Congruency Report on Privacy and Human Rights

WHEREAS: Inconsistency and incongruity persist between articulated and published policies and actual practices and operations, and pose substantial risk to companies, their customers, and society at large.

Apple Inc. (the "Company") "believe[s] security shouldn't come at the expense of individual privacy." Its published "commitment to human rights" espouses the following principles:²

- "We believe in the power of technology to empower and connect people around the world..."
- "Our human rights policy governs how we treat everyone—from our customers and teams to our business partners..."
- "We ... make technology for people that respects their human rights, [and] empowers them with useful tools and information ..."
- "We believe in the critical importance of an open society in which information flows freely, and we're convinced the best way we can continue to promote openness is to remain engaged, even where we may disagree with a country's laws..."
- "We work every day to make quality products ... available to our users in a way that respects their human rights. We're required to comply with local laws, and at times there are complex issues about which we may disagree with governments..."

While any freedom-loving individual would likely admire such principles, Apple appears to implement – or rescind – them inconsistently across countries where it conducts business, and incongruently with its principles.

For example in China, the Company severely restricted use of its AirDrop wireless filesharing feature on users' iPhones during protests against Chairman Xi Jinping's "zero COVID" policies in late 2022. Similarly, in 2017 Apple removed the *New York Times*'s apps from the App Store in China in 2017, and removed apps including HKmap.live and Quartz from its offerings, during the protests in Hong Kong in 2019.

Yet upon the invasion into Ukraine, the Company halted the sale of all its products in Russia and stopped exports into the country. "We are deeply concerned about the Russian invasion of Ukraine and stand with all of the people who are suffering as a result of the violence," said an Apple spokesman. As a result, Apple stood to lose as much as \$1.14 billion (U.S.) annually in

¹ https://www.apple.com/privacy/government-information-requests/

² https://s2.q4cdn.com/470004039/files/doc downloads/gov docs/2020/Apple-Human-Rights-Policy.pdf

³ https://www.cnn.com/2022/11/11/business/china-apple-airdrop-function-restricted-hnk-intl/index.html

⁴ https://money.cnn.com/2017/01/05/technology/apple-nyt-china-app-store-remove/

⁵ https://www.cnn.com/2019/10/10/media/quartz-china-apple-app-store

⁶ https://www.npr.org/2022/03/01/1083776364/apple-russia-pauses-sales-stops-exports

iPhone sales alone, and the decision removed access to Apple's critical communications and services for victims of the war.⁷

Considering these examples, it appears the Company's principles to "empower and connect people" as "a force for good" – while remaining "engaged" even where it disagrees with a government and its laws, by still making its products "available" to users – has its limits.

Resolved: Shareholders request the Board of Directors issue a report by March 31, 2025, at reasonable cost and omitting proprietary or confidential information, analyzing the congruency of the Company's privacy and human rights policy positions with its actions, especially in such places as war zones and under oppressive regimes, as they impact how the Company maintains its reputation, viability and profitability.

 $^{^{7}\} https://www.business-standard.com/article/international/apple-to-lose-3-mn-in-iphone-sales-daily-after-russia-pull-out-122030701009_1.html$