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**Apple ApS**  
**Annual Financial Statements**  
**Year Ended 30 September 2023**

**36 53 31 61**

The annual report has been presented and approved at the Company's annual general meeting on 25 March 2024

  
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Peter Ronald Denwood  
Director  
Date: 25 March 2024

**Apple ApS**  
**ANNUAL FINANCIAL STATEMENTS**  
**Year Ended 30 September 2023**

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## Apple ApS

### Statement by the Board of Directors - Placeholder

The Executive Board has today considered and adopted the Annual Report of Apple ApS for the financial year 1 October 2022 - 30 September 2023.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements give a true and fair view of the financial position at 30 September 2023 of the Company and of the results of the Company operations during 2022/23.

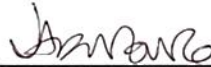
We recommend that the Annual Report be adopted at the Annual General Meeting.

Cupertino, California, USA.



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Peter Ronald Denwood  
Director  
Date: 25 March 2024



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Jamie Wonji Wong  
Director  
Date: 25 March 2024

## Independent auditor's report

To the shareholder of Apple ApS

### Opinion

We have audited the financial statements of Apple ApS for the financial year 1 October 2022 – 30 September 2023, which comprise income statement, balance sheet, statement of changes in equity, and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 30 September 2023 and of the results of the Company's operations for the financial year 1 October 2022 – 30 September 2023 in accordance with the Danish Financial Statements Act.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### *Independence*

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

### Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit conducted in accordance with ISAs and additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- ▶ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

## Independent auditor's report

- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- ▶ Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 25 March 2024  
EY Godkendt Revisionspartnerselskab  
CVR no. 30 70 02 28



Henrik Pedersen  
State Authorised  
Public Accountant  
mne35456



Allan Nørgaard  
State Authorised  
Public Accountant  
mne35501

**Apple ApS**  
**Company Information**

|                        |  |
|------------------------|--|
| <b>The Company</b>     | Apple ApS<br>Silkegade 8, 1.<br>DK-1113, København K<br><br>CVR no: 36 53 31 61          |
| <b>Executive Board</b> | Peter Ronald Denwood<br>Jamie Wonji Wong   |
| <b>Auditors</b>        | EY Godkendt<br>Revisionspartnerselskab<br>Dirch Passers Allé 36<br>DK-2000 Frederiksberg |

## Apple ApS

### Financial Highlights

Seen over a five-year period, the development of the Company is described by the following financial highlights.

|  | 2023  | 2022  | 2021  | 2020  | 2019  |
|--|-------|-------|-------|-------|-------|
|  | DKK'm | DKK'm | DKK'm | DKK'm | DKK'm |
| <b>Income statement</b>                          |       |       |       |       |       |
| Revenue  | 544   | 404   | 293   | 229   | 11    |
| Profit/loss before financial income and expenses | 28    | 14    | 16    | 9     | (40)  |
| Profit/loss from financial income and expenses   | (198) | 536   | 6     | 2     | -     |
| Net profit/loss for the year                     | (126) | 432   | 17    | 9     | (31)  |
| <b>Balance sheet</b>                             |       |       |       |       |       |
| Total assets                                     | 5,392 | 5,351 | 4,405 | 4,397 | 4,016 |
| Equity   | 4,671 | 4,797 | 4,365 | 4,438 | 39    |
| Investment in property plant and equipment       | 627   | 805   | 415   | 169   | 889   |
| <b>Ratios %</b>                                  |       |       |       |       |       |
| Current ratio                                    | 33    | 38    | 624   | 1,024 | 3     |
| Solvency ratio                                   | 87    | 90    | 99    | 100   | 0     |
| Return on equity                                 | (3)   | 9     | 0     | 0     | (148) |

**Current ratio**

$$\frac{\text{Current assets} \times 100}{\text{Short-term debt}}$$

**Solvency ratio**

$$\frac{\text{Equity at year end} \times 100}{\text{Total assets at year end}}$$

**Return on Equity**

$$\frac{\text{Net profit for the year} \times 100}{\text{Average equity}}$$

## Apple ApS

### Management's Review

#### Outlook

For the financial year 2023/24 a result before financial items in line with 2022/23 is expected.

#### Principal activities

The principal activity of Apple ApS (the "Company") is the operation of a data centre, which provides data services to the Apple group.

#### Material uncertainties regarding going concern

There are no material uncertainties regarding going concern to be reported.

#### Uncertainty regarding recognition and measurement

The Company operates in a dynamic industry and, accordingly, can be affected by a variety of factors. Management believes that changes in any of the following areas could have a negative effect on the Company in terms of its future financial position, results of operations, or cash flows. The Company's exposure to numerous legal and regulatory risks, including, among others, the application, interpretation and enforcement of existing regulations related to the Company's business model, as well as risks related to the development of new regulations, and claims.

The Company has entered into a number of virtual power purchase agreements ("VPPA"). These VPPA's are in the form of contracts for difference ("CfD") whereby the supplier and the Company enter into an agreement under which the price per unit of energy paid by the Company is fixed, with the difference between the spot price for renewable energy and the fixed price stipulated in the CfD paid to, or received from, the supplier.

Measurement of VPPA's is associated with uncertainty as a result of certain inputs used in the model for calculating the fair value of the CfD's. Changes in the applied inputs could potentially have a significant effect on the fair values as disclosed in Note 3 to the financial statements.

#### Unusual circumstances

The Company has not been subject to any unusual circumstances during the year.

#### Events after the balance sheet date

There were no significant events after the balance sheet date.

#### Financial review

The income statement for 2023 shows a loss after tax of DKK 126,207,818 against a profit of DKK 432,071,070 last year, and the balance sheet at 30 September 2023 shows equity of DKK 4,670,826,988 against an equity of DKK 4,797,034,806 last year.

The loss after tax was primarily attributable to an increase in financial expense due to a net loss on financial instruments of DKK 206,239,106. In comparison to last year profit which was primarily attributable to an increase in financial income due to gains on financial instruments of DKK 516,714,227.

#### Capital resources

There was no dividend paid during the year.

#### Particular risks and financial risks

The Company has entered into a number of virtual power purchase agreements ("VPPA"). VPPAs are entered into as a normal part of the business. Risks affecting the Company are managed by the Group.

#### Environmental matters

The Company, in line with corporate policy, is committed to sustainable practices for the environment and continuously reviews its operating procedures to ensure that it is minimising all risks of environmental pollution or other adverse environmental effects.



**Apple ApS**

**Management's Review (continued)**

**Research and development activities**

The Company has no research and development activities during the year.

## Apple ApS

### Management's Review (continued)

### Non-Financial Information Report

## 1. INTRODUCTION

### 1.1. The Report

This non-financial information report for Apple ApS's fiscal year 2023, from October 1, 2022 to September 30, 2023 (the "**Report**") was prepared in accordance with Chapter 11, sections 99 a - 99 d of the Danish Financial Statements Act (in Danish: årsregnskabsloven), which implements Directive 2014/95/EU into Danish law. This Report is part of Apple ApS's (the "**Company**") management report.

Apple Inc. and its subsidiaries (collectively, "**Apple**"), are 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 initiatives.

#### Our Business Model

The Company is an indirect wholly owned subsidiary of Apple Inc.

The following provides a high-level overview of the business model for Apple: Apple designs, manufactures and markets smartphones, personal computers, tablets, wearables and accessories, and sells a variety of related services. For a comprehensive description of Apple's business and related risks, please refer to Apple Inc.'s Annual Report on Form 10-K for the fiscal year 2023 available at <https://investor.apple.com/sec-filings/sec-filings-details/default.aspx?FilingId=17028298> (the "**FY2023 10-K**").]

The following provides a high-level overview of the business model for the Company;

The principal activity of the Company is the operation of a data centre, which provides data services to the Apple group of companies.

The potential trends that may affect the future development of Apple are set out in the FY2023 10-K.

We've been reporting on Environmental, Social, and Governance topics for many years. Apple's Environmental, Social, and Governance Index<sup>1</sup> demonstrates how all of our reports and public disclosures map to leading frameworks, including the Sustainability Accounting Standards Board (SASB), Global Reporting Initiative (GRI), and Task Force on Climate-related Financial Disclosures (TCFD).

Unless otherwise stated, the data in this Report reflects Apple's fiscal year 2023 but, where relevant, also includes figures and data related to fiscal year 2022 to ensure that the changes in the information year-to-year are understood. In addition, at the date of signing of this Report certain information regarding fiscal year 2023 is not yet available for publication, in which cases the most up to date information available for publication has been provided. This Report includes information both specific to the Company and to Apple as a whole.

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<sup>1</sup> [https://s2.q4cdn.com/470004039/files/doc\\_downloads/2022/Apple-ESG-Index.pdf](https://s2.q4cdn.com/470004039/files/doc_downloads/2022/Apple-ESG-Index.pdf)

## Apple ApS

### Management's Review (continued)

## 2. OUR COMMITMENT TO HUMAN RIGHTS

### 2.1. Apple's Human Rights Policy

We've worked to embed respect for human rights across Apple in the technology we make, the way we make it, and how we treat people. Our Human Rights Policy governs how we treat everyone, and we're deeply committed to respecting internationally recognized human rights in our business operations, as set out in the United Nations ("UN") International Bill of Human Rights and the International Labour Organization's ("ILO") Declaration on Fundamental Principles and Rights at Work. Our approach is based on the UN Guiding Principles on Business and Human Rights ("UNGPs").

Apple conducts human rights due diligence to identify risks and work to mitigate them. We also seek to remedy adverse impacts, track and measure our progress, and report our findings.

Apple Inc.'s board of directors (the "Board") adopted the policy and is responsible for overseeing and periodically reviewing it. Apple Inc.'s Senior Vice President and General Counsel is responsible for its implementation, and reports to the Board and its committees on our progress and significant issues.

### 2.2. Identifying and managing salient human rights risks

Identifying human rights risks is the first step to addressing those risks. We work to align our efforts with the business and human rights due diligence process set forth in the UNGPs to identify, mitigate, prevent, and remedy human rights risks.

Apple identifies salient human rights risks through internal risk assessments and external industry level third-party audits, as well as through the channels we maintain with rights holders and other stakeholders, including investors, human rights and labor experts, governments, and international bodies such as the UN.

Based on this due diligence, examples of human rights issues of particular focus at Apple include:

- Labor and human rights risks in the supply chain;
- Freedom of expression and access to information risks;
- Civil rights concerns relating to racial equity in our workforce and risks of under-representation and disparate impact in Apple's research and development of its products and services;
- Privacy and online safety risks on Apple's platforms;

To manage these risks, teams across Apple, teams such as Environment and Supply Chain Innovation, Environment, Policy and Social Initiatives, People, Privacy, and others work to avoid, prevent, mitigate — and where appropriate, remediate — human rights issues and impacts across Apple's business.

### 2.3. Tracking progress

We're committed to continually assessing our progress and incorporating what we learn into our work. We track and measure our performance across a range of areas, and apply the lessons we learn to continually improve.

We publicly report detailed information on Apple's approach and our performance through publications and updates available at [www.apple.com](http://www.apple.com), as well as this Report.

## Apple ApS

### Management's Review (continued)

#### 3. ENVIRONMENT

Apple has dedicated our resources and best thinking to considering the environment in everything we do: the energy that powers our operations, the materials in our devices, the companies we do business with, and the health and safety of those who make and use our products.

Apple is committed not only to protecting the environment, but also the health and safety of our employees, customers, and the global communities where we operate. We recognize that by integrating sound environmental management practices into all aspects of our business, we can offer technologically innovative products and services while conserving and enhancing resources for future generations. Apple strives for continuous improvement in our environmental management systems and in the environmental quality of our products, processes, and services.

We continue to focus our efforts on the three key areas where Apple and our stakeholders believe we can make the most difference: climate change, resources, and smarter chemistry.

We continue to dedicate significant resources to the prevention of environmental risks. Apple Inc.'s Vice President of Environment, Policy and Social Initiatives (the "EPSI VP"), oversees environmental and social programs at Apple. Reporting directly to the CEO, Apple's EPSI VP is the most senior individual below the Board with direct oversight of environmental activities. In this capacity, our EPSI VP briefs the Board on our climate change strategy and progress, while also addressing a variety of other environment and social issues. These briefings are scheduled annually, and as important matters arise. Our EPSI VP established a centralized environment team that works with senior leaders and their teams across Apple (such as Industrial Design, Product Design, Operations, Energy, and Hardware Engineering, among others) to set environmental strategy, monitor progress, engage external stakeholders, including non-governmental organizations (NGOs), and policymakers, and communicate progress on environmental issues. Progress is communicated internally to employees and externally to our customers.

In addition to this, we continue to undertake environmental evaluation procedures as part of two initiatives:

- Apple Inc. Environmental Reporting, where environmental impact data from all global operations are collected and reported in our annual Environmental Progress Report<sup>2</sup>.
- Regular energy efficiency audits and assessments, as required every 4 years under EU law.

#### 3.1. Climate change

As a global business, we believe it is our responsibility to take strong, decisive, and inclusive steps to mitigate our climate impact.

We've committed to achieving carbon neutrality — reducing emissions 75 percent compared with fiscal year 2015 and balancing the residual emissions with carbon removal — across the life cycle of all of our products by 2030<sup>3</sup>. And the Science Based Targets initiative (SBTi) has validated an emissions reduction target for Apple derived from this goal<sup>4</sup>. It's an ambitious plan with plenty of challenges ahead. But we're already well on our way, having reduced carbon emissions across our value chain by 45 percent between fiscal year 2015 and fiscal year 2022.

Our work began years ago, making the transition to sourcing 100 percent renewable electricity at our offices, retail stores, and data centers worldwide, which we achieved in 2018. And in 2020, we reached the milestone of being carbon neutral for

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<sup>2</sup> [https://www.apple.com/environment/pdf/Apple\\_Environmental\\_Progress\\_Report\\_2023.pdf](https://www.apple.com/environment/pdf/Apple_Environmental_Progress_Report_2023.pdf)

<sup>3</sup> Apple's 2030 carbon neutrality goal means that we plan to reach net zero beginning with our fiscal year 2030 carbon footprint.

<sup>4</sup> 61.7 percent emissions reduction by fiscal year 2030 relative to our fiscal year 2019 emissions.

## Apple ApS

### Management's Review (continued)

our corporate operations, which includes direct emissions as well as business travel and employee commute, and within which our European operations are included.

Our 10-year Climate Roadmap is addressing Apple's carbon footprint through five pillars:

- **Low-carbon design:** design products and manufacturing processes to be less carbon-intensive through thoughtful material selection, increased material efficiency, and greater product energy efficiency.
- **Energy efficiency:** increase energy efficiency at our facilities and in our supply chain by finding opportunities to reduce energy use, such as retrofitting outdated or inefficient equipment and systems.
- **Clean electricity:** continue to source 100 percent renewable electricity for our facilities, and transition our entire product value chain — including manufacturing and our customers' use of our products — to 100 percent clean electricity by 2030.
- **Direct emissions abatement:** reduce direct greenhouse gas emissions in our facilities and our supply chain through process innovation, emissions abatement, and moving away from fossil fuels.
- **Carbon removal:** In parallel with our emissions reduction efforts, scale up investments in carbon removal projects, including nature-based solutions that protect and restore ecosystems around the world.

#### 3.1.1. Emissions from Apple facilities

In 2018, we reached a major milestone: generating or procuring 100 percent renewable energy for all the electricity we use at Apple facilities worldwide, including our data centers, stores and corporate offices. We've achieved this goal through continued investments in energy efficiency and renewable energy.

Our transition to renewable energy has reduced our scope 1 and scope 2 emissions across Apple by 67 percent between fiscal year 2011 and fiscal year 2022. During fiscal year 2023, as in past years, we've continued to innovate to expand our use of renewable energy as our electricity needs grow. And we'll continue to explore new markets and invest in energy storage—an essential element in our transition to renewable energy.

#### 3.1.2. Product-related emissions

Apple's goal of reaching carbon neutrality by 2030, including a 75 percent emissions reduction from 2015, also applies to its products. Manufacturing makes up about 65 percent of Apple's comprehensive carbon footprint. So we're sourcing lower-carbon materials in our products, partnering with suppliers to reduce their energy use, and helping them switch to renewable energy.

As part of Apple's Supplier Clean Energy Program, we continue to help our manufacturing partners transition to renewable energy. As of March 2023, over 250 suppliers making up over 85 percent of Apple's direct spend for materials, manufacturing, and assembly of our products worldwide have committed to using renewable electricity for their Apple production. This represents an increase from 213 manufacturing partners as of March 2022. Apple itself has also invested directly in renewable energy projects to cover a portion of our upstream emissions. As of April 2023, the Supplier Clean Energy Program had over 20 gigawatts of clean energy commitments, of which nearly two-thirds were operational at that time. In 2022, the 13.7 gigawatts of renewable energy procured by suppliers and online in Apple's supply chain generated 23.7 million megawatt-hours of clean energy, avoiding 17.4 million metric tons of carbon emissions — a 23 percent increase over 2021.<sup>5</sup>

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<sup>5</sup> 2021 renewable electricity figures associated with Apple's Supplier Clean Energy Program do not include renewable energy certificate (REC) purchases that Apple made to address a small increase to its carbon footprint. When accounting for the REC purchases, the total renewable energy online in Apple's supply chain was 10.6 gigawatts, generating 18.6 million megawatt-hours and avoiding 14.2 million metric tons of carbon emissions.

## Apple ApS

### Management's Review (continued)

#### 3.2. Resources

Natural resources make our work possible and we take responsibility for how we source, use, and recycle the materials we rely on to create our products. As a starting point, this means sourcing responsibly, minimizing our freshwater use, and eliminating waste across our operations and those of our suppliers.

And we're also seeking to redefine the overall resource footprint of our products. Our goal is to one day make products using only responsibly sourced recycled and renewable materials.

Within resources, we focus on three main areas of impact: materials, water and zero waste.

##### 3.2.1. Materials

We aim to make the best use of the materials we rely on to make our products. That's why we're focusing on three different levers to reduce our footprint and achieve circularity: sourcing and efficiency; product longevity; and product end-of-life.

###### a) Sourcing and efficiency

We continue to progress towards our goal of relying solely on recycled or renewable materials for our products and packaging. In fiscal year 2022, we continued to introduce products with new recycled content. For example, across all products, we expanded our use of certified recycled gold — from the gold plating on the main logic board on iPhone to other product main logic boards and flexible printed circuit boards — increasing certified recycled gold content to approximately 4 percent across all products that shipped in fiscal year 2022 — up from just 1 percent in fiscal year 2021.<sup>6</sup> These and other innovations helped us increase our use of recycled and renewable content to 20 percent of all the material shipped in products in fiscal year 2022.<sup>7</sup> We've also achieved several milestones with copper and zinc. For iPad models introduced in October 2022, we're using 100 percent recycled copper foil in the main logic board. For Mac Studio and Studio Display, we've developed a brass alloy using 100 percent recycled copper and zinc for use in the AC inlet and cable prongs. Relative to fiscal year 2021, we've nearly doubled our use of recycled cobalt in batteries to 27 percent across iPhone, iPad, and Mac devices year over year, bringing the total recycled cobalt shipped in fiscal year 2022 to 25 percent.<sup>8</sup>

###### b) Product longevity

We want to make the most of the materials we use through designing long-lasting products. We are designing durable hardware, leveraging software updates to extend functionality, expanding access to repair services, refurbishing devices for their next user, and reusing parts that still have more to give.

###### c) Product end-of-life

By effectively recovering the materials in our products, we enable the circular supply chains that make the best use of finite resources. In 99 percent of the countries where we sell products, we continue to provide and participate in product take-back and recycling collection programs. We've also continued to innovate on disassembly technologies. Daisy, the robot we designed to disassemble iPhone devices, has now been joined by Dave, which dismantles Taptic Engines from iPhone to enable the recovery of materials like rare earth elements, tungsten, and steel, and Taz, designed to recycle modules containing rare earth magnets.

At our Material Recovery Lab we're working on developing better, more efficient means of disassembling products that maximize material recovery, while minimizing waste.

##### 3.2.2. Water stewardship

<sup>6</sup> We currently do not account for industry average recycled content, and therefore it is likely that far more than 4 percent recycled gold exists in Apple's supply chains today. Apple's focus is on creating certified and ethical sources of recycled gold.

<sup>7</sup> Apple reports data about the recycled content of its products at different levels of fidelity, based on the level of independent data verification. The bulk of Apple's recycled content data is certified and thus verified by an independent third party. Less than 5 percent of the total mass shipped in Apple products in fiscal year 2022 contains recycled content that is either supplier verified, meaning it has been reported by the supplier and cross-checked by Apple, or supplier reported, meaning it has been reported by the supplier based on production and allocation values. In all cases, Apple defines recycled content in alignment with ISO 14021. We do not currently include industry-average recycled content, which may result in underreporting actual recycled content. Total recycled material shipped in products is driven by product material composition and total sales — as a result, this overall recycled or renewable content percentage may fluctuate based on the number and type of products sold each year.

<sup>8</sup> Recycled cobalt is used in all Apple-designed batteries across iPhone, iPad, and Mac devices and is accounted for on a mass balance–system basis.

## Apple ApS

### Management's Review (continued)

We're committed to managing the resources we share with the communities where we and our suppliers operate.

Our supply chain accounts for about 99 percent of our total water footprint.<sup>9</sup> That's why we partner closely with our suppliers through our Clean Water Program. Established in 2013, the Clean Water Program helps suppliers minimize process water impacts and adopt best practices in wastewater treatment. Since the program's launch in 2013, more than 234 participating supplier sites increased their average reuse rate to 42 percent and saved our suppliers 13 billion gallons of freshwater in fiscal year 2022, for a total of over 63 billion gallons of water savings.<sup>10</sup> These savings come from a range of initiatives, such as reuse of reclaimed water, upgrades to water-efficient equipment, and countercurrent rinse methods.

#### 3.2.3. Zero waste

Across our corporate operations, we're reducing the amount of waste we generate and directing more toward recycling programs. We've partnered with our suppliers, recyclers, and waste solution providers to eliminate waste from our manufacturing processes. At the close of fiscal year 2022, more than 150 facilities had been zero waste verified – a 50 percent increase from the previous year<sup>11</sup>. We make available to all participating facilities resources and guidance on how to reduce waste and then reuse, recycle, or compost the waste they do create. And we're seeing results: In fiscal year 2022, suppliers redirected 523,000 metric tons of waste from landfills (up from 491,000 metric tons the previous year), bringing the total to 2.5 million metric tons since the program's inception — the equivalent of eliminating 3.1 million square meters of landfill space. Throughout fiscal year 2022, 100 percent of established final assembly sites — including for iPhone, iPad, Mac, Apple Watch, AirPods, HomePod, Apple TV, and Beats — maintained zero-waste-to-landfill operations.<sup>12</sup>

### 3.3. Smarter chemistry

The well-being of our employees, customers, people in our supply chain, and the planet is a priority for Apple, which is why we're committed to using safer materials to create safer products. This commitment requires diligent work to build a comprehensive picture of chemicals across our supply chain, to insist on rigorous chemical management processes, to promote adoption of safer chemical alternatives, and to innovate through design smarter approaches to making our products. Using safer chemistry in our products also enables recycling and material recovery, so that our products can be the raw materials for the next generation.

#### 3.3.1. Mapping and engagement

Our Full Material Disclosure program maps the chemicals used in our products — an effort that includes tens of thousands of parts and assemblies. Then we look at how our products are manufactured. Our Chemical Safety Disclosure ("CSD") program engages with supply chain partners to get the most recent information on which materials are in use. This information includes the volume of materials being consumed and how they're being applied, stored, and handled as well as the steps being taken to protect employees.

As of the close of fiscal year 2022, more than 1,000 supplier facilities have shared their chemical inventories as well as storage and control information as part of our CSD program, including suppliers representing the majority of Apple's direct spend. Through this process, we've identified more than 19,000 unique chemicals and applications. These efforts contribute to a safer work environment for people across our supply chain.

#### 3.3.2. Assessment and management

The data we collect on chemicals and materials forms the foundation for key decisions that have an impact on our product designs, manufacturing processes, and approach to recycling and reuse. This data enables us to establish requirements for our suppliers, including those set out in our Regulated Substances Specification ("RSS") and the Restricted Chemicals for

<sup>9</sup> Based on a water inventory conducted in 2019.

<sup>10</sup> We account for savings through this program on a fiscal-year basis, rather than a calendar-year basis as reported in publications before fiscal year 2021.

<sup>11</sup> These sites have been third-party verified by UL Solutions against the UL 2799 Zero Waste to Landfill Environmental Claim Validation Procedure (ECVP). UL Solutions requires at least 90 percent diversion through methods other than waste-to-energy to achieve Zero Waste to Landfill (Silver: 90–94 percent, Gold: 95–99 percent, and Platinum: 100 percent) designations.

<sup>12</sup> All established final assembly supplier sites — or those that have been Apple suppliers for more than one year — for iPhone, iPad, Mac, Apple Watch, AirPods, HomePod, Apple TV, and Beats are third-party verified as Zero Waste by UL Solutions (UL 2799 Zero Waste to Landfill Environmental Claim Validation Procedure (ECVP)). UL Solutions requires at least 90 percent diversion through methods other than waste-to-energy to achieve Zero Waste to Landfill (Silver: 90–94 percent, Gold: 95–99 percent, and Platinum: 100 percent) designations.

## Apple ApS

### Management's Review (continued)

Prolonged Skin Contact Materials list<sup>13</sup>. These requirements provide clear guidelines on potentially harmful materials, including those that are restricted.

Our assessment system helps to ensure that only materials that meet our stringent requirements are used in Apple products. At our Environmental Testing Lab, we evaluate the safety of our products and materials through chemical analyses. Our chemists test materials for safety and monitor compliance with our specifications. In fiscal year 2022, we performed toxicological assessments on 1,300 new materials to proactively evaluate and eliminate potentially harmful substances from our products.

#### 3.3.3. Innovation

The work we do in mapping, assessing, and managing the chemicals within our supply chain underpins our innovations.

Since the late 1990s, we have diligently identified and removed potentially harmful chemicals from our products, such as brominated flame retardants, beryllium, mercury, and lead. We're also driving the use of safer process chemicals in our supply chain: Since 2018, all our final assembly sites have used only safer alternative cleaners and degreasers. As we work toward minimizing potentially harmful chemistries in our products and processes, we're making the transition to safer alternatives accessible to others through industry initiatives, partnerships, and standards with the hope of driving chemical safety across the industry.

In fiscal year 2023, we continued our commitment to phasing out our use of per- and polyfluoroalkyl substances ("PFAS") and engaging with all of our supply chain partners to restrict them from our products and manufacturing processes. PFAS resist degradation and are highly persistent, breaking down very slowly in the environment — high-level exposure has been linked some PFAS to harmful health effects in humans and animals. We're pursuing our phaseout in three steps: compiling a comprehensive catalog of PFAS use in our products, identifying and developing non-PFAS alternatives that can meet our performance needs, and ensuring that non-PFAS alternatives align with our human health and environmental goals.

Read more about our environmental efforts in our fiscal year 2022 Environmental Progress Report [https://www.apple.com/environment/pdf/Apple\\_Environmental\\_Progress\\_Report\\_2023.pdf](https://www.apple.com/environment/pdf/Apple_Environmental_Progress_Report_2023.pdf), which includes Apple's Environment, Health & Safety Policy. Apple's fiscal year 2023 Environmental Progress Report will be published shortly.

<sup>13</sup> [https://www.apple.com/support/assets/docs/products/watch/Restricted\\_Chemicals\\_for\\_Wearables.pdf](https://www.apple.com/support/assets/docs/products/watch/Restricted_Chemicals_for_Wearables.pdf)



## Apple ApS

### Management's Review (continued)

#### 4. OUR PEOPLE

At Apple, we work every day to create an inclusive, safe, and supportive environment for all our team members. We're always finding new ways to invest in our teams' development and to encourage collaboration and creativity. And we provide strong and comprehensive benefits and highly competitive total compensation. We believe we're a better and more innovative company when people have support and the opportunity to do their best work.

##### 4.1. Inclusion and diversity

At Apple, we remain committed to our vision to build and sustain a more inclusive workforce that is representative of the communities we serve. Apple continues to work to increase diverse representation at every level, foster an inclusive culture, and support access to opportunity for all employees.

This Report uses the gender categories of male and female. The Company deeply respects that gender is not binary. The Company does not have a board of directors, and the Company's board of management as elected by the general meeting (the "Board") consists of two managers, and the gender split is 50/50. Consequently, the composition of the Board does meet the Danish Business Authority's guidelines of a split between gender in the range of 40/60, and the Company is therefore currently not obliged to set a target figure for the under-represented gender on management level. The Company will continuously evaluate the gender split of the Board to ensure the guidelines are met and if not, take the necessary actions. Of the Company's workforce, women represented 13% in the fiscal year 2023.

##### 4.1.1. Workplace practices and policies against all forms of discrimination and harassment

Apple is an equal opportunity employer committed to inclusion and diversity. We take steps to provide equal opportunity for all applicants and employees, without regard to race, color, ancestry, national origin, caste, religion, creed, age, mental or physical disability, sex, gender (including pregnancy, childbirth, breastfeeding, or related medical conditions), sexual orientation, gender identity or expression, medical condition, genetic information, marital status, military or protected Veteran status, an employee's reproductive health decisions or those of their dependents, or on any other basis protected by law. We provide reasonable accommodations to applicants and employees with disabilities.

We are committed to providing a workplace free of harassment or discrimination based on race, color, ancestry, national origin, caste, sex, gender (including pregnancy, childbirth, breastfeeding, or related medical conditions), sexual orientation, gender identity or expression, religion, creed, age, mental or physical disability, medical condition, genetic information, marital status, or military or protected Veteran status, or on any other basis protected by law. We do not tolerate discrimination or harassment of our employees or those with whom we have a business, service, or professional relationship (including customers), nor do we tolerate workplace violence of any kind.

Apple will not retaliate, and will not tolerate retaliation, against anyone for reporting a good-faith concern about harassment or discrimination or for participating in the investigation of such a concern.

##### 4.1.2. Supporting accessibility for our employees

Accessibility is one of our values and a fundamental human right. To make sure that all of our team members have the support they need, Apple's own best-in-class accessibility features are in use across Apple by team members with disabilities to remove barriers so they can be more productive and successful. SignTime, our on-demand sign language interpreting solution, is available to customers and team members alike, to facilitate immediate and effective communications in the following countries: UK, US, Canada, France, Germany, Spain, Italy, Korea, Australia, Japan. We have multiple accessibility-focused trainings available to team members, managers, and recruiters.

We have a dedicated global accessibility and accommodations team to support team members throughout their career journeys.

And we have a directory of all of these accessibility resources available that team members can access and search.

More information on inclusion and diversity at Apple is available at <https://www.apple.com/diversity>.

## Apple ApS

### Management's Review (continued)

#### 4.2. Compensation and Benefits

Apple aims to offer highly competitive compensation that's in the top tier of each local market and provides all employees with the opportunity to become a shareholder in Apple Inc.

Since 2017, Apple has achieved and maintained gender pay equity for all our employees. To maintain pay equity, Apple conducts regular, in-depth assessments of total compensation including base pay, discretionary bonuses, and discretionary restricted stock units granted by Apple Inc.

We recognize that our people thrive when they have the resources to meet their needs and the time and support to succeed in their professional and personal lives. In support of this, Apple offers a wide variety of benefits for employees around the world and invests in tools and resources that are designed to support employees' individual growth and development.

#### 4.3. Engagement

At Apple, we believe that open and honest communication among team members, managers, and leaders helps create an open, collaborative work environment where everyone can contribute, grow, and succeed.

Team members are encouraged to come to their managers with questions, feedback or concerns, and the Company conducts surveys that gauge employee sentiment in areas like career development, manager performance and inclusivity.

#### 4.4. Health and safety at work

Apple is committed to protecting its team members everywhere it operates. Apple identifies potential workplace risks in order to develop measures to mitigate possible hazards. Apple supports employees with general safety, security and crisis management training, and by putting specific programs in place for those working in potentially high-hazard environments. Additionally, Apple works to protect the safety and security of its team members, visitors and customers through its global security team and environmental health & safety teams.

#### 4.5. Growth and development

We want everyone to flourish in their time at Apple, whether in their current role or their next career opportunity. We offer many different paths to career fulfillment, and we continue to take new steps to ensure that everyone at Apple has the opportunity to find support to grow and develop.

Examples of our Apple-wide programs and initiatives include;

- Apple University offers all employees original classes, tools, and resources across a wide range of topics to help employees learn to lead and explore important topics like fairness and justice; and
- All Apple employees may enroll in no-cost online classes with Coursera for personal development, career development and certifications, with courses offered in over 20 languages.

In addition, a significant amount of learning happens within teams because of our unique functional structure. Our leaders are experts in their fields and thus guide their teams of experts to further deepen very specific knowledge and skill sets, supported by many local learning teams and programs.

We also support team members through formal education and career development initiatives.

## Apple ApS

### Management's Review (continued)

#### 5. SUPPLIERS

Apple is deeply committed to holding our suppliers accountable to our high standards, so that workers in our supply chain are safe and are treated with dignity and respect. Part of this commitment includes protecting our planet in the process of building our products. Through our Supplier Code of Conduct (“Code”) and Supplier Responsibility Standards (“Standards”), both updated in 2023, we hold ourselves and our suppliers to the highest standards of labor and human rights, environmental protections, and responsible business practices in our supply chain. We go even further to empower the workers in our supply chain through initiatives like our Supplier Employee Development Fund, where we’re investing \$50 million to expand programs designed to continue to improve the rights-training experience, worker voice platforms, and supplier employee education opportunities.

Our suppliers must operate in full compliance with all applicable laws and regulations and in accordance with the principles included in the Code and Standards. The Code and Standards align with internationally recognized rights and standards, including the UN International Bill of Human Rights, the ILO’s Declaration on Fundamental Principles and Rights at Work, the UNGPs, the Organisation for Economic Co-operation and Development (“OECD”) Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (“OECD Due Diligence Guidance”), and the Responsible Business Alliance (“RBA”) Code of Conduct, as well as standards from other industry-leading health and safety organizations.

Accordingly, suppliers must comply with a number of principles, including:

##### 5.1. Labor and human rights

Our Code and Standards communicate our requirements for upholding the highest standards for labor and human rights, and require suppliers to operate in accordance with a variety of principles, including anti-discrimination.

Since 2008, our suppliers have educated over 28 million supplier employees on their workplace rights, as required by our Code and Standards. Trainings include international labor standards, local labor laws, environment, health, and safety standards, prevention of forced labor, ethics, how to access grievance mechanisms, and the protections required by Apple’s Code. Training is assessed and refreshed in response to updates to laws, regulations, and the Code and Standards.

Our Code and Standards require suppliers to provide their employees’ feedback channels, including grievance mechanisms, at their facilities. Supplier employee interviews are conducted in the worker’s native language by independent third-party auditors without supplier management or cameras present. These interviews are an important part of every supplier assessment we conduct, and we follow up with people that are interviewed and willing to stay in contact with us to be sure they do not experience retaliation as a result of their participation.

Since 2008, we have provided a wide range of educational opportunities to more than 7 million people across our supply chain, helping them to cultivate the skills needed for the jobs of today and tomorrow.

##### 5.2. Prevention of forced labor and human trafficking

Suppliers are strictly prohibited from trafficking persons or using any form of slave, forced, bonded, indentured, or prison labor. Forced labor includes the transportation, harboring, recruitment, transfer, receipt, or employment of persons by means of threat, force, coercion, abduction, fraud, or payments to any person having control over another person for the purpose of exploitation.

##### 5.3. Prevention of underage labor

Suppliers may only employ workers who are the applicable minimum legal age for employment or the applicable age for completion of compulsory education, whichever is highest. Suppliers may provide legitimate workplace apprenticeship

## Apple ApS

### Management's Review (continued)

programs for educational benefit 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.

#### 5.4. Respect for human rights across the levels of our supply chain

Apple is recognized as a leader in the responsible sourcing of materials in our products. Every year, we publish a list of identified tin, tantalum, tungsten, gold (3TG), cobalt, and lithium smelters and refiners in our supply chain. We also map other minerals in our products such as mica, copper, and graphite. 100 percent of the identified 3TG, cobalt, and lithium smelters and refiners in our supply chain have participated in independent third-party audits to assess and identify a broad range of risks, including social, environmental, human rights and governance risks. Deeper in our supply chain, we require suppliers to responsibly source materials and conduct due diligence in their own supply chains.

#### 5.5. Freedom of association and collective bargaining

Suppliers must freely allow workers' lawful rights to associate with others, form, and join (or refrain from joining) organizations of their choice, and bargain collectively, without interference, discrimination, retaliation or harassment.

#### 5.6. Health and safety

Our Code requires suppliers to provide a workplace that is free from health and safety risks, and every supplier assessment we conduct verifies compliance with our strict health and safety standards.

#### 5.7. Stakeholder engagement

From human rights to climate change, there are many issues that are bigger than any one company or organization and that require a multi-stakeholder approach. To do this, we engage with industry associations, civil society organizations, academics, UN agencies, and governments to share our progress and promote best practices.

Together, we help to support communities and individuals by raising awareness for human rights and empowering local voices. In addition, Apple continues to support the Fund for Global Human Rights, which aims to advance human rights by providing resources to activists and grassroots organizations that have the potential to generate positive change in over 40 countries.

Our Code also encourages suppliers to help foster social and economic development and contribute to the sustainability of the communities in which they operate.

#### 5.8. Adherence to the Code and Standards

A top to bottom assessment is conducted by third-party auditors on prospective suppliers to capture a baseline of how they conduct their operations. When we do find critical, but remediable risks, we work with the prospective supplier to correct the issues before entering into business with them.

Our suppliers' level of adherence to the Code is also evaluated during independent, third-party assessments, also known as audits, against more than 500 criteria. Our assessment processes help us identify risks and gaps in compliance with our Code and Standards, which include salient human rights risks, and are conducted by independent, third-party auditing firms that are accredited to meet international auditing standards. Many of the firms that conduct our assessments are also certified to meet the standards of the Responsible Business Alliance ("RBA"). We prohibit suppliers from having manufacturing operations in, recruiting labor from, or sourcing materials, products, or services from regions where Apple and third parties cannot access or conduct comprehensive, independent evaluations of supplier compliance with our Code and Standards. These assessments include a thorough review of every detail of a supplier's operations — from workplace

## Apple ApS

### Management's Review (continued)

conditions to hiring practices — via worker and management interviews, site walkthroughs, and detailed reviews of operations and documentation, including employee records, payroll information, contracts, and policies.

In Apple's 2023 reporting period, 893 independent, third-party assessments in more than 50 countries and regions were conducted. Every year, as part of our assessment program, we conduct unannounced assessments and visits, including to investigate workers' concerns and allegations and verify risks identified through predictive analytics. We require many of our suppliers to also undergo the RBA's Validated Assessment Program, a facility-wide, third-party assessment widely used by the industry.

Read more about Apple's commitment to upholding our strict supplier standards in our fiscal year 2022 People and Environment in Our Supply Chain Report available at <https://www.apple.com/supplier-responsibility/>. Apple's fiscal year 2023 People and Environment in Our Supply Chain Report will be published shortly.

## Apple ApS

### Management's Review (continued)

#### 6. CUSTOMERS

##### 6.1. Design that empowers

At Apple, our North Star is creating technology that empowers people and enriches their lives. Teams across Apple are always innovating to make technology that's even better for our users — that protects their right to privacy, that's durable and resilient, and that's inclusive and accessible for everyone. And wherever we meet our customers — online, over the phone, or in person — we're committed to treating everyone with dignity and respect.

Across our products and services, we consider how we respect human rights, including privacy, freedom of expression, non-discrimination, accessibility, health, education, a clean environment, and safety.

##### 6.2. Privacy

Privacy is a fundamental human right, and we're constantly innovating to give users more transparency and control over their data. It's why we set the industry standard for minimizing data collection and processing a user's data on-device, and build industry-leading transparency and controls into our technology.

Hand in hand with the privacy of our users are our commitments to free expression and access to information. Our products and services help our customers learn, express their creativity, exercise their ingenuity, communicate privately and securely, and share information globally, whether by text message, audio, or sign language over FaceTime video.

###### 6.2.1. Designed for privacy

Our products and services are built with innovative privacy technologies and techniques designed to minimize how much of your data Apple — or anyone else — can access. They contain features designed and implemented over decades to protect customers' privacy and give them control over their information.

Safari was the first browser to block third party cookies by default as far back as 2003, and in 2017, Safari added Intelligent Tracking Prevention to further limit tracking while still enabling websites to function normally. This year, a significant update provides even greater protection against trackers as users browse the web and from people who might have access to their device. Advanced tracking and fingerprinting protections go even further to help prevent websites from using the latest techniques to track or identify a user's device. Private Browsing now locks when not in use, allowing a user to keep tabs open even when stepping away from the device.

Random identifiers ensure that routes customers take and the places they search in Maps are not associated with their Apple ID, and iMessage and FaceTime are end-to-end encrypted, so Apple can't eavesdrop on user communications. We launched Advanced Data Protection in December 2022 to provide our users with a means to end to end encrypt additional classes of their iCloud data including iCloud back-up and Photos.

Siri was designed from the very beginning in 2011 to not associate the things that users say to Siri with their Apple ID, but instead uses a random identifier generated when a user first enables Siri. That has remained the same since then, and in 2021, with newly introduced on-device speech recognition, the audio of users' Siri requests is processed right on their iPhone or iPad by default.

And App Tracking Transparency requires developers to obtain a user's permission to track their data across apps or websites owned by other companies for use in advertising or shared with data brokers.

Apple's Privacy Policy ensures that privacy remains a top priority in all that we do. Our suppliers are also obligated to apply our privacy principles via our contractual terms. We respect users' ability to know, access, change, transfer, restrict, and delete personal data, and we strive to collect the minimum amount of data necessary to power our products and services.

Customers control what information is shared, where it's shared, and when it's backed up. We do not provide user information to any third parties without a clear legal basis, and we publish a Transparency Report detailing government requests for customer data and app removal.

Users can exercise their privacy rights at our dedicated Data and Privacy page [privacy.apple.com](https://privacy.apple.com), where they can receive a copy of the personal data that Apple holds on them across all of their interactions with us and request deletion or temporary deactivation of their account if they wish.

## Apple ApS

### Management's Review (continued)

Apple is committed to delivering advertising in a way that respects user privacy. Apple-delivered ads may appear on the App Store, Apple News, and Stocks depending on the jurisdiction. The Apple advertising platform does not track users, nor does it buy or share user personal data with other companies.

#### 6.2.2. Privacy and security on the App Store

To meet the highest standards for privacy, security, and content, all the apps in our App Store agree to comply with our App Store Review Guidelines.

These provide developers with clear and transparent guidance on safety, performance, business, design, and legal issues, including appeal rights. The guidelines help ensure that the apps offered on the App Store are safe, provide a good user experience, adhere to our rules on user privacy, and secure devices from malware and threats.

Throughout the App Store ecosystem, we continue to add innovative new features that advance user privacy even further. Privacy Nutrition Labels require developers, including Apple, to report their data collection and privacy practices in a standardized format. New tools introduced in 2023 give developers more information about the data practices of third-party software development kits (SDKs) they use in their apps, allowing them to provide even more accurate Privacy Nutrition Labels.

Learn more about privacy at Apple

- Review privacy features <https://www.apple.com/privacy/features/>
- Control what you share <https://www.apple.com/privacy/control/>
- See how apps from Apple handle your data <https://www.apple.com/privacy/labels/>

### 6.3. Accessibility

At Apple, we believe the best technology works for everyone. That's why our products and services are inclusive by design, with built-in accessibility features to help you connect, create, and do what you love — in the ways that work best for you. We define disability and accessibility in very broad strokes across five, far reaching categories of Vision, Hearing, Speech, Mobility, and Cognitive and support each area with a wealth of highly customizable features.

#### 6.3.1. Vision

If you're blind, have low vision, or just prefer larger text, these features help you customize your display, control your devices, or navigate your surroundings. VoiceOver, an industry-leading screen reader that describes exactly what's happening on your device, and Zoom, a screen magnifier that lets you enlarge the content you see on your device. Magnifier, Apple's built-in app for iPhone and iPad, turns the camera into a digital magnifying glass to increase the size of any physical object you point it at. Detection Mode<sup>14</sup> in Magnifier combines the camera, LiDAR Scanner, and on-device machine learning to offer intelligent tools like People Detection, Door Detection<sup>15</sup>, Image Descriptions, Text Detection and Point and Speak, which give you rich details of your surroundings.

#### 6.3.2. Hearing

Apple designs features to enhance the sounds you hear, or help you stay connected without hearing a sound. We were the first to work with top manufacturers to create hearing aids, cochlear implants, and sound processors designed specifically for iPhone and iPad to provide outstanding sound quality. Innovative features like Sound Recognition notifies users of external environmental sounds like running water, alarms, electrical appliances, breaking glass, and more, with the option to train your iPhone or iPad to listen for a specific alarm or electrical appliance sounds. Headphone Accommodations lets

<sup>14</sup> Detection Mode requires devices with the LiDAR Scanner. The LiDAR Scanner is available only on iPhone 12 Pro, iPhone 12 Pro Max, iPhone 13 Pro, iPhone 13 Pro Max, iPad Pro 12.9-inch (4th generation or later), and iPad Pro 11-inch (2nd generation or later). Point and Speak is available on iPhone and iPad devices with the LiDAR Scanner in English, French, Italian, German, Spanish, Portuguese, Chinese, Cantonese, Korean, Japanese, and Ukrainian.

<sup>15</sup> Door Detection can read signs in Cantonese (Simplified, Traditional), Chinese (Simplified, Traditional), English (U.S.), French (France), German (Germany), Italian (Italy), Japanese (Japan), Korean (Korea), Portuguese (Brazil), Russian (Russia), Spanish (Spain), and Ukrainian (Ukraine). Door Detection should not be relied on in circumstances where you may be harmed or injured or in high-risk or emergency situations.

## Apple ApS

### Management's Review (continued)

you customize the audio of your Apple and Beats headphones to amplify soft sounds and adjust certain frequencies based on your preferences.

#### 6.3.3 Speech

If you have a speech disability or prefer to connect without using your voice, we've innovated to give you more ways to communicate, your way. Live Speech turns your typed text into spoken words. Type what you want to say, and your device will speak it out loud to stay connected during Phone and FaceTime calls as well as in-person conversations. Spoken Content includes a collection of features that enable your devices to read text out loud. Use Speak Screen if you want to hear the content of your entire screen. Or try Speak Selection if you want to select and hear a specific range of text.

#### 6.3.3. Mobility

Mobility features make it easy to modify your touch, create custom gestures, or control your devices in the ways that work best for you. With Switch Control you can navigate your device with a variety of switches, including head-tracking, sound actions, and certified MFi switches. Voice Control<sup>16</sup> helps you control a device with voice commands across iPhone, iPad, and Mac. AssistiveTouch for Apple Watch helps users with upper-body limb differences to enjoy the benefits of Apple Watch without having to touch the display. Apple Watch Mirroring<sup>17</sup> supports users with quadriplegia or other physical and motor disabilities in controlling Apple Watch via iPhone supported assistive features. iPadOS supports third-party eye-tracking devices, making it possible for people to control iPad using just their eyes.

#### 6.3.4. Cognitive

If you need support to stay focused or to streamline tasks, these tools can help make your day-to-day easier. Assistive Access makes it easy for people with cognitive disabilities to tailor iPhone and iPad to lighten cognitive load and suit their specific needs and preferences. Assistive Access offers a distinctive interface with high-contrast buttons, large text labels, and visual alternatives to text. Background sounds help minimize distractions and support users who want to focus, stay calm, or rest. Guided Access, limits a device to a single app and lets users control which features are available.

Learn more about Apple's commitment to accessibility at <https://www.apple.com/accessibility>.

### 6.4. Education

Apple has worked alongside educators for more than 40 years to inspire the next generation of learners, supporting creativity, problem-solving, communication, and collaboration. We believe that education can be a great force for equity, and our goal is to empower all educators and learners with technology that protects student privacy and is accessible for all.

We develop products, programs, tools, and resources for educators to create engaging learning experiences, and we support education leaders and administrators so they can get the most out of the technology in the classroom and beyond.

#### 6.4.1. Products for learning

We work to ensure iPad and Mac are as intuitive and easy to use as they are engaging and uniquely empowering in education.

- a) iPad: Versatile for all types of learning from sketching ideas, to editing images, to augmented reality and learning to code. Compatible with the apps teachers and students use every day, from built-in apps like Pages and Keynote, to amazing apps available on the App Store.
- b) Mac: With the power to help students and teachers to take on projects of any size, Mac is built to last. And Mac has industry-leading battery life to go throughout the school day and far beyond.

The majority of our educator tools are free, and we offer special pricing on Mac, iPad, and other Apple hardware for education institutions, eligible college students, and education faculty and staff.

<sup>16</sup> Voice Control is not available in all areas and on all Apple software. Voice Control utilizes the Siri speech recognition engine for Cantonese (Hong Kong), Chinese (China mainland), English (Australia, Canada, India, UK, U.S.), French (France), German (Germany), Japanese (Japan), and Spanish (Mexico, Spain, U.S.).

<sup>17</sup> Apple Watch mirroring is available on Apple Watch Series 6 and later.



## Apple ApS

### Management's Review (continued)

#### 6.4.2. Teaching tools

Our teaching tools empower educators to personalize the learning experience for each student and manage the classroom to keep every student on task. Our Classroom app serves as a powerful teaching assistant that makes it easy to navigate lessons and share information, while the Schoolwork app aids the distribution and collection of assignments, tracks progress, and supports collaboration with students.

#### 6.4.3. Content and project guides

Our programs help educators integrate creativity and coding into their lessons, even if they're new to teaching with technology. We believe coding is an essential literacy. Coding with Apple gives educators the tools and resources to help students express themselves and prepare for the future, no matter what career they pursue. Our coding resources make it easy for anyone to learn, write, and teach coding and app development using Swift, Apple's powerful open source programming language.

And we work hand in hand with communities, particularly communities of color and others that are under resourced, to bring coding, creativity, and entrepreneurship opportunities to learners of all ages.

- a) **Everyone Can Create:** project guides include simple tutorials and downloadable resources to inspire new ideas and bring creativity to any lesson or subject through video, photography, music, and drawing.
- b) **Everyone Can Code:** resources help introduce students to the concepts behind coding and app development and provide on-device exercises to practice coding and problem-solving.
- c) **Develop in Swift:** Provides practical experience developing apps with Swift in Xcode, the integrated development environment that professional developers use to build their apps.

#### 6.4.4. Inspiration and support for teachers

We help educators share experiences, ideas, and inspiration, so that they can get more out of the technology in their classrooms. The Apple Education Community provides free, self-paced, online professional learning designed to help teachers learn how to get the most from Mac, iPad, and our free suite of apps for teaching and learning. And through Apple Teacher, educators can earn badges to demonstrate their knowledge. Worldwide, nearly one million teachers have joined the Apple Education Community to help build their skills and confidence using Apple technology.

Our community of 1300 Apple Distinguished Educators in 45 countries model, advise, advocate, and publish materials on ways to integrate Apple technology into teaching and learning. These educators are active leaders, helping to make learning deeply personal for every student.

Apple Distinguished Schools are centers of leadership and educational excellence that demonstrate the impact of learning with Apple technology. The nearly 900 schools across 37 countries cultivate environments where students are engaged and curious about learning.

### 6.5. Health

Apple empowers our users to take control of their health by making it easier to track and share their health and wellness information while always keeping their data secure. This allows for a more informed dialogue with loved ones and doctors, offering the ability to make better health choices on a daily basis.

Privacy is a fundamental aspect of our health work. The right place for health information to exist is in a user's control, and where or how that information is shared should be completely up to the individual.

Since launching Apple Watch in 2015, we've been constantly inspired by the stories we hear from our users about how using Apple Watch for health, fitness and safety has changed their lives. These range from users who found closing their

## Apple ApS

### Management's Review (continued)

Activity rings every day motivated them to be healthier to those alerted to a potential irregular heart rhythm who sought medical care to confirm. Stories like those continually drive us to do more for our users.

Mental health is as important as physical health and affects people every day in how they think, feel, and act. Apple recently introduced new features to support people in their mental wellbeing. These features allow users to log their momentary emotions and daily moods, see valuable insights, and easily access assessments and resources.

Powerful sensors in Apple Watch offer temperature-sensing capabilities that give women further insights into their health. Utilizing the new temperature-sensing capabilities, users can receive retrospective ovulation estimates. Knowing when ovulation has occurred can be helpful for family planning, and Apple Watch makes it easy and convenient by providing these estimates in the Health app.

These features add to the set of innovative capabilities for Apple Watch like the ECG app, irregular rhythm notifications, fall detection, and crash detection that provide important health and safety tools for users.

Features like Time in Daylight, Sleep, and Blood Oxygen offer more insights into users' overall wellness to make more informed decisions for themselves. Apple Watch users can also view a classification of their Cardio Fitness Level — a powerful predictor of overall health — in the Health app, and receive a notification if it falls within the “low” range. The breakthrough technology allows users to better understand their cardio fitness measurements taken right from their own wrist.

Apple also introduced a variety of services and features to help people on their health and fitness journeys. Apple Fitness+ is an award-winning fitness and wellness service and designed to be welcoming to all, wherever they are in their journey. Fitness+ helps users train their body and mind with a personalized and engaging experience that can be done anytime, anywhere; intelligently incorporates workout metrics from Apple Watch right on the screen; and motivates users from start to finish with music from today's top artists.

On iPhone, Walking Steadiness is an industry first, providing insight into fall risk by leveraging important mobility data as users walk with their iPhone, directly within the Health app. The Health app provides a consolidated view of users' health information — data from iPhone, third-party apps, and Apple Watch.

Everything Apple does in health is based in science. We have a history of enabling the medical community through platforms like ResearchKit and CareKit, which help researchers produce medical insights and discoveries on conditions from epilepsy to Parkinson's at a pace and scale never seen before. Learn more about the global research community's work at <https://www.researchandcare.org/>

Our technology gives healthcare providers the tools they need to work effectively within hospitals and connect remotely with patients. Apps on iPad, iPhone, and Apple Watch can help medical professionals deliver personalized care. We have seen how our technology can also empower clinicians to be more mobile, leading to time savings and more time spent taking care of patients. Our devices are designed to protect patient data yet remain easy to use across providers. The result is care that becomes more efficient, more personalized, and ultimately, more human. Learn more about how our products support medical professional ( <https://www.apple.com/healthcare/products-platform/>).

Learn more about Health at <https://www.apple.com/newsroom/pdfs/Health-Report-October-2023.pdf>

### 6.6. Caring for customers

At Apple, we want to create products and services that enrich people's lives. To us, that means making the best, not the most, and only building things that make us proud.

#### 6.6.1. A world-class experience

We're motivated by creating the best user experience through our products and in every interaction with our customers. We focus on breakthrough technologies and innovative features that set us apart and keep people coming back to Apple.

#### 6.6.2. Support through retail

## Apple ApS

### Management's Review (continued)

Our focus on our customers extends to a retail experience that puts the people we serve at the center of everything we do. Our retail teams inspire our customers to discover, learn, and choose Apple products, services, and accessories by delivering a personalized experience like no other. Apple Specialists in our retail stores and contact centers help customers find the right products with one-on-one shopping and support sessions — in person, over the phone, or via chat. Today at Apple and Online Personal Shopping sessions help customers learn how to get the most from their devices and take their creativity further.

Apple's Education team works to ensure that students, teachers, and parents have the best learning tools for the classroom. For business customers, the dedicated teams in every Apple Store provide the advice, pricing, and support small businesses need in our communities.

We work closely with Apple Authorized Resellers, like carriers, and partner retailers to enhance the customer shopping experience beyond our own retail locations and the Apple Online Store.

#### 6.6.3. Listening and improving

To help ensure quality, we continually monitor customer feedback, assess key drivers, and leverage analytics to improve the customer experience. Customer feedback is shared with team members as well as leaders, so that everyone understands their impact and is focused on making the customer experience the best it can possibly be.

As we continue delivering exceptional products, we remain committed to high-quality standards and transparent communication with customers. We maintain a System Status page to actively report on identified system issues and offer service programs to address hardware issues. We encourage our customers to contact us with questions, provide feedback, or request support.

## Apple ApS

### Management's Review (continued)

#### 7. COMMUNITIES

At Apple, we're committed to leaving the world better than we found it. That means supporting communities with global and local initiatives, investments, and donations that combat inequity, expand access to opportunity, and help respond to urgent needs.

We also know that we can impact communities around the world by creating and sustaining local jobs. As our teams continue to grow, we're proud to foster innovation, opportunity, and economic support across the globe.

##### 7.1. Corporate donations

Our corporate donations support work undertaken across Apple to address society's toughest problems. We donate to nonprofits and other organizations with which we partner to support specific initiatives, as well as directly to organizations supporting our objectives to accelerate social change, strengthen communities, and amplify Apple's values.

Whether it's racial injustice, food insecurity, a natural disaster, or a health emergency, our community giving programs are agile enough to allow us to respond in a timely, efficient, and effective way. We support nonprofit organizations in a variety of ways, including financial resources, Apple technology, and expertise from our teams.

We've designed our corporate donations to address immediate needs and to build community resilience. Several initiatives described on previous pages fall into this area of focus.

We believe we can have an impact on communities by supporting grassroots organizations that work directly with local stakeholders. We focus our donations on programs that are building strong communities and empowering creatives in the places where we live and work.

We're always looking for ways to support efforts that align with our Apple values. The following are just a few examples of this support.

- a) **Malala Fund:** In 2018, Apple became Malala Fund's first Laureate partner, supporting the organization's work with local advocates and teachers in countries where girls face significant education challenges. The fund champions every girl's right to 12 years of safe, free, quality education. Apple also assists with technology, curriculum, and research into policy changes related to girls' education.
- b) **Environment programs:** In Europe, the Middle East, and North Africa, Apple launched a new partnership with ChangerXchange to strengthen climate action and leadership in the region. By creating a network to connect, build, and uplift youth-led climate innovation, Apple will help link solutions to funding opportunities and enhance climate leadership skills. The initiative launched in Egypt at the UN Conference on Climate Change (COP27), and over two years will support a group of 100 change-makers and social innovators — 50 from Europe and 50 from the Middle East and North Africa.
- c) **Crises and natural disasters:** We also mobilized funding and humanitarian support for a number of unexpected events in fiscal year 2022 and 2023, including earthquakes in Morocco, Turkey, and Syria; wildfires in Maui; and flooding in Beijing and the surrounding Hebei province.

##### 7.2. Employee giving

Our Employee Giving program promotes charitable giving to qualified organizations by matching our employees' donations of time, money, or Apple products. We empower employees to contribute to the causes they care about, and we multiply their efforts through matching their donations. Additionally, employees may organize virtual and in-person volunteer activities for their colleagues via the Apple Global Volunteer Program.

During fiscal year 2023, Apple continued to support European charities through its matching gifts program.

##### 7.3. Job creation

Apple employs over 25,000 people in Europe, that span an increasingly wide range of roles, including hardware and software engineering, science, construction, manufacturing, retail, customer support, marketing, and design.

## Apple ApS

### Management's Review (continued)

We have been operating in Europe for over 40 years and we're proud to be an engine of opportunity and growth. Our employees, suppliers and app developers work across Europe, in communities large and small, and in thousands of professional fields. We support over 2.6 million European jobs.

For fiscal year 2023 the Company employed 8 people on average.

#### 7.3.1. Suppliers and manufacturers

Apple has a supply chain that spans the globe, with manufacturing and assembly taking place around the world, including in the U.S., Europe, Asia, Central and South America, and Australia. From component manufacturers to logistics providers, Apple directly or indirectly supports hundreds of thousands of jobs, including working with suppliers and businesses in every European country. These suppliers provide equipment, parts, and materials for all of our core products.

From the people who manufacture components for our products to the people who distribute and deliver them, we directly or indirectly support hundreds of thousands of jobs throughout Europe. With more than 4,000 suppliers in the region, we are working with businesses in many European countries.

#### 7.3.2. Jobs in the iOS app economy

Since the App Store launched in 2008, the iOS app economy has become one of the world's fastest-growing sectors. The App Store ecosystem supports millions of jobs across the world, empowering entrepreneurs from Argentina and Alaska to Zimbabwe and beyond. In the U.S., it supports more than 2.4 million jobs, and in Europe, it supports another 2.4 million jobs.

## Apple ApS

### Management's Review (continued)

#### 8. GOVERNANCE

Apple conducts business ethically, honestly, and in compliance with applicable laws. We believe that how we conduct ourselves is as critical to Apple's success as making the best products in the world. Our Compliance and Business Conduct policies are foundational to how we do business and how we put our values into practice every single day.

##### 8.1. Corporate governance

Apple operates under a corporate governance framework designed to be a flexible working structure for principled actions, effective decision-making, and appropriate monitoring of both compliance and performance. Apple's Board oversees the chief executive officer and other senior management in the competent and ethical operation of Apple and seeks to ensure that the long-term interests of shareholders are being served. Environmental, Social, and Governance matters are overseen and managed at multiple levels within Apple.

Apple Inc.'s Board, assisted by its standing committees, has ultimate responsibility for oversight of significant risks affecting the company's business, including Environmental, Social, and Governance matters.

Work on environmental and social initiatives is embedded across different lines of business, with broad collaboration to drive forward initiatives that are important to Apple. For example, Apple's Vice President of Environment, Policy and Social Initiatives is responsible for the development, review, and execution of plans designed to minimize Apple's impact on the environment, whereas Apple's Senior Vice President, Operations leads our efforts and progress in the critical work of protecting people and the planet across our supply chain.

Across our different lines of business, Apple has developed internal systems and procedures for managing environmental, social, and governance topics, including engaging with external stakeholders to learn about their priorities and get their feedback, and to coordinate relevant projects and initiatives.

##### 8.2. Ethics and compliance

###### 8.2.1. Compliance and Business Conduct

Apple's Business Conduct Policy applies to all full time and part-time employees and is available to employees in over 20 languages. The Policy outlines the principles of honesty, respect, confidentiality, and compliance that guide Apple's business practices and also apply to Apple suppliers, contractors, consultants, and other business partners when providing goods and services to Apple or acting on our behalf.

Apple's Compliance and Business Conduct team focuses on business conduct, political compliance, export and sanctions compliance, health compliance, antitrust compliance, anti-corruption compliance, and third-party compliance. Additional compliance functions are integrated into our business organizations.

###### 8.2.2. Training and resources

We take our values seriously, and our training helps guide our employees in making good decisions. All employees are required to take an annual scenario-based online Business Conduct training that is updated each year. Training topics include workplace behaviors, conflicts of interest, gifts, confidentiality, competition, privacy, and Apple's Human Rights Policy. Our internal Business Conduct website provides additional resources for our employees, including regularly updated FAQs, featured topics, and toolkits for managers.

Additionally, all employees receive mandatory annual or biannual training on Privacy, Respect at Apple, and Inclusion and Diversity. Additional required and recurring training includes Anti-Corruption, Antitrust, Export and Sanctions, and manager-specific training.

###### 8.2.3. Compliance policies

Apple's ethical business practices are set out in our Business Conduct Policy and additional key compliance policies.

We make key compliance policies on Anti-corruption, Exports and Sanctions, Antitrust and Competition, as well as Public Policy Advocacy, including those applicable to our third parties, publicly available on our Ethics and Compliance website (<https://www.apple.com/compliance/>).

## Apple ApS

### Management's Review (continued)

#### 8.2.4. Reporting concerns

Apple's Global Whistleblowing Policy applies to current and former employees, directors and officers, contractors and subcontractors of Apple and its subsidiaries, and sets out Apple's approach to protecting individuals who report potential misconduct.

Our employees are required to speak up about any violation of Apple's Business Conduct Policy, other Apple policies, or legal or regulatory requirements, and we make it easy for employees and third parties to report concerns. We encourage any employee with a concern to raise it in the way they feel most comfortable, including to any manager, or to People, Legal, Business Assurance and Audit, Finance or Business Conduct.

Our employees can contact Apple's Business Conduct team by phone, email, or web form. Apple's third-party reporting service, EthicsPoint<sup>18</sup>, is also available to employees and external parties to report concerns to the Business Conduct team, and provides the option of anonymous reporting, where permissible under local law. The external reporting service is available at any time, and provides a multilingual reporting option with local, tollfree numbers.

Business Conduct partners with appropriate teams at Apple to investigate concerns and determine appropriate resolutions, including corrective action up to and including termination where necessary. Apple will not retaliate — and will not tolerate retaliation — against any individual for reporting a good-faith concern or complaint, or for participating in the investigation of any complaint.

#### 8.2.5. Accountability

Apple's Compliance and Business Conduct organization works under the oversight of Apple's Chief Compliance Officer, who provides regular updates to the Audit and Finance Committee of the Apple Inc. Board.

The organization conducts internal and third-party independent assessments of its compliance programs to determine effectiveness and makes changes to policies and training to reflect emerging trends.

In 2022, Apple received Ethisphere's Compliance Leader Verification and was further recognized as one of the World's Most Ethical Companies. Ethisphere determined that Apple's ethics and compliance program and practices meet and exceed the certification criteria required to achieve the verification.

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<sup>18</sup> <https://secure.ethicspoint.com/domain/media/en/gui/48987/index.html>

**Apple ApS**  
**INCOME STATEMENT**

|  | Note | Years ended              |                          |
|--|------|--------------------------|--------------------------|
|  |      | 30 September 2023<br>DKK | 30 September 2022<br>DKK |
| Net sales  | 2    | 544,442,740              | 404,213,736              |
| Operating expenses:                                |      |                          |                          |
| Employee expenses                                  | 3    | (9,995,983)              | (8,825,228)              |
| Depreciation and amortisation                      |      | (343,566,330)            | (226,614,489)            |
| Other expenses from operations                     | 3    | (162,898,383)            | (154,847,590)            |
| Total operating expenses                           |      | (516,460,696)            | (390,287,307)            |
| Operating income                                   |      | 27,982,044               | 13,926,429               |
| Finance income                                     | 3    | 56,562,818               | 536,232,068              |
| Finance expense                                    | 3    | (254,490,602)            | (149,243)                |
| (Expense)/income before provision for income taxes |      | (169,945,740)            | 550,009,254              |
| Provision for income taxes                         | 4    | 43,737,922               | (117,938,184)            |
| Net (expense)/income                               |      | (126,207,818)            | 432,071,070              |

See accompanying notes to annual financial statements.



Apple ApS

STATEMENT OF COMPREHENSIVE INCOME

|   | Years ended       |                   |
|---|-------------------|-------------------|
|   | 30 September 2023 | 30 September 2022 |
|   | DKK               | DKK               |
| Net (expense)/income                    | (126,207,818)     | 432,071,070       |
| Total other comprehensive income/(loss) | -                 | -                 |
| Total comprehensive (loss)/income       | (126,207,818)     | 432,071,070       |

See accompanying notes to annual financial statements.

## Apple ApS

### BALANCE SHEET

|  | Note | As of<br>30 September 2023<br>DKK | As of<br>30 September 2022<br>DKK |
|--|------|-----------------------------------|-----------------------------------|
| <b>Non-current assets:</b>                 |      |                                   |                                   |
| Intangible assets                          | 6    | 2,256,781                         | 3,006,581                         |
| Property, plant and equipment, net         | 5    | 4,974,272,648                     | 4,727,729,869                     |
| Deferred tax asset                         | 4    | 16,970,559                        | 9,781,600                         |
| Other non-current assets                   | 3    | 161,339,127                       | 397,862,157                       |
| Total non-current assets                   |      | 5,154,839,115                     | 5,138,380,207                     |
| <b>Current assets:</b>                     |      |                                   |                                   |
| Amounts owed from related parties          | 8    | 170,310,720                       | 70,212,284                        |
| Other current assets                       | 3    | 66,383,944                        | 142,300,274                       |
| Cash and cash equivalents                  |      | 1,173                             | 159,365                           |
| Total current assets                       |      | 236,695,837                       | 212,671,923                       |
| Total assets                               |      | 5,391,534,952                     | 5,351,052,130                     |
| <b>Shareholders' equity:</b>               |      |                                   |                                   |
| Share capital                              | 7    | 200,000                           | 200,000                           |
| Retained earnings                          |      | 4,670,626,988                     | 4,796,834,806                     |
| Total shareholders' equity                 |      | 4,670,826,988                     | 4,797,034,806                     |
| <b>Non-current liabilities:</b>            |      |                                   |                                   |
| Other non-current liabilities              |      | 9,162,500                         | -                                 |
| Total non-current liabilities              |      | 9,162,500                         | -                                 |
| <b>Current liabilities:</b>                |      |                                   |                                   |
| Accounts payable                           | 3    | 11,181,190                        | 348,815,966                       |
| Amounts owed to related parties            | 8    | 530,867,151                       | 35,092,981                        |
| Provision for income taxes                 | 4    | 121,002,036                       | 120,162,935                       |
| Other current liabilities                  | 3    | 48,495,087                        | 49,945,442                        |
| Total current liabilities                  |      | 711,545,464                       | 554,017,324                       |
| Total liabilities                          |      | 720,707,964                       | 554,017,324                       |
| Total liabilities and shareholders' equity |      | 5,391,534,952                     | 5,351,052,130                     |

See accompanying notes to annual financial statements.

## Apple ApS

### STATEMENT OF SHAREHOLDERS' EQUITY

|                                  | <b>Share capital</b> | <b>Retained earnings</b> | <b>Total shareholders' equity</b> |
|----------------------------------|----------------------|--------------------------|-----------------------------------|
|                                  | <b>DKK</b>           | <b>DKK</b>               | <b>DKK</b>                        |
| Balances as of 30 September 2021 | 200,000              | 4,364,763,736            | 4,364,963,736                     |
| Net income                       | -                    | 432,071,070              | 432,071,070                       |
| Balances as of 30 September 2022 | 200,000              | 4,796,834,806            | 4,797,034,806                     |
| Net expense                      | -                    | (126,207,818)            | (126,207,818)                     |
| Balances as of 30 September 2023 | 200,000              | 4,670,626,988            | 4,670,826,988                     |

See accompanying notes to annual financial statements.

The proposed profit appropriation/distribution has been outlined above, no further dividends have been proposed.

## Apple ApS

### NOTES TO ANNUAL FINANCIAL STATEMENTS

#### Note 1. - Summary of Significant Accounting Policies

##### Statement of Compliance

The annual financial statements of the Company have been prepared in accordance with provisions of the Danish Financial Statement Act, applying to enterprises of reporting class C large sized entities. The Company has moved in the current period from class C medium sized entities to class C large sized entities.

##### Basis of Presentation and Preparation

The annual financial statements are presented in Danish Krone ("DKK") which is the Company's functional and presentational currency. The annual financial statements, which are rounded to the nearest DKK (unless otherwise stated) have been prepared under the historical cost convention, except where assets and liabilities are stated at fair value in accordance with relevant accounting policies.

Apple ApS (the "Company") is a limited company incorporated and domiciled in København K. The Company's registered office is at Silkegade 8,1., DK-1113, København K. Its principal activity is the operation of a data centre, which provides data services to the Apple group.

The financial year end of the Company is 30 September.

The Company's immediate parent undertaking is Apple Operations International Limited a company incorporated in Ireland. The Company's ultimate parent undertaking is Apple Inc., a company incorporated in California, United States of America, the consolidated financial statements of which are publicly available from Investor Relations, Apple Inc., One Apple Park Way, Cupertino, California, 95014, United States of America. Apple Inc is the largest undertaking into which results of Apple ApS are consolidated.

##### Going concern

The financial statements have been prepared on a going concern basis. The directors are satisfied that adequate resources are available to the Company and they have no reason to believe that any material uncertainty exists that would cast a doubt about the ability of the Company to continue as a going concern for at least twelve months from the date of approval of the financial statements.

##### Judgements and Key Sources of Estimation Uncertainty

The preparation of financial statements and related disclosures in conformity with the Danish Financial Statement of Act require the Company's management to make judgments, assumptions and estimates that affect the amounts reported. Management bases its estimates on historical experience and on various other assumptions it believes to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities. There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities in the financial statements.

## Apple ApS

### NOTES TO ANNUAL FINANCIAL STATEMENTS (CONTINUED)

#### Note 1. - Summary of Significant Accounting Policies (continued)

##### Revenue Recognition

Net sales consist of revenue from the sale of services. The Company recognises revenue at the amount to which it expects to be entitled when control of the services is transferred to its customers, which generally occurs over time as services are delivered. Payment for net sales of services is collected within a short period of time following transfer of control or commencement of delivery of services, as applicable.

The Company records revenue net of taxes collected from customers that are remitted to governmental authorities, with the collected taxes recorded within other current liabilities until remitted to the relevant government authority.

##### Property, Plant and Equipment

Property, plant and equipment is initially measured at cost. Depreciation on property, plant and equipment is recognised on a straight-line basis over the estimated useful lives of the assets, which for buildings is the lesser of 40 years or the remaining life of the underlying building; between 2 and 10 years for machinery and equipment.

##### Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The estimated useful lives of intangible assets for current and comparative periods are 5 years.

##### Leases

Leases in which a significant portion of the risks and rewards of ownership retained by the lessors are classified as operating leases. Operating lease payments are recognised as an operating expense in the income statement on a straight-line basis over the lease term.

##### Statement of Cash flows

In pursuance of section 86(4) of the Danish Financial Statements Act, no cash flow statement has been prepared for the company, as the cash flows are included in the consolidated cash flow statement of the immediate parent company.

## Apple ApS

### NOTES TO ANNUAL FINANCIAL STATEMENTS (CONTINUED)

#### Note 1. - Summary of Significant Accounting Policies (continued)

##### Derivative financial instruments

Derivative financial instruments are measured at fair value. Positive and negative fair values of derivative financial instruments are recognised as derivative assets / liabilities, respectively.

Apple ApS has not designated any derivative financial instruments as hedging instruments in hedge accounting relationships. As such, changes in the fair value of derivative financial instruments are recognised in the income statement as financial income / financial expense on an ongoing basis.

Derivatives are classified as current or non-current based on their outstanding maturities.

##### Income taxes

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax change is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluate positions taken in the tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is recognised in respect all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements of the Company except where the deferred tax arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred tax is realised or the deferred tax liability is settled.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is legally enforceable right to offset current tax assets and liabilities. Current tax assets and tax liabilities are offset where the entity has legally enforceable right to offset and intends either to settled on a net basis, or to realise the assets and settle the liability simultaneously.

Current and deferred tax is recognised in the Income Statement, except to the extent that it relates to items recognised in the Statements of Comprehensive Income or directly in the Statements of Shareholders' Equity. In this case, the tax is also recognised in the Statement of Comprehensive Income or directly in the Statement of the Shareholders' Equity, respectively.

## Apple ApS

### NOTES TO ANNUAL FINANCIAL STATEMENTS (CONTINUED)

#### Note 1. - Summary of Significant Accounting Policies (continued)

##### Financial Instruments

A financial instrument is a contract that gives rise to a financial asset of one entity and financial liability or equity instrument of another entity.

Financial assets or financial liabilities are initially recognised at the transaction price (including transaction cost except in the initial measurement of financial assets and liabilities that are subsequently measured at fair value through income statement) unless the arrangement constitutes a financing transaction for either the Company or counter party. If the arrangement constitutes a financing transaction, the Company shall measure the financial assets or liability at the present value of the future payments discounted at the market rate of interest for a similar debt instrument.

Subsequently at each financial position date, the Company measures financial instruments at amortised cost using effective interest method.

##### Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability (or a group of financial assets or financial liabilities) and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the carrying amount of the financial asset or financial liability.

##### Impairment of financial assets

The Company assesses at the end of each reporting date whether there is any indication that an asset may be impaired. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the asset have been affected.

Apple ApS

NOTES TO ANNUAL FINANCIAL STATEMENTS (CONTINUED)

Note 2 - Net Sales

|          | Years ended       |                   |
|----------|-------------------|-------------------|
|          | 30 September 2023 | 30 September 2022 |
|          | DKK               | DKK               |
| Services | 544,442,740       | 404,213,736       |

Note 3 - Annual Financial Statement Details

The following tables show the annual financial statement details of the Company as of 30 September 2023 and 30 September 2022:

Other current assets

|                             | As of             | As of             |
|-----------------------------|-------------------|-------------------|
|                             | 30 September 2023 | 30 September 2022 |
|                             | DKK               | DKK               |
| Prepayments                 | 45,834,051        | 47,331,289        |
| Value added tax receivables | 17,976,063        | 46,759,420        |
| Other receivables           | 2,573,830         | 48,209,565        |
|                             | 66,383,944        | 142,300,274       |

Other non-current assets

|                   | As of             | As of             |
|-------------------|-------------------|-------------------|
|                   | 30 September 2023 | 30 September 2022 |
|                   | DKK               | DKK               |
| Derivative assets | 161,339,127       | 397,862,157       |
|                   | 161,339,127       | 397,862,157       |



## Apple ApS

### NOTES TO ANNUAL FINANCIAL STATEMENTS (CONTINUED)

#### Note 3 - Annual Financial Statement Details (continued)

##### Derivative assets

|            | As of<br>30 September 2023 | As of<br>30 September 2022 |
|------------|----------------------------|----------------------------|
|            | DKK                        | DKK                        |
| Fair value | 161,339,127                | 397,862,157                |

The Company has entered into a number of virtual power purchase agreements (“VPPA”). These VPPA’s are in the form of contracts for difference (“CfD”) whereby the supplier and the Company enter into an agreement under which the price per unit of energy paid by the Company is fixed, with the difference between the spot price for renewable energy and the fixed price stipulated in the CfD paid to, or received from, the supplier.

The CfD’s, which have maturity dates in 2034 and 2035, relate to underlying wind and solar projects with expected output of 62 gigawatt hours (“GWh”) per annum and 53.5 GWh’s per annum respectively.

Measurement of the VPPA’s are associated with uncertainty as a result of certain inputs used in the model for calculating the fair value of the CfD’s. The fair values of the contracts for difference are classified within Level 3 of the fair value hierarchy.

Changes in the applied inputs could potentially have a significant effect on the fair values. Significant unobservable inputs include future output volumes, forward electricity price curve of a market prognosis and the discount rate curve.

##### Sensitivity analysis

For the fair values of CfD’s, reasonably possible changes at 30 September 2023 to one of the significant inputs, holding other inputs constant, would have the following effects on financial items and equity.

|                             | Increase | Decrease |
|-----------------------------|----------|----------|
|                             | DKK’000  | DKK’000  |
| GWh output (3 GWh movement) | 9,785    | (9,785)  |
| Power price (20% movement)  | 70,998   | (70,998) |
| Discount rate (1% movement) | (4,138)  | 4,361    |

## Apple ApS

### NOTES TO ANNUAL FINANCIAL STATEMENTS (CONTINUED)

#### Note 3 - Annual Financial Statement Details (continued)

##### Accounts payable

|  | As of<br>30 September 2023 | As of<br>30 September 2022 |
|--|----------------------------|----------------------------|
|  | DKK                        | DKK                        |
| Trade payables   | 11,181,190                 | 348,815,966                |
| Amounts owed to other Apple related parties (Note 8, "Related Party Transactions") | 530,867,151                | 35,092,981                 |
|  | <u>542,048,341</u>         | <u>383,908,947</u>         |

##### Other current liabilities

|                      | As of<br>30 September 2023 | As of<br>30 September 2022 |
|----------------------|----------------------------|----------------------------|
|                      | DKK                        | DKK                        |
| Accrued compensation | 1,499,082                  | 1,834,228                  |
| Accrued expenses     | 46,918,579                 | 48,068,851                 |
| Accrued taxes        | 77,426                     | 42,363                     |
|                      | <u>48,495,087</u>          | <u>49,945,442</u>          |

##### Employee expenses

The following table shows the employee expenses incurred in 2023 and 2022.

|                      | Years ended       |                   |
|----------------------|-------------------|-------------------|
|                      | 30 September 2023 | 30 September 2022 |
|                      | DKK               | DKK               |
| Wages and salaries   | 9,177,006         | 7,970,593         |
| Social welfare costs | 75,158            | 217,941           |
| Pension costs        | 743,819           | 636,694           |
|                      | <u>9,995,983</u>  | <u>8,825,228</u>  |

The average number of persons employed by the Company in 2023 was 8 (2022: 7). The Company does not incur any costs for the Company's Executive Board.

## Apple ApS

### NOTES TO ANNUAL FINANCIAL STATEMENTS (CONTINUED)

#### Note 3 - Annual Financial Statement Details (continued)

##### Other expenses from operations

|                                      | Years ended        |                    |
|--------------------------------------|--------------------|--------------------|
|                                      | 30 September 2023  | 30 September 2022  |
|                                      | DKK                | DKK                |
| Professional fees                    | 45,985,294         | 35,495,260         |
| Lease expenses                       | 552,696            | 530,767            |
| Travel expenses                      | 362,018            | 131,545            |
| Electricity and maintenance expenses | 115,998,375        | 118,690,018        |
|                                      | <u>162,898,383</u> | <u>154,847,590</u> |

Audit fees totalling DKK 879,638 relating to the audit have been borne by a different group entity in 2023.

##### Finance income

|  | Years ended       |                    |
|--|-------------------|--------------------|
|  | 30 September 2023 | 30 September 2022  |
|  | DKK               | DKK                |
| Other income                                     | 26,278,894        | 19,516,727         |
| Realised gains on derivative asset               | 30,283,924        | 118,852,120        |
| Unrealised gains on derivative asset             | -                 | 397,862,157        |
| Interest income from other Apple related parties | -                 | 1,064              |
|  | <u>56,562,818</u> | <u>536,232,068</u> |

##### Finance expense

|   | Years ended        |                   |
|---|--------------------|-------------------|
|   | 30 September 2023  | 30 September 2022 |
|   | DKK                | DKK               |
| Bank interest and other expense                 | 4,629,530          | 149,243           |
| Unrealised loss on derivative asset             | 236,523,030        | -                 |
| Foreign exchange loss                           | 573,502            | -                 |
| Interest expense to other Apple related parties | 12,764,540         | -                 |
|   | <u>254,490,602</u> | <u>149,243</u>    |

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NOTES TO ANNUAL FINANCIAL STATEMENTS (CONTINUED)

Note 4 - Provision for Income Taxes

The major components of income tax for the years ended 30 September 2023 and 30 September 2022 are:

|   | Years ended       |                   |
|---|-------------------|-------------------|
|   | 30 September 2023 | 30 September 2022 |
|   | DKK               | DKK               |
| Current income tax:                               |                   |                   |
| Change in estimates related to prior years        | 839,100           | -                 |
| Corporation tax (credit)/charge                   | (37,388,063)      | 120,162,935       |
| Total current income tax                          | (36,548,963)      | 120,162,935       |
| Deferred income tax:                              |                   |                   |
| Origination and reversal of temporary differences | (7,188,959)       | (2,224,751)       |
| Total deferred income tax                         | (7,188,959)       | (2,224,751)       |
| Provision for income taxes                        | (43,737,922)      | 117,938,184       |

The following table shows the reconciliation of income tax to accounting profit multiplied by the applicable tax rate for 2023 and 2022:

|  | Years ended       |                   |
|--|-------------------|-------------------|
|  | 30 September 2023 | 30 September 2022 |
|  | DKK               | DKK               |
| Income/(expense) before provision for income taxes | (169,945,740)     | 550,009,254       |
| Tax at 22% (2022: 22%)                             | 37,388,063        | (121,002,036)     |
| Expenses not deductible for tax purposes           | (2,299)           | (2,878)           |
| Capital allowances in excess of depreciation       | 6,391,935         | 3,293,959         |
| Change in estimates related to prior years         | (39,777)          | (227,229)         |
| Provision for income taxes                         | 43,737,922        | (117,938,184)     |

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### NOTES TO ANNUAL FINANCIAL STATEMENTS (CONTINUED)

#### Note 4 - Provision for Income Taxes (continued)

The Company's deferred tax assets are analysed as follows:

|                                      | <b>Total</b> |
|--------------------------------------|--------------|
|                                      | <b>DKK</b>   |
| As of 30 September 2021              | 7,556,849    |
| Tax credited to the Income Statement | 2,224,751    |
| As of 30 September 2022              | 9,781,600    |
| Tax credited to the Income Statement | 7,188,959    |
| As of 30 September 2023              | 16,970,559   |

#### Note 5 - Property, Plant and Equipment, net

|                         | <b>Buildings</b> | <b>Machinery &amp;<br/>equipment</b> | <b>Construction<br/>in Progress</b> | <b>Total</b>  |
|-------------------------|------------------|--------------------------------------|-------------------------------------|---------------|
|                         | <b>DKK</b>       | <b>DKK</b>                           | <b>DKK</b>                          | <b>DKK</b>    |
| <b>Cost:</b>            |                  |                                      |                                     |               |
| As of 30 September 2021 | 3,519,488,399    | 566,353,377                          | 357,842,442                         | 4,443,684,218 |
| Additions               | 11,579,240       | 433,201,361                          | 360,405,256                         | 805,185,857   |
| Disposals               | -                | (3,177,453)                          | (3,686,589)                         | (6,864,042)   |
| As of 30 September 2022 | 3,531,067,639    | 996,377,285                          | 714,561,109                         | 5,242,006,033 |
| Additions               | 187,065,674      | 366,121,448                          | 74,265,058                          | 627,452,180   |
| Disposals               | -                | (11,937,423)                         | (27,770,529)                        | (39,707,952)  |
| Transfers               | 67,051,557       | 85,197,587                           | (152,249,144)                       | -             |
| As of 30 September 2023 | 3,785,184,870    | 1,435,758,897                        | 608,806,494                         | 5,829,750,261 |
| <b>Depreciation:</b>    |                  |                                      |                                     |               |
| As of 30 September 2021 | (96,313,059)     | (94,564,184)                         | (98,138,339)                        | (289,015,582) |
| Charge for the year     | (83,251,114)     | (142,809,609)                        | -                                   | (226,060,723) |
| Disposals               | -                | 800,141                              | -                                   | 800,141       |
| As of 30 September 2022 | (179,564,173)    | (236,573,652)                        | (98,138,339)                        | (514,276,164) |
| Charge for the year     | (84,034,613)     | (258,781,917)                        | -                                   | (342,816,530) |
| Disposals               | -                | 1,615,081                            | -                                   | 1,615,081     |
| As of 30 September 2023 | (263,598,786)    | (493,740,488)                        | (98,138,339)                        | (855,477,613) |
| <b>Net book value:</b>  |                  |                                      |                                     |               |
| As of 30 September 2023 | 3,521,586,084    | 942,018,409                          | 510,668,155                         | 4,974,272,648 |
| As of 30 September 2022 | 3,351,503,466    | 759,803,633                          | 616,422,770                         | 4,727,729,869 |

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NOTES TO ANNUAL FINANCIAL STATEMENTS (CONTINUED)

Note 6 - Intangible assets

|                                     | <u>Software</u> |
|-------------------------------------|-----------------|
|                                     | <u>DKK</u>      |
| <b>Cost:</b>                        |                 |
| As of 30 September 2021             | 808,503         |
| Additions                           | 2,940,495       |
| As of 30 September 2022             | 3,748,998       |
| Additions                           | -               |
| As of 30 September 2023             | 3,748,998       |
| <b>Amortisation and impairment:</b> |                 |
| As of 30 September 2021             | (188,651)       |
| Amortisation                        | (553,766)       |
| As of 30 September 2022             | (742,417)       |
| Amortisation                        | (749,800)       |
| As of 30 September 2023             | (1,492,217)     |
| <b>Net book value:</b>              |                 |
| As of 30 September 2023             | 2,256,781       |
| As of 30 September 2022             | 3,006,581       |

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NOTES TO ANNUAL FINANCIAL STATEMENTS (CONTINUED)

Note 7 - Share Capital

|                                       | As of<br>30 September 2023 | As of<br>30 September 2022 |
|---------------------------------------|----------------------------|----------------------------|
|                                       | DKK                        | DKK                        |
| Authorised shares                     |                            |                            |
| 2,000 ordinary shares of DKK 100 each | 200,000                    | 200,000                    |
|                                       | <u>200,000</u>             | <u>200,000</u>             |

|                                       | As of<br>30 September 2023 | As of<br>30 September 2022 |
|---------------------------------------|----------------------------|----------------------------|
|                                       | DKK                        | DKK                        |
| Ordinary shares issued and fully paid |                            |                            |
| 2,000 ordinary shares of DKK 100 each | 200,000                    | 200,000                    |
|                                       | <u>200,000</u>             | <u>200,000</u>             |

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### NOTES TO ANNUAL FINANCIAL STATEMENTS (CONTINUED)

#### Note 8 - Related Party Transactions

Sales to and purchases from related parties are on terms equivalent to those that prevail in arm's length transactions. The outstanding balances included in accounts receivables, net, accounts payable and other assets at the Balance sheet dates are interest or non-interest bearing, unsecured and repayable on demand or within 45 day terms.

The following tables summarise the transactions and outstanding balances with related parties:

|                             | As of 30 September 2023  |                                |                                   |                                 |
|-----------------------------|--------------------------|--------------------------------|-----------------------------------|---------------------------------|
|                             | Sales to Related Parties | Purchases from Related Parties | Amounts owed from Related Parties | Amounts owed to Related Parties |
|                             | DKK                      | DKK                            | DKK                               | DKK                             |
| Ultimate Parent             | 371,906                  | (25,593,335)                   | -                                 | -                               |
| Other Apple related parties | 587,803,551              | (49,907,188)                   | 170,310,720                       | (530,867,151)                   |
|                             | 588,175,457              | (75,500,523)                   | 170,310,720                       | (530,867,151)                   |

|                             | As of 30 September 2022  |                                |                                   |                                 |
|-----------------------------|--------------------------|--------------------------------|-----------------------------------|---------------------------------|
|                             | Sales to Related Parties | Purchases from Related Parties | Amounts owed from Related Parties | Amounts owed to Related Parties |
|                             | DKK                      | DKK                            | DKK                               | DKK                             |
| Ultimate Parent             | 178,168,108              | -                              | -                                 | -                               |
| Other Apple related parties | 226,045,628              | (738,392)                      | 70,213,284                        | (35,092,981)                    |
|                             | 404,213,736              | (738,392)                      | 70,213,284                        | (35,092,981)                    |

#### Note 9 - Leases

The future minimum lease payments under non-cancellable operating leases as of 30 September 2023 are as follows:

|   | As of<br>30 September 2023 | As of<br>30 September 2022 |
|---|----------------------------|----------------------------|
|   | DKK                        | DKK                        |
| Within one year                                   | 2,360,688                  | 2,225,412                  |
| Later than one year but not later than five years | 5,311,548                  | 7,232,589                  |
|   | 7,672,236                  | 9,458,001                  |



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### NOTES TO ANNUAL FINANCIAL STATEMENTS (CONTINUED)

#### **Note 10 – Contingent liabilities**

The Danish group enterprises are jointly and severally liable for tax on the jointly taxed income of the Group and for Danish taxes at source such as dividend tax, tax on royalty payments and withholding tax.

#### **Note 11 - Approval of Financial Statements**

The annual financial statements were approved and authorised for issue on 25 March 2024.