May 3, 2022

Arthur D. Levinson Chairman of the Board Apple Inc. MS: 927-4GC One Apple Park Way Cupertino, CA 95014

## Dear Chairman Levinson,

On March 4, at Apple's 2022 Annual Meeting, shareholders were given the opportunity to vote on a civil rights audit proposal filed by the undersigned. As you are aware, the proposal passed with 53.6% of Apple's shareholders supporting the proposal, marking the first time that a civil rights audit shareholder proposal has passed. Apple has since committed to conducting an audit but has not provided any details of its plans publicly, nor to us, as the proponents of this majority supported proposal. We would like to schedule a meeting with you and any other appropriate Board members to discuss Apple's commitment.

We believe that this remarkable vote result reflects a strongly held investor belief that Apple's civil rights impact on its stakeholders presents a serious business risk to long-term shareholder interests. To that end, we urge Apple's Board and management to adopt the following recommendations as it considers how best to implement the civil rights audit proposal:

- The audit should be full scope and evaluate the civil rights impact of Apple's policies, practices, and products. This includes diversity, equity, and inclusion and employment related issues, at both the corporate and retail level, but also Apple's products, policies, and services that are consumer facing or that may impact marginalized communities.
- Apple should select a third-party and independent auditor with core competency in civil rights
  work. The individuals leading the audit should have background in advocating against harms
  protected by U.S. civil rights laws and long-standing involvement with stakeholder groups. We
  believe that generally law firms that specialize in corporate defense work and financial
  accounting firms do not have the level of experience required to conduct an audit of this nature.
- We expect that the auditor will determine the topics of the audit following stakeholder engagement with both national and grassroots organizations.
- The auditor should consult with various Apple stakeholders, including community-based groups, consumer groups, employees, and civil rights and privacy experts. We would be glad to work with the auditor to identify a representative group of stakeholders.
- The auditor should speak with these stakeholders independently. Appropriate measures to protect the confidentiality of responders should be taken, particularly employees, and to ensure non-retaliation.
- The audit should be conducted in a timely manner. The auditor should be selected in the next two months, and the audit should be conducted within 1 year of selection of the auditor. If issues arise as identified by the auditor, the timeline of the audit may be extended.
- The auditor's final report should be made public and available on Apple's website.
- Apple should assign clear Board oversight responsibilities to certain directors or a committee.

- Apple should have at least two meetings with the undersigned to provide updates as the audit is being performed and report is finalized. One of these meetings should include a director with oversight responsibilities over the audit.
- We expect that Apple will require more than one year to execute the recommendations set forth by the auditor. For this reason, we believe that annual updates on the progress of implementing the auditor's recommendations should be included on Apple's website, ESG report, or Annual Proxy Statement.

We would be happy to provide you with additional background materials as Apple works towards finalizing this important commitment to conduct a civil rights audit. We look forward to hearing from you no later than May 18, 2022.

Sincerely,

Dieter Waizenegger, Executive Director

**SOC Investment Group** 

Leney Manly

Diefervoirus

Renaye Manley, Deputy Director of Strategic Initiatives

Service Employees International Union

Jonas Kron, Chief Advocacy Officer

**Trillium Asset Management**