

# Apple Supplier Code of Conduct

Apple is committed to ensuring that working conditions in Apple's supply chain are safe, that workers are treated with respect and dignity, and that manufacturing processes are environmentally responsible. Apple's suppliers ("Suppliers") are obligated, in all of their activities, to operate in full compliance with the laws, rules, and regulations of the countries in which they operate. This Supplier Code of Conduct ("Code") goes further, drawing upon internationally recognized standards, in order to advance social and environmental responsibility. Apple requires that Suppliers implement this Code using the management systems described below.

The Apple Supplier Code of Conduct is modeled on and contains language from the Electronic Industry Code of Conduct. Recognized standards such as International Labour Organization Standards (ILO), Universal Declaration of Human Rights (UDHR), Social Accountability International (SAI), and the Ethical Trading Initiative (ETI) were used as references in preparing this Code and may be useful sources of additional information. A complete list of references is provided at the end of this Code. As an extension of the Code, Apple maintains a series of detailed Standards that clarify our expectations for compliance.

## Labor and Human Rights

Suppliers must uphold the human rights of workers, and treat them with dignity and respect as understood by the international community.

### **Antidiscrimination**

Suppliers shall not discriminate against any worker based on race, color, age, gender, sexual orientation, ethnicity, disability, religion, political affiliation, union membership, national origin, or marital status in hiring and employment practices such as applications for employment, promotions, rewards, access to training, job assignments, wages, benefits, discipline, and termination. Suppliers shall not require a pregnancy test or discriminate against pregnant workers except where required by applicable laws or regulations or prudent for workplace safety. In addition, Suppliers shall not require workers or potential workers to undergo medical tests that could be used in a discriminatory way except where required by applicable law or regulation or prudent for workplace safety.

### **Fair Treatment**

Suppliers must be committed to a workplace free of harassment. Suppliers shall not threaten workers with or subject them to harsh or inhumane treatment, including sexual harassment, sexual abuse, corporal punishment, mental coercion, physical coercion, verbal abuse or unreasonable restrictions on entering or exiting company provided facilities.

### **Prevention of Involuntary Labor**

Suppliers shall not use any form of forced, bonded, indentured, or prison labor. All work must be voluntary and workers shall be free to leave work or terminate their employment with reasonable notice. Workers must not be required to surrender any government-issued identification, passports, or work permits as a condition of employment. Suppliers shall ensure that third party labor agencies providing workers are compliant with the provisions of the Code and sending country and receiving country laws, whichever is more stringent in its protection of workers. Suppliers shall ensure that contracts for both direct and contract workers clearly convey the conditions of employment in a language understood by the worker. Suppliers shall be responsible for payment of all fees and expenses in excess of the amount equal to one month of the worker's anticipated net wages. Such fees and expenses include, but are not limited to expenses associated with recruitment, processing or placement of both direct and contract Workers.

### **Prevention of Under Age Labor**

Child labor is strictly prohibited. Suppliers shall not employ children. The minimum age for employment or work shall be 15 years of age, the minimum age for employment in that country, or the age for completing compulsory education in that country, whichever is higher. This Code does not prohibit participation in legitimate workplace apprenticeship programs that are consistent with Article 6 of ILO Minimum Age Convention No. 138 or light work consistent with Article 7 of ILO Minimum Age Convention No. 138.

### **Juvenile Labor**

Suppliers may employ juveniles who are older than the applicable legal minimum age for employment but are younger than 18 years of age, provided they do not perform work likely to jeopardize their health, safety, or morals, consistent with ILO Minimum Age Convention No. 138.

### **Working Hours**

Except in Emergency or Unusual Situations, a workweek shall be restricted to 60 hours, including overtime, workers shall be allowed at least one day off every seven-days, and overtime shall be voluntary. Under no circumstances will workweeks exceed the maximum permitted under applicable laws and regulations. Suppliers must offer vacation time, leave periods, and holidays consistent with applicable laws and regulations.

### **Wages and Benefits**

Suppliers must pay all workers at least the minimum wage required by applicable laws and regulations and provide all legally mandated benefits. In addition to their compensation for regular hours of work, workers must be compensated for overtime hours at the premium rate required by applicable laws and regulations. Suppliers shall not use deductions from wages as a disciplinary measure. Workers must be paid in a timely manner, and the basis on which workers are being paid must be clearly conveyed to them in a timely manner.

### **Freedom of Association**

Suppliers must respect the right of workers to associate freely, form and join workers organizations of their own choosing, seek representation, and bargain collectively, as permitted by and in accordance with applicable laws and regulations. Suppliers shall not discriminate with respect to employment based on union membership and, in particular, shall not make employment subject to the condition that the worker relinquish union membership or agree not to join a union or cause the dismissal of or otherwise prejudice a worker by reason of union membership or participation in union activities outside working hours (or within working hours if the Supplier has consented to such activities or if required by applicable law or regulation). Suppliers must protect against acts of interference with the establishment, functioning, or administration of workers' organizations in accordance with applicable laws and regulations.

## **Health and Safety**

Apple recognizes that integrating sound health and safety management practices into all aspects of business is essential to maintain high morale and produce innovative products. Suppliers must be committed to creating safe working conditions and a healthy work environment for all of their workers.

### **Occupational Injury Prevention**

Suppliers must eliminate physical hazards where possible. Where physical hazards cannot be eliminated, Suppliers must provide appropriate engineering controls such as physical guards, interlocks, and barriers. Where appropriate engineering controls are not possible, Suppliers must establish appropriate administrative controls such as safe work procedures. In all cases, Suppliers must provide workers appropriate personal protective equipment. Workers must have the right to

refuse unsafe working conditions without fear of reprisal until management adequately addresses their concerns.

### **Prevention of Chemical Exposure**

Suppliers must identify, evaluate, and control worker exposure to hazardous chemical, biological, and physical agents. Suppliers must eliminate chemical hazards where possible. Where chemical hazards cannot be eliminated, Suppliers must provide appropriate engineering controls such as closed systems and ventilation. Where appropriate engineering controls are not possible, Suppliers must establish appropriate administrative controls such as safe work procedures. In all cases, Suppliers must provide workers appropriate personal protective equipment.

### **Emergency Prevention, Preparedness, and Response**

Suppliers must anticipate, identify, and assess emergency situations and events and minimize their impact by implementing emergency plans and response procedures, including emergency reporting, worker notification and evacuation procedures, worker training and drills, appropriate first-aid supplies, appropriate fire detection and suppression equipment, adequate exit facilities, and recovery plans.

### **Occupational Safety Procedures and Systems**

Suppliers must establish procedures and systems to manage, track, and report occupational injury and illness. Such procedures and systems should encourage worker reporting, classify and record injury and illness cases, investigate cases and implement corrective actions to eliminate their causes, provide necessary medical treatment, and facilitate the workers' return to work.

### **Ergonomics**

Suppliers must identify, evaluate, and control worker exposure to physically demanding tasks, including manual material handling, heavy lifting, prolonged standing, and highly repetitive or forceful assembly tasks.

### **Dormitory and Dining**

Suppliers must provide workers with clean toilet facilities, access to potable water, and sanitary food preparation and storage facilities. Worker dormitories provided by the Supplier or a labor agent must be clean and safe and provide adequate emergency egress, adequate heat and ventilation, reasonable personal space, and reasonable entry and exit privileges.

### **Communication**

In order to foster a safe work environment, Suppliers shall ensure that workers receive appropriate workplace health and safety information and training, including written health and safety information and warnings in the primary language of its workers. Suppliers must post Material Safety Data Sheets in the primary language of its workers for any hazardous or toxic substances used in the workplace and properly train workers who will come into contact with such substances in the workplace.

### **Worker Health and Safety Committees**

Suppliers are encouraged to initiate and support worker health and safety committees to enhance ongoing health and safety education and to encourage worker input regarding health and safety issues in the workplace.

## **The Environment**

At Apple, environmental considerations are an integral part of our business practices. Suppliers must be committed to reducing the environmental impact of their designs, manufacturing processes, and waste emissions.

### **Hazardous Substance Management and Restrictions**

Suppliers must comply with the most recent version of Apple's Regulated Substances Specification,

069-0135 and with any applicable laws and regulations prohibiting or restricting specific substances. To ensure safe handling, movement, storage, recycling, reuse, and disposal, Suppliers must identify and manage substances that pose a hazard if released to the environment and comply with applicable labeling laws and regulations for recycling and disposal. Suppliers must post Material Safety Data Sheets in the primary language of its workers for any hazardous or toxic substances used in the workplace and train workers who will come into contact with such substances in the workplace.

#### **Wastewater and Solid Waste Emissions**

Wastewater and solid waste generated from operations, industrial processes, and sanitation facilities must be monitored, controlled, and treated as required by applicable laws and regulations before discharge or disposal.

#### **Air Emissions**

Air emissions of volatile organic chemicals, aerosols, corrosives, particulates, ozone depleting chemicals, and combustion by-products generated from operations must be characterized, monitored, controlled, and treated as required by applicable laws and regulations before discharge.

#### **Environmental Permits and Reporting**

Suppliers must obtain, maintain, and keep current all required environmental permits (e.g. discharge monitoring) and registrations and follow the operational and reporting requirements of such permits.

#### **Pollution Prevention and Resource Reduction**

Suppliers must endeavor to reduce or eliminate waste of all types, including water and energy, by implementing appropriate conservation measures in their facilities, in their maintenance and production processes, and by recycling, re-using, or substituting materials.

## **Ethics**

Suppliers must be committed to the highest standards of ethical conduct when dealing with workers, suppliers, and customers.

#### **Corruption, Extortion, or Embezzlement**

Corruption, extortion, and embezzlement, in any form, are strictly prohibited. Suppliers shall not engage in corruption, extortion or embezzlement in any form and violations of this prohibition may result in immediate termination as an Apple Supplier and in legal action.

#### **Disclosure of Information**

Suppliers must disclose information regarding its business activities, structure, financial situation, and performance in accordance with applicable laws and regulations and prevailing industry practices.

#### **No Improper Advantage**

Suppliers shall not offer or accept bribes or other means of obtaining undue or improper advantage.

#### **Fair Business, Advertising, and Competition**

Suppliers must uphold fair business standards in advertising, sales, and competition.

#### **Whistleblower Protection and Anonymous Complaints**

Suppliers must create programs to ensure the protection of Supplier and worker whistleblower confidentiality and prohibit retaliation against workers who participate in such programs in good faith or refuse an order that is in violation of the Apple Supplier Code of Conduct. Suppliers shall provide an anonymous complaint mechanism for workers to report workplace grievances in accordance with local laws and regulations.

#### **Community Engagement**

Suppliers are encouraged to engage the community to help foster social and economic development and to contribute to the sustainability of the communities in which they operate.

## **Protection of Intellectual Property**

Suppliers must respect intellectual property rights; safeguard customer information; and transfer of technology and know-how must be done in a manner that protects intellectual property rights.

## **Management Systems**

Suppliers must adopt or establish a management system designed to ensure compliance with this Code and applicable laws and regulations, identify and mitigate related operational risks, and facilitate continuous improvement. ISO 14001, OHSAS 18001, Eco Management and Audit System (EMAS) may be useful resources. The management system should contain the following elements:

### **Company Commitment**

A corporate social and environmental responsibility statement affirming the Supplier's commitment to compliance and continual improvement, to be posted in the primary local language at all of the Supplier's worksites.

### **Management Accountability and Responsibility**

Clearly identified company representatives responsible for ensuring implementation and periodic review of the status of the Supplier's management systems.

### **Legal and Customer Requirements**

A process to identify, monitor, and understand applicable laws and regulations and the additional requirements imposed by this Code. Supplier shall obtain, maintain and keep current a valid business license as required by applicable laws and regulations.

### **Risk Assessment and Management**

A process to identify environmental, health and safety, business ethics, labor, human rights and legal compliance risks associated with their operations, determine the relative significance of each risk, and implement appropriate procedures and physical controls to ensure compliance and control the identified risks. Risk assessments for health and safety must include warehouse and storage facilities, plant and facility support equipment, laboratories and test areas, bathrooms, kitchens, cafeterias, and worker housing.

### **Performance Objectives with Implementation Plans and Measures**

Written standards, performance objectives, targets, and implementation plans, including a periodic assessment of the Supplier's performance against those objectives.

### **Training**

Programs for training managers and workers to implement the Supplier's policies, procedures, and improvement objectives.

### **Communication**

A process for communicating clear and accurate information about the Supplier's performance, practices, and expectations to its workers, Suppliers, and customers.

### **Worker Feedback and Participation**

An ongoing process to obtain feedback on processes and practices related to this Code and to foster continuous improvement.

### **Audits and Assessments**

Periodic self-evaluations to ensure that the Supplier, its subcontractors and its next-tier Suppliers are complying with this Code and with applicable laws and regulations. Apple may visit (and/or have external monitors visit) Supplier facilities, with or without notice, to assess compliance with this Code and to audit Supplier's wage, hour, payroll, and other worker records and practices.

### **Corrective Action Process**

A process for timely correction of any deficiencies identified by an internal or external audit, assessment, inspection, investigation, or review.

### **Documentation and Records**

Creation of documents and records to ensure regulatory compliance and conformity to this Code, with appropriate confidentiality measures to protect privacy.

## References

Apple consulted the following references in preparing this Code.

Eco Management & Audit System  
[www.quality.co.uk/emas.htm](http://www.quality.co.uk/emas.htm)

Electronic Industry Code of Conduct, October 2004  
[www.hp.com/hpinfo/globalcitizenship/environment/pdf/supcode.pdf](http://www.hp.com/hpinfo/globalcitizenship/environment/pdf/supcode.pdf)

Ethical Trading Initiative  
[www.ethicaltrade.org/](http://www.ethicaltrade.org/)

ILO Code of Practice in Safety and Health  
[www.ilo.org/public/english/protection/safework/cops/english/download/e000013.pdf](http://www.ilo.org/public/english/protection/safework/cops/english/download/e000013.pdf)

ILO International Labor Standards  
[www.ilo.org/public/english/standards/norm/whatare/fundam/index.htm](http://www.ilo.org/public/english/standards/norm/whatare/fundam/index.htm)

ISO 14001  
[www.iso.org](http://www.iso.org)

National Fire Protection Agency  
[www.nfpa.org/catalog/home/AboutNFPA/index.asp](http://www.nfpa.org/catalog/home/AboutNFPA/index.asp)

OECD Guidelines for Multinational Enterprises  
[www.oecd.org](http://www.oecd.org)

OHSAS 18001  
[www.bsi-global.com/index.xalter](http://www.bsi-global.com/index.xalter)

SA 8000  
[www.cepaa.org/](http://www.cepaa.org/)

SAI  
[www.sa-intl.org](http://www.sa-intl.org)

United Nations Convention Against Corruption  
[www.unodc.org/unodc/en/crime\\_convention\\_corruption.html](http://www.unodc.org/unodc/en/crime_convention_corruption.html)

United Nations Global Compact  
[www.unglobalcompact.org](http://www.unglobalcompact.org)

Universal Declaration of Human Rights  
[www.un.org/Overview/rights.html](http://www.un.org/Overview/rights.html)

UN Norms on the Responsibilities of Transnational Corporations and other Business Enterprises with Regard to Human Rights  
[www.ohchr.org](http://www.ohchr.org)

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