



Apple Pty Limited 2020 Modern Slavery Statement

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I. INTRODUCTION

Apple is committed to treating everyone with dignity and respect and to protecting the planet we all share. As people around the world continue to face many challenges related to the COVID-19 pandemic, our work to respect human rights and provide opportunities for people across our supply chain has never been more important.

Human trafficking and the use of involuntary labour are strictly prohibited in Apple's supply chain and own business operations. This prohibition is explicitly stipulated in Apple's Human Rights Policy, the Apple Supplier Code of Conduct ("Code"), and the related Apple Supplier Responsibility Standards ("Standards"). Our strict Code and Standards require suppliers to uphold the rights of millions of people employed in our supply chain globally.

The Australian Commonwealth Modern Slavery Act 2018 ("Act") requires entities to report on the risks of modern slavery, including human trafficking, slavery, or servitude, forced, compulsory, or involuntary labour, debt bondage, deceptive recruiting, forced marriage, and the Worst Forms of Child Labour (as defined by International Labour Organization ("ILO") standards) in their operations and supply chains, as well as the actions being taken to address those risks. This Statement reflects Apple's progress during Apple Pty Limited's financial year that ended on September 26, 2020, as well as our ongoing efforts to combat and prevent modern slavery in our supply chain and our own operations.

This Statement discusses the operations and business of Apple Pty Limited, being the reporting entity under the Australian legislation. The Statement also supplements Apple's 2020 Statement on Efforts to Combat Human Trafficking and Slavery in Our Business and Supply Chains ("2020 Statement"), which covers comprehensively the procurement of materials and manufacturing of Apple products for customers in Australia and around the world.

The term "Apple" as used in this Statement refers collectively to Apple Inc. and its subsidiaries, including Apple Pty Limited and Apple Sales New Zealand.

II. APPLE PTY LIMITED BUSINESS STRUCTURE, OPERATIONS AND SUPPLY CHAIN

Structure and Operations

Apple Pty Limited is an Australian proprietary company limited by shares, incorporated in New South Wales, Australia, and a wholly owned, indirect subsidiary of Apple Inc. Apple employs close to 3,700 people in Australia, primarily in retail, business operations, services, sales and customer support roles.

Apple Pty Limited wholly owns Apple Sales New Zealand. Apple Sales New Zealand operates Apple's New Zealand business. Management of Apple Sales New Zealand is overseen by Apple Pty Limited's Board of Directors.

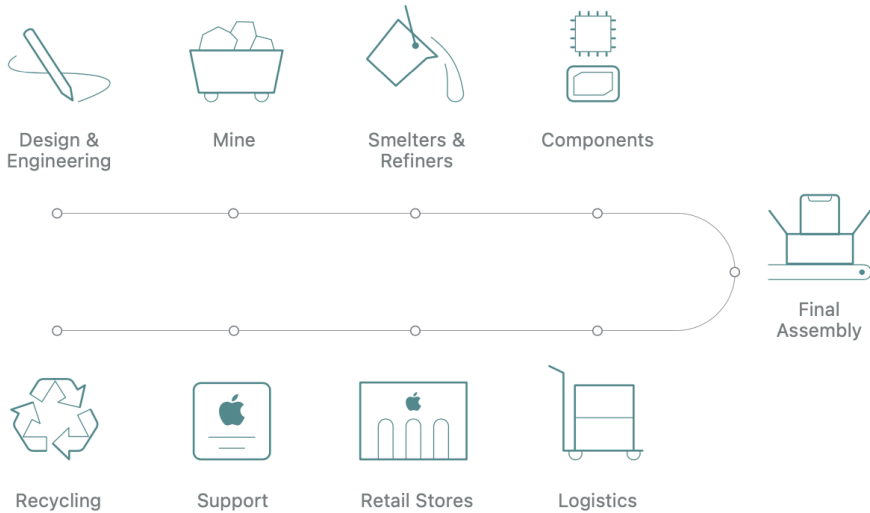
Apple Inc.'s Board of Directors oversees its Chief Executive Officer and other senior management in the competent and ethical operation of Apple on a day-to-day basis. A number of cross-functional teams are responsible for carrying out related efforts with respect to Apple's anti-modern slavery policies, including, but not limited to, our Global Security, Business Conduct, and Supplier Responsibility ("SR") teams. The Global Security team sits within Apple's Legal and Global Security organisation and seeks to identify, mitigate, and prevent risks, including human trafficking risks, across Apple and our supply chain. The Business Conduct team also sits within Apple's Legal and Global Security organisation and sets policies and provides guidance to ensure that Apple conducts business ethically, honestly, and in full compliance with applicable laws and regulations.

The SR team sits in Apple's World Wide Operations organisation and coordinates activities related to our Code and Standards, and leads our strategy and programmes to eradicate modern slavery. The SR 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, Business Conduct, Legal, Finance, Product Design, Procurement, Manufacturing Operations, and Retail. Apple teams regularly consult with senior management to review progress and update ongoing strategies.

Supply Chain

Apple's supply chain is large and complex, with suppliers and companies around the world contributing to our products. We define our supply chain very broadly, from the places where our suppliers source their raw materials, to the design, engineering, manufacturing, and recycling of our products, to logistics, sales, and support functions, including services supporting Apple Retail Stores and AppleCare.

Apple teams in Australia and New Zealand work together with colleagues from a number of Apple business functions worldwide, including Manufacturing Operations, Environment, Procurement, Legal, Finance, and Apple Retail, who collectively engage with suppliers that form part of the global supply chain for the procurement of materials and production of Apple products.



The work performed by vendors supplying goods and services in Australia and New Zealand is also varied, including logistics partners who ship our products around Australia and New Zealand, janitorial and security teams at Apple Stores, the network of Apple Authorized Service Providers who service Apple products for our customers, Apple Services' content providers, and suppliers providing equipment and maintaining our corporate offices. Apple teams in Australia and New Zealand work directly with these suppliers and content providers. Key examples of suppliers and content providers include:

- Apple Products - the procurement, manufacturing and recycling of Apple products through our global supply chain.
- Apple Stores - the retail supply chain includes suppliers who provide janitorial, security, and maintenance services within Australia, furniture, fixtures and equipment manufacturers and providers (including those offshore), global and local logistics partners, and manufacturers of branded items.
- AppleCare - managed from both within Australia and New Zealand and around the region, suppliers provide a range of in-person and virtual after-sales support through Apple Authorized Service Providers and Contact Centres. Logistics suppliers support trade-in and recycling programmes.
- Apple Services - content providers for Apple Services range from multinational corporate app developers, to major record labels, film studios and publishing houses, as well as independent developers and artists both offshore and within Australia and New Zealand.
- Distributors and Resellers - while not strictly supplying goods and services to Apple Pty Limited or Apple Sales New Zealand, Apple works with many local business partners to provide a wide range of purchase and service options for customers, including major resellers, and other distribution channels, such as telecommunications carriers.
- Corporate Support - our financial, marketing, facilities and human resources teams work with a range of goods and services suppliers to support the day-to-day operations of Apple in Australia and New Zealand, from major property companies, telecommunications providers, and courier services to individual contractors for events and catering.

III. GOVERNANCE AND POLICIES

Governance

Apple maintains a robust governance structure and internal management system to enforce compliance with our policies to prevent human trafficking and the use of involuntary labour, and to implement supply chain human rights due diligence programmes.

Policies and Standards

Apple's Human Rights Policy

Respecting human rights and putting people first inform Apple's values and guide our business decisions. Our Human Rights Policy governs how we treat everyone—from our customers and teams, to our business partners and people at every level of our supply chain. It also makes clear our commitment to respecting internationally recognised human rights throughout 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"). The full policy is available on apple.com/investor among our Governance Documents or via this link: https://s2.q4cdn.com/470004039/files/doc_downloads/gov_docs/Apple-Human-Rights-Policy.pdf.

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 programmes, including training, can be found at <https://www.apple.com/compliance>.

Apple's Anti-Human Trafficking Policies

Apple's Anti-Human Trafficking Policy, which is incorporated into Apple's Business Conduct Policy, strictly prohibits human trafficking and the use of involuntary labour in our business and supply chain. The Business Conduct Policy applies to all employees, and the principles of Honesty, Respect, Confidentiality, and Compliance that are set out in the policy apply to independent contractors, consultants, and others who do business with Apple, when providing goods or services to Apple or doing business on our behalf. The Business Conduct Policy applies to every business decision in every area of the company worldwide.

If employees know of a possible violation of Apple's Business Conduct Policy or legal or regulatory requirements, including a possible violation of Apple's Anti-Human Trafficking Policy, they are required to notify their manager, People Team, Legal, or Business Conduct. Failure to comply with Apple's Business Conduct Policy, or failure to report a violation, may result in disciplinary action up to and including termination of employment.

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 robust 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 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 has a law enforcement training programme 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, in 2020 Apple launched an online law enforcement training module that law enforcement officials can participate in remotely. Apple sponsors the Crimes Against Children Conference annually. Apple is also a member of the Internet Watch Foundation and The Technology Coalition, organisations dedicated to eradicating online child abuse.

App Store Review Guidelines

Pursuant to Apple's App Store Review Guidelines, apps offered on the App Store must comply with all legal requirements in any location where made available. Apps that solicit, promote, or encourage criminal or clearly reckless behavior are rejected. In extreme cases, such as apps that are found to facilitate human trafficking or the exploitation of children, Apple will notify the appropriate authorities.

Apple's Supplier Code of Conduct and Supplier Responsibility Standards

Suppliers are required to operate in accordance with the Apple 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 <https://www.apple.com/supplier-responsibility/>.

Suppliers are also required to apply our requirements to their sub-contractors, next-tier suppliers, and third-party recruitment agencies, through all levels of the supply chain. If a supplier is unwilling or unable to meet our requirements, the supplier risks removal from Apple's supply chain.

Apple's Code and Standards were established in 2005 and draw upon internationally recognised 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 Code is published in 15 languages, and both our Code and Standards are publicly available at <https://www.apple.com/supplier-responsibility/pdf/Apple-Supplier-Code-of-Conduct-and-Supplier-Responsibility-Standards.pdf>

The Standards supplement our Code and provide additional clarity regarding Apple’s requirements. Apple suppliers must meet these Standards to be in compliance with the Code. The Standards include broad coverage of human rights topics, including anti-discrimination and abuse, prevention of underage labour, juvenile and student worker protections, working hours management, wages, benefits, and contracts, freedom of association and collective bargaining, and the responsible sourcing of materials. In addition, our Standards include detailed sections covering anti-modern slavery-related requirements. Those include the prevention of involuntary labour, provisions related to third-party employment agencies, and foreign contract worker protections (collectively, the “Prevention of Modern Slavery Standards”). Apple’s Prevention of Modern Slavery Standards state, “Supplier shall not traffic persons or use any form of slave, forced, bonded, indentured, or prison labor.”

In 2012, we extended the application of our Code and Standards to our services suppliers, including AppleCare contact centres, logistics, and repair centres. Since 2015, our Code and Standards have applied to Apple’s retail supply chain and suppliers that provide janitorial and other services to Apple Stores worldwide. In 2018, we took steps to further strengthen implementation at the initial labour recruitment stage by mapping high-risk labour migration corridors for foreign contract workers in our supply chain, and began directly engaging with labour agents in sending and receiving countries. In 2019, we continued expanding our engagement beyond manufacturing to include new services providers that support our operations to ensure compliance with our Code and Standards.

In 2020, we updated our Code and Standards to include a new standard on infectious disease preparedness and response, and expanded our requirements regarding suppliers’ materials sourcing and labour recruitment practices. Specifically, Apple suppliers shall not have manufacturing operations in, recruit labour directly or indirectly from, or source materials, products, or services directly or indirectly from regions where Apple and third-parties cannot access and conduct comprehensive, independent evaluations of their suppliers’ compliance with Apple’s Code and Standards.

Further, each year, Apple analyses third-party sustainability standards and maps those against risk criteria such as labour and human rights, health and safety, Indigenous peoples’ rights, and environmental protection. This analysis informs Apple’s understanding of which third-party sustainability standards align with our internal requirements and where we can further strengthen our Code and Standards.

High-level factors contributing to assessment selection



Is this a new supplier?



What is the supplier's previous assessment performance?



What is the supplier's previous record of Core Violations or allegations?



What is the suppliers geographic location?



What is the amount of business done with Apple?



Are foreign contract workers employed?

IV. DUE DILIGENCE TO IDENTIFY MODERN SLAVERY RISKS

Identifying Salient Human Rights Risks

Identifying risks in our global supply chain is the first step to eliminating those risks through improvements to our policies and strategies, and through collaborative capability-building with our suppliers. Our efforts to identify, mitigate, prevent, and remedy human rights risks align with the Business and Human Rights Due Diligence process set forth in the UNGPs.

First, we identify salient human rights risks through our robust assessment processes, as well as by participating in industry-level third-party audits. Apple selects suppliers for assessment based on a number of factors, including geographic risk, previous audit 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 include supplier employee interviews and surveys, consultations with human rights, labour, and environmental experts, expert groups we convene on specialised or emerging human rights topics, UN and U.S. government labour and human rights reporting and consultations, media reports, the results of our supplier assessments, discussions with supplier management teams, and risk reports received through our partners around the world.

In addition to our own internal monitoring, risk reports come to us from civil society organisations, news outlets, people in the supply chain or supply chain communities, local whistleblower mechanisms, and third-party hotlines. They also come through the reporting mechanisms we make available directly to all supplier employees, Apple employees, and the general public. These reports can come to us 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 on-site independent investigation teams. If a violation is discovered, a corrective action plan is immediately put in place, requiring violations to be remediated within 90 days.

Materials Supply Chain Due Diligence

Apple does not directly purchase or procure raw minerals from mine sites but we conduct robust due diligence on the source and custody chain of minerals in our global supply chain. Our responsible minerals sourcing programmes are informed by and designed to conform in all material respects with OECD Due Diligence Guidance. Our Code and Standards require our suppliers to conduct due diligence on smelters and refiners in their supply chains to identify a broad range of risks beyond conflict, including social, environmental, and human rights risks.

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 tin, tantalum, tungsten, and gold (“3TG”). In 2014, we started mapping our cobalt supply chain. We

use independent, third-party audits to assess risks at smelter and refiner sites. In 2020, 100 percent of our identified 3TG, cobalt, and lithium smelters and refiners participated in independent third-party audits, which go beyond conflict to assess human rights risks in their minerals supply chains.

As of December 31, 2020—for the sixth straight year—100 percent of identified smelters and refiners in our supply chain for all applicable Apple products manufactured during calendar year 2020 participated in an independent third-party conflict minerals audit programme for 3TG. These audits encompassed the identified smelters and refiners that provide materials for the following Apple product categories: iPhone®, Mac®, iPad®, AirPods®, Apple TV®, Apple Watch®, Beats® products, HomePod®, iPod touch®, Apple Card™, and all Apple accessories.

Since 2009, Apple has directed the removal of 146 3TG smelters and refiners from our supply chain (a total of seven tantalum, 41 tin, 16 tungsten, and 82 gold smelters and refiners). In 2020, we removed seven smelters and refiners that were not willing to participate in or complete a third-party audit, or that did not otherwise meet Apple's requirements for the responsible sourcing of minerals.

In addition to minerals, we also map other high-risk materials in our supply chain. Based on a number of factors, we have prioritised 14 materials that would benefit from transitioning to recycled or renewable sources first. More information can be found at https://www.apple.com/environment/pdf/Apple_Material_Impact_Profiles_April2019.pdf.

For more information on our materials due diligence, please see our 2020 Statement, and Apple's 2020 Conflict Minerals Report, available at <https://www.apple.com/supplier-responsibility/pdf/Apple-Conflict-Minerals-Report.pdf>.

Based on the approaches outlined above, the areas identified as at-risk for modern slavery in relation to Apple Pty Limited and Apple Sales New Zealand operations and supply chains are:

- The procurement, manufacturing and recycling of Apple products through our global supply chain;
- Provision of janitorial, security and logistics services within Australia and New Zealand;
- Corporate procurement of office supplies, furniture and branded items from offshore manufacturers; and
- Recruitment and management of employees and/or contracted staff at offshore contact centres.

Due Diligence under the Australian Modern Slavery Act

In the Australian context, we have undertaken specific due diligence measures including site assessments at AppleCare repair, logistics, distribution, and contact centres, as well as investigations into specific workplace and labour complaints.

In 2020, we surveyed more than 350 goods and services suppliers to Apple Pty Limited to support risk assessment, to understand their respective levels of adherence to ILO standards, awareness of the Commonwealth legislation on Modern Slavery, any training and policies that have been put in place, and any specific instances of modern slavery. While no specific instances were identified, supplier responses helped to prioritise gaps in awareness and training needs to be addressed in 2021.

V. APPLE TRAINING PROGRAMMES

In addition to the worldwide training programmes and initiatives described in Apple's 2020 Statement, in Australia we have provided targeted training for both internal teams and suppliers.

Internal Training - Since the introduction of the Australian Commonwealth Modern Slavery Act, Apple has conducted management briefings, consultations, and internal team trainings covering:

- International legal framework, standards, and the global situation regarding modern slavery;
- Apple's Supplier Code and Standards, and programming in relation to modern slavery prevention;
- Apple Pty Limited obligations under the Act and due diligence efforts; and
- Specific actions required by Apple Pty Limited to support risk identification, mitigation and remediation.

In addition to briefings and training on the new legislation, Apple began training Apple employees responsible for goods and services procurement and managing business relationships around the world in 2020. The training covers the Apple Human Rights Policy and the requirements set out in our Supplier Code and Standards. It also covers practical examples of potential modern slavery violations that may occur in the supply chain and instructions on how these issues should be escalated to the responsible teams.

Supplier Training - In 2019, we expanded our strategic partnership with the International Organization for Migration ("IOM"), a United Nations agency and the leading global expert on migration, to address the need for comprehensive, easy to use tools to conduct due diligence in the recruitment and ongoing employment of foreign workers. Consulting closely with stakeholders, we developed and tested the Responsible Recruitment Due Diligence Toolkit (the "Toolkit").

The Toolkit, aligned with the OECD Due Diligence Guidance, offers suppliers and labour agents a comprehensive “how-to” guide with practical tools covering six core areas: embedding responsible recruitment into policies and management systems; identifying and assessing risks; preventing and mitigating risks; tracking implementation and results; communicating how risks are addressed; and providing access to remediation. The Toolkit is designed to be simple and easy for suppliers to adopt, and includes a self-assessment checklist, worker training records, a fees and expenses calculator, and a grievance and remediation tracker.

Aligned with internationally accepted standards and best practices, the Toolkit is now widely used in Apple’s supply chain. It is also designed for broad, global adoption across industries, and is being shared with other companies through the Responsible Business Alliance (“RBA”), the world’s largest industry coalition dedicated to corporate social responsibility in supply chains.

Certain suppliers, such as those providing retail janitorial and facilities services to Apple stores and other sites, also receive specialised training related to human trafficking prevention and debt-bonded labour risk mitigation specific to services supply chains. In 2020, Apple suppliers in Australia providing retail janitorial and logistics services began attending IOM training sessions, and we will continue to provide training on the Toolkit, prioritising suppliers in areas identified with the highest risks for modern slavery.

VI. EFFORTS TO MITIGATE MODERN SLAVERY RISKS — PROGRAMME IMPLEMENTATION

Addressing Code Violations and Remedy

If we find violations of our Code or Standards during an assessment, we partner with the supplier to develop a corrective action plan, build the supplier’s capabilities, and make the required improvements. Corrective action plans require suppliers to resolve all identified issues within 90 days, and include sustained onsite and remote coaching, training, and/or toolkit implementation. Beyond addressing the violation, suppliers must also make changes in their management system that address the root causes of the violation. To retain our business, they must also take and sustain preventive measures to ensure the violation does not reoccur. After the supplier has made the necessary improvements, we verify the completion of each item in the corrective action plan before finalising and closing the assessment.

Core Violations are the most serious level of violation of our Code. These include cases of underage or involuntary labour, human trafficking, document falsification, or intimidation of, or retaliation against, workers for participating in assessments. Suppliers are required to immediately remediate any Core Violation.

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 that address the root causes of the violation, take and sustain preventive measures to ensure the violation does not reoccur, and provide remedy to affected workers in line with the UNGPs.

If a supplier is unwilling or unable to meet our requirements, the supplier risks removal from Apple’s supply chain.

After 15 years of engagement and capability-building with our suppliers, Core Violations of our Code in procurement and manufacturing have become increasingly uncommon.

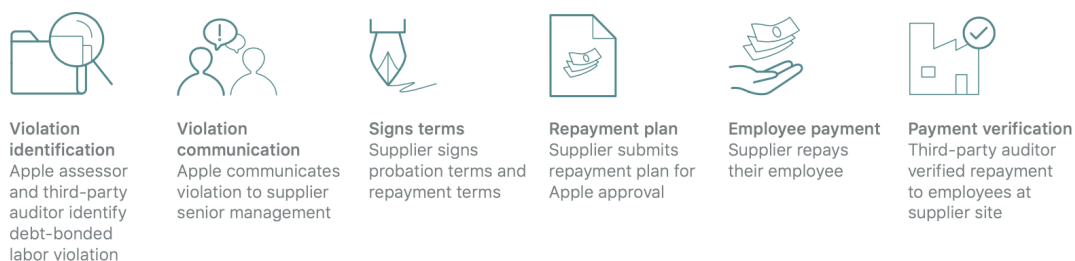
Examples of Remedy

Below are examples of these remediation processes as they relate to modern slavery. We continue to report transparently on violations and supplier performance each year in our Supplier Responsibility Progress Report, available at <https://www.apple.com/supplier-responsibility/>.

Debt-Bonded Labour - Apple has zero tolerance for debt-bonded labour. Our remediation process for debt-bonded labour requires direct remedy, with suppliers repaying employees for any fees paid in the process of obtaining a job. If debt-bonded labour is discovered, the supplier’s Chief Executive Officer is notified, and the supplier is placed on immediate probation, requiring them to submit a worker repayment plan for approval by Apple. Once approved, the supplier directly repays their employees for all fees paid, and repayment is verified by a third-party auditor.

Apple is committed to continuing our efforts to root out and remediate instances of debt-bonded labour from our supply chain. Since 2008, USD\$32.4 million in recruitment fees have been repaid to 36,980 workers by our suppliers.

Debt-bonded labor remediation process



Forced Labour - Apple has zero tolerance for forced labour, and it is prohibited by our Code and Standards. Looking for the presence of forced labour is part of every supplier assessment, and any violations of our policies carry immediate consequences, up to and including business termination. These protections apply across our supply chain, regardless of a person’s job or location.

We reviewed our worldwide manufacturing supply chain for forced labour risks, including final assembly and test partners around the world. In 2020, despite the challenges and travel restrictions due to COVID-19, we were able to have independent, third-party assessments conducted at supplier sites in multiple countries, and the teams verified key documentation, investigated hiring practices and conducted extensive interviews with workers in local languages. In 2020, there were no findings of forced or debt-bonded labour in Apple’s supply chain.

Underage Labour - The use of underage labour is also a Core Violation of our Code. If underage labour is discovered, specialised third-party assessors are brought in for an in-depth review, and the supplier is required to immediately and safely return the underage individual to his or her home. Educational opportunities are presented to the underage individual and his or her guardians. The supplier is required to pay all tuition and educational fees, and to continue to pay the individual’s wages that would have been earned at the supplier facility until the individual reaches legal working age.

Follow-up is conducted to verify the individual’s overall well-being both at school and at home. Once the individual reaches legal working age, the supplier is also required to offer the individual employment.

Based on the reduction in age-related violations over the last decade, our efforts have driven significant progress in this area. In 2019, we discovered one case of underage labour, and in 2020 there were no supplier violations related to underage workers in our supply chain.

Underage labor corrective action process



Violation identification
Apple assessor and third-party auditor identify underage labor violation



Return home
Supplier is required to immediately provide safe passage home to underage individual



Wages paid
Supplier is required to continue to pay wages to underage individual until he or she reaches legal working age



Education
Supplier is required to provide educational opportunity for underage individual



Employment guarantee
Supplier is required to provide employment opportunity when the individual reaches legal age

VII. SPECIAL MEASURES DURING COVID-19

The pandemic has left no country or community untouched. Throughout this challenging period, Apple’s first priority has been protecting people.

From the outset, we worked with our suppliers to develop and execute a plan that puts the health of people first. Thousands of Apple employees worked tirelessly to execute

that plan in partnership with our suppliers around the world, to allow people to return to work safely — because everyone has the right to a safe and healthy workplace.

We worked with suppliers around the world on a range of protections suited to the circumstances in each country, including health screenings, limiting density, and ensuring strict adherence to social distancing in their facilities. We require the use of personal protective equipment — both during work and in all common areas — and have worked together to implement enhanced deep cleaning protocols and to distribute masks and sanitisers.

Apple teams also partnered with suppliers to redesign and reconfigure factory floor-plans where needed and to implement flexible working hours — including staggered work shifts — to maximise personal space. In implementing these measures, we worked closely with leading medical and privacy experts to develop advanced health and safety protocols.

With reference to guidance developed by leading organisations and human rights experts including the ILO, IOM, UN Global Compact and OECD, we issued Labor and Human Rights COVID-19 Guidance to suppliers. The guidance was sent to all suppliers, highlighting key labour and human rights that must be upheld at all times, but are of even more importance during a pandemic. This guidance included standards related to wages and working hours, sick leave, discrimination, and non-retaliation. The communication took special care to address the needs of groups most vulnerable during this time, with a specific focus on migrant workers through increased due diligence with respect to use of third-party agencies for labour recruiting. This included requirements for providing information to workers in their primary language, reorganising living arrangements to allow for adequate social distancing, and for permitting and providing for the safe return of migrants to their countries of origin, if needed.

In addition to the many initiatives Apple has funded to support communities and people in our supply chain impacted by COVID-19, we funded the further development of “atun”, a free app for workers seeking support and credible information who may have been displaced or lost their incomes as a result of the COVID-19 crisis. The app is a collaboration, led by Labor Solutions, between a consortium of civil society organisations, business, and the ILO Better Work Program, and is available to workers throughout the Asia region.

VIII. ASSESSING EFFECTIVENESS

We assess the effectiveness of our assessments and programmes to identify and remediate modern slavery risks in a number of ways.

Compliance with Code and Standards - Supplier performance is assessed against our Code and Standards to drive improvements in the areas of labour and human rights, health and safety, and the environment.

Assessments, also known as audits, are an important tool that provide a snapshot of a supplier's performance and help us to prioritise our capacity building and engagement programmes.

Because they only represent one moment in time, we believe audits alone are not sufficient, and we engage many other methods of holding suppliers accountable to our Code and Standards, including direct engagement with rights-holders, labour experts, UN agencies, governments, and non-governmental organisations ("NGOs").

We select suppliers for assessment based on a number of factors, including geographic risk, previous audit performance, manufacturing process risks, and planned spending. We also take into account reports and concerns brought to us by internal teams, external stakeholders, and NGOs.

We take third-party allegations concerning our suppliers very seriously. Reports can come from many sources, including civil society organisations, 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.

In addition to regular, pre-scheduled assessments, we also conduct unannounced audits. These surprise assessments encourage our suppliers to continue to meet our standards at all times, not just during scheduled visits.

In 2020, a total of 1,121 assessments were conducted across manufacturing sites, smelters and refiners, and service providers, including those that support AppleCare and Apple Retail. Apple-managed assessments covered a cumulative total of 94 percent of Apple's supplier spend based on assessments conducted since 2007. Of those 842 Code and Standards compliance assessments conducted, 15 percent were initial assessments where we visited facilities for the first time. We conducted 107 unannounced assessments and investigations where the supplier facility was provided no advance notice. Beyond manufacturing facilities, we assessed 35 AppleCare Contact Centres and 14 logistics centres in 22 countries.

In 2019, we further supplemented our own assessment protocols for Apple production lines with the RBA Validated Assessment Program ("VAP"), a facility-wide third-party assessment widely used by the industry. A total of 87 RBA VAP assessments were completed in 2020 at Apple supplier sites.

Detailed analysis of our suppliers' performance against our Code and Standards appears in our annual Supplier Responsibility Progress Report, available at <https://www.apple.com/supplier-responsibility/>.

Interviewing Supplier Employees - We provide a number of methods for supplier employees to report any concerns directly to Apple, including hotlines for anonymous phone calls and the ability to directly contact Apple's Supplier Responsibility team. Our suppliers are required to inform their employees about the availability of the hotlines, and we have a zero-tolerance policy on retaliation for voicing any concern. We interview supplier employees in their native language through these anonymous hotlines to validate whether their workplace rights are respected.

In 2020, we interviewed over 57,000 supply chain workers, and over 34,000 follow-up phone calls were made to verify zero-retaliation against those workers for participating in interviews during our assessments. In addition, we anonymously surveyed over 196,000 workers in 135 supplier facilities across China, India, Ireland, UK, U.S., and Vietnam — nearly quadruple the number of workers surveyed in 2019. We asked supplier employees to provide feedback on different aspects of their workplace, including their working conditions, living conditions, and management. As a result of these surveys, suppliers took 3,173 actions to address their employees' feedback.

Rights-holders - Direct engagement with rights-holders provides valuable feedback that informs everything from our identification of salient human rights risks to the effectiveness of our programmes. For example, through the third-party verification of our debt-bonded labour recruitment fee repayment programme, we have heard directly from supplier employees about their experiences with third-party recruitment processes, which helped to inform the development of the IOM Toolkit. This also informed us of the positive impact the repayment of fees has had on workers' overall economic wellbeing.

Expert Roundtables - Through our consultations with human rights, labour and industry experts, we gather critical feedback on Apple's programmes and the performance of our suppliers. This feedback directly informs the updates we make to our Code and Standards, our understanding of emerging trends and salient human rights risks, our programming to prevent and mitigate modern slavery risks in our supply chain, and facilitation of effective remedy.

Industry participation - Apple's participation in industry associations, initiatives and projects related to the eradication of modern slavery can be found in Apple's 2020 Statement.

IX. CONSULTATION

Consultation processes between Apple Pty Limited and Apple Sales New Zealand include processes as part of the Apple group of companies. The policies, codes, standards, procedures and contractual documentation developed by Apple apply to both Apple Pty Limited and Apple Sales New Zealand. The supply chains of these entities are also substantially the same, and the Boards of Directors and senior management of Apple Pty Limited and Apple Sales New Zealand share common members.

This statement has been approved by the Board of Apple Sales New Zealand.

X. SIGNATURE

In accordance with the Australian Commonwealth Modern Slavery Act 2018 and guidance thereunder, this Modern Slavery Statement was approved by the Board of Directors of Apple Pty Limited on 19 March, 2021.



Anthony King

Director

Dated: 27 March, 2021

ADDITIONAL REFERENCES

Visit Supplier Responsibility on [apple.com](https://www.apple.com/supplier-responsibility/) for additional information on Apple's work on Supplier Responsibility, including:

- 2020 Supplier Responsibility progress report
- Apple Supplier Code of Conduct
- Apple Supplier Responsibility Standards
- Apple Supplier List
- Apple Smelter and Refiner List
- Apple Regulated Substances Specification
- Conflict Minerals Report
- Efforts to Combat Human Trafficking and Slavery