



2022 Statement on Efforts to Combat Modern Slavery in Our Business and Supply Chains



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1. Introduction

At Apple, we work every day to put people first — by empowering them with accessible technology, being a force for equity and opportunity, creating an inclusive and diverse work environment, and respecting the human rights of everyone whose lives we reach. This begins with a commitment to treat everyone with dignity and respect. But it doesn’t end there. We believe in the power of technology to empower and connect people around the world — and that business can and should be a force for good.

We work to embed respect for human rights across our company. This extends across our worldwide supply chain — from manufacturing to services, and across the many places where our suppliers operate.

We are committed to conducting business ethically, honestly, and in compliance with applicable laws and regulations. The California Transparency in Supply Chains Act of 2010 requires certain companies to disclose their “efforts to eradicate slavery and human trafficking from their supply chains” for tangible goods offered for sale. The UK Modern Slavery Act 2015 requires certain commercial organizations to prepare and publish a slavery and human trafficking statement for the financial year describing the steps, if any, the organization has taken “to ensure that slavery and human trafficking is not taking place” in its supply chain or in any part of its own business.

This 2022 Statement on Efforts to Combat Human Trafficking and Modern Slavery in Our Business and Supply Chains (the “2022 Statement”) reflects Apple’s progress during 2022 and our ongoing efforts to identify, mitigate, prevent, and remedy human trafficking, slavery,

servitude, or forced, compulsory, or involuntary labor, as well as, underage labor (as defined by International Labour Organization (“ILO”) standards, including the Minimum Age Convention and the Worst Forms of Child Labour Convention) in our supply chain and our own operations.

The term “Apple” as used in this 2022 Statement refers collectively to Apple Inc. and its wholly owned subsidiaries. For the purposes of the UK Modern Slavery Act 2015, this 2022 Statement is made on behalf of Apple Europe Limited, Apple (UK) Limited, Apple Retail UK Limited, and Apple Studios UK Limited, whose financial years ended September 24, 2022. This 2022 Statement is also made in compliance with the California Transparency in Supply Chains Act of 2010.



2. Apple Anti-Modern Slavery Policies & Programs

Our commitment to respecting human rights shapes how we make our products and services. Across our supply chain, our teams and independent experts work with suppliers to help them create workplaces where people are treated with dignity and respect and health is safeguarded. We do this by consistently raising the bar that suppliers must meet in order to continue doing business with us, requiring ongoing training on labor and human rights, conducting rigorous, independent, third-party assessments of our suppliers, and making an anonymous reporting system available to people in our supply chain through which we investigate all reports. If a supplier is not willing or able to meet our standards, they risk removal from our supply chain.

2.1 Management and Oversight of Apple's Human Rights Policy

Apple's Human Rights Policy outlines how we treat everyone, including our customers, employees, business partners, and people at every level of our supply chain. We are deeply committed to respecting internationally recognized human rights in our business operations, as set out in the United Nations ("UN") International Bill of Human Rights and the ILO's Declaration on Fundamental Principles and Rights at Work. Our approach is based on the UN Guiding Principles on Business and Human Rights ("UNGPs"). We conduct human rights due diligence to identify risks and work to mitigate them. We also seek to remedy adverse impacts, track and measure our progress, and report our findings.

The full Human Rights Policy is available at apple.com/investor among our Governance Documents or at apple.com/legal/docs/human-rights-policy.

Apple's Board of Directors adopted the Human Rights Policy,

and is responsible for overseeing and periodically reviewing it. Apple's Senior Vice President and General Counsel is responsible for its ongoing implementation, and reports to the Board and its committees on any significant issues identified during the due diligence process and our progress. The Human Rights Policy is referenced in Apple's Business Conduct Policy, and included in the annual Business Conduct training required of all employees. Additional information about our ethics and compliance programs, including training, can be found at apple.com/compliance.

A number of cross-functional teams are responsible for carrying out risk-based human rights and environmental due diligence — including but not limited to Legal and Global Security, Compliance and Business Conduct, and the Environment and Supply Chain Innovation ("ESCI") team — to help identify potential human rights risks.

The ESCI team is part of Apple's World Wide Operations organization and coordinates activities related to the Apple Supplier Code of Conduct ("Code") and the related Apple Supplier Responsibility Standards ("Standards"), and leads

our strategy and programs to eradicate modern slavery. The ESCI team works across a number of Apple business groups, teams, and functions, including, but not limited to, Apple's Global Security Investigations and Child Safety team, Compliance and Business Conduct, Legal, Finance, Product Design, Procurement, Manufacturing Operations, Environment, and Retail. The teams regularly consult with Apple's senior leadership to review progress and update ongoing strategies.

Apple's Compliance and Business Conduct organization also conducts internal and third-party independent assessments of its compliance programs to determine effectiveness and makes changes to policies and training to reflect emerging trends. Apple's Chief Compliance Officer provides regular updates to the Audit and Finance Committee of the Board of Directors. For more information, see apple.com/compliance.

2.2 Anti-Modern Slavery Policies and Programs

Apple's policies strictly prohibit human trafficking and the use of involuntary labor in our business and supply chain. Apple's Anti-Modern Slavery Policy explicitly defines human trafficking and modern slavery, describes how employees and third-parties may report violations related to the policy, and makes clear that Apple complies with the applicable U.S. Federal Acquisition Regulations.

Business Conduct Policy and Third-Party Code of Conduct

Apple's [Business Conduct Policy](https://apple.com/legal/docs/business-conduct-policy) applies to all full- and part-time employees, and makes clear that human trafficking and the use of involuntary labor are strictly prohibited — this includes Apple's own business operations, as well as our supply chain. The Business Conduct Policy also outlines the principles of honesty, respect, confidentiality, and compliance that guide Apple's business practices, and apply to Apple suppliers, contractors,



consultants, and other business partners when providing goods and services to Apple or acting on our behalf (“Third-Parties”).

Third-Parties are also subject to either the Supplier Code of Conduct or the Third-Party Code of Conduct, each of which has language prohibiting human trafficking on the part of Third-Parties. The Supplier Code of Conduct is available at apple.com/supplier-responsibility/pdf/FY23-Supplier-Code-of-Conduct-and-Supplier-Responsibility-Standards.pdf and the Third-Party Code of Conduct is available at apple.com/compliance/pdfs/third-party-code.pdf.

Child Protection and Law Enforcement

We are dedicated to protecting children wherever our products are made or used. Apple’s Global Security Investigations and Child Safety team supports implementation of our policies focused on child protection at all levels of our software platforms and services, and throughout our supply chain. As part of this commitment, Apple uses image matching technology to help find and report child exploitation. Much like spam filters in email, our systems use electronic signatures to find suspected child exploitation. We validate each match with an individual review by an Apple employee. Accounts with child exploitation content violate our terms and conditions of service, and any accounts we find with this material are immediately disabled.

Apple also has a law enforcement training program to educate law enforcement on how to request data from Apple to assist with investigations. Thousands of law enforcement officials around the world have participated in this training course. In addition, Apple has an online law enforcement training module that law enforcement officials can participate in remotely. Apple sponsors the Crimes Against Children Conference annually, and is a member of the Internet Watch Foundation and The Technology Coalition, which are organizations dedicated to eradicating online child abuse.

App Store Review Guidelines

The guiding principle of the App Store has always been to provide users with a safe and trusted place to download the apps they love and provide a great platform for developers. As part of this mission, we work diligently behind the scenes to keep the App Store a safe and trusted place for users and developers alike.

As outlined in Apple’s App Store Review Guidelines, apps offered on the App Store must comply with all legal requirements in any location the App Store is available. Apps that are found to solicit, promote, or encourage criminal or clearly reckless behavior are rejected. The Guidelines expressly prohibit content that could be used to facilitate prostitution, or human trafficking and exploitation. In extreme cases, such as apps that are found to facilitate human trafficking or the exploitation of children, Apple will notify the appropriate authorities.

2.3 Apple’s Supplier Code of Conduct and Supplier Responsibility Standards

Apple’s Supplier Code and Standards were established in 2005 and draw upon internationally recognized rights and standards, including the UN International Bill of Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, the UNGPs, and the Organisation for Economic Co-operation and Development Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (“OECD Due Diligence Guidance”). Our Supplier Code and Standards, and the protections they provide, apply equally to all workers, regardless of a person’s job, geographic location, or how they enter our supply chain.

Our Code and Standards are published in 17 languages, and both are publicly available at apple.com/supplier-responsibility/pdf/FY23-Supplier-Code-of-Conduct-and-Supplier-Responsibility-Standards.pdf.

Suppliers are required to operate in accordance with the Apple Supplier Code and Standards, and in full compliance

with all applicable laws and regulations. Each year, we release a progress report that details our suppliers’ performance in meeting our requirements, available at apple.com/supplier-responsibility.

To be in compliance, suppliers are also required to apply our requirements to their sub-contractors, sub-tier suppliers, and third-party recruitment agencies, through all levels of our supply chain. If a supplier is unwilling or unable to meet our requirements, the supplier risks removal from Apple’s supply chain. Since 2009, we have directed the removal of 25 manufacturing supplier facilities, and 205 smelters and refiners from our supply chain, including those that were unwilling or unable to remedy violations and improve their operations to meet our requirements.

The Supplier Standards supplement our Supplier Code and provide additional clarity regarding Apple’s requirements. Apple suppliers must meet these Standards to be in compliance with the Supplier Code. The Standards include broad coverage of human rights topics, including anti-discrimination and abuse, prevention of underage labor, juvenile worker protections and management of education programs, working hours management, wages, benefits and contracts, freedom of association and collective bargaining, and the responsible sourcing of materials. In addition, our Supplier Standards include detailed sections covering anti-modern slavery-related requirements. These include the prevention of involuntary labor, provisions related to Third-Party Employment Agencies (“TPEAs”), and Foreign Contract Worker (“FCW”) protections (collectively, the “Prevention of Modern Slavery Standards”).

Apple regularly analyzes international best practices to assess against risk criteria such as labor and human rights, health and safety, Indigenous Peoples’ rights, and environmental protection. This analysis informs Apple’s understanding of which international best practices align with our internal requirements and where we can further strengthen our Supplier Code and Standards.

In 2021, we strengthened requirements under our Prevention of Modern Slavery Standards for worker onboarding processes, bonus payments, and hiring

advertisements for FCWs, as well as due diligence and accountability requirements for TPEAs. Suppliers are required to ensure that their employees have direct access to the TPEAs through which they were recruited, either through an onsite representative from the relevant TPEA or an online service which provides prompt responses to worker communications.

To learn more about our work with TPEAs and FCWs see section ‘5.4 Responsible Labor Recruitment Training’ on [page 12](#).

3. Evaluating Risks in Our Supply Chain

For nearly 20 years, we have been leading the industry in holding suppliers accountable to the highest standards of labor and human rights, health and safety, and environmental stewardship so that the people in our supply chain are safe and treated with respect, and the environment is protected everywhere that Apple products are made.

Apple's global supply chain spans more than 50 countries, with thousands of suppliers and companies around the world contributing to the process of building our products. We take a very broad view of our supply chain and the responsibility that comes with it. We consider our supply chain to include everything that goes into designing, building, delivering, supporting, and recycling Apple products, as well as the suppliers that support our Retail Stores, our content and support services — including Apple One and AppleCare — and all of the services and operations that are part of our supply chain ecosystem.

Identifying human rights risks is the first step to addressing those risks through improvements to our policies and management systems. We work to align our efforts with the business and human rights due diligence process set forth in the UNGPs to identify, mitigate, prevent, and remedy human rights risks as well as the principles outlined in the ILO-IOE Child Labour Guidance Tool for Business and the OECD Due Diligence Guidance for Responsible Business of 30 May 2018 and the UN Guiding Principles on Business and Human Rights.

First, we identify salient human rights risks through our assessment processes, as well as by participating in industry-level, third-party assessments. Apple selects suppliers for assessment based on a number of factors, including geographic risk, previous assessment performance, manufacturing process risks, and planned spending.

We also identify salient human rights risks through our own risk analysis and through the channels we maintain

with key rights-holders, stakeholders, and partners. These channels include supplier employee interviews and surveys; consultations with human rights, labor, and environmental experts; expert groups we convene on specialized or emerging human rights topics; UN and government labor and human rights reporting and consultations; media reports; the results of our supplier assessments; discussions with supplier management teams; and reports received through our partners around the world.

In addition to consistently and proactively monitoring for risks, and our own extensive research, we also review reports that come to us from civil society organizations, news outlets, people in the supply chain or supply chain communities, local whistleblower mechanisms, and third-party hotlines. These reports also come through the mechanisms we make available directly to all supplier employees, Apple employees, and the general public, which can be made in any language and can be anonymous.

When we receive a report about an Apple supplier through any of these channels, we conduct a thorough investigation and may also dispatch onsite, independent investigation teams. If a violation is discovered, a Corrective Action Plan ("CAP") is immediately put in place, and violations are typically remediated within 90 days, and require check-ins with Apple compliance experts at least every 30 days, or more frequently when necessary.

See more in Section '4.2 Supply Chain Assessments' on [page 9](#).

3.1 Evaluating the Risk of Forced Labor

Apple does not tolerate any form of forced labor. In the more than 50 countries and regions where our suppliers operate, we have teams of experts, including independent third-parties, who monitor our suppliers and put in place industry-leading procedures to help confirm that no one is forced to work, and that people's rights are respected throughout the entirety of their employment journey — regardless of their job, location, or how they're hired.

Our Supplier Code and Standards apply to labor agencies that our suppliers contract to recruit workers. To safeguard supplier employees, we have pioneered new standards, tools, and practices to identify our suppliers' labor agencies, regardless of whether they recruit domestic labor or FCWs. We are among the first companies to undertake this mapping exercise, which we consider to be critical due diligence.

In 2022, we expanded our already extensive labor agency mapping to further understand all recruitment channels within our supply chain, identifying more than 2,500 labor agencies supporting more than 1,200 facilities in 34 countries and regions. We also began to require all prospective suppliers in Brazil, China mainland, India, Japan, Malaysia, South Korea, Singapore, Taiwan, and Vietnam to complete labor agency mapping and responsible labor recruitment training as part of our supplier selection due diligence and business award process.

See more in Section '5.4 Responsible Labor Recruitment Training' on [page 12](#).

Once people are hired, we remain vigilant. Every supplier assessment we conduct, including unannounced assessments, looks for the presence of forced labor. We select suppliers for assessments based on a number of factors, such as their geographic location — which may put them at higher risk of forced labor violations — as well as their previous performance and/or history of violations or allegations. Suppliers may also receive additional specialized assessments based on the nature of their business or employee population, such as those that employ FCWs, and those located in higher-risk migration corridors. In 2022, across more than 800 Code assessments, we found no instances where anyone was forced to work in our supply chain.

See more in section '4.2 Supply Chain Assessments' on [page 9](#).

Our Supplier Code and Standards also require that all supplier employees have an effective mechanism to report grievances. In addition, we provide third-party anonymous hotlines and the ability to contact the Apple ESCI team directly at any time and in any language. When an issue is raised, supplier management is required to immediately investigate. Any violations of our policies carry immediate consequences, up to and including termination of our business relationship with a supplier.

In 2022, we continued to promote our third-party grievance hotlines, reaching more than 390,000 supplier employees. The campaign included the distribution of more than 31,000 information cards and flyers, as well as



videos, onsite information booths, and posters displayed around participating facilities. In 2022, we reached nine new suppliers, with all campaign efforts resulting in a 20 percent increase in usage of the third-party hotlines. Once investigated, 26 percent of reports we received in 2022 from supplier employees via hotlines uncovered violations of our Code, which led to CAPs to resolve the violations.

3.2 Evaluating the Risk of Debt-Bonded Labor

Apple has zero tolerance for debt-bonded labor. Debt-bonded labor, in which a person is charged fees in order to secure work, is considered a Core Violation (the most serious level of violation) of our Supplier Code, and is a practice which we've led the industry for many years in seeking to eradicate.

The payment of recruitment fees by workers, withholding an employee's passport or personal identity documents, or restricting an employee's freedom of movement, all constitute salient risks in our supply chain and are violations of our Supplier Code and Standards. Since 2008, we have implemented programs to identify and remedy any such violations, and since 2015, suppliers have been prohibited from charging workers any fees connected to their labor recruitment and/or employment — even if those fees fall within the legal limits of the supplier's operating country or the worker's home country.

In 2022, 58 specialized assessments and investigations of facilities employing FCWs were conducted in Australia, Japan, Malaysia, Singapore, Taiwan, and Thailand. These assessments verify whether any fees were paid by workers at any point during their labor recruitment process. Each specialized assessment includes verification of documents from suppliers and their labor agents, as well as interviews with labor agents and FCWs.

In 2022, \$1 million in recruitment fees resulting from 2021 violations were repaid to over 380 people. From 2008 through 2022, our suppliers have directly repaid \$34.2 million in recruitment fees to over 37,700 of their employees.

See more in Section '4.2 Supply Chain Assessments' on [page 9](#) and Section '4.4 Addressing Supplier Code Violations and Remedy' on [page 10](#).

3.3 Upholding Human Rights and Labor Rights During the COVID-19 Pandemic

Since the beginning of the COVID-19 pandemic, we have supported our suppliers in making the adjustments to safeguard the health and safety of people across their facilities. This has included providing clear communication on employees' options during outbreaks, staggering shifts to reduce density when necessary, supporting vaccine awareness, providing onsite testing, maintaining thorough deep-cleaning standards, and emphasizing channels for people to share their concerns or feedback in real time.

In 2022, we continued to assess compliance with our supplier Infectious Disease Preparedness and Response Standard. We confirm suppliers' compliance with COVID-19 control protocols as part of every assessment we conduct. We also regularly distribute COVID-19 health and safety guidance and best practices to suppliers across our supply chain.

3.4 Materials Supply Chain Due Diligence

Although Apple does not directly purchase, procure, or source primary minerals, we are committed to meeting and exceeding internationally-accepted due diligence standards for primary minerals and recycled materials supply chains. We also seek to one day use only recycled and renewable minerals and materials in our products and packaging, and are committed to achieving carbon neutrality for our entire footprint by 2030 — from our supply chain to the use of the products we make.

Tin, tungsten, tantalum, gold ("3TG"), cobalt, and lithium are among the 14 materials prioritized in our initial efforts to transition to recycled and renewable materials based on an evaluation of the environmental, social, and supply chain impacts of 45 mined elements and primary materials. The results of this evaluation and the related

methodology can be found at apple.com/environment/pdf/Apple_Material_Impact_Profiles_April2019.pdf.

Conducting human rights and environmental due diligence in alignment with the OECD Due Diligence Guidance and the UNGPs is the foundation of Apple's responsible sourcing programs for primary and recycled minerals and materials. Our Supplier Code and Standards require suppliers, smelters, refiners, and recyclers in our supply chain to identify and assess a broad range of risks beyond conflict, including social, environmental, and human rights risks. Suppliers are also required to review reported incidents and public allegations linked to their smelters and refiners, and to participate in 3TG traceability and third-party audit programs to mitigate identified risks.

Apple believes that empowering independent voices at the mining level is critical to identifying, assessing, and remedying risks deeper in our supply chain related to human trafficking and involuntary labor, including modern slavery. The initiatives below have both assisted with the identification of existing and emerging risks at the mining level, while also providing solutions at an industry level:

- Apple utilizes the Responsible Minerals Initiative's ("RMI") Minerals Grievance Platform, a cross-industry platform managed by RMI where allegations concerning minerals supply chains are investigated and addressed. Grievances can be anonymously submitted by non-governmental organizations ("NGOs"), companies, or any member of the public.
- In 2022, Apple continued our partnership with the Fund for Global Human Rights to support human rights, labor, and environmental defenders in the Democratic Republic of the Congo ("DRC"). Groups supported by this partnership work on a range of issues, including the economic and social rights of mining communities, inclusive economic growth, judicial advocacy, environmental justice, and the rule of law, as well as health, safety, and fair compensation for mining communities.
- Apple also continued to work with IMPACT to support the continued development of a digital framework based on the UN Sustainable Development Goals ("SDGs"), which aims to harmonize how the impact of supply chain-related activities on socioeconomic and environmental well-being in artisanal and small-scale mining ("ASM") communities is measured.
- Apple is also a founding member and investor in the Working Capital Fund. Through this partnership we supported 11 companies that are developing scalable innovations in technological solutions for more transparent supply chains.
- In 2022, Apple supported a sixth year of programming with international development NGO Pact to deliver rights-awareness training to miners, youth, and community officials in ASM communities in the DRC. These training sessions were designed to raise awareness of a range of human rights issues and were based in part on curriculum developed by the United Nations Children's Fund ("UNICEF"). Apple also provided funding to the Responsible Business Alliance ("RBA") Foundation, which supported Pact's sixth year of a vocational education program for youth living in mining communities in the Lualaba province of the DRC. In continued response to the COVID-19 pandemic, Pact coordinated with local communities and health officials to provide information and resources, including access to free face masks, soap, and educational materials on symptoms and prevention measures.
- In 2022, we continued to participate in working groups as part of the Public-Private Alliance for Responsible Minerals Trade ("PPA"), a multi-sector initiative supporting the ethical production, trade, and sourcing of minerals from the African Great Lakes region, to drive responsible sourcing innovations. Apple served on the Governance Committee and advised on PPA initiatives, including contributing to the conceptualization, design, and presenter selection for a virtual "data for impact symposium" held for PPA members in June 2022, as well as leading a proposal selection process for the PPA to fund research on effective models for ASM cooperatives. We also joined with other PPA member companies

- to provide funding to the Congo Power Project, which supports solar power initiatives for the Panzi Foundation's healthcare facilities in DRC mining areas.
- to participate in or complete an independent, third-party assessment, or that did not otherwise meet our requirements for the responsible sourcing of minerals.
- In 2022, for the seventh consecutive year, Apple continued to provide funding to the International Tin Supply Chain Initiative's ("ITSCI") whistleblowing mechanism in the DRC which enables people in and around mining communities in seven provinces of the DRC to place anonymous voice calls using a toll-free hotline to raise concerns related to mineral extraction, trade, handling, and exporting via local networks. ITSCI and its partner organizations also continued to increase awareness and utilization of the whistleblowing mechanism through radio campaigns in mining communities, the distribution of promotional materials, and by consulting with local civil society actors and other stakeholders.

3.5 Third-Party Risk Assessments for Smelters and Refiners

In 2010, we were one of the first companies to map minerals in our supply chain from supplier manufacturing sites back to the smelter and refiner level for 3TG. In 2014, we started mapping our cobalt supply chain. In calendar year 2022 ("CY2022"), 100 percent of the identified 3TG, cobalt, and lithium smelters and refiners in our supply chain completed independent, third-party assessments to verify compliance with our standards, and to aid in identifying social, environmental, human rights, and governance risks.¹ This marks eight consecutive years of 100 percent compliance for 3TG, seven consecutive years for cobalt, and three consecutive years for lithium. Additionally, we map other minerals in our products such as mica, copper, graphite, and nickel, as well as recycled and bio-based materials.

Since 2009, Apple has directed the removal of 198 3TG (10 tantalum, 60 tin, 27 tungsten, and 101 gold) and seven cobalt smelters and refiners from its supply chain. In CY2022, we removed 23 smelters and refiners from our supply chain, including those that were not willing

¹ | Apple reports 3TG smelter and refiner assessment information on a calendar year per U.S. Securities and Exchange Commission (SEC) requirements. See our annual Conflict Minerals Report at apple.com/supplier-responsibility.

4. Assessments in Our Business and Supply Chain

4.1 Reporting Concerns

Apple has systems and processes in place for receiving and investigating potential violations of our policies. Apple's Global Whistleblowing Policy applies to all current and former employees, directors and officers, as well as contractors and subcontractors of Apple and its subsidiaries, and sets out Apple's approach to protecting individuals who report potential misconduct. The policy, as well as Apple's external compliance website (apple.com/compliance), provides detailed information on how both employees and third-parties can report wrongdoing.

Employees are expected to speak up about violations of Apple's Business Conduct Policy, other Apple policies — including Apple's Anti-Modern Slavery Policy — or legal or regulatory requirements. Apple employees can report concerns by phone, email, or through the Business Conduct website, as well as to their manager, or to the People or Legal teams. Failure to comply with Apple's Business Conduct Policy or Anti-Modern Slavery Policy, or failure to report a violation, may result in disciplinary action, up to and including termination of employment.

Apple's external helpline (apple.ethicspoint.com) is available for both internal and external parties to report concerns, and provides the option of anonymous reporting, where permissible under applicable laws. The external helpline is available at any time, and provides online reporting as well as local, toll-free phone numbers that connect reporters to a multilingual reporting service. All reports are assessed and investigated as appropriate. More information can be found at apple.ethicspoint.com.

4.2 Supply Chain Assessments

Assessments, also known as audits, are one of several methods we use to measure compliance with our requirements. Assessments — conducted by independent, third-party auditors — provide a snapshot of a supplier's performance. When combined with regular engagement with supplier teams, mandated reporting partnerships with leading human rights experts, participation in industry associations, and listening directly to hundreds of thousands of supplier employees about their workplace experiences, our rigorous supplier assessments provide a clear measure of their performance in upholding our Supplier Code and Standards.

In the 2022 reporting period, 808 independent, third-party assessments that focused on the requirements of our Supplier Code; and 265 assessments that focused on identified 3TG, cobalt, and lithium smelters and refiners in our supply chain² were conducted across more than 50 countries. In 2022, investigations and more than 200 surprise assessments — where the supplier facility was given zero advance notice of our arrival — were conducted in the United States, China mainland, India, Japan, South Korea, Taiwan, and Vietnam.

We take all allegations concerning our suppliers very seriously. Reports can come from many sources, including civil society organizations, news outlets, people in the supply chain, and anonymous reports through the channels we make available to supplier employees and the public. Thorough investigations are conducted and violations are remedied.

See more in section '4.4 Addressing Supplier Code Violations and Remedy' on [page 10](#).

Directly engaging rights-holders is an integral part of our assessment process, and we interview tens of thousands of supplier employees each year about their workplace experience. Participation in interviews is completely voluntary, and employees are selected randomly through a sampling methodology that seeks broad representation across the facility and employee population. Selected employees are informed about the conditions of the interview, including that the conversation will take place in a safe space with no cameras or supplier management present, and that the content of the interview is confidential. Interviews are conducted in the employee's native language to help prevent anything from being lost in translation. The interviews are conducted by local employees of our independent, third-party auditing firms, and in the event that employees in a facility speak multiple languages, multiple auditors with the required language capabilities are engaged. In 2022, we interviewed and surveyed more than 539,000 supplier employees — an increase of 53 percent from the previous fiscal year.

Retaliation in any form is a Core Violation (the most serious level of violation) of our Code, and last year, more than 46,000 follow-up phone calls were made to verify that supplier employees who participated in interviews, and were willing to be contacted afterward, did not experience retaliation as a result of their participation. All interviewed employees are also provided with ways to contact anonymous third-party hotlines in case they experience retaliation at a later time. In 2022, we did not find any instances of retaliation.

In addition to third-party Supplier Code of Conduct assessments, we require many of our suppliers to also undergo the RBA's Validated Assessment Program ("VAP"), a facility-wide third-party assessment widely used by the industry. A total of 98 RBA VAP assessments were completed in 2022 at Apple supplier sites.

Detailed analysis of our suppliers' performance against our Supplier Code and Standards appears in our annual People and Environment in Our Supply Chain report, available at apple.com/supplier-responsibility.

4.3 Responsible Procurement

Through our responsible procurement process, a dedicated team in Apple's Product Operations group assesses prospective manufacturing suppliers and facilities, in order to help mitigate risks to people and the environment prior to the beginning of production. This includes a comprehensive review of human rights and modern slavery risks, including debt-bonded labor.

Since 2020, 9 percent of prospective suppliers evaluated for Supplier Code-related risks were prevented from entering our supply chain for being unable or unwilling to meet our Code and Standards. During the screening process, we regularly conduct onsite independent, third-party assessments to review environment, health, and safety

² | Apple reports 3TG smelter and refiner assessment information on a calendar year per U.S. Securities and Exchange Commission (SEC) requirements. See our annual Conflict Minerals Report by visiting apple.com/supplier-responsibility.

(“EHS”), and labor and human rights risks before we move forward with awarding business to prospective suppliers. In 2022, we also began requiring use of our Responsible Labor Recruitment Due Diligence Toolkit for all prospective suppliers engaged in the procurement process, enabling them to conduct self-assessments, risk assessments of their labor agencies, and evaluation of their processes for worker interviews and grievance management.

As Apple’s business continues to grow into new areas, we adapt our supplier engagement model accordingly. For many years, we have engaged closely with suppliers that provide logistics services, support services through AppleCare, as well as those that support our Retail Stores, such as janitorial service providers and manufacturers that create glass and fixtures for the construction of our stores.

In 2022, we continued to expand the application of our Code and Standards by building references to the Code into agreements with suppliers supporting newer areas of Apple’s business, including Apple Services providers, such as those that support our content services like Apple TV+ and Apple Fitness+, and key renewable energy project developers. We also continued to proactively engage with external experts in dialogue about working toward a just and fair transition to renewable energy.

4.4 Addressing Supplier Code Violations and Remedy

If we find violations of our Supplier Code or Standards during an assessment, our goal is to work together with suppliers to help them improve their management systems, rather than to simply remove them from our supply chain before the issues are corrected. In the event that a supplier is unwilling or unable to improve their operations to meet our requirements, they risk removal from our supply chain. Since 2009, we have directed the removal of 25 manufacturing supplier facilities, and 205 smelters and refiners from our supply chain.

Achieving progress requires strong processes to hold suppliers accountable, address violations when they are

discovered, and validate that corrective actions have been completed. We call these processes Corrective Action Plans (“CAPs”) and Corrective Action Verifications (“CAVs”).

Following an assessment, we discuss findings with the supplier, and work with them to create a CAP. The supplier is provided with feedback and identification of issues, and is then required to conduct root-cause analysis to develop corrective actions. As part of the process, our capability-building team provides suppliers with training on industry best practices and guidance in resolving identified issues, as well as strengthening their management systems to prevent the issue from reoccurring.

During this period, a minimum of 30-, 60-, and 90-day required check-ins with Apple provide suppliers with opportunities to have their questions addressed, and for Apple to provide clarification, awareness, and training to support suppliers as they implement their CAP, as part of our capability-building efforts. Suppliers are required to complete more frequent check-ins when deemed necessary by Apple.

See more in section ‘5. Training and Capability-Building’ on [page 12](#).

We then conduct our CAV process to verify that all corrective actions have been successfully implemented, and necessary steps have been taken to help prevent a reoccurrence.

When a Core Violation is identified, the supplier’s Chief Executive Officer is notified, and the supplier is immediately placed on probation. Probation is the period beginning when a Core Violation is discovered by Apple, and ending when Apple determines the supplier has completed all corrective actions. Examples of consequences resulting from probation include receiving no new projects, no new business, and the termination of existing business with Apple.

Beyond immediately addressing the Core Violation, suppliers must also make changes in their management system to address the root causes of the violation, take and sustain preventive measures so the violation does not reoccur, and provide remedies to affected workers in line with the UNGPs.

Progress of preventing forced labor in our supply chain

2022	Began requiring prospective suppliers in Brazil, China mainland, India, Japan, Malaysia, Taiwan, Thailand, Singapore, South Korea, and Vietnam to complete labor agency mapping and responsible labor recruitment training as part of supplier selection and business award process	2018	Received Stop Slavery Award from Thomson Reuters Foundation
	Launched the IOM Fair and Ethical Recruitment Due Diligence Toolkit, based on Apple’s Responsible Labor Recruitment Due Diligence Toolkit		Launched partnership with IOM to create a path for trafficking survivors to obtain full-time employment with Apple suppliers
2021	Expanded mapping of labor agencies, nearly tripling the number of agencies identified across our supply chain	2017	Mapped higher-risk migration corridors for Foreign Contract Worker movement and employment in our supply chain
	Launched Responsible Labor Recruitment Awareness Digital Learning Tool		Released our first modern slavery statement
2020	Scaled Responsible Labor Recruitment Due Diligence Toolkit to the industry via RBA	2015	Enacted policy prohibiting recruitment fees
	Conducted extensive mapping of labor agencies in our supply chain		Established partnership with IOM
2019	Released Responsible Labor Recruitment Due Diligence Toolkit	2008	First Code requirement restricting workers’ payment of recruitment fees
	Scaled training opportunities for human trafficking survivors across the U.K.		



After more than 15 years of engagement and capability-building, Core Violations of our Code in procurement and manufacturing have become increasingly uncommon, and supplier performance continues to improve year-over-year. We continue to report transparently on violations and supplier performance each year in our People and Environment in Our Supply Chain report, available at apple.com/supplier-responsibility.

Examples of Remediation Processes in Our Supplier Code and Remedy for Workers

Below are examples of remediation processes and remedy provided to workers last year, as they relate to modern slavery:

• **Debt-bonded labor**

When we discover debt-bonded labor, we require suppliers to provide direct remedy to affected workers. In 2022, \$1 million in recruitment fees resulting from 2021 violations were repaid to over 380 people. From 2008 through 2022, our suppliers have directly repaid \$34.2 million in recruitment fees to over 37,700 of their employees.

Reimbursement amounts are based on the range of fees identified through interviews with supplier employees and cross-verification with applicable labor agencies or the supplier. The average of the total self-reported fees is taken per category as outlined in our Standards. Fee categories are outlined in detail in our Prevention of Modern Slavery Standards, available at apple.com/supplier-responsibility/pdf/FY23-Supplier-Code-of-Conduct-and-Supplier-Responsibility-Standards.pdf.

If there is a dispute on the fee scope, amount, or date of repayment, Apple engages directly with the supplier to address the discrepancy and enforce repayment to impacted workers. Finally, we conduct verification of all repayments through third-party auditors.

• **Freedom of Movement**

In 2022, during assessments of suppliers employing

FCWs, there were isolated findings regarding withholding of passports by labor agencies for the purposes of work permit renewals. We required that the supplier establish a system to track the passport handover process and return the passport to affected workers in a timely manner after completing the work permit renewal, and with the full knowledge and consent of the employee regarding the process. In another case, employees living at a supplier dormitory were not allowed to enter or exit the supplier site and residential areas after 23:00 due to security concerns. We required the supplier to remove these restrictions and establish a process to manage the safe entry and exit of workers, without any limitation on freedom of movement.

• **Verbal Harassment**

In an instance where supplier employees reported verbal harassment by supervisors, we investigated immediately and took action to work with suppliers on appropriate remediation, including reviewing supplier policies and training in relation to harassment, as well as providing corresponding remedies for affected supplier employees. Typical outcomes in situations like this include disciplinary action against the offending supervisors or line leaders, as well as official apologies to the individual supplier employees.

• **Legally Mandated Leave**

During a supplier assessment, document reviews revealed failure to provide sufficient leave. The supplier was required to provide the appropriate leave or provide equivalent financial compensation according to the law and the preference of the supplier employees themselves.

• **Underpayment of Wages or Bonuses**

Through the Apple third-party hotline, supplier employees reported non-payment of sign-on bonuses. In one case, after investigating information reported by an employee at a final assembly site, we worked with the supplier and their labor agency to make sure the bonus payment was provided to the affected supplier employee. As a result, other supplier employees came forward, and

the same back-payment process was implemented, including full payment of all sign-on bonuses.

• **Living Conditions**

Through interviews with supplier employees and inspections of dormitories, multiple instances of non-compliance were discovered, including crowded living conditions, a lack of places to store private or valuable items, and insufficient bathrooms. Such cases require immediate action to restore living conditions to meet our standards, followed by capability-building to address the lapse in management systems that created the original issue.

5. Training and Capability-Building

5.1 Apple Employee Training

All Apple employees are required to complete mandatory annual Business Conduct training, which uses real-life examples and scenarios to illustrate the policy. Topics include workplace behaviors, conflicts of interest, gifts, confidentiality, competition, privacy, and Apple's Human Rights Policy. The training also reinforces how employees can report potential violations.

Employees receive between two and five hours of additional training annually, depending on location and the risks and responsibilities associated with their role. We offer additional resources for employees including targeted live training and the Compliance and Business Conduct website, which includes frequently asked questions on many topics.

All Apple corporate employees, including those on the ground in our suppliers' facilities, receive training annually on key points in our Supplier Code of Conduct as well as Apple's reporting process for supply chain issues, and are instructed to report anything that might be considered a violation, including forced labor, trafficking, or ethical violations.

5.2 Capability-Building for Apple Suppliers on Mitigating Modern Slavery Risks

Apple provides platforms, tools, and resources to support our suppliers in building their capabilities. Our SupplierCare platform provides online tools for suppliers to improve their operations and build new processes. Through the platform, suppliers are able to collaborate with us to track their assessment results, develop CAPs for assessment findings,

reference best practice resources, and monitor the progress of these improvements. SupplierCare extends capability-building by providing on-demand educational content to increase understanding of our Code and best practices to maintain compliance with our Standards, including FCW protections and the responsible sourcing of materials.

In addition to online resources, Apple deploys onsite experts to train and support suppliers, resolve immediate issues, and improve their management systems to prevent recurrence. Introduced in 2016, this program is comprised of experts with robust industry experience and knowledge to solve both management and technical issues, including expertise in responsible labor recruitment, management of FCWs, and the prevention of modern slavery. In 2022, 143 supplier sites received customized support from experts to help them take steps to improve their performance. On average, the facilities saw their year-over-year overall scores increase from 83 to 94 after customized capability-building.

In one example of successful capability-building, a supplier's leadership team at a medium-performing site was motivated to make wide-ranging improvements beyond remediation of the Core Violation finding. We partnered with the supplier team to support them in forming a new human rights committee. We also implemented weekly labor process reviews, monthly internal audits and Apple Supplier Code of Conduct training for their employees, and we increased the frequency of supplier employee interviews and satisfaction surveys. After implementing these improvements, assessments in 2022 elevated this supplier to a high-performer in all categories, and verified the presence of effective mechanisms to

identify issues such as those that caused the original violation.

Certain suppliers, such as those providing janitorial and facilities services to Apple Store locations and other sites, also received specialized training, specifically for services supply chains, related to human trafficking prevention and debt-bonded labor risk mitigation. This included 100 percent of logistics and janitorial suppliers globally.

5.3 Training on Workplace Rights

Worker protection begins with rights awareness. Since 2008, more than 26 million people in Apple's supply chain have been trained on their workplace rights.

Under the Supplier Code and Standards, suppliers are required to educate their employees on Apple's Supplier Code and Standards, including the Prevention of Modern Slavery Standards. They must provide contracts that accurately describe an employee's work, a clear account of wages and benefits (including leave), and information on Apple's zero tolerance policy on recruitment fees. Suppliers are also required to have their employees attend a new-hire orientation training on local labor laws, and the human rights protections outlined in our Code and Standards.

As we listen to and learn from the people in our supply chain, we continue to develop new tools to help our suppliers more effectively train their employees on their rights. In 2021, we launched the Responsible Recruitment Awareness Digital Learning Tool with Quizrr, an educational technology platform that educates workers, managers, and labor agents in global supply chains on their workplace rights and responsibilities. Quizrr allows for direct employee

engagement and relatable capacity-building through a learning app, along with access to real-time data and insights to proactively prevent, mitigate, and address risks. Relying on direct feedback from training participants through focus groups, we have continued to develop this platform to ensure that the content remains engaging and relevant. As part of the launch of the Apple Supplier Employee Development Fund ("SEDF"), in 2022, we accelerated the scaling of the platform.

Also as part of the SEDF, we expanded our partnership with Goodbit, an innovative rights education social enterprise, to design, test, and scale a new digital rights-training game delivered directly to supplier employees' mobile devices. We co-designed the platform with supplier employees, integrating their feedback during testing, focus groups, and one-on-one interviews. By the end of 2022, 50 suppliers and over 275,000 supplier employees had participated in this new gamified digital rights training.

5.4 Responsible Labor Recruitment Training

When it comes to supporting workers throughout their recruitment journey, we recognize that we need to empower every person that is part of this ecosystem — including labor agents and suppliers — to take an active role in safeguarding labor rights at every step.

We've invested heavily in creating industry-leading tools for responsible labor recruitment, which we call the Responsible Labor Recruitment Due Diligence Toolkit ("Recruitment Toolkit"). Last year, we continued to expand the scope of the Recruitment Toolkit, adding new and



improved tools that we now require labor agencies use to conduct their own due diligence, even though they are not direct Apple suppliers. Updates include a self-assessment checklist and CAP template that we created as a result of direct engagement with labor agencies.

We also enhanced the Recruitment Toolkit with additional resources that help suppliers identify and standardize the process of addressing risks associated with all worker profiles and employment relationships, including educational institutions and subcontracted workers. In 2022, we delivered 59 Recruitment Toolkit training sessions in seven languages to 256 supplier facilities in 47 countries, reaching more than 277,000 supplier employees and management globally, with 59 percent of those working directly on Apple production lines.

As we onboard new key suppliers, we perform thorough due diligence and mapping to understand how they recruit labor for their facility. This includes identifying all labor agencies that a supplier employs, and then requiring both the supplier team and their labor agencies to be trained on our Recruitment Toolkit, which provides industry-leading tools to conduct thorough due diligence. This helps to confirm that as people are hired, all of our requirements for responsible labor recruitment, and the prevention of forced labor, are met. In 2022, we prioritized the training of 31 new supplier facilities in nine countries on our Recruitment Toolkit prior to manufacturing ramp-up.

In 2022, we also began requiring use of the Recruitment Toolkit for all prospective suppliers engaged in the procurement process, enabling them to conduct self-assessments, risk assessments of their labor agencies, and evaluation of their processes for worker interviews and grievance management.

We are proud of the progress we have made in our own supply chain through the use of the Recruitment Toolkit, and we're sharing the best practices we've honed over many years in order to help everyone — even those working beyond the electronics manufacturing industry — achieve progress more rapidly. We continue to expand our multi-year collaboration with the International Organization for Migration ("IOM") and,

in 2022, we supported the release of the IOM Fair and Ethical Recruitment Due Diligence Toolkit which is designed to help businesses conduct comprehensive due diligence at every stage of recruitment, with the goal that businesses across industries will use these tools to accelerate progress around the world, and across many industries.

In addition to our partnership with IOM to make our tools and trainings available to everyone, we are also partnering with the RBA, which continues to share the Recruitment Toolkit internationally, reaching RBA member companies, and hundreds of thousands of people around the world in 2022.

See more in 'Section 3.2 Evaluating the Risk of Debt-Bonded Labor' on [page 7](#).

6. Going Beyond: Working Together for Progress

Apple is committed to working in collaboration with stakeholders beyond its own operations and supply chain in order to consistently raise the bar, and drive improvements in industry standards. To do this, we engage with industry associations, civil society organizations, academics, UN agencies, and governments to share our progress and promote best practices. We also convene regular stakeholder roundtables and expert groups to learn from others’ perspectives and seek critical feedback on our programs.

Here are a few of the organizations we work with, as well as the tools, training, and best practices we have developed and shared as a result of these partnerships:



International Labour Organization (ILO)

The ILO is the United Nations agency for the world of work. The ILO brings together governments, employers, and workers to “drive a human-centered approach to the future of work through employment creation, rights at work, social protection and social dialogue.” In addition to regular consultations with ILO labor experts, including engagements at the ILO’s annual International Labour Conference, Apple works with the ILO on a number of projects, including those related to rights training and advancing worker voice. Apple is also a member of the ILO Global Business Network on Forced Labor, and serves on the steering committee.



International Organization for Migration (IOM)

IOM is a United Nations agency and is considered the leading global expert on migration. IOM works to help ensure the orderly and humane management of migration, to promote international cooperation on migration issues, to assist in the search for practical solutions to migration problems, and to provide humanitarian assistance to migrants in need, including refugees and internally displaced people. Apple partnered with IOM to develop our Responsible Labor Recruitment Due Diligence Toolkit. IOM also delivers training to our suppliers on the Toolkit.

Apple also worked with IOM on the Remediation Guidelines for Victims of Exploitation in Extended Minerals Supply Chains, which outlines step-by-step approaches to be taken by companies, assessors, and smelters or refiners to mitigate issues in their sourcing supply chain. We also continue to expand our integration program for trafficking survivors to obtain full-time employment across Europe, Thailand, and the UK.



Responsible Business Alliance (RBA)

RBA is the world’s largest industry coalition dedicated to corporate social responsibility in global supply chains. Apple collaborates with the RBA and its member companies frequently throughout the year on initiatives spanning the entirety of our Supplier Responsibility program. Apple also serves in several leadership capacities at the RBA, including on the RBA Board of Directors.



Responsible Minerals Initiative (RMI)

Part of the Responsible Business Alliance, RMI is one of the most utilized resources for companies from a range of industries addressing responsible mineral sourcing issues in their supply chains. Apple sits on RMI’s steering committee, and is engaged in a number of RMI working groups and fund projects.



Responsible Labor Initiative (“RLI”)

Established by the Responsible Business Alliance, RLI is a multi-industry, multi-stakeholder initiative focused on ensuring that the rights of workers vulnerable to forced labor in global supply chains are consistently respected and promoted. Apple is a founding member, and formerly served on the steering committee of RLI.



European Partnership for Responsible Minerals (EPRM)

EPRM is a partnership between civil society, industry, and government focused on responsible artisanal and small-scale mining and sourcing practices, and improving social and economic conditions for mining communities. Apple is a member of the EPRM.



Working Capital Innovation Fund (incubated by Humanity United)

Working Capital is an early-stage venture fund that invests in scalable innovations to meet the need for more transparent and ethical supply chains, addressing the need to protect vulnerable workers and to source responsibly. Apple is a founding member of and investor in the Working Capital Innovation Fund.



Thomson Reuters Foundation

As a former recipient of their Stop Slavery Award, Apple has cultivated a strong partnership with the Thomson Reuters Foundation, supporting its work over the past three years to foster inclusive economies and promote human rights, including the training of 58 civil society organizations on new trends in the field of responsible business. We provide support to the Thomson Reuters Foundation’s TrustLaw, which provides pro bono legal support, research, training, tools, and resources for human rights and environmental defenders around the world. With a presence in over 175 countries, TrustLaw works with hundreds of legal teams representing over 120,000 lawyers to support more than 5,500 NGOs and social enterprises with free legal assistance.



7. Public Reporting

Apple annually publishes a number of documents that detail and report on our commitment to respect human rights, eradicate modern slavery, and drive transparency in our supply chain, including this 2022 Statement; Apple's Supplier Code of Conduct and Supplier Responsibility Standards; Apple's Supplier List; Apple's People and Environment in Our Supply Chain Report; and Apple's Conflict Minerals Report. These documents are available at apple.com/supplier-responsibility.



8. Certification

To do business with Apple, suppliers must agree to operate in full compliance with all applicable laws and regulations, and adhere to our Code and Standards. Our Code and Standards go beyond compliance with existing law. Each year, we work to update and strengthen our Code and Standards, drawing on lessons learned from our supply chain due diligence, emerging best practices, and internationally recognized rights frameworks. Accordingly, by agreeing to comply with our Code and Standards, our suppliers are obligated to continue making progress to maintain compliance with our continually evolving high standards.

We are committed to respecting internationally recognized labor and human rights in our business and supply chain, and we continue to work with others across industries toward the eradication of human trafficking and modern slavery worldwide.



9. Signature

In accordance with the UK Modern Slavery Act 2015 and guidance thereunder, this 2022 Statement on Efforts to Combat Modern Slavery in Our Business and Supply Chains was approved on 23 March, 2023 by the directors of each of Apple Europe Limited, Apple (UK) Limited, Apple Retail UK Limited, and Apple Studios UK Limited (as prior statements were in previous years in accordance with the Act) and has been signed by the undersigned director for and on behalf of each of Apple Europe Limited, Apple (UK) Limited, Apple Retail UK, and Apple Studios UK Limited to the extent that this 2022 Statement relates to the activities of those respective entities.



