

Apple CSR Initiative

Group S2 Caroline, Sabria, Nina, Ivan, and Rylee





“To bring the best user experience to customers through innovative hardware, software, and services.”



Mission Statement

Major Brands

Besides the most common products you think of, Apple has also acquired:



Beats Electronics

2014



Siri Inc.

2010



Shazam

2018



NeXT Software

1996



AuthenTec








2012



Mobeewave

2020

Financial Performance

Annual Data Millions of US \$ except per share data		2023-09-30	2022-09-30	2021-09-30	2020-09-30	2019-09-30
Revenue		\$383,285	\$394,328	\$365,817	\$274,515	\$260,174
Cost Of Goods Sold		\$214,137	\$223,546	\$212,981	\$169,559	\$161,782
Gross Profit		\$169,148	\$170,782	\$152,836	\$104,956	\$98,392
Research And Development Expenses		\$29,915	\$26,251	\$21,914	\$18,752	\$16,217
SG&A Expenses		\$24,932	\$25,094	\$21,973	\$19,916	\$18,245
Other Operating Income Or Expenses		-	-	-	-	-
Operating Expenses		\$54,847	\$51,345	\$43,887	\$38,668	\$34,462
Operating Income		\$114,301	\$119,437	\$108,949	\$66,288	\$63,930

Stock Price



CSR Activities

- Steve Jobs was not particularly known for philanthropy, highly criticized
- Tim Cook took leadership in 2011- CSR increased considerable amount



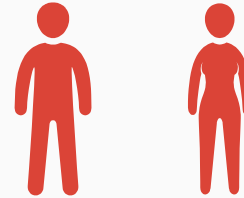
Apple Supporting Local Communities

partnered with Bluestone Natural Farms in Oregon to transform compostable materials onsite to organic materials for the farm



Apple Education and Empowering Workers

since 2008 providing training courses to over 4 million people, competitive employee benefit practices



Apple and Gender Equality and Minority Leadership

Tim Cook is the only openly gay CEO of Fortune 500 company. He is a strong champion of workforce diversity and gender equality

CSR Activities



Energy Consumption

partnered with Bluestone Natural Farms in Oregon to transform compostable materials onsite to organic materials for the farm



Carbon Emissions

since 2008 providing training courses to over 4 million people, competitive employee benefit practices



Sustainable Sourcing

2022 plastic accounted for only 4% of packaging, partnered with The Conservation Fund to protect 36,000 acres of forests, suppliers of tin, gold, and cobalt.

CSR in 10-K Report

“ The Company periodically provides certain information for investors on...its investor relations website, investor.apple.com. This includes...information about financial performance, information on environmental, social and governance matters, and details related to the Company’s annual meeting of shareholders. The information contained on the websites referenced in this Form 10-K is not incorporated by reference into this filing”

Apple's ESG Report



Environmental Social Governance Report

Apple's 2022 ESG Report

Report highlights

At Apple, we're demonstrating every day that business can and should be a force for good. And we've made important progress over the last year through our Environmental, Social, and Governance (ESG) initiatives. That would not be possible without the innovation and collaboration of teams across Apple, and the people and organizations we partner with. As we look ahead, we know there is more to be done. We're committed to continue to build on our efforts and drive even greater impact in the years to come.

Carbon neutral for corporate emissions

Since April 2020, we've achieved carbon neutrality for our corporate emissions by sourcing 100 percent renewable electricity for our facilities, implementing energy efficiency initiatives, and securing carbon offsets for remaining emissions.

→ Continue reading on page 13



Reduced overall emissions by 40%

In fiscal year 2021, our environmental initiatives avoided over 23 million metric tons of emissions across all scopes, and we reduced our carbon footprint by 40 percent compared with fiscal year 2015. Efforts and initiatives that we've been growing for years made this possible — like sourcing 100 percent renewable electricity for our facilities, transitioning suppliers to clean energy, and using low-carbon materials in products.

→ Continue reading on page 13

More than doubled renewable energy in our supply chain

As of March 2022, 213 suppliers have committed to renewable electricity for Apple production, representing the majority of Apple's direct supplier spend. In fiscal year 2021, Apple and its suppliers brought online over 10 megawatts of renewable energy in our supply chain, doubling the amount from the prior year.

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Continued to maintain pay equity

Since 2017, Apple has achieved and maintained gender pay equity for our employees worldwide. In the U.S., we've also achieved pay equity with respect to race and ethnicity — as well as pay equity at the intersections of race and ethnicity with gender.*

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Increased representation in leadership

In calendar year 2021, 47% of open leadership** roles were filled by women globally, an increase of 10 percentage points since 2020, and we've had an 87% increase in women in leadership since 2014. And in 2021, we hired more Black and Hispanic/Latina team members in the U.S. than ever before, with 13% open leadership roles filled by Black candidates and 12% filled by Hispanic/Latina candidates. Since 2014, we've had an 84% increase in the number of Black employees and a 90% increase in the number of Hispanic/Latina employees in leadership in the U.S.

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Protected privacy with App Tracking Transparency

With iOS 14.5 in April 2021, we released App Tracking Transparency for iPad and iPhone, requiring developers to obtain a user's permission to track them across apps or websites owned by other companies for advertising purposes.

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* Pay equity at the intersections of race and ethnicity with gender was achieved in 2022.

** Leadership roles include managers at all levels of our company.

Apple's CSR Effect on Consumers

HOME • NEWS

Apple Commits \$50 Million Black Students in Tech

THE COMPANY IS PARTNERING WITH THE THURGOOD MARSHALL COLLEGE FUND TO HELP DIVERSIFY THE TECHNOLOGY PIPELINE

'It changes lives': second Apple/MSU developer academy class graduates

Alex Walters
June 29, 2023



The second graduating class of the Apple/MSU Developer Academy. Courtesy of Michigan State University and Apple.

CSU to Launch Global Hispanic Serving Institution Equity Innovation Hub

8/31/2021

Partnership with Apple and state of California will lead to new and additional educational pathways for students in STEM.

FORBES > INNOVATION > CONSUMER TECH

Apple Joins The Effort In Fostering Teacher Diversity

Carolina Milanesi Contributor

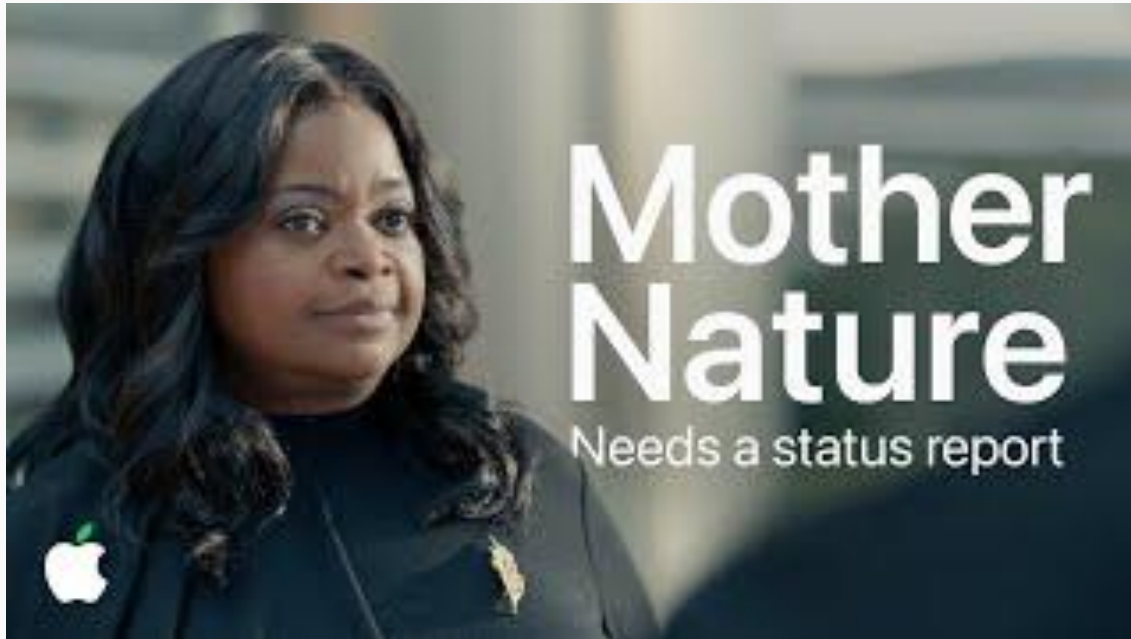
Tech analyst and storyteller, I connect the dots between tech, brands and humans

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May 5, 2021, 04:40am EDT

Consumer Reactions



Consumer Reactions

Apple climate film with Octavia Spencer is slammed: 'This is greenwashing'

By [Ariel Zilber](#)

Published Sep. 14, 2023, 1:05 p.m. ET



softsnowfall • 5mo ago

Personally, I was thrilled that there are carbon neutral Apple watches available. Apple is doing a lot more recycling, supporting some initiatives that can help the environment, and etc.



AlwaysStayHumble • 5mo ago • Edited 5mo ago

Marketing play. The best way to stay 🌱 **carbon neutral** 🌱 is to not buy a new device every single year.

Apple's 'Mother Nature' sketch was a complete dud, and didn't belong in the iPhone 15 event



[William Gallagher](#) | Sep 13, 2023

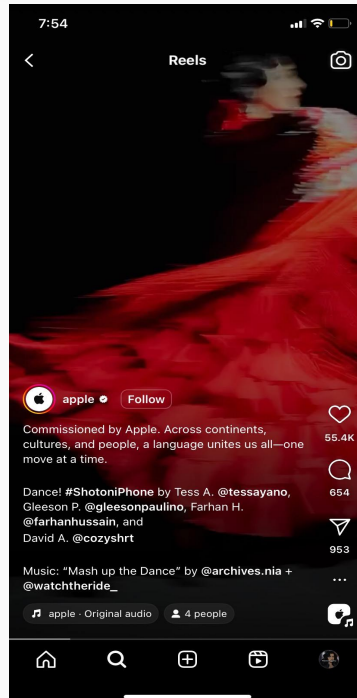
Consumer Reactions on Social Media



weltkai 51w
WOW!! 🇺🇸
Reply

taliaabella 51w
👏👏
Reply

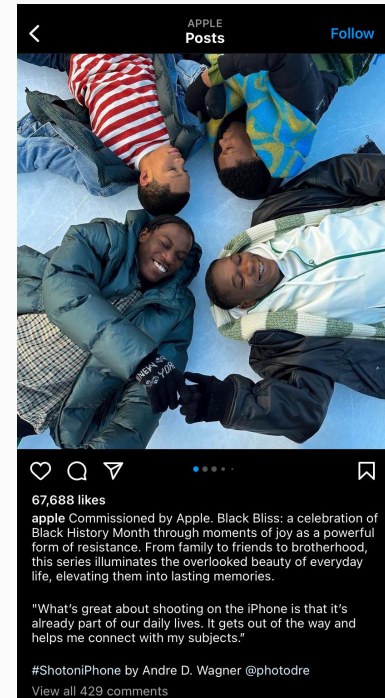
roy_park_of 74w
Excellent collaboration, and I'd love to see more of something like this.
Reply



meliss_sonia 51w
Apple products are the best I love ❤️❤️❤️ so much even bought for a friend last week
Reply

laucapco 27w
Hello. I've been having issues with a delivery that's being sent back to sender. Where can I get support regarding this matter? Is there any email address?
Reply
View 2 more replies

rameshjbhojwani 27w
Fabulous. One message for the entire world. Spread the joy.
Reply



Competitors

- Compete in the same/similar areas of consumer electronics & appliances.
- Global Market Share Smartphone (2023):
 - Apple: 20.1%,
 - Samsung 19.4%
- Samsung is well known for its budget phones, which tend to be less expensive than the iPhone. Yet, both companies' products outdo one another on elements like display, camera, battery, etc.
- Samsung may win in camera and display tech but falter in security and software support when compared to Apple.



- Both offer consumers software and hardware solutions surrounding cloud services, personal computing, and productivity software. Both operate within the technological industry.
 - I.e. MacOS & Safari v. Windows & Office
 - Their hardware is often compared by durability, compatibility, security, etc.
- Recently (this month), Microsoft has pulled ahead in market valuation of \$2.903 trillion while Apple has a market cap of \$2.886 trillion
- **"Microsoft has more to benefit from the generative AI revolution"**- analyst Gil Luria. Apple has started to face less demand for its products, including its "Cash Cow:" the iPhone.



Microsoft

CSR Strategies across Competitors - Samsung



SAMSUNG

Global CSR Vision: **'Together for Tomorrow! Enabling People!'** The vision focuses on empowering people (employees and the community)

01

Education Support

- Samsung Solve for Tomorrow has supported over 2,200 schools by offering technology and school supplies (\$15 million worth)
- Middle & high schoolers use STEM skills to aid their communities.

02

Veteran Support

- Samsung more heavily supports veterans with its remembrance and close ties to the Korean War with the company's heritage
- Provides resources to improve veterans' lives is important.

Both Apple & Samsung have programs steeped in Education... yet Apple does not have as strong a commitment to veterans or history that Samsung does

CSR Strategies across Competitors - Microsoft



Microsoft

Global CSR Commitments:

Expand Opportunity, Earn Trust, Protect Fundamental Rights, & Advance Sustainability

01

Environmental

- Microsoft has a major focus in the environment with its pledge to be carbon negative by 2030 (same year projection as Apple) and remove all historical emissions by 2050.
- Apple has a more detailed approach of carbon removal concerning their own products than Microsoft: 'Proof is in the Products.'

02

Diversity & Inclusion

- Moreover, like Apple, both companies heavily value diversity and inclusion (including disability) in their employee bases and communities,
- Expanding accessibility and having accountability/protection of rights in the supply chain.

Note: Apple & Microsoft further emphasize accessibility with their product features than Samsung does

Criticisms



- Labor practices in supply chain
 - Apple's cobalt batteries are built from resources mined by child laborers
- Anticompetitive Practices
 - Accused of using hardware & software limitations that make it hard for rivals to compete with iPhones and iPads
 - Apple removed Fortnite from the app store after they added a direct payment system that allowed players to bypass App store Fees
- Data Privacy concerns relating to products
 - Apple has experienced several significant data breaches over the years, resulting in unauthorized access to users' personal information
- Environmental impact of manufacturing processes
 - Apple has received both praise and criticisms for their practices
 - Wasteful in use of raw materials in manufacturing
 - "E-waste" created by their products



A photograph of Tim Cook, CEO of Apple, speaking at a podium. He is wearing a dark blue sweater over a light blue collared shirt and glasses. He is holding a small black device in his right hand and gesturing with his left hand. The background is a large screen displaying the word "Apple" in its signature script font.

Apple

“We believe that business, at its best, serves the public good, empowers people around the world, and binds us together as never before.”

Tim Cook and Corporate Social Responsibility



Cook has a long history in electronics, working with Compaq and IBM before coming to Apple.

Member of the Paulson Institute CEO Council for Sustainable Urbanization to promote sustainability in China

Started to promote corporate social responsibility after becoming the Apple CEO

The only openly gay CEO, which has led to the higher promotion of equality at Apple.

Tim Cook and Corporate Social Responsibility

“We believe that business, at its best, serves the public good, empowers people around the world, and binds us together as never before.”

- Cook has a long history in electronics.
 - IBM for 12 years leading manufacturing and distribution.
 - Moved onto Compaq as the vice president of corporate materials.
 - Before becoming CEO at Apple he was the COO responsible for sales and operations.
- Member of the Paulson Institute CEO Council for Sustainable Urbanization to promote sustainability in China
- Started to promote corporate social responsibility after becoming the Apple CEO
- The only openly gay CEO, which has led to the higher promotion of equality at Apple.
- Responsible for the increase in CSR activities at Apple.
- Successfully balances financial objectives and purpose of the business.

Our Perspective



- Since Tim Cook took over, Apple's CSR activities have overall been very beneficial to the brand, its performance, and public perception.
- The criticism/mistakes Apple has faced have not outweighed the success of the brand.
 - People are still purchasing Apple products more than ever.
 - With Apple continuing to be on the forefront of cutting edge technology it is likely this will continue
- Apple should serve as an example for other companies to prioritize CSR to the same extent and to conduct business for good

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