

Resolved: Shareholders of Apple Inc. (“Apple” or the “Company”) request that the Board of Directors report annually to shareholders, at reasonable expense and excluding confidential and proprietary information, regarding the Company’s policies on freedom of expression and access to information, including whether it has publicly committed to respect freedom of expression as a human right; the oversight mechanisms for formulating and administering policies on freedom of expression and access to information; and a description of the actions Apple has taken in the past year in response to government or other third-party demands that were reasonably likely to limit free expression or access to information.

SUPPORTING STATEMENT

Apple sells products and services in countries whose governments limit free expression and punish dissent. The government of China, a market accounting for 20% of Apple’s net sales in 2018,¹ “suppress[es] politically sensitive speech” and “wrong-oriented” online content, according to Human Rights Watch, and blocks sites using a filtering system nicknamed the “Great Firewall.”²

Apple has cooperated with requests made by the government of China to restrict free expression and access to information. In 2017, Apple removed almost all virtual private network (VPN) providers’ apps from its Chinese App Store, following a request from the government of China. VPNs have been used by activists and others to circumvent the Great Firewall, leading to a ban on their private use. The U.N.’s special rapporteur on opinion and expression registered concern over Apple’s move.³ Such controversies are not likely to be limited to China: Russia and Turkey have also enacted curbs on VPNs, and Russian President Vladimir Putin recently signed legislation giving the government broad powers to punish speech.⁴

Apple removed 634 apps in 2018 for “legal violation,” 517 of them in China. Apple disclosed that the “vast majority relate to illegal gambling or pornography,”⁵ but did not indicate why the others were removed. Apple pulled The New York Times app from the Chinese App Store in 2017 following a request from the government of China. The Times’ website had been blocked in China since a series of 2012 stories describing personal wealth amassed by the country’s political elite.⁶

¹ See Filing on Form 10-K filed on Nov. 5, 2018, at p. 23.

² See <https://www.hrw.org/world-report/2019/country-chapters/china-and-tibet#eea21f>

³ <https://www.zdnet.com/article/un-special-rapporteur-apple-letter-china-vpn-demands/>

⁴ <https://arstechnica.com/tech-policy/2019/03/russia-makes-it-illegal-to-insult-officials-or-publish-fake-news/>

⁵ <https://www.apple.com/legal/transparency/cn.html>

⁶ <https://www.nytimes.com/2017/01/04/business/media/new-york-times-apps-apple-china.html>

The 2019 Corporate Accountability Index by Ranking Digital Rights (“RDR”) ranked Apple 7th among 12 “internet and mobile ecosystem companies.” Although RDR gave Apple good marks for privacy, it criticized the Company’s governance of freedom of expression issues, including its failure to commit publicly to respect freedom of expression as a human right, and its lack of transparency on policies and practices related to freedom of expression.⁷ The information requested in this Proposal is intended to close those gaps. The Proposal would not elicit disclosure about actions, such as the removal of gambling or pornography apps, that are unrelated to free expression or access to information.

We urge shareholders to vote for this Proposal.

⁷ <https://rankingdigitalrights.org/index2019/companies/apple/index/>