requests that the Proponent copy the undersigned on any response it may choose to make to the Staff, pursuant to Rule 14a-8(k).

Please contact the undersigned at (408) 966-1010 or by email at sam\_whittington@apple.com to discuss any questions you may have regarding this matter.

Sincerely,



Sam Whittington  
Assistant Secretary

Enclosures

cc: Justin Danhof, National Center for Public Policy Research  
Ian Schuman, Latham & Watkins LLP

- 
- <sup>1</sup> See <https://www.sec.gov/Archives/edgar/data/320193/000119312520001450/d799303ddef14a.htm>
  - <sup>2</sup> See <https://www.apple.com/newsroom/2020/07/apple-creatives-and-disability-rights-activists-reflect-on-30-years-of-the-americans-with-disabilities-act/>
  - <sup>3</sup> See <https://www.sec.gov/ix?doc=/Archives/edgar/data/320193/000032019319000119/a10-k20199282019.htm>
  - <sup>4</sup> See <https://www.sec.gov/Archives/edgar/data/320193/000032019320000060/a8-kexhibit991q3202062.htm>
  - <sup>5</sup> See [https://s2.q4cdn.com/470004039/files/doc\\_downloads/gov\\_docs/2020/Apple-Human-Rights-Policy.pdf](https://s2.q4cdn.com/470004039/files/doc_downloads/gov_docs/2020/Apple-Human-Rights-Policy.pdf)
  - <sup>6</sup> See <https://www.apple.com/newsroom/2020/04/iphone-se-a-powerful-new-smartphone-in-a-popular-design/>
  - <sup>7</sup> See <https://www.apple.com/legal/privacy/en-ww/>
  - <sup>8</sup> See <https://www.apple.com/legal/privacy/en-ww/governance/>
  - <sup>9</sup> See <https://www.apple.com/legal/transparency/>
  - <sup>10</sup> See [apple.com/jobs/us/benefits.html](https://apple.com/jobs/us/benefits.html)
  - <sup>11</sup> See [https://s2.q4cdn.com/470004039/files/doc\\_downloads/Business-Conduct-Policy.pdf](https://s2.q4cdn.com/470004039/files/doc_downloads/Business-Conduct-Policy.pdf)
  - <sup>12</sup> See <https://www.apple.com/supplier-responsibility/pdf/Apple-Supplier-Code-of-Conduct-January.pdf>
  - <sup>13</sup> See <https://www.apple.com/supplier-responsibility/pdf/Apple-Supplier-Responsible-Standards.pdf>
  - <sup>14</sup> See [https://www.apple.com/supplier-responsibility/pdf/Apple\\_SR\\_2020\\_Progress\\_Report.pdf](https://www.apple.com/supplier-responsibility/pdf/Apple_SR_2020_Progress_Report.pdf)
  - <sup>15</sup> See <https://www.apple.com/newsroom/2020/05/apple-awards-10-million-from-advanced-manufacturing-fund-to-copan-diagnostics/>
  - <sup>16</sup> See <https://www.apple.com/newsroom/2019/11/apple-commits-two-point-five-billion-to-combat-housing-crisis-in-california/>
  - <sup>17</sup> See [https://www.apple.com/environment/pdf/Apple\\_Environmental\\_Progress\\_Report\\_2020.pdf](https://www.apple.com/environment/pdf/Apple_Environmental_Progress_Report_2020.pdf)
  - <sup>18</sup> See [https://www.apple.com/environment/pdf/Apple\\_EHS\\_Policy\\_Statement\\_2020.pdf](https://www.apple.com/environment/pdf/Apple_EHS_Policy_Statement_2020.pdf)
  - <sup>19</sup> See [https://s2.q4cdn.com/470004039/files/doc\\_downloads/gov\\_docs/Stock-Ownership-Guidelines-\(Final-11.13.18\).pdf](https://s2.q4cdn.com/470004039/files/doc_downloads/gov_docs/Stock-Ownership-Guidelines-(Final-11.13.18).pdf)
  - <sup>20</sup> See <https://investor.apple.com/apple-esg/default.aspx>

## **Exhibit A**

**Copy of the Proposal and Supporting Statement and Related Correspondence**

## **Report on Company's Involvement with Business Roundtable "Statement on the Purpose of a Corporation"**

**Whereas**, our Company's Chief Executive Officer (CEO) Tim Cook, in August 2019, signed a Business Roundtable (BRT) "Statement on the Purpose of a Corporation," (Statement) committing our Company to serve all stakeholders including employees, customers, supply chain, communities where we operate, and shareholders.<sup>1</sup>

Existing governance documents evolved in an environment of shareholder primacy, but the Statement articulates a new purpose, moves away from shareholder primacy, and includes commitment to all stakeholders. The Statement may or may not be beneficial to associate with our brand, however, the Statement, as company policy, may conflict with existing corporate law unless integrated into Company governance documents, including bylaws, Articles of Incorporation, and/or Committee Charters.

A stakeholder model would shift corporate focus from value creation to concerns generally referred to as Environmental, Social and Governance (ESG) issues. Apple CEO Cook speaks regularly of the company's commitment to environment and social causes.<sup>2</sup> For example, Cook has received a sustainability award from the advocacy group Ceres based on Apple's environmental promises. Apple also recently launched a \$100 million "Racial Equity and Justice Initiative" to challenge what it claims are "systemic barriers to opportunity and dignity that exists for communities of color and particular for the black community."<sup>3</sup>

For consistency, the Company should not endorse positions with which it has not or cannot conform itself. The Company currently engages in various actions that seem to contradict the Statement. As an example related to social issues:

- The Business Insider has reported that Apple profits from questionable labor practices in China, specifically Uighur workers forcibly displaced by the Chinese Communist Party. According to published reporting, this "relocation programme is part of the Chinese government's broader persecution of the Uighur minority, which is predominantly Muslim."<sup>4</sup>

An example related to the environment:

- Among others, Tech.co has suggested that Apple's environmental posturing is little more than "greenwashing" noting that "[w]hile Apple is verbally committed to solving the pollution problems caused by its devices, the culture of the company says otherwise. In a

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<sup>1</sup> <https://opportunity.businessroundtable.org/ourcommitment/>

<sup>2</sup> <https://www.cnn.com/2019/10/22/apple-ceo-tim-cook-accepts-ceres-conference-sustainability-award.html>

<sup>3</sup> <https://www.theverge.com/2020/6/11/21287999/apple-racial-equity-justice-initiative-amount-cook-lisa-jackson>

<sup>4</sup> <https://www.businessinsider.com/apple-forced-uighur-labor-iphone-factory-2020-3>

time when unused and un-recycled smartphones are literally depleting the planet of necessary resources, Apple continues to push its 'buy one every year' strategy.”<sup>5</sup>

Although the Statement of Purpose implies accountability to stakeholders, without clear mechanisms in place to implement the Purpose, this broadened standard could *reduce accountability to shareholders* and in effect, ensure accountability *to none*.

**Resolved:** Shareholders request our Board prepare a report based on a review of the BRT Statement of the Purpose of a Corporation, signed by our Chief Executive Officer, and provide the board's perspective regarding whether our Company's governance and management systems should be altered to fully implement the Statement of Purpose.

### **Supporting Statement**

Given the Company's inconsistent actions related to the Statement of Purpose, the Board might consider the option of rescinding the CEO's signature and Company's name from that document.

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<sup>5</sup> <https://tech.co/news/big-tech-climate-action-change-greenwashing-2020-02>

**From:** Justin Danhof <[jdanhof@nationalcenter.org](mailto:jdanhof@nationalcenter.org)>

**Subject:** NCPPR 2021 Shareholder Proposal

**Date:** August 19, 2020 at 12:23:59 PM PDT

**To:** [shareholderproposal@apple.com](mailto:shareholderproposal@apple.com)

Dear Sir or Madam,

Please see the attached shareholder proposal and accompanying cover letter. I will also send a paper copy via FedEx to the corporate secretary.

Best,  
Justin Danhof



Via FedEx and Email (shareholderproposal@apple.com)

August 19, 2020

Katherine Adams, Corporate Secretary  
Apple Inc.  
One Apple Park Way  
MS: 169-5GC  
Cupertino, California 95014

Dear Ms. Adams,

I hereby submit the enclosed shareholder proposal ("Proposal") for inclusion in the Apple Inc. (the "Company") proxy statement to be circulated to Company shareholders in conjunction with the next annual meeting of shareholders. The Proposal is submitted under Rule 14(a)-8 (Proposals of Security Holders) of the United States Securities and Exchange Commission's proxy regulations.

I submit the Proposal as General Counsel of the National Center for Public Policy Research, which has continuously owned Apple stock with a value exceeding \$2,000 for a year prior to and including the date of this Proposal and which intends to hold these shares through the date of the Company's 2021 annual meeting of shareholders. A Proof of Ownership letter is forthcoming and will be delivered to the Company.

Copies of correspondence or a request for a "no-action" letter should be forwarded to Justin Danhof, Esq, General Counsel, National Center for Public Policy Research, 20 F Street, NW, Suite 700, Washington, DC 20001 and emailed to JDanhof@nationalcenter.org.

Sincerely,

A handwritten signature in black ink, appearing to read "Justin Danhof", is written over a horizontal line.

Justin Danhof, Esq.

Enclosure: Shareholder Proposal

**From:** Miller, Brian (DC) <Brian.Miller@lw.com>  
**Sent:** Wednesday, September 02, 2020 4:10 PM  
**To:** JDanhof@nationalcenter.org  
**Subject:** Apple - NCPPR 2021 Shareholder Proposal

Dear Mr. Danhof,

On behalf of Apple Inc., attached please find a letter related to the shareholder proposal you submitted to Apple on behalf of the National Center for Public Policy Research.

Please to not hesitate to contact me with any questions regarding the attached letter.

Best regards,

Brian

**Brian D. Miller | LATHAM & WATKINS LLP**  
555 Eleventh Street, NW | Suite 1000 | Washington, D.C. 20004-1304  
D: +1.202.637.2332 | M: +1.703.615.5039

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www.lw.com

**LATHAM & WATKINS** LLP

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Century City	Orange County
Chicago	Paris
Dubai	Riyadh
Düsseldorf	San Diego
Frankfurt	San Francisco
Hamburg	Seoul
Hong Kong	Shanghai
Houston	Silicon Valley
London	Singapore
Los Angeles	Tokyo
Madrid	Washington, D.C.
Milan	

September 2, 2020

**BY FEDEX AND ELECTRONIC MAIL**

National Center for Public Policy Research  
Attn: Justin Danhof, Esq.  
20 F Street, NW, Suite 700  
Washington, DC 20001  
JDanhof@nationalcenter.org

Re: Shareholder Proposal to Apple Inc.

Dear Mr. Danhof,

On August 19, 2020, Apple Inc. (the “Company”) received correspondence from you submitting a shareholder proposal (the “Proposal”) on behalf of the National Center for Public Policy Research (“NCPPR”) for inclusion in the Company’s proxy statement for its next annual meeting of shareholders. The correspondence indicates that you intended for the Proposal to meet the requirements of Rule 14a-8 of the Securities Exchange Act of 1934, as amended (“Rule 14a-8”), including the continuous ownership of the required share value for at least one year as of the date you submitted the Proposal, which was August 19, 2020, and continuous ownership through the date of the shareholder meeting. This notice is to inform you that we have not received verification of NCPPR’s share ownership, and thus you have not demonstrated that NCPPR is eligible to submit the Proposal under Rule 14a-8.

In order to establish NCPPR’s eligibility to submit the Proposal under Rule 14a-8, you are required to provide the Company with documentation regarding NCPPR’s ownership of Company securities, or you must direct NCPPR’s broker to send such documentation to the Company. The documentation must demonstrate that NCPPR has continuously held at least \$2,000 in market value, or 1%, of the Company’s securities entitled to be voted at the meeting for at least one year preceding and including the date you submitted the Proposal, which was August 19, 2020. Rule 14a-8(b) provides that you may prove NCPPR’s eligibility to the Company in two ways. You may either submit:

- a written statement from the “record” holder of NCPPR’s securities (usually a broker or bank) verifying that, at the time you submitted the Proposal, which was August 19, 2020, NCPPR continuously held the Company’s securities for at least one year; or

- a copy of a Schedule 13D, Schedule 13G, Form 3, Form 4, Form 5, or amendments to those documents or updated forms, reflecting NCPPR's ownership of the shares as of or before the date on which the one-year eligibility period begins.

To help shareholders comply with the requirement to prove ownership by providing a written statement from the "record" holder of the shares, the staff of the SEC's Division of Corporation Finance (the "SEC Staff") published Staff Legal Bulletin No. 14F ("SLB 14F"). In SLB 14F, the SEC Staff stated that only brokers or banks that are Depository Trust Company ("DTC") participants will be viewed as "record" holders for the purposes of Rule 14a-8. Thus, stockholders must obtain the required written statement from the DTC participant through which their shares are held.

If you are not certain whether NCPPR's broker or bank is a DTC participant, you may check the DTC's participant list, which is currently available on the Internet at:

<http://www.dtcc.com/~media/Files/Downloads/client-center/DTC/alpha.ashx>

If NCPPR's broker or bank is not on the DTC's participant list, you will need to obtain proof of ownership from the DTC participant through which NCPPR's securities are held. You should be able to find out who the DTC participant is by asking NCPPR's broker or bank. If the DTC participant knows of the holdings of NCPPR's broker or bank, but does not know NCPPR's holdings, you may satisfy the proof of ownership requirement by obtaining and submitting two proof of ownership statements verifying that, at the time the Proposal was submitted, the required amount of securities were continuously held by NCPPR for at least one year – with one statement from NCPPR's broker or bank confirming NCPPR's ownership, and the other statement from the DTC participant confirming the broker or bank's ownership. Please see the enclosed copy of SLB 14F for further information. For your information, we have attached a copy of Rule 14a-8 regarding shareholder proposals.

Please note that the documentation must establish NCPPR's ownership of the required share value for at least one year as of the date you submitted the Proposal. This period covers the entire one-year period preceding and including August 19, 2020, the date the Proposal was submitted.

In order for the Proposal to be properly submitted, you must provide the Company with verification of NCPPR's share ownership as described above. Such verification of share ownership must be postmarked or transmitted no later than 14 calendar days from the date you receive this notice.

**LATHAM & WATKINS** LLP

Please note that the Company has made no inquiry as to whether or not the Proposal, if properly submitted, may be excluded pursuant to Rule 14a-8(i) or for any other reason. The Company will make such a determination once the Proposal has been properly submitted.

Sincerely,

A handwritten signature in black ink that reads "Brian D. Miller". The signature is written in a cursive style with a large, prominent "B" and "M".

Brian D. Miller  
of LATHAM & WATKINS LLP

Enclosures

cc: Sam Whittington – Apple Inc.  
Jeff Schmidt – Apple Inc.

**From:** Justin Danhof <jdanhof@nationalcenter.org>

**Sent:** Wednesday, September 2, 2020 4:32 PM

**To:** Miller, Brian (DC) <Brian.Miller@lw.com>; shareholderproposal@apple.com

**Subject:** Re: Apple - NCPDR 2021 Shareholder Proposal

Hi Brian,

Good timing. As it happens I dropped off our ownership materials at FedEx this afternoon. They should be to Ms. Adams by Friday.

A copy is attached here.

Best,  
Justin



Via FedEx and Email (shareholderproposal@apple.com)

September 2, 2020

Katherine Adams, Corporate Secretary  
Apple Inc.  
One Apple Park Way  
MS: 169-5GC  
Cupertino, California 95014

Dear Ms. Adams,

Enclosed please find a Proof of Ownership letter from UBS Financial Services Inc. in connection with the shareholder proposal submitted under Rule 14(a)-8 (Proposals of Security Holders) of the United States Securities and Exchange Commission's proxy regulations by the National Center for Public Policy Research to Apple Inc. on August 19, 2020.

Copies of correspondence or a request for a "no-action" letter should be forwarded to Justin Danhof, Esq, General Counsel, National Center for Public Policy Research, 20 F Street, NW, Suite 700, Washington, DC 20001 and emailed to JDanhof@nationalcenter.org.

Sincerely,

A handwritten signature in black ink, appearing to read "Justin Danhof", with a long horizontal flourish extending to the right.

Justin Danhof, Esq.



UBS Financial Services Inc.  
1000 Harbor Boulevard  
Weehawken, NJ 07086  
Tel. 877-827-7870  
FAX 877-785-8404

UBS Wealth Advice Center

[www.ubs.com](http://www.ubs.com)

Katherine Adams, Corporate Secretary  
Apple Inc.  
One Apple Park Way  
MS: 169-5GC  
Cupertino, California 95014

September 2, 2020

**Confirmation: Information regarding the account of The National Center for Public Policy Research**

Dear Ms. Adams,

The following client has requested UBS Financial Services Inc. to provide you with a letter of reference to confirm its banking relationship with our firm.

The National Center for Public Policy Research has been a valued client of ours since October 2002 and as of the close of business on 08/19/2020, the National Center for Public Research held, and has held continuously for at least one year 21 shares of Apple Inc common stock. UBS continues to hold the said stock now reflected as 84 shares as of today.

Please be aware this account is a securities account not a "bank" account. Securities, mutual funds, and other non-deposit investment products are not FDIC-insured or bank guaranteed and are subject to market fluctuation.

**Questions**

If you have any questions about this information, please contact Lars Soderberg at (844) 964-0333.

UBS Financial Services is a member firm of the Securities Investor Protection Corporation (SIPC).

Sincerely

*Lars A Soderberg*

Lars A. Soderberg  
Financial Advisor  
UBS Financial Services Inc.

**Exhibit B**

**Business Roundtable's "Statement on the Purpose of a Corporation"**

## **Statement on the Purpose of a Corporation**

Americans deserve an economy that allows each person to succeed through hard work and creativity and to lead a life of meaning and dignity. We believe the free-market system is the best means of generating good jobs, a strong and sustainable economy, innovation, a healthy environment and economic opportunity for all.

Businesses play a vital role in the economy by creating jobs, fostering innovation and providing essential goods and services. Businesses make and sell consumer products; manufacture equipment and vehicles; support the national defense; grow and produce food; provide health care; generate and deliver energy; and offer financial, communications and other services that underpin economic growth.

While each of our individual companies serves its own corporate purpose, we share a fundamental commitment to all of our stakeholders. We commit to:

- Delivering value to our customers. We will further the tradition of American companies leading the way in meeting or exceeding customer expectations.
- Investing in our employees. This starts with compensating them fairly and providing important benefits. It also includes supporting them through training and education that help develop new skills for a rapidly changing world. We foster diversity and inclusion, dignity and respect.
- Dealing fairly and ethically with our suppliers. We are dedicated to serving as good partners to the other companies, large and small, that help us meet our missions.
- Supporting the communities in which we work. We respect the people in our communities and protect the environment by embracing sustainable practices across our businesses.
- Generating long-term value for shareholders, who provide the capital that allows companies to invest, grow and innovate. We are committed to transparency and effective engagement with shareholders.

Each of our stakeholders is essential. We commit to deliver value to all of them, for the future success of our companies, our communities and our country.

Released: August 19, 2019

Signatures Updated: September 2019, December 2019, February 2020, April 2020, June 2020, August 2020 and September 2020.

**Exhibit C**

**Apple Values  
(as disclosed in Apple Inc. Proxy Statement for the  
2020 Annual Meeting of Shareholders)**

# Apple Values

This section describes core values at Apple that guide our commitment to leave the world better than we found it and to create powerful tools for others to do the same.

**We believe that we lead  
in innovation because  
we lead with our values.**

Tim Cook  
CEO

## **Accessibility**

[apple.com/accessibility](https://apple.com/accessibility)

Apple believes accessibility is a fundamental human right and technology should be accessible to everyone.

Our products are powerful and affordable assistive devices, with built-in accessibility features such as VoiceOver, Switch Control, and support for Made for iPhone® hearing aids.

We introduced Voice Control, which allows people, particularly those with physical motor limitations, to fully control their iOS device or Mac® with their voice.

## **Inclusion & Diversity**

[apple.com/diversity](https://apple.com/diversity)

We strive to represent the customers and communities we serve—everywhere we operate around the world—because it makes us a better and more innovative company.

We are deeply committed to hiring and promoting inclusively, championing equal pay, increasing diverse representation at all levels, and fostering an inclusive culture that gives every employee the opportunity to do the best work of their lives.

## Education

[apple.com/education](https://apple.com/education)

Apple works alongside educators to unleash the creative potential in every student.

Our products and curriculum bring creative expression into the classroom, and our free Apple Teacher professional learning program helps educators integrate technology and creativity into every lesson.

We have reimagined Everyone Can Code and expanded Everyone Can Create resources to better prepare students for a rapidly changing world.

## Privacy & Security

[apple.com/privacy](https://apple.com/privacy)

Apple believes privacy is a fundamental human right. Every Apple product is designed from the ground up to protect privacy and security.

Great experiences do not have to come at the expense of privacy and security. Instead, they can support them.

To give more control over personal information, we provide a set of dedicated privacy management tools on each user's Data and Privacy page.

## Environment

[apple.com/environment](https://apple.com/environment)

We prioritize the environment in everything we create, design, power, and manufacture.

All of Apple's global facilities are powered with 100% renewable electricity, and 44 suppliers have committed to 100% renewable electricity for Apple production.

We have continued to transition to recycled and renewable materials in new products, including our most recent iPhone® devices, which use 100% recycled rare earth elements in the Taptic Engine®—a first for a smartphone.

## Supplier Responsibility

[apple.com/supplier-responsibility](https://apple.com/supplier-responsibility)

Apple cares deeply about the people who build our products and the planet we all share. We hold ourselves and our suppliers to the highest standards, and we share our work openly.

We are on track to provide health education to over one million people in the supply chain to give people the tools to take charge of their well-being. All of our final assembly facilities for iPhone®, iPad®, Mac®, Apple Watch®, AirPods®, and HomePod™ have achieved UL Zero Waste Certification.