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# **Apple Operations International Limited**

## **Directors' Report and Consolidated Financial Statements**

**Year Ended 27 September 2025**

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**Apple Operations International Limited**  
**DIRECTORS' REPORT AND CONSOLIDATED FINANCIAL STATEMENTS**  
**Year Ended 27 September 2025**

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## Apple Operations International Limited

### DIRECTORS' REPORT

The directors present their report and audited consolidated financial statements of Apple Operations International Limited, (the "Company") and its subsidiaries (collectively the "Group") for the financial year ended 27 September 2025 ("2025"). The consolidated financial statements are presented in U.S. dollars ("\$\$") and rounded to the nearest million (unless otherwise stated).

The directors have elected to prepare the consolidated financial statements of the Group in accordance with International Financial Reporting Standards and their interpretations approved by the International Accounting Standards Board as adopted by the European Union ("IFRS") and those parts of the Companies Act 2014 applicable to companies reporting under IFRS. The Company financial statements are prepared in accordance with the Financial Reporting Standard 102 ("FRS 102") as issued by the Financial Reporting Council and the Companies Act 2014.

The Company's ultimate and immediate parent is Apple Inc. ("Ultimate Parent", "Apple", or "Apple Inc."), a company incorporated in California, United States of America.

The Company is incorporated in Ireland with a registration number of 76941. The registered office is Hollyhill Industrial Estate, Hollyhill, Cork, Ireland.

#### Principal Activities, Business Review and Future Events

The Group and Company develop, manufacture and market smartphones, personal computers, tablets, wearables and accessories, and sells a variety of related services. The Company engages in the provision of financing to other Apple undertakings and serves as a holding company for the management of certain Apple subsidiary companies.

The Group recorded net sales in 2025 of \$235.3 billion (2024: \$222.3 billion), an increase of 5.8%. Gross margin in 2025 was 47.1% (2024: 45.9%). The Group incurred research and development ("R&D") costs in 2025 of \$19.5 billion (2024: \$16.9 billion). Net income for the Group in 2025 was \$68.9 billion (2024: \$51.2 billion). Average full time equivalent employees across the Group for 2025 were 56,694 (2024: 55,827). Net assets of the Group for 2025 were \$47.9 billion (2024: \$48.0 billion), a decrease of \$0.1 billion.

The profit of the Company in 2025 was \$73.7 billion (2024: \$62.3 billion).

The directors do not anticipate any significant change in activities for the Group and Company in the foreseeable future.

#### Income Taxes

The corporate income taxes reported in the Consolidated Statements of Operations, Statements of Comprehensive Income Balance Sheets, Statements of Shareholders' Equity and Statements of Cash Flows do not include U.S.-level corporate taxes borne by Apple Inc.

#### Risks and Uncertainties

The following summarizes factors that could have a material adverse effect on the Group's business, reputation, results of operations and financial condition. The Group may not be able to accurately predict, control or mitigate these risks. Statements in this section are based on the Group's beliefs and opinions regarding matters that could materially adversely affect the Group in the future and are not representations as to whether such matters have or have not occurred previously. The risks and uncertainties described below are not exhaustive and should not be considered a complete statement of all potential risks or uncertainties that the Group faces or may face in the future.

The Group manages all its risk and uncertainties together with its ultimate parent Apple Inc.

Refer to Note 7, "Financial Risk Management and Financial Instruments" of the consolidated financial statements for details of the Group's financial risk management policies.

#### Macroeconomic and Industry Risks

***The Group's operations and performance depend significantly on global and regional economic conditions and adverse economic conditions can materially adversely affect the Group's business, results of operations and financial condition.***

The Group has international operations with sales outside Ireland representing a majority of the Group's total net sales. In addition, the Group's global supply chain is large and complex and a majority of the Group's supplier facilities, including manufacturing and assembly sites, are located outside Ireland. As a result, the Group's operations and performance depend significantly on global and regional economic conditions.

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Adverse macroeconomic conditions, including slow growth or recession, high unemployment, inflation, tighter credit, higher interest rates, and currency fluctuations can adversely impact consumer confidence and spending and materially adversely affect demand for the Group's products and services. In addition, consumer confidence and spending can be materially adversely affected in response to changes in fiscal and monetary policy, financial market volatility, declines in income or asset values, and other economic factors.

Uncertainty about, or a decline in, global or regional economic conditions can also have a significant impact on the Group's suppliers, contract manufacturers, logistics providers, distributors, cellular network carriers and other channel partners, and developers. Potential outcomes include financial instability; inability to obtain credit to finance business operations; and insolvency.

Adverse economic conditions can also lead to increased credit and collectibility risk on the Group's trade receivables; the failure of derivative counterparties and other financial institutions; reduced liquidity; and declines in the fair values of the Group's financial instruments. These and other impacts can materially adversely affect the Group's business, results of operations and financial condition.

***The Group's business can be impacted by political events, trade and other international disputes, geopolitical tensions, conflict, terrorism, natural disasters, public health issues, industrial accidents and other business interruptions.***

Political events, trade and other international disputes, geopolitical tensions, conflict, terrorism, natural disasters, public health issues, industrial accidents and other business interruptions can have a material adverse effect on the Group and its customers, employees, suppliers, contract manufacturers, logistics providers, distributors, cellular network carriers and other channel partners.

The Group has a large, global business with sales outside Ireland representing a majority of the Group's total net sales, and the Group believes that it generally benefits from growth in international trade. A significant majority of the Group's manufacturing is performed in whole or in part by outsourcing partners located primarily in China mainland, India, Japan, South Korea, Taiwan and Vietnam. Restrictions on international trade, such as tariffs and other controls on imports or exports of goods, technology or data, can materially adversely affect the Group's business and supply chain. The impact can be particularly significant if these restrictive measures apply to countries and regions where the Group derives a significant portion of its revenues and/or has significant supply chain operations. Restrictive measures can increase the cost or limit the availability of the Group's products and the components and rare earths and other raw materials that go into them. Restrictive measures can also require the Group to change suppliers, restructure business relationships and operations, refrain from offering and distributing or cease to offer and distribute affected products, services and third-party applications to its customers, and increase the prices of its products and services. Changing the Group's business and supply chain in accordance with new or changed restrictions on international trade can be expensive, time-consuming and disruptive to the Group's business and results of operations. Trade and other international disputes can also have an adverse impact on the overall macroeconomic environment and result in shifts and reductions in consumer spending and negative consumer sentiment for the Group's products and services, all of which can further adversely affect the Group's business and results of operations. Such restrictions can be announced with little or no advance notice, which can create uncertainty, and the Group may not be able to effectively mitigate any or all adverse impacts from such measures. Global supply chains can be highly concentrated, and an escalation of geopolitical tensions or conflict could result in significant disruptions.

Many of the Group's operations, retail stores and facilities, as well as critical business operations of the Group's suppliers and contract manufacturers, are in locations that are prone to earthquakes and other natural disasters. Global climate change is resulting in certain types of natural disasters and extreme weather occurring more frequently or with more intense effects. In addition, the Group's and its suppliers' operations, retail stores and facilities are subject to the risk of interruption by fire, power shortages, nuclear power plant accidents and other industrial accidents, terrorist attacks and other hostile acts, ransomware and other cybersecurity attacks, labor disputes, public health issues and other events beyond the Group's control.

Such events can make it difficult or impossible for the Group to manufacture and deliver products to its customers, create delays and inefficiencies in the Group's supply and manufacturing chain, result in slowdowns and outages to the Group's service offerings, increase the Group's costs, and negatively impact consumer spending and demand in affected areas.

The Group's operations are also subject to the risks of industrial accidents at its suppliers and contract manufacturers. While the Group's suppliers are required to maintain safe working environments and operations, an industrial accident could occur and could result in serious injuries or loss of life, disruption to the Group's business, and harm to the Group's reputation. Major public health issues, including pandemics such as the COVID-19 pandemic, have adversely affected, and could in the future materially adversely affect, the Group due to their impact on the global economy and demand for consumer products; the imposition of protective public safety measures, such as stringent employee travel restrictions and limitations on freight services and the movement of products between regions; and disruptions in the Group's operations, supply chain and sales

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and distribution channels, resulting in interruptions to the supply of current products and offering of existing services, and delays in production ramps of new products and development of new services.

Following any interruption to its business, the Group can require substantial recovery time, incur experience significant expenditures to resume operations, and lose significant sales. Because the Group relies on single or limited sources for the supply and manufacture of many critical components, a business interruption affecting such sources would exacerbate any negative consequences to the Group. While the Group maintains insurance coverage for certain types of losses, such insurance coverage may be insufficient to cover all losses that may arise. Any of the foregoing can materially adversely affect the Group's business, results of operations, and financial condition.

***Global markets for the Group's products and services are highly competitive and subject to rapid technological change, and the Group may be unable to compete effectively in these markets.***

The Group's products and services are offered in highly competitive global markets. These markets are characterized by aggressive price competition, and resulting downward pressure on gross margins, continual improvement in product performance, and price sensitivity on the part of consumers and businesses. These markets are further defined by frequent introduction of new products and services, short product life cycles, evolving industry standards, and rapid adoption of technological advancements.

The Group's ability to compete successfully depends heavily on ensuring the continuing and timely introduction of innovative new products, services and technologies to the marketplace. The Group, together with Apple Inc., designs and develops nearly the entire solution for its products, including the hardware, operating system, numerous software applications and related services. As a result, the Group, together with Apple Inc., must make significant investments in R&D. These investments may not achieve expected returns, and Apple Inc. and the Group may not be able to develop and market new products and services successfully.

The Group's ability to compete successfully also depends on the effective protection and enforcement of its intellectual property rights. Regulatory requirements, government investigations and litigation can force the Group to withdraw from, or modify its products and services for, certain countries and limit its ability to derive value from, or to enjoy others from using, its intellectual property rights. Additionally, they may require the Group to share its innovations with competitors. Any of these outcomes can have a negative impact on the Group's competitive advantage and materially adversely affect its business, results of operations, and financial condition.

Apple Inc., currently holds a significant number of patents, trademarks and copyrights and has registered, and applied to register, additional patents, trademarks and copyrights. In contrast, many of the Group's competitors seek to compete primarily through aggressive pricing and very low cost structures, and by imitating the Group's products and infringing on its intellectual property. Effective intellectual property protection is not consistently available in every country in which the Group operates. If the Group and Apple Inc. is unable to continue to develop and sell innovative new products with attractive margins or if competitors infringe on the Group's or Apple Inc.'s intellectual property, the Group's ability to maintain a competitive advantage could be materially adversely affected.

The Group's products and services face substantial competition from companies that have significant technical, marketing, distribution and other resources, as well as established hardware, software and service offerings. In addition, the Group faces significant competition as competitors imitate the Group's product features and applications within their products to offer more competitive solutions. The Group also expects competition to intensify as competitors imitate the Group's approach to providing components seamlessly within their offerings or work collaboratively to offer integrated solutions. Some of the Group's competitors have broad product lines, low-priced products, large installed bases of active devices, and large customer bases. Competition has been particularly intense as competitors have aggressively cut prices and lowered product margins. Certain competitors have the resources, experience or cost structures to provide products and services at little or no profit or even at a loss. The Group has a minority market share in the global smartphone, personal computer, tablet and wearables markets, and some of the markets in which the Group competes have from time to time experienced little to no growth or contracted overall.

If the Group is unable to compete successfully, its business, reputation, results of operations, and financial condition can be materially adversely affected.

#### **Business Risks**

***To remain competitive and stimulate customer demand, the Group must successfully manage frequent introductions and transitions of products and services.***

Due to the highly volatile and competitive nature of the markets and industries in which the Group competes, the Group and Apple Inc. must continually introduce new products, services and technologies, enhance existing products and services, effectively stimulate customer demand for new and upgraded products and services, navigate global regulatory requirements and barriers to market access, and successfully manage the transition to these new and upgraded products and services.

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The success of new product and service introductions depends on a number of factors, including the Group's ability to recruit and retain highly skilled personnel to execute on its strategic initiatives, and the timely and successful development and market acceptance of new products, services and technologies. Success also relies on the Group's ability to manage the risks associated with new technologies and production ramp-up issues, the effective integration of third-party services and technologies into the Group's products and services, the availability, delivery and performance of application software or other third-party support for the Group's products and services, the effective management of manufacturing and other purchase commitments and the management of inventory levels in line with anticipated product demand, and the availability of products in appropriate quantities and at expected costs to meet anticipated demand. Additionally, quality issues or other defects or deficiencies can adversely affect the success of new product and service introductions and market acceptance. New products, services and technologies may replace or supersede existing offerings and may produce lower revenues and lower profit margins. The Group may not be able to successfully manage future introductions and transitions of products and services, which can materially adversely affect the Group's business, reputation, results of operations and financial condition.

***The Group depends on component and product manufacturing and logistical services provided by outsourcing partners.***

A significant majority of the Group's manufacturing is performed in whole or in part by outsourcing partners located primarily in China mainland, India, Japan, South Korea, Taiwan and Vietnam. The Group relies on single-source partners in the Asia and Europe to supply and manufacture many components, and on partners primarily located in Asia, for final assembly of substantially all of the Group's hardware products. The Group has also outsourced much of its transportation and logistics management. While these arrangements can lower operating costs, they also reduce the Group's direct control over production and distribution. Such diminished control has from time to time had and may in the future have, an adverse effect on the cost, quality or quantity of products manufactured or services provided, or adversely affect the Group's flexibility to respond to changing conditions. Although arrangements with these partners may contain provisions for product defect expense reimbursement, the Group generally remains responsible to the consumer for warranty and out-of-warranty service in the event of product defects and experiences unanticipated product defect liabilities from time to time. While the Group relies on its partners to adhere to its supplier code of conduct, violations of the supplier code of conduct occur from time to time and can materially adversely affect the Group's business, reputation, results of operations and financial condition.

Changes or additions to the Group's supply chain require considerable time and resources and involve significant risks and uncertainties, including exposure to additional regulatory and operational risks.

***Future operating results depend upon the Group's ability to obtain components in sufficient quantities on commercially reasonable terms.***

Because the Group currently obtains certain components from single or limited sources, the Group is subject to significant supply and pricing risks. Many components, including those that are available from multiple sources, are at times subject to industry-wide shortages and significant commodity pricing fluctuations that can materially adversely affect the Group's business, results of operations, and financial condition. For example, the global semiconductor industry has in the past experienced high demand and shortages of supply, which adversely affected the Group's ability to obtain sufficient quantities of components and products on commercially reasonable terms, or at all. Such disruptions could occur in the future.

Additionally, the Group's new products often utilize custom components available from only one source. When a component or product uses new technologies, initial capacity constraints may exist until the suppliers' yields have matured or their manufacturing capacities have increased. The Group may not be able to extend or renew agreements for the supply of components on similar terms, or at all, and may not be successful in obtaining sufficient quantities from its suppliers in a timely manner, or in identifying and obtaining sufficient quantities from an alternative source. In addition, component suppliers may fail, be subject to consolidation within a particular industry, or decide to concentrate on the production of common components instead of components customized to meet the Group's requirements, further limiting the Group's ability to obtain sufficient quantities of components on commercially reasonable terms, or at all. Therefore, the Group remains subject to significant risks of supply shortages and price increases that can materially adversely affect its business, results of operations, and financial condition.

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***The Group's products and services may be affected from time to time by design and manufacturing defects that could materially adversely affect the Group's business and result in harm to the Group's reputation.***

The Group offers complex hardware and software products and services that can be affected by design and manufacturing defects. Sophisticated operating system software and applications, such as those offered by the Group, often have issues that can unexpectedly interfere with the intended operation of hardware or software products and services. Defects can also exist in components and products the Group purchases from third parties. Component defects could make the Group's products unsafe and create a risk of environmental or property damage and personal injury. These risks may increase as the Group's products are introduced into specialized applications, including health. In addition, the Group's service offerings can have quality issues and from time to time experience outages, service slowdowns or errors. As a result, from time to time the Group's services have not performed as anticipated and may not meet customer expectations. The introduction of new and complex technologies, such as artificial intelligence features, can increase these and other safety risks, including exposing users to harmful, inaccurate or other negative content and experiences. The Group may not be able to detect and fix all issues and defects in the hardware, software and services it offers, which can result in widespread technical and performance issues affecting the Group's products and services. Errors, bugs and vulnerabilities can be exploited by third parties, compromising the safety and security of a user's device. In addition, the Group can be exposed to product liability claims, recalls, product replacements or modifications, write-offs of inventory, property, plant and equipment or intangible assets, and significant warranty and other expenses, including litigation costs and regulatory fines. Quality problems can adversely affect the experience for users of the Group's products and services, and result in harm to the Group's reputation, loss of competitive advantage, poor market acceptance, reduced demand for products and services, delay in new product and service introductions and lost sales.

***The Group is exposed to the risk of write-downs on the value of its inventory and other assets, in addition to purchase commitment cancellation risk.***

The Group records a write-down for product and component inventories if cost exceeds net realizable value. The Group reviews other assets, including capital assets held at its suppliers' facilities, and inventory prepayments and other long-lived assets, for impairment whenever events or circumstances indicate the assets may not be recoverable. Although the Group believes its inventory, capital assets, inventory prepayments and other assets are currently recoverable, the Group may incur write-downs, impairments and other charges given the rapid and unpredictable pace of product obsolescence in the industries in which the Group competes.

***The Group relies on access to third-party intellectual property, which may not be available to the Group on commercially reasonable terms, or at all.***

The Group's products and services include technology or intellectual property that must be licensed from third parties. In addition, because of technological changes in the industries in which the Group currently competes or in the future may compete, current extensive intellectual property coverage and the rapid rate of new intellectual property rights generation, the Group's products and services may be alleged to infringe existing intellectual property rights of others. This risk may be exacerbated by the use of new and emerging technologies, including machine learning and artificial intelligence, which can involve, among other things, the acquisition and use of copyrighted materials for training as well as the potential reproduction of copyrighted materials in their outputs. From time to time, the Group has been notified that it may be infringing certain intellectual property rights of third parties. The Group is not always able to obtain all necessary licenses to third-party intellectual property rights on commercially reasonable terms or at all. Failure to obtain the right to use third-party intellectual property, or to use such intellectual property on commercially reasonable terms, can require the Group to modify certain products, services or features or preclude the Group from selling certain products or services and expose the Group to significant licensing costs, all of which can materially adversely affect the Group's business, reputation, results of operations, and financial condition.

***The Group's future performance depends in part on support from third-party software developers.***

The Group believes decisions by customers to purchase its hardware products depend in part on the availability of third-party software applications and services. Third-party developers may discontinue the development and maintenance of software applications and services for the Group's products. If third-party software applications and services cease to be developed and maintained for the Group's products, customers may choose not to buy the Group's products, adversely impacting the Group's business, results of operations, and financial condition.

The Group believes that third-party developer support depends on the perceived benefits of creating software and services for the Group's products compared to competitors' platforms, such as Android for smartphones and tablets, Windows for personal computers and tablets, and PlayStation, Nintendo and Xbox for gaming platforms. This analysis may be based on factors such as the market position of the Group and its products, the anticipated revenue that may be generated, expected future growth of product sales, and the costs of developing such applications and services.

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The Group's minority market share in the global smartphone, personal computer, tablet and wearables markets can make developers less inclined to develop or upgrade software for the Group's products and more inclined to devote their resources to developing and upgrading software for competitors' products with larger market share. When developers focus their efforts on these competing platforms, the availability and quality of applications for the Group's devices can suffer.

The Group relies on the continued availability and development of compelling and innovative software applications for its products. The Group's products and operating systems are subject to rapid technological change, and when third-party developers are unable to or choose not to keep up with this pace of change, their applications can fail to take advantage of these changes to deliver improved customer experiences, can operate incorrectly and can result in dissatisfied customers and lower customer demand for the Group's products.

***Failure to obtain or create digital content that appeals to the Group's customers, or to make such content available on commercially reasonable terms, could have a material adverse impact on the Group's business, results of operations and financial condition.***

The Group contracts with numerous third parties to offer their digital content to customers. This includes the right to sell, or offer subscriptions to, third-party content, as well as the right to incorporate specific content into the Group's own services. The licensing or other distribution arrangements for this content can be for relatively short time periods and do not guarantee the continuation or renewal of these arrangements on commercially reasonable terms, or at all. Some third-party content providers and distributors currently or in the future may offer competing products and services, and can take actions to make it difficult or impossible for the Group to license or otherwise distribute their content. Other content owners, providers or distributors may seek to limit the Group's access to, or increase the cost of, such content. The Group may be unable to continue to offer a wide variety of content at commercially reasonable prices with acceptable usage rules.

The Group also produces its own digital content, which can be costly to produce due to intense and increasing competition for talent, content and subscribers, and may fail to appeal to the Group's customers.

***The Group's success depends largely on the talents and efforts of its team members, the continued service and availability of highly skilled employees and the Group's ability to nurture its distinctive and inclusive culture.***

Much of the Group's future success depends on the talents and efforts of its team members. Experienced personnel in the technology industry are in high demand and competition for their talents is intense. Periods of intense competition for talent in particular fields can lead to increased costs as the Group seeks to offer competitive compensation to recruit and retain highly skilled employees. In addition to competition for talent, workforce dynamics are constantly evolving and the Group must navigate changes effectively in order to achieve its strategic initiatives. Laws and regulations, including immigration, labor and employment laws and export controls, among others, can materially adversely affect the Group's ability to recruit and retain a highly skilled, global workforce. If the Group does not effectively manage changing workforce dynamics and regulatory requirements, it could materially adversely affect the Group's culture, operational flexibility, strategy and costs, all of which can materially adversely affect the Group's business, reputation, results of operations, and financial condition.

The Group believes that its distinctive and inclusive culture is a significant driver of its success. If the Group is unable to nurture its culture, it could materially adversely affect the Group's ability to recruit and retain the highly skilled employees who are critical to its success, and could otherwise materially adversely affect the Group's business, reputation, results of operations and financial condition.

***The Group depends on the performance of carriers and other resellers.***

The Group distributes its products and certain of its services through cellular network carriers and other resellers, many of which distribute products and services from competitors. Resellers offer financing, installment payment plans or subsidies for users' purchases of devices, and such plans may be discontinued or modified any time.

The Group has invested and will continue to invest in programs to enhance reseller sales, including staffing selected resellers' stores with Group employees and contractors, and improving product placement displays, and developing and making digital marketing assets available to resellers. These programs can require a substantial investment while not assuring return or incremental sales. For example, the purchasing preferences and behaviors of consumers may change, the financial condition of these resellers could weaken, these resellers could stop distributing the Group's products, or uncertainty regarding demand for some or all of the Group's products could cause resellers to reduce their ordering and marketing of the Group's products, all of which could materially adversely impact the Group's business, results of operations and financial condition.

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***The Group's business and reputation are impacted by information technology system failures and network disruptions.***

The Group and its global supply chain are dependent on complex information technology systems and are exposed to information technology system failures or network disruptions caused by natural disasters, accidents, power disruptions, telecommunications failures, acts of terrorism or war, computer viruses, physical or electronic break-ins, ransomware or other cybersecurity incidents, or other events or disruptions. System upgrades, redundancy and other continuity measures may be ineffective or inadequate, and the Group's or its vendors' business continuity and disaster recovery planning may not be sufficient for all eventualities. Such failures or disruptions can adversely impact the Group's business by, among other things, preventing access to the Group's online services, interfering with customer transactions or impeding the manufacturing and shipping of the Group's products. These events could materially adversely affect the Group's business, reputation, results of operations and financial condition.

***Losses or unauthorized access to or releases of confidential information, including personal information, could subject the Group to significant reputational, financial, legal and operational consequences.***

The Group's business requires it to use and store confidential information, including personal and sensitive health and financial information with respect to the Group's customers and employees. The Group devotes significant resources to systems and data security, including through the use of encryption and other security measures intended to protect its systems and data. But these measures cannot provide absolute security, and losses or unauthorized access to or releases of confidential information occur and could materially adversely affect the Group's business, reputation, results of operations and financial condition.

The Group's business also requires it to share confidential information with suppliers and other third parties. The Group relies on global suppliers that are also exposed to ransomware and other malicious attacks that can disrupt business operations. Although the Group takes steps to secure confidential information that is provided to or accessible by third parties working on the Group's behalf, such measures are not always effective and losses or unauthorized access to, or releases of, confidential information occur. Such incidents and other malicious attacks could materially adversely affect the Group's business, reputation, results of operations and financial condition.

The Group experiences malicious attacks and other attempts to gain unauthorized access to its systems on a regular basis. These attacks target the confidentiality, integrity or availability of confidential information and may disrupt normal business operations. Attacks can impair the Group's ability to attract and retain customers for its products and services, damage commercial relationships, and expose the Group to litigation or government investigations, potentially resulting in penalties, fines or judgments. Globally, attacks are expected to continue accelerating in both frequency and sophistication with increasing use by actors of tools and techniques that are designed to circumvent controls, avoid detection, and remove or obfuscate forensic evidence, all of which hinders the Group's ability to identify, investigate and recover from incidents. In addition, attacks against the Group and its customers can escalate during periods of geopolitical tensions or conflict.

Although malicious attacks perpetrated to gain access to confidential information, including personal information, affect many companies across various industries, the Group is at a relatively greater risk of being targeted because of its high profile and the value of the confidential information it creates, owns, manages, stores and processes.

As with all companies, the security the Group has implemented may not be sufficient for all eventualities and are vulnerable to hacking, ransomware attacks, employee error, malfeasance, system error, faulty password management or other irregularities. For example, third parties can fraudulently induce the Group's or its suppliers' and other third parties' employees or customers into disclosing usernames, passwords or other sensitive information, which can, in turn, be used for unauthorized access to the Group's or such suppliers' or other third parties' systems and services. To help protect customers and the Group, the Group deploys and makes available technologies like multifactor authentication, monitors its services and systems for unusual activity and may freeze accounts under suspicious circumstances, which, among other things, can result in the delay or loss of customer orders or impede customer access to the Group's products and services.

While the Group maintains insurance coverage that is intended to address certain aspects of data security risks, such insurance coverage may be insufficient to cover all losses or all types of claims that may arise.

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***Investment in new business strategies, commercial relationships and acquisitions could disrupt the Group's ongoing business, present risks not originally contemplated and materially adversely affect the Group's business, reputation, results of operations and financial condition.***

The Group has invested, and in the future may invest, in new business strategies, commercial relationships and acquisitions. Such endeavors may involve significant risks and uncertainties, including distraction of management from current operations, greater-than-expected liabilities and expenses, economic, political, legal and regulatory challenges associated with operating in new businesses, regions or countries, inadequate return on capital, potential impairment of tangible and intangible assets, and significant write-offs. Some transactions, including investments and acquisitions, are exposed to additional risks, including failing to obtain required regulatory approvals on a timely basis or at all, a counterparty's failure to perform or deliver as anticipated, or the imposition of onerous conditions that could delay or prevent the Group from completing a transaction or otherwise limit the Group's ability to fully realize the anticipated benefits of a transaction. New business strategies and ventures are inherently risky and may not be successful. The Group's business strategies and investments may not be successful, which could materially adversely affect the Group's business, reputation, results of operations and financial condition.

#### **Legal and Regulatory Compliance Risks**

***The Group's business, results of operations and financial condition could be adversely impacted by unfavorable results of legal proceedings or government investigations.***

The Group is subject to various claims, legal proceedings and government investigations that have arisen in the ordinary course of business and have not yet been fully resolved, and new matters may arise in the future. In addition, the Group enters into agreements that include indemnification provisions that can subject the Group to costs and damages in the event of a claim against an indemnified third party. The number of claims, legal proceedings and government investigations involving the Group, and the alleged magnitude of such claims, proceedings and government investigations, has generally increased over time and may continue to increase.

The Group has faced and continues to face a significant number of patent claims relating to its standards-enabled products, and new claims may arise in the future, including as a result of new legal or regulatory frameworks. For example, technology, data and other intellectual property asset-holding companies frequently assert their intellectual property rights and seek royalties and often enter into litigation based on allegations of infringement or other violations of intellectual property rights. These risks, and the risks of novel claims being attempted, may be exacerbated as new and emerging technologies, including machine learning and artificial intelligence, are further integrated into the Group's products and services. The Group is vigorously defending infringement actions in courts in various countries. The plaintiffs in these actions frequently seek broad injunctive relief and substantial damages.

Regardless of the merit of particular claims, defending against litigation or responding to government investigations can be expensive, time-consuming and disruptive to the Group's operations. In recognition of these considerations, the Group may enter into agreements or other arrangements to settle litigation and resolve such challenges. However, such agreements may not always be available on acceptable terms, and litigation may still arise. Such agreements can also significantly reduce the Group's revenue and increase the Group's cost of sales and operating expenses, materially adversely affecting the Group's business, results of operations and financial condition. Additionally, such agreements may require the Group to change its business practices and limit the Group's ability to offer certain products and services.

The outcome of litigation or government investigations is inherently uncertain. If one or more legal matters were resolved against the Group or an indemnified third party in a reporting period for amounts above management's expectations, the Group's results of operations and financial condition for that reporting period could be materially adversely affected. Further, such an outcome can result in significant monetary damages, disgorgement of revenue or profits, remedial corporate measures or injunctive relief against the Group. Adverse resolution of legal matters has from time to time required, and can in the future require, the Group to change its business practices. It can also limit the Group's ability to enjoin others from using, or to derive value from, its intellectual property rights, and to develop, manufacture, use, import or offer for sale certain products and services, all of which could materially adversely affect the Group's business, reputation, results of operations, and financial condition.

While the Group maintains insurance coverage for certain types of claims, such insurance coverage may be insufficient to cover all losses or all types of claims that may arise.

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### DIRECTORS' REPORT

***The Group is subject to complex and changing laws and regulations worldwide, which exposes the Group to potential liabilities, increased costs and other adverse effects on the Group's business.***

The Group's global operations are subject to complex and changing laws and regulations worldwide on subjects, including antitrust; privacy, data security and data localization; online safety; age verification; consumer protection; advertising, sales, billing and e-commerce; financial services and technology; product liability; intellectual property ownership and infringement; digital platforms; machine learning and artificial intelligence; internet, telecommunications and mobile communications; media, television, film and digital content; availability of third-party software applications and services; labor and employment; anticorruption; import, export and trade; foreign exchange controls and cash repatriation restrictions; anti-money laundering; foreign ownership and investment; national security; tax; and environmental, health and safety, including electronic waste, recycling, product design and climate change.

Compliance with these laws and regulations is onerous and expensive. New and changing laws, regulations, executive orders, directives, and enforcement priorities can adversely affect the Group's business by increasing the Group's costs, limiting the Group's ability to offer a product, service or feature to customers, or imposing changes to the design of the Group's products and services, impacting customer demand for the Group's products and services, and requiring changes to the Group's business or supply chain. New and changing laws, regulations, executive orders, directives, and enforcement priorities can also create uncertainty about how such laws and regulations will be interpreted and applied. If the Group is found to have violated such laws and regulations, it could materially adversely affect the Group's business, reputation, results of operations and financial condition.

Risks and costs related to new and changing laws, regulations, executive orders, directives, and enforcement priorities increase as the Group's products and services are introduced into specialized applications, including health and financial services, or as the Group expands the use of technologies, such as machine learning and artificial intelligence features, and must navigate new legal, regulatory and ethical considerations relating to such technologies.

Regulatory changes and other actions that materially adversely affect the Group's business may be announced with little or no advance notice and the Group may not be able to effectively mitigate all adverse impacts from such measures. For example, the Group is subject to changing regulations relating to the export and import of its products. The Group's programs, policies and procedures may not be effective in preventing a violation or a claim of a violation. As a result, the Group's products could be banned, delayed or prohibited from importation, which could materially adversely affect the Group's business, reputation, results of operations and financial condition.

***Varied stakeholder expectations about social and other issues expose the Group to potential liabilities, increased costs, reputational harm, and other adverse effects on the Group's business.***

Various stakeholders, including governments, regulators, investors, employees, customers and others, have differing expectations about a wide range of social and other issues related to the Group's business. The Group makes statements about its values, including the environmental and societal impact of its business, through various reports, information provided on Apple Inc.'s website, and in press statements and other communications. The Group also pursues environmental and other goals and initiatives that involve risks and uncertainties, require investments, and depend in part on third-party performance or data that is outside the Group's control, and the Group may not be able to fully achieve all of its goals and initiatives. Efforts by the Group to advance its business and values, or achieve its goals and further its initiatives, or to align with stakeholders' expectations, or comply with evolving, varied and at times conflicting federal, state and international laws, executive orders, regulations and standards, or any failure or perceived failure to do so, can result in adverse reactions by consumers and other stakeholders, including the commencement of legal and regulatory proceedings against the Group, and can materially adversely affect the Group's business, reputation, results of operations, financial condition.

## Apple Operations International Limited

### DIRECTORS' REPORT

***The technology industry, including, in some instances, the Group, is subject to intense media, political and regulatory scrutiny, which exposes the Group to increasing regulation, government investigations, legal actions and penalties.***

From time to time, the Group has made changes to its business, including actions taken in response to litigation, competition, market conditions and legal and regulatory requirements. The Group expects to make further business changes in the future.

Globally, several jurisdictions have adopted, or may in the future adopt, competition-related laws and regulations imposing wide-ranging obligations on technology companies and significant limitations on businesses, including the Group. For example, the Group has implemented changes to iOS, iPadOS, the App Store and Safari in the EU as it seeks to comply with the Digital Markets Act ("DMA"), including new business terms and alternative fee structures for iOS and iPadOS apps, alternative methods of distribution for iOS and iPadOS apps, alternative payment processing for apps across the Group's operating systems, and additional tools and application programming interfaces for developers. The Group has also continued to make changes to its compliance plan in response to feedback and engagement with the Commission. Although the Group's compliance plan is intended to address the DMA's obligations, it has been challenged by the Commission and may be challenged further by private litigants. The DMA provides for significant fines and penalties for noncompliance. While the changes introduced by the Group in the EU are intended to reduce new privacy and security risks that the DMA poses to EU users, many risks will remain. Changes to the Group's business in response to the DMA or other laws and regulations could materially adversely affect the Group's business, reputation, results of operations and financial condition. On 25 March 2024, the Commission announced that it had opened a formal noncompliance investigation against the Group under Article 5(4) of the EU DMA ("Article 5(4) Investigation"). The Article 5(4) Investigation relates to how developers may communicate and promote offers to end users for apps distributed through the App Store, as well as how developers may conclude contracts with those end users. On 24 June 2024, the Commission announced that it had opened an additional formal investigation against the Group regarding whether new contractual requirements for third-party app developers and app marketplaces may violate the DMA ("Article 6(4) Investigation"). On 23 April 2025, the Commission fined the Group €500 million in the Article 5(4) Investigation and issued a cease and desist order requiring the Group to remove technical and commercial restrictions that prevent developers from steering users to alternative distribution channels outside the App Store. The Group has appealed the Commission's Article 5(4) decision. Also on 23 April 2025, the Commission issued preliminary findings in the Article 6(4) Investigation. If the Commission makes a final determination in the Article 6(4) Investigation that there has been a violation, it can issue a cease and desist order and may impose fines up to 10% of the Apple Inc.'s annual worldwide net sales. The Commission may also seek to impose additional fines if it deems that the Group has violated a cease and desist order. The Group believes that it complies with the DMA and has continued to make changes to its compliance plan in response to feedback and engagement with the Commission.

The Group is also currently subject to antitrust investigations and litigation in various jurisdictions around the world, which can result in legal proceedings and claims against the Group that could, individually or in the aggregate, have a material adverse impact on the Group's business, results of operations and financial condition. For example, the Group is the subject of investigations in Europe and other jurisdictions relating to App Store terms and conditions. If such investigations or litigation are resolved against the Group, the Group can be exposed to significant fines and may be required to make further changes to its business practices, all of which could materially adversely affect the Group's business, reputation, results of operations and financial condition.

Further, the Group has commercial relationships with other companies in the technology industry that are or may become subject to investigations and litigation that, if resolved against those other companies, could materially adversely affect the Group's commercial relationships with those business partners and materially adversely affect the Group's business, results of operations and financial condition. For example, the Group earns revenue from licensing arrangements with Google LLC ("Google") and other companies to offer their search services on the Group's platforms and applications, and certain of these arrangements are currently subject to government investigations and legal proceedings. On 5 August, 2024, Google was found to have violated U.S. antitrust laws. In connection with this finding, on 2 September 2025, the U.S. District Court for the District of Columbia ("D.C. District Court") ordered certain remedies. The court's order is subject to further proceedings before the D.C. District Court, which may result in changes to the interpretation or application of the remedies ordered by the court, as well as new or changed remedies being ordered. The court's order is also subject to appeal by both the U.S. Department of Justice ("DOJ") and Google. A reversal of the order on appeal could result in imposition of certain remedies initially proposed by the DOJ, such as those prohibiting Google from offering the Group commercial terms for search distribution. If implemented, these remedies could materially adversely affect the Group's ability to earn revenue from such licensing arrangements.

The Group's business, results of operations and financial condition can be materially adversely affected, individually or in the aggregate, by the outcomes of such investigations, litigation or changes to laws and regulations in the future. Changes to the Group's business practices to comply with new laws and regulations or in connection with other legal proceedings can negatively impact the reputation of the Group's products for privacy and security. Such changes in business practices can also otherwise adversely affect the experience for users of the Group's products and services, and result in harm to the Group's reputation, loss of competitive advantage, poor market acceptance, reduced demand for products and services, lost sales, and lower profit margins.

## Apple Operations International Limited

### DIRECTORS' REPORT

***The Group's business is subject to a variety of laws, rules, policies and other obligations regarding the collection, use, protection and transfer of personal data.***

The Group is subject to an increasing number of laws relating to the collection, use, retention, protection and transfer of various types of personal data. In many cases, these laws apply not only to third-party transactions, but also restrict transfers of personal data among the Group. Several jurisdictions have passed laws in this area, and additional jurisdictions are considering imposing additional restrictions or have laws that are pending. These laws continue to develop and may be inconsistent from jurisdiction to jurisdiction. Complying with emerging and changing requirements causes the Group to incur substantial costs and has required and may in the future require the Group to change its business practices. Noncompliance could result in significant penalties or legal liability.

The Group makes statements about its use and disclosure of personal data through its privacy policy, information provided on Apple Inc.'s website, press statements and other privacy notices provided to customers. Any failure or perceived failure by the Group to comply with these public statements or with international privacy or data protection laws and regulations could result in inquiries, proceedings and penalties from governmental entities or others. Such a failure or perceived failure could also result in reputational impacts, ongoing audit requirements and significant legal liability. The risks of inadvertent disclosure of personal data can increase with the introduction of new and complex technologies, such as artificial intelligence features, further exacerbating such risks.

In addition to the risks generally relating to the collection, use, retention, protection and transfer of personal data, the Group is also subject to specific obligations relating to the collection and processing of data associated with minors, as well as information considered sensitive under applicable laws, such as health, biometric, financial and payment card data. Health, biometric, financial and payment card data are subject to additional privacy, security and breach notification requirements, and the Group is subject to audit by governmental authorities regarding the Group's compliance with these obligations. If the Group fails to adequately comply with these rules and requirements, the Group can be subject to litigation or government investigations, can be liable for associated investigatory expenses, and can incur significant fees or fines.

The Group is also subject to new and changing laws and regulations regarding online safety, including enhanced protections for minors and mandatory age verification requirements. These laws and regulations can increase regulatory risks by requiring complex compliance measures and significant modifications to the Group's products, services and operations, and may lead to operational disruptions, heightened privacy and data security risks, increased costs and potential liability and fines, all of which can have a material adverse impact on the Group's business, financial condition and results of operations.

#### **Financial Risks**

***The Group's net sales and gross margins are subject to volatility and downward pressure due to a variety of factors.***

The Group's gross profit margins vary significantly across its products, services, geographic segments and distribution channels and can change over time. The Group's net sales and gross margins are subject to volatility and downward pressure due to a variety of factors, including: continued industry-wide global product pricing pressures and product pricing actions that the Group may take in response to such pressures; increased competition; the Group's ability to effectively stimulate demand for certain of its products and services; compressed product life cycles; supply shortages; potential increases in the cost of components, outside manufacturing services, and developing, acquiring and delivering content for the Group's services; the Group's ability to manage product quality and warranty costs effectively; shifts in the mix of products and services, or in the geographic, currency or channel mix, including to the extent that regulatory changes require the Group to modify its product and service offerings; fluctuations in foreign exchange rates; inflation and other macroeconomic pressures; the imposition of new or increased tariffs and other trade restrictions, their overall magnitude and duration, and retaliatory actions in response; and the introduction of new products or services, including new products or services with lower profit margins. These and other factors could have a materially adverse impact on the Group's results of operations and financial condition. Further, the Group generates a significant portion of its net sales from a single product category and a decline in demand for that product could significantly impact net sales and gross margins.

***The Group's financial performance is subject to risks associated with changes in the value of the U.S. dollar relative to local currencies.***

The Group's primary exposure to movements in foreign exchange rates relates to non-U.S. dollar-denominated sales, cost of sales and operating expenses worldwide. Gross margins on the Group's products in foreign countries and on products that include components obtained from foreign suppliers have in the past been adversely affected and could in the future be materially adversely affected by foreign exchange rate fluctuations.

The weakening of foreign currencies relative to the U.S. dollar adversely affects the U.S. dollar value of the Group's foreign currency-denominated sales and earnings, and generally leads the Group to raise international pricing, potentially reducing demand for the Group's products. In some circumstances, for competitive or other reasons, the Group may decide not to

## Apple Operations International Limited

### DIRECTORS' REPORT

raise international pricing to offset the U.S. dollar's strengthening, which would adversely affect the U.S. dollar value of the gross margins the Group earns on foreign currency-denominated sales.

Conversely, a strengthening of foreign currencies relative to the U.S. dollar, while generally beneficial to the Group's foreign currency-denominated sales and earnings, could cause the Group to reduce international pricing or incur losses on its foreign currency derivative instruments, thereby limiting the benefit. Additionally, strengthening of foreign currencies may increase the Group's cost of product components denominated in those currencies, thus adversely affecting gross margins.

The Group uses derivative instruments, such as foreign currency forward and option contracts, to hedge certain exposures to fluctuations in foreign exchange rates. The use of such hedging activities may not be effective to offset any, or more than a portion, of the adverse financial effects of unfavorable movements in foreign exchange rates over the limited time the hedges are in place.

***The Group is exposed to credit risk and fluctuations in the values of its investment portfolio.***

The Group's investments can be negatively affected by changes in liquidity, credit deterioration, financial results, market and economic conditions, political risk, sovereign risk, interest rate fluctuations or other factors. As a result, the value and liquidity of the Group's cash, cash equivalents and marketable securities may fluctuate substantially. Although the Group has not realized significant losses on its cash, cash equivalents and marketable securities, future fluctuations in their value could result in significant losses and could have a material adverse impact on the Group's results of operations and financial condition.

***The Group is exposed to credit risk on its trade accounts receivable, vendor non-trade receivables and prepayments related to long-term supply agreements, and this risk is heightened during periods when economic conditions worsen.***

The Group distributes its products and certain of its services through third-party cellular network carriers and other resellers. The Group also sells its products and services directly to small and mid-sized businesses and education, enterprise and government customers. A substantial majority of the Group's outstanding trade receivables are not covered by collateral, third-party bank support or financing arrangements, or credit insurance, and a significant portion of the Group's trade receivables can be concentrated within cellular network carriers or other resellers. The Group's exposure to credit and collectibility risk on its trade receivables is higher in certain international markets. The Group also has unsecured vendor non-trade receivables resulting from purchases of components by outsourcing partners and other vendors that manufacture subassemblies or assemble final products for the Group. In addition, the Group has made prepayments associated with long-term supply agreements to secure supply of inventory components. As of 27 September 2025, the Group's vendor non-trade receivables and prepayments related to long-term supply agreements were concentrated among a few individual vendors located primarily in Asia. If the Group is unable to monitor and limit exposure to credit risk on its trade and vendor non-trade receivables, as well as long-term prepayments, the Group's results of operations and financial condition could be materially adversely affected.

***The Group is subject to changes in tax rates, the adoption of new local or international tax legislation and exposure to additional tax liabilities.***

The Group is subject to taxes in numerous jurisdictions, including Ireland and Singapore, where a number of the Group's subsidiaries are organized. Due to economic and political conditions, tax laws and tax rates for income taxes and other non-income taxes in various jurisdictions may be subject to significant change. For example, the Organisation for Economic Co-operation and Development continues to advance proposals for modernizing international tax rules, including the introduction of global minimum tax standards. The Group's effective tax rates are affected by changes in the mix of earnings in countries with differing statutory tax rates, changes in the valuation of deferred tax assets and liabilities, the introduction of new taxes, and changes in tax laws or their interpretation. The application of tax laws may be uncertain, require significant judgment and be subject to differing interpretations.

The Group is also subject to the examination of its tax returns and other tax matters by tax authorities and governmental bodies. The Group regularly assesses the likelihood of an adverse outcome resulting from these examinations to determine the adequacy of its provision for taxes. The outcome of such examinations is inherently uncertain. If the Group's effective tax rates were to increase, or if the ultimate determination of the Group's taxes owed is for an amount in excess of amounts previously accrued, the Group's business, results of operations and financial condition could be materially adversely affected.

#### **Dividends**

Dividends of \$69.4 billion (2024: \$67.6 billion) were paid by the Group with \$70.0 billion (2024: \$68.1 billion) paid by the Company to its ultimate parent Apple Inc. during the year.

## Apple Operations International Limited

### DIRECTORS' REPORT

#### Books and Accounting Records

The directors believe that they have complied with the requirements of Section 281 to 285 of the Companies Act 2014 with regard to accounting records by appointing accounting personnel with appropriate expertise and by providing adequate resources to the finance function. These books and accounting records are maintained at the Company's registered office, Hollyhill Industrial Estate, Hollyhill, Cork, Ireland.

#### Directors, Secretary and Their Interests

The directors of the Company who served during the year were Peter Denwood, Jamie Wong, Éamonn Clancy, Cathy Kearney, Michael Sugrue, and Shane Collins as an alternate director for Peter Denwood. On 20 January 2025, Peter Denwood resigned as a director and Jamie Wong was appointed as a director. By virtue of Peter Denwood's resignation as a director, Shane Collins ceased to be an alternate director for Peter Denwood on 20 January 2025. The secretaries of the Company that served during the year were Shane Collins and Fiona Murphy.

The directors and secretaries who held office as at 27 September 2025 had no interests in shares in or debentures of the Company or any group undertaking of the Company at the end of the financial year, or at the beginning of the financial year (or date of appointment, if later) requiring disclosure in the Directors' Report under Section 329 of the Companies Act 2014.

#### Directors' Compliance Statement

As required by Section 225 of the Companies Act 2014, the directors acknowledge that they are responsible for securing the Company's compliance with its relevant obligations (as defined in that section). The directors further confirm that:

- a. a compliance policy statement has been drawn up setting out the Company's policies (that, in the directors' opinion, are appropriate to the Company) respecting compliance by the Company with its relevant obligations;
- b. appropriate arrangements and structures have been put in place that are, in the directors' opinion, designed to secure material compliance with the Company's relevant obligations, on the basis that they provide a reasonable assurance of compliance in all material respects with the said obligations; and
- c. a review of the arrangements and structures referred to in b. has been conducted during the financial year to which this report relates.

#### Research and Development

The Group carries out research and development activities.

#### Relevant Audit Information

The directors believe that they have taken all steps that they ought to have taken as directors to make themselves aware of any relevant audit information, as defined under Section 330 of the Companies Act 2014, and to establish that the Group's statutory auditors are aware of that information. In so far as they are aware, there is no relevant audit information of which the Group's statutory auditors are unaware.

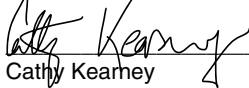
#### Audit Committee

The directors of the Company decided not to establish an audit committee. The directors consider that the responsibilities and functions of the audit committee under the requirements of Section 167 of the Companies Act 2014 are, directly or indirectly, performed by the Apple Inc. Audit and Finance Committee.

#### Independent Auditor

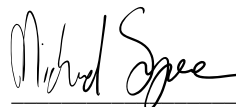
Ernst & Young, Chartered Accountants, will continue in office in accordance with Section 383(2) of the Companies Act 2014.

On behalf of the board



Cathy Kearney  
Director

Date: 19 December 2025



Michael Sugrue  
Director

Date: 19 December 2025

## Apple Operations International Limited

### DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the directors' report and financial statements of the Company and the Group in accordance with applicable law and regulations.

Irish company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company and of the Group and of the profit or loss of the Group for that period. The directors have prepared the consolidated financial statements of the Group in accordance with IFRS and those parts of the Companies Act 2014 applicable to companies reporting under IFRS. The directors have elected to prepare the Company financial statements in accordance with FRS 102 and the Companies Act 2014.

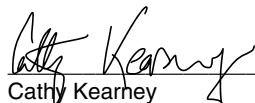
Under Irish company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities, and financial position of the Company and of the Group as of the end of the financial year, and the profit or loss of the Group taken as a whole for the financial year, and otherwise comply with the Companies Act 2014.

In preparing these Group and Company financial statements, the directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and reasons for any material departure from those standards; and
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Company and the Group will continue in business.

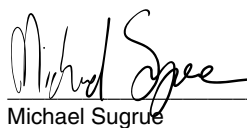
The directors are responsible for ensuring that the Company keeps adequate accounting records which correctly explain and record the transactions of the Company, enabling at any time the assets, liabilities, financial position and profit or loss of the Company to be determined with reasonable accuracy, and ensuring that the Group and the Company financial statements and directors' report comply with the Companies Act 2014 and enable them to be audited. They are also responsible for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

On behalf of the board



Cathy Kearney  
Director

Date: 19 December 2025



Michael Sugrue  
Director

Date: 19 December 2025



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## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF APPLE OPERATIONS INTERNATIONAL LIMITED**

### **Report on the audit of the financial statements**

#### **Opinion**

We have audited the financial statements of Apple Operations International Limited ('the Company') and its subsidiaries ('the Group') for the year ended 27 September 2025, which comprise the Consolidated Statements of Operations, Consolidated Statements of Comprehensive Income, Consolidated Balance Sheets, Consolidated Statements of Shareholders' Equity, Consolidated Statements of Cash Flows, Company Statements of Financial Position, Company Statements of Changes in Equity and notes to the financial statements, including the summary of material accounting policies for the Consolidated financial statements and the summary of significant accounting policies for the Company's financial statements set out in note 1. The financial reporting framework that has been applied in their preparation is Irish Law and as regards the consolidated financial statements, International Financial Reporting Standards ('IFRS') as adopted by the European Union and, as regards the Company financial statements, Accounting Standards including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland issued in the United Kingdom by the Financial Reporting Council.

In our opinion:

- the Group financial statements give a true and fair view of the assets, liabilities and financial position of the Group as at 27 September 2025 and of its profit for the year then ended;
- the Company financial statements give a true and fair view of the assets, liabilities and financial position of the Company as at 27 September 2025;
- the Group financial statements have been properly prepared in accordance with IFRS as adopted by the European Union;
- the Company financial statements have been properly prepared in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- the Group financial statements and Company financial statements have been properly prepared in accordance with the requirements of the Companies Act 2014.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group and Company in accordance with ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.



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## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF APPLE OPERATIONS INTERNATIONAL LIMITED (Continued)**

### **Conclusions relating to going concern (continued)**

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the Company's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Group's or the Company's ability to continue as a going concern.

### **Other information**

The directors are responsible for the other information. The other information comprises the information included in the Directors' Report and Directors' Responsibilities Statement. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2014**

In our opinion, based solely on the work undertaken in the course of the audit, we report that:

- the information given in the Directors' Report is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

We have obtained all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit.

In our opinion the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited and the Company Statement of Financial Position is in agreement with the accounting records.

### **Matters on which we are required to report by exception**

Based on the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

The Companies Act 2014 requires us to report to you if, in our opinion, the requirements of any of sections 305 to 312 of the Act, which relate to disclosures of directors' remuneration and transactions, are not complied with by the Company. We have nothing to report in this regard.



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## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF APPLE OPERATIONS INTERNATIONAL LIMITED (Continued)**

### **Respective responsibilities**

#### **Responsibilities of directors for the financial statements**

As explained more fully in the Directors' Responsibilities Statement set out on page 16, the directors are responsible for the preparation of the financial statements in accordance with the applicable financial reporting framework that give a true and fair view, and for such internal control as they determine 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, the directors are responsible for assessing the Group and the Company's ability to continue as going concerns, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or 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 about 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 (Ireland) 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 these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the IAASA's website at: [http://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description\\_of\\_auditors\\_responsibilities\\_for\\_audit.pdf](http://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf).

This description forms part of our Auditor's Report.

#### **The purpose of our audit work and to whom we owe our responsibilities**

Our report is made solely to the Company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in black ink, appearing to read 'Niall Barrett', is written over a light blue horizontal line.

Niall Barrett  
for and on behalf of  
Ernst & Young Chartered Accountants and Statutory Audit Firm

Cork

Date: 19 December 2025

**Apple Operations International Limited**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**

	Note	Years ended	
		27 September 2025	28 September 2024
		\$'m	\$'m
Net sales	3	235,322	222,303
Cost of sales		(124,503)	(120,286)
Gross margin		110,819	102,017
<b>Operating expenses:</b>			
Research and development		(19,473)	(16,920)
Selling, general and administrative		(13,557)	(12,287)
Total operating expenses		(33,030)	(29,207)
Operating income		77,789	72,810
Other income/(expense), net		3,176	3,552
Income before provision for income taxes		80,965	76,362
Provision for income taxes	6	(12,078)	(25,204)
Net income		68,887	51,158

See accompanying notes to consolidated financial statements.

Apple Operations International Limited

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Years ended	
	27 September 2025	28 September 2024
	\$'m	\$'m
Net income	68,887	51,158
Other comprehensive income/(loss) which will be reclassified to the Statements of Operations in subsequent periods:		
Change in foreign currency translation, net of tax	(233)	190
Change in unrealized gains/losses on derivative instruments, net of tax:	584	(1,821)
Change in unrealized gains/losses on marketable securities, net of tax:	(7)	56
Total other comprehensive income/(loss) which will be reclassified to the Statements of Operations in subsequent periods	344	(1,575)
Other comprehensive income/(loss) which will not be reclassified to the Statements of Operations in subsequent periods:		
Change in fair value of retirement benefit obligations, net of tax:	1	(4)
Total other comprehensive income/(loss)	345	(1,579)
Total comprehensive income	69,232	49,579

See accompanying notes to consolidated financial statements.

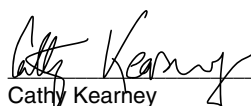
Apple Operations International Limited

CONSOLIDATED BALANCE SHEETS

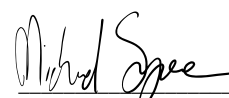
		As of 27 September 2025	As of 28 September 2024
		\$'m	\$'m
<b>Current assets:</b>			
	Note		
Cash and cash equivalents	7	17,089	17,851
Marketable securities	7	22	13,294
Accounts receivable, net	4/7	41,938	38,846
Other current assets	4	70,961	62,632
Total current assets		130,010	132,623
<b>Non-current assets:</b>			
Property, plant and equipment, net	8	13,654	13,300
Other non-current assets		5,620	8,249
Total non-current assets		19,274	21,549
Total assets		149,284	154,172
<b>Current liabilities:</b>			
Accounts payable	4	54,560	51,763
Current tax liabilities		3,841	18,919
Other current liabilities		20,301	19,745
Total current liabilities		78,702	90,427
<b>Non-current liabilities:</b>			
Other non-current liabilities		22,657	15,778
Total non-current liabilities		22,657	15,778
Total liabilities		101,359	106,205
<b>Shareholders' equity:</b>			
Called up share capital presented as equity	9	—	—
Retained earnings		49,174	49,731
Other reserves		(1,249)	(1,764)
Total shareholders' equity		47,925	47,967
Total liabilities and shareholders' equity		149,284	154,172

See accompanying notes to consolidated financial statements.

On behalf of the board

  
Cathy Kearney  
Director

Date: 19 December 2025

  
Michael Sugrue  
Director

Date: 19 December 2025

Apple Operations International Limited

CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY

	Retained earnings	Other reserves	Total shareholders' equity
	\$'m	\$'m	\$'m
Balances as of 30 September 2023	66,194	(197)	65,997
Net income	51,158	—	51,158
Other comprehensive income/(loss)	—	(1,579)	(1,579)
Dividends*	(67,621)	—	(67,621)
Tax effect from equity awards	—	12	12
Balances as of 28 September 2024	49,731	(1,764)	47,967
Net income	68,887	—	68,887
Other comprehensive income/(loss)	—	345	345
Dividends*	(69,444)	—	(69,444)
Tax effect from equity awards	—	168	168
Capital contribution	—	2	2
Balances as of 27 September 2025	49,174	(1,249)	47,925

\* Dividend per share for 2025 was \$6,944,367 (2024: \$6,762,126)

See accompanying notes to consolidated financial statements.

**Apple Operations International Limited**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**

	Years ended	
	27 September 2025	28 September 2024
	\$'m	\$'m
Cash and cash equivalents, beginning balances	17,851	17,993
<b>Operating activities:</b>		
Net income	68,887	51,158
Adjustments to reconcile net income to cash generated by operating activities:		
Depreciation and amortization	3,410	3,640
Other	558	401
Changes in operating assets and liabilities:		
Accounts receivable, net	(3,092)	(4,046)
Other current and non-current assets	(8,737)	(341)
Accounts payable	2,797	4,102
Current tax liabilities	(10,844)	16,296
Other current and non-current liabilities	8,154	(1,596)
Cash generated by operating activities	61,133	69,614
<b>Investing activities:</b>		
Purchases of marketable securities	—	(28,805)
Proceeds from maturities of marketable securities	8,363	24,680
Proceeds from sales of marketable securities	2,695	5,772
Payments for acquisition of property, plant and equipment	(2,456)	(2,725)
Other	(216)	(333)
Cash used in investing activities	8,386	(1,411)
<b>Financing activities:</b>		
Payments for dividends	(69,444)	(67,621)
Payments for lease liabilities	(837)	(724)
Cash used in financing activities	(70,281)	(68,345)
(Decrease)/Increase in cash and cash equivalents	(762)	(142)
Cash and cash equivalents, ending balances	17,089	17,851
<b>Supplemental cash flow disclosure:</b>		
Cash paid for income taxes, net	22,789	8,844

See accompanying notes to consolidated financial statements.

## Apple Operations International Limited

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

#### Note 1 – Summary of Material Accounting Policies

##### Statement of Compliance

The consolidated financial statements of the Group have been prepared in accordance with IFRS and those parts of the Companies Act 2014 applicable to companies reporting under IFRS.

##### Basis of Presentation and Preparation

The consolidated financial statements are presented in U.S. dollars (“\$”) which is the Company’s functional and presentational currency. The consolidated financial statements, which are rounded to the nearest million (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.

The consolidated financial statements are comprised of Apple Operations International Limited and its subsidiaries. Subsidiaries are included in the Group financial statements from the date on which control is obtained, and cease to be consolidated from the date on which control is transferred out of the Group. The Group controls an entity when it is exposed to, or has the rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. All intercompany transactions, balances and unrealized gains / losses on transactions between Group subsidiaries are eliminated on consolidation.

The Group’s financial year is the 52 or 53 week period that ends on the last Saturday of September. The Group’s fiscal years 2025 and 2024 spanned 52 weeks.

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

The preparation of financial statements and related disclosures in conformity with IFRS require the Group’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. The significant estimates and assumptions used in the preparation of the Group’s financial statements that could result in a material adjustment are outlined in the relevant notes. Actual results could differ materially from those estimated.

##### Income Taxes

Uncertain tax positions are measured based on the single best estimate.

##### Financial Instruments

###### *Cash Equivalents*

All highly liquid investments with maturities of three months or less at the date of purchase are treated as cash equivalents.

###### *Marketable Securities*

The cost of securities sold is determined using the specific identification method.

##### Property, Plant and Equipment

Property, Plant and Equipment are subsequently measured applying the cost model. Depreciation is recognized on a straight-line basis.

##### Leases

The Group combines and accounts for lease and non-lease components as a single lease component for leases of corporate and retail facilities. Depreciation is recognized on a straight-line basis.

Apple Operations International Limited

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

**Note 2 – Other Statutory Information**

**Auditors' Remuneration**

The following table shows the fees\* paid to the independent auditor in 2025 and 2024:

	Years ended	
	27 September 2025	28 September 2024
	\$'000	\$'000
Audit of Financial Statements	503	814
Other Assurance Services	2,102	2,239
Tax Advisory Services	728	498
	<u>3,333</u>	<u>3,551</u>

\* This excludes auditors' remuneration borne by Apple Inc. on behalf of the Group.

**Staff Numbers and Costs**

The following table shows the payroll costs incurred in 2025 and 2024:

	Years ended	
	27 September 2025	28 September 2024
	\$'m	\$'m
Wages and Salaries	4,830	4,462
Social Welfare costs	606	559
Share based payments (Note 5, "Share-Based Compensation")	1,882	1,739
Pension costs	307	282
	<u>7,625</u>	<u>7,042</u>

The average number of persons employed by the Group in 2025 was 56,694 (2024: 55,827).

## Apple Operations International Limited

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

#### Group Undertakings

The following table shows the Group's undertakings as of 27 September 2025:

Name of company	Registered office	Nature of business
Akane LLC	Corporation Trust Center, 1209 Orange Street, Wilmington DE 19801, United States	Holding company
Apple Asia Limited	Suites 2401-2412, Tower One, Times Square, Causeway Bay, Hong Kong	Sales, distribution and related services
Apple Asia LLC	Corporation Trust Center, 1209 Orange Street, Wilmington DE 19801, United States	Sales, distribution and related services
Apple Computer Trading (Shanghai) Co., Ltd.*	Building 6, 88 Maji Road (District C), China (Shanghai) Pilot Free Trade Zone	Sales, distribution and related services
Apple South Asia Pte. Ltd.	7 Ang Mo Kio Street 64, Singapore 569086	Sales, distribution and related services
Apple Electronics Products Commerce (Beijing) Company Limited*	Rooms 1113 and 1115, 11/F., Office Tower 2, Beijing APM, 138 Wangfujing Street, Dongcheng District, Beijing, China	Retail company
Apple India Private Limited*	13 <sup>th</sup> Floor, Prestige Minsk Square, Municipal No. 6, Cubbon Road, Bengaluru, Karnataka 560001, India	Sales, distribution, manufacturing and related services
Apple Japan, Inc.*	Roppongi Hills, 6-10-1 Roppongi, Minato-ku, Tokyo 106-6140, Japan	Sales, distribution and related services
Apple Korea Limited*	3901, 517 Yeongdong-daero (ASEM Tower, Samseong-dong), Gangnam-gu Seoul, Republic of Korea	Sales, distribution and related services
Apple M E FZCO	Business Centres World FZE N. 125, JAFZA View 18 & 19, 1 <sup>st</sup> Floor, P.O. Box 262746 Jebel Ali Free Zone, Dubai, United Arab Emirates	Sales, distribution, sales support, marketing and related services
Apple Malaysia Sdn. Bhd.	Level 21, Suite 21.01, The Gardens South Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, Wilayah Persekutuan, Malaysia	Sales, distribution and related services
Apple Operations Limited	Hollyhill Industrial Estate, Hollyhill, Cork, Ireland	Procurement, sales and manufacturing support services
Apple GmbH*	Katharina-von-Bora-Straße 3, 80333 Munich, Germany	Sales support, marketing and related services
Apple Pty Limited*	Levels 2-8, 20 Martin Place, Sydney, NSW 2000, Australia	Sales, distribution and related services

**Apple Operations International Limited**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

<b>Name of company</b>	<b>Registered office</b>	<b>Nature of business</b>
Apple Retail Europe Limited	Hollyhill Industrial Estate, Hollyhill, Cork, Ireland	Holding company and retail business
Apple Sales International Limited	Hollyhill Industrial Estate, Hollyhill, Cork, Ireland	Holding company
Apple Sales Ireland Limited	Hollyhill Industrial Estate, Hollyhill, Cork, Ireland	Sales support, marketing and related services
Apple Trading (Shanghai) Company Limited*	Level 15 Area A, Level 16 (actual Level 13 Area A, Level 14), 1249 Century Avenue, China (Shanghai) Pilot Free Trade Zone	Retail company
Apple Benelux B.V.	Leidseplein 29, Third Floor, 1017 PS, Amsterdam, The Netherlands	Sales support, marketing and related services
Apple Distribution International Limited	Hollyhill Industrial Estate, Hollyhill, Cork, Ireland	Sales, distribution and related services
Apple Holding B.V.	Leidseplein 29, Third Floor, 1017 PS, Amsterdam, The Netherlands	Holding company
Apple Retail UK Limited	c/o TMF Group, 13th Floor, One Angel Court, London, EC2R 7HJ, United Kingdom	Retail company
Apple Retail France E.U.R.L.*	3-5 rue Saint Georges, 75009, Paris, France	Retail company
Apple Retail Italia S.R.L.	Corso Vercelli 40, 20145, Milan, Italy	Retail company
Apple Retail Germany B.V. & Co. KG*	Maximilianstraße 54, 80538 Munich, Germany	Retail business
Apple Retail Spain, S.L.U.*	Calle Príncipe de Vergara 112, 4a planta, 28002, Madrid, Spain	Retail company
Apple Retail Switzerland GmbH	c/o TMF Services SA, Zürich Branch, Talstrasse 83, 8001, Zürich, Switzerland	Retail company
Apple Retail Belgium BV	Botanic Tower, 6th floor Boulevard Saint-Lazare 4- 10 1210 Brussels, Belgium	Retail company
Apple Retail Netherlands B.V.	Leidseplein 29, Third Floor, 1017 PS, Amsterdam, The Netherlands	Retail company

**Apple Operations International Limited**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

<b>Name of company</b>	<b>Registered office</b>	<b>Nature of business</b>
Apple Retail Sweden AB*	c/o TMF Sweden AB, Vasagatan 38 111 20, Stockholm, Sweden	Retail company
Limited Liability Company Apple Rus*	bld. 2, 4 Romanov Lane, 6th floor, premises II, room 54, 125009, Moscow, Russian Federation	Sales, distribution and related services
Apple Israel Limited*	12 Maskit Street, POB 12147, Herzliya Pituach, 4673312, Israel	Research and development, sales support, marketing and related services
PT Apple Indonesia	World Trade Center II, 19 <sup>th</sup> Floor, Jl. Jendral Sudirman Kav. 29-31, Kel. Karet, Kec. Setiabudi, Kota Adm. Jakarta Selatan, 12920, Indonesia	Sales, distribution and related services
Apple Technical Services (Shanghai) Company Limited*	Unit 1702 (nominal level, actual level Unit 1502), No. 1249 Century Avenue, China (Shanghai) Pilot Free Trade Zone	Technical services and other support services
Apple Data Services Ireland Limited	Hollyhill Industrial Estate, Hollyhill, Cork, Ireland	Holding company
Apple ApS*	Silkegade 8, 1st Floor, DK-1113, Copenhagen, Denmark	Operation of data centre
Apple Macau Limitada*	Avenida da Praia Grande, No. 759, 5th Floor, Macau	Retail company
Apple Teknoloji ve Satış Limited Şirketi	Büyükdere Caddesi, No:199, Levent 199, Kat: 22 ve 23, Şişli, Mecidiyeköy, İstanbul, 34394, Türkiye	Sales, distribution and related services
Apple Services Pte. Ltd.	7 Ang Mo Kio Street 64, Singapore 569086	Sales and distribution of digital services and related services
BIS Records AB*	c/o TMF Sweden AB Vasagatan 38 111 20, Stockholm, Sweden	Production, marketing and distribution of classical music
Apple Sales New Zealand*	c/o Simpson Grierson, Level 27, 88 Shortland Street, Auckland Central, Auckland, 1010, New Zealand	Sales, distribution and related services
Apple Europe Limited	280 Bishopsgate, London, EC2M 4AG, United Kingdom	Sales support, marketing and related services

**Apple Operations International Limited**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

<b>Name of company</b>	<b>Registered office</b>	<b>Nature of business</b>
Apple Vietnam Limited Liability Company	Unit 901, Deutsches Haus Ho Chi Minh City, No.33, Le Duan Boulevard, Sai Gon Ward, Ho Chi Minh City, Vietnam	Sales, distribution and related services
Apple Technology Services (Guizhou) Ltd*	Data Center Building, Apple China (Gui'an) Data Center Project, 6 Xing'an Avenue, Chuanxin Village, Machang Town, Gui'an New Area, Guizhou Province, China	Technical services and other support services
Apple (UK) Limited	280 Bishopsgate, London, EC2M 4AG, United Kingdom	Research and development, technical and other services
Apple Lithuania UAB*	Jogailos g. 9, Vilnius, 01116, Lithuania	Sales support, marketing and related services
Apple Sales & Marketing Nigeria Ltd*	5th Floor, The Octagon 13A A.J Marinho Drive Victoria Island, Lagos Island Lagos State, Nigeria	Sales support, marketing and related services
Apple Sales Romania S.R.L.*	15-17 Ion Mihalache Blvd., 1st floor, offices 6 and 7, Sector 1, Bucharest, Romania	Sales support, marketing and related services
Apple Technology Services (Ulanqab) Ltd.*	West of Jing'an Road, south of Apple Avenue, north of Ali Avenue, and data building of, Apple Ulanqab Data Center in Jining District, Ulanqab city, Inner Mongolia Autonomous Region, China	Technical services and other support services
Apple Technology Services B.V. & Co. KG*	Arnulfstraße 19, 80335 Munich, Germany	Technical services and other support services
Apple Saudi Arabia LLC*	Level 30, Faisaliah Tower, King Fahed Highway, Olayah District, P.O Box 54995, Riyadh, 12212, Saudi Arabia	Sales, distribution and related services
Shazam Entertainment Limited*	The Shard, 32 London Bridge Street, London, SE1 9SG, United Kingdom	Inactive
Apple Technology Engineering B.V. & Co. KG*	Karlstraße 77 80335 Munich, Germany	Research and development services
Apple Technology Engineering Austria B.V. & Co KG*	Regensburger Straße 1a-b 4020, Linz, Austria	Research and development services
Apple France*	7 Place d'Iéna, 75116, Paris, France	Sales support, marketing and related services
Apple Ukraine Limited Liability Company*	13-15 Bolsunovska St., IQ Business Centre, Kyiv, 01014, Ukraine	Sales, distribution and related services

**Apple Operations International Limited**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

<b>Name of company</b>	<b>Registered office</b>	<b>Nature of business</b>
Apple Investments Egypt LLC*	Unit No. 434 – Building No. 47 North 90th Street First New Cairo Cairo, Egypt	Holding company
Apple Electronics Egypt LLC*	Unit No. 434 – Building No. 47 North 90th Street First New Cairo Cairo, Egypt	Provision of workforce services
Apple Trading Egypt LLC*	Unit No. 428 – Building No. 47 North 90th Street First New Cairo Cairo, Egypt	Sales support, marketing and related services
Apple EPE*	Ag. Konstantinou 59-61, Marousi, Athens, 15124, Greece	Sales support, marketing and related services
Apple Advertising (Beijing) Ltd.*	Room 603, Level 6, Building 4, Zone 1, No. 81 Beiqing Road, Haidian District, Beijing, China	Promote and resell advertising placement service
Apple Payments Services Limited	280 Bishopsgate London, EC2M 4AG, United Kingdom	Account information services
Apple Technology Development (Shanghai) Limited*	Zone A of Unit 501 (nominal, actual level Zone A of Unit 401), No. 288 Fushan Road, China (Shanghai) Pilot Free Trade Zone	Technical services and other support services
UAB “Pixelmator Team”*	J. Kubiliaus st. 6-1, Vilnius, LT-08234 Lithuania	Sales and distribution of software
Aba Prefecture Hongyuan Huanju Ecological Energy Co., Ltd. (*)(****)	No. 15 Yang Ga Zhong Jie, Qiongxian Town, Hongyuan County, Sichuan Province, China	Operation of a photovoltaic station
Aba Prefecture Zioge Huanju Ecological Energy Co., Ltd. (*)(****)	No. 4 Commerce Street, Zioge County, Sichuan Province, China	Operation of a photovoltaic station
Hohhot Huanju New Energy Development Co., Ltd. (*)(**)	Qingshan Road, Wuchuan County, Inner Mongolia Autonomous Region, China	Operation of a photovoltaic station
Nanyang Runtang New Energy Co., Ltd. (*)(**)	Industries Centralization Zone, Tanghe County, Nanyang City, Henan Province, China	Operation of wind farm power stations

**Apple Operations International Limited**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

<b>Name of company</b>	<b>Registered office</b>	<b>Nature of business</b>
Kangbao Huanju New Energy Co., Ltd. (*) (**)	Office of Management Committee of Kangbao County Economic Development Zone, Zhangjiakou City, Hebei Province, China	Operation of a photovoltaic station
Daini Nihon Solar Power K.K. (*) (****)	8F Chiba-Daiei Bld., 1-14-3 Fujimi Chuo-ku, Chiba-shi Chiba Japan	Operation of rooftop solar power facilities
Clean Max Hyperion Power LLP (****)	13 A, Floor 13, The Peregrine Apartment, Swatanrya, Veer Savarkar Marg, Kismat Cinema, Prabhadevi, Mumbai City, Maharashtra - 400025, India	Operation of a photovoltaic station
China Renewable Energy Fund II, LP (*) (*****)	77 Robinson Road, #13-00, Robinson 77, 068896, Singapore	Investing in photovoltaic and wind energy generation projects

\* Certain entities have a different financial year-end where required or permitted by local laws and/or regulations.

All Group entities listed above are, directly or indirectly, wholly owned subsidiaries of the Company or partnerships within the Group, except where the Group held 30%\*\*, 34%\*\*\*, 44%\*\*\*\*, 49%\*\*\*\*\*, 45.89%\*\*\*\*\* and 94.29%\*\*\*\*\* respectively of the entity at year end.

The shares, or partnership interests, held by the Company, directly or indirectly, are ordinary voting shares or an equivalent type of voting equity interest provided for under the laws of their jurisdiction of formation/incorporation.

The entities incorporated in Ireland, as set out in the above table, shall avail of the exemption from the requirement to file their statutory financial statements and certain other documents for the year ended 27 September 2025 as permitted by section 357 of the Companies Act 2014. All of the entities formed in Germany, as set out in the above, shall avail of the exemptions regarding (i) the preparation, audit and disclosure of individual financial statements pursuant to Section 264 (3) of the German Commercial Code (for entities in the legal form of a GmbH) and Section 264b of the German Commercial Code (for entities in the legal form of a KG where no general partner qualifies as natural person) and (ii) to the extent required, the preparation, audit and disclosure of consolidated accounts pursuant to Section 291 of the German Commercial Code. All of the entities formed in the Netherlands, as set out in the above, shall avail of the exemption under the Dutch corporate law requirements of Title 9 of Book 2 of the Dutch Civil Code regarding the preparation, audit and disclosure of individual financial statements pursuant to article 403 of Book 2 of the Dutch Civil Code.

## Apple Operations International Limited

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

#### Note 3 – Net Sales

The Group recognizes revenue at the amount to which it expects to be entitled when control of the products or services is transferred to its customers. For most of the Group's products net sales, control transfers when products are shipped. For the Group's services net sales, control transfers over time as services are delivered. Payment for products and services net sales is collected within a short period of time following transfer of control or commencement of delivery of services, as applicable.

The Group records reductions to products net sales related to future product returns, price protection and other customer incentive programs based on the Group's expectations and historical experience.

For arrangements with multiple performance obligations, which represent promises within an arrangement that are capable of being distinct, the Group allocates revenue to all distinct performance obligations based on their relative stand-alone selling prices ("SSPs"). When available, the Group uses observable prices to determine SSPs. When observable prices are not available, SSPs are established that reflect the Group's best estimates of what the selling prices of the performance obligations would be if they were sold regularly on a stand-alone basis. The Group's process for estimating SSPs without observable prices considers multiple factors that may vary depending upon the unique facts and circumstances related to each performance obligation including, where applicable, prices charged by the Group for similar offerings, market trends in the pricing for similar offerings, product-specific business objectives and the estimated cost to provide the performance obligation.

The Group has identified the performance obligations regularly included in arrangements involving the sale of iPhone, Mac and iPad. The first material performance obligation, which represents the substantial portion of the allocated sales price, is the hardware and bundled software delivered at the time of sale. The second material performance obligation is the right to receive certain product-related bundled services, which include iCloud, Siri and Maps. Because the Group lacks observable prices for product-related bundled services, the allocation of revenue is based on the Group's estimated SSPs. Revenue allocated to the delivered hardware and bundled software is recognized when control has transferred to the customer, which generally occurs when the product is shipped. Revenue allocated to product-related bundled services is deferred and recognized on a straight-line basis over the estimated period they are expected to be provided.

For the sale of third-party products where the Group obtains control of the product before transferring it to the customer, the Group recognizes revenue based on the gross amount billed to customers. The Group considers multiple factors when determining whether it obtains control of third-party products including evaluating if it can establish the price of the product, retains inventory risk for tangible products or has the responsibility for ensuring acceptability of the product. For third-party applications sold through the App Store, the Group does not obtain control of the product before transferring it to the customer. Therefore, the Group accounts for all third-party application-related sales on a net basis by recognizing in Services net sales only the commission it retains.

The Group 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.

The following table shows net sales disaggregated by products and services, as well as the portion of total net sales that was previously deferred, for 2025 and 2024:

	Years ended	
	27 September 2025	28 September 2024
	\$'m	\$'m
Products	185,104	178,603
Services <sup>(1)</sup>	50,218	43,700
Total net sales	235,322	222,303
Portion of total net sales that was included in deferred revenue as of the beginning of the period	3,474	3,337

(1) Services net sales include amortization of the deferred value of services bundled in the sales price of certain products.

#### Deferred Revenue

As of 2025 and 2024, the Group had total deferred revenue of \$6.3 billion and \$5.7 billion, respectively. As of 2025, the Group expects \$3.9 billion of total deferred revenue to be realized in less than a year, and \$2.4 billion in greater than one year.

Apple Operations International Limited

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

**Note 4 – Consolidated Financial Statement Details**

The following tables show the consolidated financial statement details of the Group as of 27 September 2025 and 28 September 2024:

**Accounts receivable, net**

	As of 27 September 2025	As of 28 September 2024
	\$'m	\$'m
Trade receivables	23,653	21,218
Vendor non-trade receivables	18,285	17,628
	<u>41,938</u>	<u>38,846</u>

**Other current assets**

	As of 27 September 2025	As of 28 September 2024
	\$'m	\$'m
Loans owed from Ultimate Parent (Note 10, "Related Party Transactions")	60,344	47,923
Other current assets	10,617	14,709
	<u>70,961</u>	<u>62,632</u>

**Accounts payable**

	As of 27 September 2025	As of 28 September 2024
	\$'m	\$'m
Trade payables	37,385	36,670
Amounts owed to Apple related parties (Note 10, "Related Party Transactions")	17,175	15,093
	<u>54,560</u>	<u>51,763</u>

## Apple Operations International Limited

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

#### Note 5 – Share-Based Compensation

As of 27 September 2025, the Group's Ultimate Parent had an employee benefit plan relevant to the Group:

#### 2022 Employee Stock Plan

The Apple Inc. 2022 Employee Stock Plan ("2022 Plan") is a shareholder-approved plan that provides for broad-based equity grants to employees, including executive officers, and permits the granting of RSUs, stock grants, performance-based awards, stock options and stock appreciation rights. RSUs granted under the 2022 Plan generally vest over four years, based on continued employment, and are settled upon vesting in shares of Apple Inc's common stock on a one-for-one basis. All RSUs granted under the 2022 Plan have dividend equivalent rights, which entitle holders of RSUs to the same dividend value per share as holders of common stock. A maximum of approximately 1.3 billion shares were authorized for issuance pursuant to 2022 Plan awards at the time the plan was approved on 4 March 2022.

#### Restricted Stock Units

A summary of the Group's RSUs granted and related information for 2025 and 2024 is as follows:

	Years ended			
	27 September 2025		28 September 2024	
	Number of RSUs (in thousands)	Weighted- Average Grant Date Fair Value Per RSU	Number of RSUs (in thousands)	Weighted- Average Grant Date Fair Value Per RSU
Restricted Stock Units granted	9,306	\$ 227.02	10,870	\$ 173.16

#### Share-Based Compensation Expense

The Group measures share-based compensation based on the closing price of Apple Inc.'s common stock on the date of grant, and recognizes expense on a straight-line basis for its estimate of equity awards that will ultimately vest. The share-based compensation expense included in the Consolidated Statements of Operations for 2025 is \$1.9 billion (2024: \$1.7 billion).

## Apple Operations International Limited

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

#### Note 6 – Provision for Income Taxes

##### European Commission State Aid Decision

On 30 August 2016, the Commission announced its decision that Ireland granted state aid to the Group by providing tax opinions in 1991 and 2007 concerning the tax allocation of profits of the Irish branches of two subsidiaries of the Group (the “State Aid Decision”). The State Aid Decision ordered Ireland to calculate and recover additional taxes from the Group for the period June 2003 through December 2014. Irish legislative changes, effective as of January 2015, eliminated the application of the tax opinions from that date forward.

The Group and Ireland appealed the State Aid Decision to the General Court of the Court of Justice of the European Union (“General Court”). On 15 July 2020, the General Court annulled the State Aid Decision. On 25 September 2020, the Commission appealed the General Court’s decision to the European Court of Justice (the “ECJ”). On 10 September 2024, the ECJ announced that it had set aside the 2020 judgment of the General Court and confirmed the Commission’s 2016 State Aid Decision. As a result during financial year 2024, the Group recorded a one-time income tax charge of \$14.8 billion, net, which represents \$15.8 billion payable to Ireland via release of the escrow and a decrease in uncertain tax position of \$1.0 billion.

##### Provision for Income Taxes

The Organisation for Economic Co-operation and Development (OECD)/G20 Inclusive Framework on Base Erosion and Profit Shifting published the Pillar Two model rules designed to address the tax challenges arising from the digitalisation of the global economy. These rules apply to the Group for the year ended 27 September 2025.

The Group has applied a temporary mandatory exception to deferred tax accounting for the impacts of Pillar Two taxes and accounts for Pillar Two taxes as a current tax when incurred.

The major components of income tax for the years ended 27 September 2025 and 28 September 2024 are:

	Years ended	
	27 September 2025	28 September 2024
	\$'m	\$'m
Current income tax	11,579	24,531
Deferred income tax	499	673
Provision for income taxes	12,078	25,204

Income tax expense recognised in the current tax in 2025 includes \$1.4 billion (2024: not applicable) related to Pillar Two income taxes.

The following table shows the reconciliation of income tax to accounting profit multiplied by the Irish corporation tax rate for 2025 and 2024:

	Years ended	
	27 September 2025	28 September 2024
	\$'m	\$'m
Income before provision for income taxes	80,965	76,362
Tax at 12.5%	10,121	9,545
Effect of different tax rates	1,691	210
Change in uncertain tax position	1,244	(548)
Impact of the State Aid Decision	(561)	15,849
Other	(417)	148
Provision for income taxes	12,078	25,204

The corporate income taxes reported in the Consolidated Statements of Operations, Statements of Comprehensive Income Balance Sheets, Statements of Shareholders' Equity and Statements of Cash Flows do not include U.S.-level corporate taxes borne by Apple Inc.

## Apple Operations International Limited

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

#### Uncertain tax position

The Group classifies tax benefits that are not expected to result in payment or receipt of cash within one year as non-current liabilities in the Consolidated Balance Sheets.

The changes in the balance of gross tax benefits, for 2025 are as follows:

	<b>As of 27 September 2025</b>
	<b>\$'m</b>
Carrying amount at beginning of year	6,916
Increases during the year	1,743
Decreases during the year	(832)
Change due to foreign exchange	323
Carrying amount at end of year	<u>8,150</u>

The Group is subject to income taxes in numerous jurisdictions. The evaluation of the Group's uncertain tax positions involves significant judgment in the interpretation and application of IFRS and tax laws, including the allocation of international taxation rights between countries. Although management believes the Group's reserves are reasonable, no assurance can be given that the final outcome of these uncertainties will not be different from that which is reflected in the Group's reserves. Reserves are adjusted considering changing facts and circumstances, such as the closing of a tax examination. Resolution of these uncertainties in a manner inconsistent with management's expectations could have a material impact on the Group's financial condition and operating results.

#### Note 7 - Financial Risk Management and Financial Instruments

The Group accounts for its marketable debt securities at fair value through other comprehensive income. The Group's activities expose it to a variety of financial risks that include interest rate risk, foreign currency risk, liquidity risk and credit risk. These financial risks are actively managed by Apple Inc.'s Treasury and Credit Departments on behalf of the Group under strict policies and guidelines. The Treasury and Credit Departments monitor market conditions with a view to minimizing the exposure of the Group to changing market factors. The Group uses derivative financial instruments such as foreign currency contracts to manage the financial risks associated with the underlying business activities of the Group.

#### Cash, Cash Equivalents and Marketable Securities

The Group classifies its marketable debt securities as either current or non-current based solely on each instrument's underlying contractual maturity date. Cash and cash equivalents comprise of cash balances, call deposits and deposits with original maturity of three months or less.

The following tables show the Group's cash, cash equivalents and marketable securities for 2025 and 2024:

	<b>As of 27 September 2025</b>				
	<b>Adjusted Cost</b>	<b>Fair Value</b>	<b>Cash and Cash Equivalents</b>	<b>Marketable Securities</b>	<b>Other Non- Current Assets</b>
	<b>\$'m</b>	<b>\$'m</b>	<b>\$'m</b>	<b>\$'m</b>	<b>\$'m</b>
Financial assets at amortized cost:					
Cash	16,311	16,311	16,311	—	—
Financial assets at fair value through other comprehensive income:					
Marketable Securities <sup>(1)</sup>	800	800	778	22	—

## Apple Operations International Limited

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

	As of 28 September 2024				
	Adjusted Cost	Fair Value	Cash and Cash Equivalents	Marketable Securities	Other Non-Current Assets
	\$'m	\$'m	\$'m	\$'m	\$'m
Financial assets at amortized cost:					
Cash	16,359	16,359	16,359	—	—
Financial assets at fair value through other comprehensive income:					
Marketable Securities <sup>(1)</sup>	14,799	14,808	1,492	13,294	22

(1) The valuation techniques used to measure the fair values of the Group's Level 2 financial instruments, which generally have counterparties with high credit ratings, are based on quoted market prices or model-driven valuations using significant inputs derived from or corroborated by observable market data.

As of 28 September 2024, total cash, cash equivalents and marketable securities of \$15.8 billion was restricted from general use, related to the State Aid Decision (see Note 6, "Provision for Income Taxes").

The Group may sell certain of its marketable debt securities prior to their stated maturities for reasons including, but not limited to, managing liquidity, credit risk, duration and asset allocation. The maturities of the Group's non-current marketable debt securities generally range from one to three years.

#### Interest Rate and Foreign Currency Risk Management

The Group regularly reviews its underlying interest rate and foreign currency exposures. To protect against interest rate risk, the Group may use derivative instruments, offset interest rate-sensitive assets and liabilities, or control the duration of the investment portfolio. To protect against foreign exchange rate risk, the Group may use derivative instruments, offset exposures, or adjust local currency pricing of its products and services. The Group generally hedges portions of its forecasted foreign currency exposure associated with revenue and inventory purchases, typically for up to 12 months.

However, the Group may choose to not hedge certain foreign currency exposures for a variety of reasons, including accounting considerations or prohibitive cost. Given the effective horizons of the Group's risk management activities and the anticipatory nature of the exposures, there can be no assurance these positions will offset more than a portion of the financial impact resulting from movements in either interest or foreign exchange rates. Further, the recognition of the gains and losses related to these instruments may not coincide with the timing of gains and losses related to the underlying economic exposures and, therefore, may adversely affect the Group's financial condition and operating results.

#### Interest Rate Risk

The Group is primarily exposed to fluctuations in Euro, U.S. dollar and Chinese Yuan interest rates and their impact on the Group's investment portfolio. Increases in interest rates will negatively affect the fair value of the Group's investment portfolio.

Based on investment positions as of 27 September 2025 and 28 September 2024, a hypothetical 100 basis point increase in interest rates across all maturities would result in a \$0.1 million and \$33.0 million incremental decline in the fair market value of the portfolio, respectively.

#### Foreign Currency Risk

The Group's exposure to foreign exchange rate risk relates primarily to the Group being a net receiver of currencies other than the U.S. dollar. Changes in exchange rates, and in particular a strengthening of the U.S. dollar, will negatively affect the Group's net sales and gross margins as expressed in U.S. dollars. Fluctuations in exchange rates may also affect the fair values of certain of the Group's assets and liabilities.

The Group applied a value-at-risk ("VAR") model to its foreign currency derivative positions to assess the potential impact of fluctuations in exchange rates. The VAR model used a Monte Carlo simulation. The VAR is the maximum expected loss in fair value, for a given confidence interval, to the Group's foreign currency derivative positions due to adverse movements in rates. Based on the results of the model, the Group estimates, with 95% confidence, a maximum one-day loss in fair value of \$524 million and \$498 million as of 27 September 2025 and 28 September 2024, respectively. Changes in the Group's underlying foreign currency exposures, which were excluded from the assessment, generally offset changes in the fair values of the Group's foreign currency derivatives.

## Apple Operations International Limited

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

#### Liquidity Risk

The Group believes its balances of cash, cash equivalents and marketable securities, which totalled \$17.1 billion as of 27 September 2025, will be sufficient to satisfy its cash requirements over the next 12 months and beyond.

#### Maturity of financial liabilities

The Group has non-derivative financial liabilities of \$83.9 billion (2024: \$89.5 billion), of which \$73.2 billion (2024: \$84.4 billion) is due within 12 months. The following tables summarize the maturity profile of the Group's derivative financial instruments for 2025 and 2024 based on contractual payments:

	As of 27 September 2025			As of 28 September 2024		
	Carrying Amount	Contractual Amount	Period <1 year	Carrying Amount	Contractual Amount	Period <1 year
	\$'m	\$'m	\$'m	\$'m	\$'m	\$'m
Foreign exchange contracts	847	100,617	100,617	1,256	78,009	78,009

#### Credit Risk

Credit risk refers to the risk of financial loss to the Group if a counterparty defaults on its contractual obligations on financial assets held in the Consolidated Balance Sheets of the Group. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the Consolidated Balance Sheets of the Group.

#### Receivables and Loans

The Group is exposed to credit risk on its trade accounts receivable, vendor non-trade receivables, amounts owed from related parties and loans owed from related parties. This risk is heightened during periods when economic conditions worsen.

The Group has considerable trade receivables outstanding with its third-party cellular network carriers, wholesalers, retailers, resellers, small and mid-sized businesses and education, enterprise and government customers. The Group generally does not require collateral from its customers; however, the Group will require collateral or third-party credit support in certain instances to limit credit risk.

The Group has non-trade receivables from certain of its manufacturing vendors resulting from the sale of components to these vendors who manufacture subassemblies or assemble final products for the Group. The Group purchases these components directly from suppliers. The Group does not reflect the sale of these components in products net sales.

Trade accounts receivable and vendor non-trade receivables are generally receivable within 30 days of the Consolidated Balance Sheet dates and are unsecured and non-interest bearing. The ageing analysis of accounts receivables, stated net of provisions for expected credit losses are as follows:

	Carrying Amount	
	As of 27 September 2025	As of 28 September 2024
	\$'m	\$'m
Neither past due nor impaired	41,831	38,775
Past due but not impaired	107	71
	41,938	38,846

#### Cash, Cash Equivalents and Marketable Securities

The Group is exposed to credit risk and fluctuations in the values of its investment portfolio. The Group's investments can be negatively affected by liquidity, credit deterioration, financial results, market and economic conditions, political risk, sovereign risk, interest rate fluctuations or other factors. As a result, the value and liquidity of the Group's cash, cash equivalents and marketable securities may fluctuate substantially. Therefore, although the Group has not realized any significant losses on its cash, cash equivalents and marketable securities, future fluctuations in their value could result in significant losses and could have a material adverse impact on the Group's financial condition and operating results.

## Apple Operations International Limited

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

The following table shows the credit ratings of the Group's cash, cash equivalents and marketable securities:

	Carrying Amount	
	As of 27 September 2025	As of 28 September 2024
	\$'m	\$'m
Investment Grade	17,111	31,167
Non-Investment Grade	—	—
	17,111	31,167

#### Capital Risk Management

Capital includes ordinary shares and equity attributable to the equity shareholders of the Group. The primary objective of the Group's capital management is to ensure that entities in the Group will be able to trade on a going concern basis. The Group believes its balances of cash, cash equivalents and marketable securities, which totalled \$17.1 billion as of 27 September 2025, will be sufficient to satisfy its cash requirements over the next 12 months and beyond.

#### Derivative Financial Instruments

The following table shows the notional amounts of the Group's outstanding derivative instruments and credit risk amounts associated with outstanding or unsettled derivative instruments as of 27 September 2025 and 28 September 2024:

	As of 27 September 2025		As of 28 September 2024	
	Notional Amount	Credit Risk Amount	Notional Amount	Credit Risk Amount
	\$'m	\$'m	\$'m	\$'m
Instruments designated as accounting hedges: <sup>(1)</sup>				
Foreign exchange contracts	51,608	240	51,229	161
Instruments not designated as accounting hedges: <sup>(1)</sup>				
Foreign exchange contracts	100,099	127	84,942	173

(1) Derivative assets and derivative liabilities are measured using Level 2 fair value inputs and are recorded as other current assets and other current liabilities in the Consolidated Balance Sheets.

The notional amounts for outstanding derivative instruments provide one measure of the transaction volume outstanding and do not represent the amount of the Group's exposure to credit or market loss. The credit risk amounts represent the Group's gross exposure to potential accounting loss on derivative instruments that are outstanding or unsettled if all counterparties failed to perform according to the terms of the contract, based on then-current currency or interest rates at each respective date. The Group's exposure to credit loss and market risk will vary over time as currency and interest rates change. Although the table above reflects the notional and credit risk amounts of the Group's derivative instruments, it does not reflect the gains or losses associated with the exposures and transactions that the instruments are intended to hedge. The amounts ultimately realized upon settlement of these financial instruments, together with the gains and losses on the underlying exposures, will depend on actual market conditions during the remaining life of the instruments.

Apple Operations International Limited

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

**Note 8 - Property, Plant and Equipment, net**

The estimated useful life for buildings is the shorter of 40 years or the remaining life of the underlying building; the shorter of the lease term or useful life for leasehold improvements; and between one and five years for machinery and equipment.

	<b>Buildings &amp; Leasehold Improvements</b>	<b>Machinery &amp; Equipment</b>	<b>Total</b>
	<b>\$'m</b>	<b>\$'m</b>	<b>\$'m</b>
Cost:			
As of 30 September 2023	7,173	40,336	47,509
Additions	1,042	1,899	2,941
Disposals	(85)	(3,195)	(3,280)
As of 28 September 2024	8,130	39,040	47,170
Additions	895	1,270	2,165
Disposals	(260)	(1,993)	(2,253)
As of 27 September 2025	8,765	38,317	47,082
Depreciation:			
As of 30 September 2023	2,736	35,238	37,974
Charge for the year	638	2,783	3,421
Disposals	(81)	(3,179)	(3,260)
As of 28 September 2024	3,293	34,842	38,135
Charge for the year	551	2,124	2,675
Disposals	(249)	(1,948)	(2,197)
As of 27 September 2025	3,595	35,018	38,613
Net book value:			
As of 27 September 2025	5,170	3,299	8,469
As of 28 September 2024	4,837	4,198	9,035
Leased ROU assets:			
As of 27 September 2025, net carrying amount	5,014	171	5,185
As of 28 September 2024, net carrying amount	4,175	90	4,265
Total property, plant and equipment as of 27 September 2025			13,654
Total property, plant and equipment as of 28 September 2024			13,300

Additions to ROU assets during 2025 were \$1,592 million (2024: \$409 million).

## Apple Operations International Limited

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

#### Note 9 – Called Up Share Capital Presented As Equity

	As of 27 September 2025	As of 28 September 2024
	\$	\$
Authorized:		
1,100,000 (2024: 1,100,000) ordinary shares of \$1 each	1,100,000	1,100,000
Allotted, called up and fully paid:		
10,000 (2024: 10,000) ordinary shares of \$1 each	10,000	10,000

#### *Rights attaching to the ordinary shares*

The Company has one class of ordinary shares with a nominal value of US\$1.00 each which carry no right to a fixed income. Holders of the ordinary shares have rights as may be provided by Irish company law and/or the constitution of the Company, including the right to vote at general meetings of the Company and to receive dividends declared and paid by the Company.

#### Note 10 – Related Party Transactions

The principal related party relationships requiring disclosure in the consolidated financial statements of the Group under IAS 24, *Related Party Disclosures* pertain to the existence of related parties and transactions with related parties entered into by the Group.

#### *Subsidiaries and transactions with related parties*

Sales to and purchases from, together with outstanding payables and receivables to and from subsidiaries, are eliminated in the preparation of the consolidated financial statements of the Group in accordance with IFRS 10, *Consolidated Financial Statements*. The Group enters into transactions with Apple related parties that are not eliminated in the preparation of the consolidated financial statements of the Group.

#### *Terms and conditions of transactions with related parties*

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 Consolidated Balance Sheet dates are interest or non-interest bearing, unsecured and repayable on demand or within 60-120 day terms. Prepayments to related parties are non-refundable and are expected to be recouped within 1 year.

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

	As of 27 September 2025						
	Sales to Related Parties	Purchases from Related Parties	Amounts owed from Related Parties	Amounts owed to Related Parties	Loans owed from Related Parties	Loans owed to Related Parties	Prepayments to Related Parties
	\$'m	\$'m	\$'m	\$'m	\$'m	\$'m	\$'m
Ultimate Parent	3,802	(27,651)	952	(13,944)	60,344	(3,151)	1,635
Other Apple related parties	6,611	(2,289)	992	(3,553)	178	(154)	—
	10,413	(29,940)	1,944	(17,497)	60,522	(3,305)	1,635
	As of 28 September 2024						
	Sales to Related Parties	Purchases from Related Parties	Amounts owed from Related Parties	Amounts owed to Related Parties	Loans owed from Related Parties	Loans owed to Related Parties	Prepayments to Related Parties
	\$'m	\$'m	\$'m	\$'m	\$'m	\$'m	\$'m
Ultimate Parent	3,089	(22,982)	1,074	(12,557)	47,923	—	5,996
Other Apple related parties	5,912	(1,982)	1,006	(2,842)	148	(341)	—
	9,001	(24,964)	2,080	(15,399)	48,071	(341)	5,996

## Apple Operations International Limited

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

#### Note 11 – Leases

The Group has lease arrangements for certain equipment and facilities, including retail, data center, corporate and manufacturing. These leases typically have original terms not exceeding 10 years and generally contain multi-year renewal options, some of which are reasonably certain of exercise.

Payments under the Group's lease arrangements may be fixed or variable, and variable lease payments are primarily based on purchases of output of the underlying leased assets. As of 27 September 2025, lease costs associated with variable payments on the Group's leases were \$10.2 billion (2024: \$9.3 billion). Depreciation expense was \$713 million (2024: \$647 million), of which \$624 million (2024: \$590 million) relates to buildings and leasehold improvements and \$89 million (2024: \$57 million) to machinery and equipment. Total cash payments for leases during 2025 were \$11.2 billion (2024: \$10.2 billion).

The Group's ROU assets are classified as property, plant and equipment on the Consolidated Balance Sheets and presented in Note 8, "Property, Plant and Equipment, net" and lease liabilities are classified as follows:

Lease-Related Liabilities	Financial Statement Line Items	As of 27 September 2025	As of 28 September 2024
		\$'m	\$'m
Lease liabilities:			
	Other current liabilities	682	603
	Other non-current liabilities	5,008	4,069
Total lease liabilities		5,690	4,672

Lease liability maturities, on an undiscounted basis, are as follows:

	As of 27 September 2025	As of 28 September 2024
	\$'m	\$'m
Within one year	865	752
Later than one year but not later than five years	2,844	2,347
Later than five years	3,010	2,418
	6,719	5,517

As of 27 September 2025, the Group had \$338 million (2024: \$632 million) of future payments under additional leases, primarily for corporate facilities and retail space, that had not yet commenced. These leases will commence between 2025 and 2026, with lease terms ranging from 1 year to 21 years.

#### Note 12 - Approval of Financial Statements

The Group financial statements were approved and authorized for issue by the board of directors on 19 December 2025.

**NON-FINANCIAL INFORMATION REPORT FOR APPLE DISTRIBUTION INTERNATIONAL  
LIMITED FOR THE FINANCIAL YEAR ENDED SEPTEMBER 27, 2025:**

## 1. INTRODUCTION

This non-financial information report for Apple Distribution International Limited (the “**Company**”) for fiscal year 2025, from September 29, 2024 to September 27, 2025, was prepared in accordance with the European Union (Disclosure of Non-Financial and Diversity Information by certain large undertakings and groups) Regulations 2017 (as amended).

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

Apple Inc. and its subsidiaries (collectively, “**Apple**”) believe that business can and should be a force for good. And we’ve made important progress over the last year through our initiatives.

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 2025 available at <https://investor.apple.com/sec-filings/sec-filings-details/default.aspx?FilingId=18880179> the “**FY2025 10-K**”).

The following provides a high-level overview of the business model for the Company: the principal activity of the Company is the sale and distribution of the products and services listed above in the EMEIA region, and the sale and distribution of digital content and applications via the internet and other electronic and communication networks in the EMEIA region and certain Asia Pacific territories.

The potential trends that may affect Apple are set out in the FY2025 10-K.

Unless otherwise stated, the data in this Report reflects Apple’s fiscal year 2025 but, where relevant, also includes figures and data related to fiscal year 2024 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 2025 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.<sup>1</sup>

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<sup>1</sup> This report does not cover all information about our business. References in this report to information should not be interpreted as an indication of the materiality of such information to Apple’s financial results or for purposes of U.S. securities laws, or any other laws or requirements. Additionally, certain terminology used in this report, such as ‘value chain,’ ‘impacts’, ‘risks’, ‘opportunities’ and ‘targets’ may differ from the terminology used in legal reporting frameworks. Also, any reference in this report to sustainable activities should not be interpreted as an indication of the classification of such activity under any legal classification framework which could be subject to specific criteria and requirements, that may differ from the general references made in this report.

## **2. OUR COMMITMENT TO HUMAN RIGHTS**

### **2.1. Apple's Human Rights Policy**

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

Apple conducts human rights due diligence to identify salient human rights risks and works 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 Apple's Human Rights Policy on behalf of Apple and is responsible for overseeing and periodically reviewing it. Apple Inc.'s Senior Vice President and General Counsel oversees the implementation of the policy and reports to the Board and its committees on our progress and any 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.

We conduct robust due diligence to identify salient human rights risks through risk assessments and through channels we maintain with stakeholders, including workers in our supply chain, civil rights groups, human rights and labour experts, investors, governments, and United Nations bodies. Based on this due diligence, examples of human rights issues of particular focus at Apple include:

- Labour and human rights risks in the supply chain.
- Risks related to freedom of expression.
- Risks of discrimination in our workforce and in Apple's research and development of its products and services.
- Privacy and online safety risks on Apple's platforms.
- Risks to a sustainable environment.

To manage these risks, teams across Apple, such as the Environment and Supply Chain Innovation; People; and Privacy teams 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/), such as Apple’s People and Environment in Our Supply Chain 2025 Annual Progress Report <sup>2</sup>, as well as this Report.

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<sup>2</sup> [https://s203.q4cdn.com/367071867/files/doc\\_downloads/2025/04/23/Apple-Supply-Chain-2025-Progress-Report.pdf](https://s203.q4cdn.com/367071867/files/doc_downloads/2025/04/23/Apple-Supply-Chain-2025-Progress-Report.pdf)

### 3. ENVIRONMENT

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 three areas where Apple and our stakeholders believe we can make a difference: addressing climate change, using resources responsibly, and promoting smarter chemistry.

Apple Inc.'s Chief Operating Officer ("COO") oversees environmental initiatives at Apple. Reporting directly to the CEO, Apple Inc.'s COO is the most senior member of management with direct oversight of Apple Inc.'s environmental initiatives. Apple Inc.'s Board receives annual briefings on Apple's strategy and progress across Apple's environmental initiatives as well as additional briefings as important matters arise. Apple's environmental initiatives are supported by 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, and policymakers, and communicate progress on environmental matters. Progress is communicated internally to employees and externally to customers, shareholders and other stakeholders.

In addition to this, we monitor our progress across our environmental programs, including in connection with the following two initiatives:

- Collection of environmental related data across our global operations that are then reported in our annual Environmental Progress Report<sup>3</sup>.
- Regular energy efficiency audits and assessments, as required every 4 years under EU law.

#### 3.1. Apple 2030

We are committed to taking strong and decisive steps to mitigate our climate impact through Apple 2030, our ambitious goal to achieve carbon neutrality across our entire carbon footprint by the end of this decade. To do this, we aim to reduce emissions by 75 percent compared with fiscal year 2015 before balancing the remaining emissions with carbon credits that adhere to rigorous international standards<sup>4</sup>. While there are challenges ahead, we're already well on our way, having reduced carbon emissions across our value chain by more than 60 percent during fiscal year 2024 compared to the baseline year of fiscal year 2015.

Our work began years ago, making the transition to sourcing 100 percent renewable electricity at our corporate offices, retail stores, and data centers worldwide, which we achieved in 2018<sup>5</sup>. And in 2020, we reached the milestone of being carbon neutral<sup>6</sup> for our corporate operations, which includes direct emissions as well as business travel and employee commute, and within which our European operations are included.

Our Apple 2030 initiative is addressing Apple's carbon footprint through four pillars:

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<sup>3</sup> [https://www.apple.com/environment/pdf/Apple\\_Environmental\\_Progress\\_Report\\_2025.pdf](https://www.apple.com/environment/pdf/Apple_Environmental_Progress_Report_2025.pdf)

<sup>4</sup> Apple's 2030 carbon neutrality goal means that we plan to reduce our emissions by 75% (from fiscal year 2015) and balance the residual emissions with carbon removals, beginning with our fiscal year 2030 carbon footprint.

<sup>5</sup> For a detailed discussion of Apple's efforts to source 100% renewable electricity for our corporate operations, including details on Apple's renewable energy solutions, please refer to page 24 and Appendix A of Apple's Environmental Progress Report available here [https://www.apple.com/environment/pdf/Apple\\_Environmental\\_Progress\\_Report\\_2025.pdf](https://www.apple.com/environment/pdf/Apple_Environmental_Progress_Report_2025.pdf)

<sup>6</sup> Apple balanced any remaining corporate emissions that it did not avoid by direct emission reduction with carbon credits that were certified at the time of purchase.

- **Design and materials:** Designing products and manufacturing processes to be less carbon intensive through thoughtful material selection, increased material efficiency, greater product energy efficiency, the use of recycled and renewable materials in our products and packaging, and enhanced material recovery
- **Electricity:** Increasing energy efficiency at our facilities and in our supply chain, and transitioning the electricity in our entire product value chain — including manufacturing and our customers' product use — to 100 percent clean electricity by 2030
- **Direct GHG emissions:** Reducing direct greenhouse gas emissions in our facilities and our supply chain through process innovation, emissions abatement, and shifting away from fossil fuels
- **Nature and Carbon:** In parallel with our emissions reduction efforts, scaling up investments in carbon projects that adhere to rigorous international standards, 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, retail stores, and corporate offices. We've achieved this goal through continued investments in energy efficiency and renewable energy.

During fiscal year 2025, as in past years, we've continued to focus on energy efficiency in our operations and bringing new renewable electricity projects online worldwide. We are continuing 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, also applies to the life cycle of its products. Manufacturing makes up over half of Apple's gross 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.

Our Supplier Clean Energy Program helps enable our suppliers' transition to renewable electricity by advocating for policy changes, providing information and access to renewable energy procurement options, and creating engagement opportunities with renewable energy experts. By engaging in this program, our suppliers can implement best practices in advocating for and procuring renewable energy across their corporate operations, including those associated with Apple production. The program also equips them to share lessons learned with other partners throughout their value chains, extending benefits broadly beyond just their work for Apple's business. To rapidly scale the Supplier Clean Energy Program and accelerate progress to Apple 2030, we've since formalized the Clean Energy Program in the Apple Supplier Code of Conduct, requiring our entire direct manufacturing supply chain to use 100 percent renewable electricity for all Apple production before 2030. In fiscal year 2024, the 17.8 gigawatts of renewable energy procured by suppliers and online in Apple's supply chain generated 31.3 million megawatt-hours of clean energy, avoiding 21.8 million metric tons of greenhouse gas emissions — a 17.4 percent increase over fiscal year 2023.

## 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 ambition is to one day make products using only responsibly sourced recycled or renewable materials.

Within resources, we focus on the following areas: design and materials, product longevity, material recovery, water, and zero waste.

### 3.2.1. Design and materials

We continue to progress towards our goal of relying solely on recycled or renewable materials for our products and packaging. In fiscal year 2024, we continued to introduce products with increased amounts of recycled content. For example, across all products, approximately 99 percent of tungsten, 71 percent of aluminum, 53 percent of lithium, and 76 percent of cobalt came from recycled sources<sup>7</sup>. In fiscal year 2024, we accomplished the following achievements at the product level: in the iPhone 16 lineup, we used 100 percent recycled cobalt and over 95 percent recycled lithium in the battery<sup>8</sup>. In Mac mini, we used 100 percent recycled gold in the plating of all Apple-designed printed circuit boards. In Apple Watch Series 10, we used 100 percent recycled tin in the solder of all Apple-designed printed circuit boards. These and other innovations helped us increase our use of recycled and renewable content to 24 percent of all the material shipped in Apple products, by weight in fiscal year 2024<sup>9</sup>.

### 3.2.2. 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.

### 3.2.3. Material recovery

By effectively recovering the materials in our products, we enable the circular supply chains that make the best use of finite resources. In fiscal year 2024, 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 been joined by robots 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 audio 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 and minimizing waste.

### 3.2.4 Water stewardship

We're committed to managing the resources we share with the communities where we and our suppliers operate. We use tools to gain insights on local watershed health, such as baseline water stress. Through our water footprint efforts, we've identified that approximately 70 percent of our corporate water use occurs in areas with high or extreme basin stress. To address this challenge, we've adopted the goal to replenish 100 percent of our corporate freshwater withdrawals in high-stress locations by 2030.<sup>10</sup>

Our supply chain accounts for about 99 percent of our total water footprint.<sup>11</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 usage and adopt best practices in wastewater treatment. Since the program's launch in 2013, the average reuse rate of the more than 250 participating suppliers has increased to 42 percent, saving 14 billion gallons of freshwater in fiscal year 2024 and over 90 billion gallons since 2013. These savings come from a range of initiatives, such as reuse of reclaimed water, upgrades to water-efficient equipment, and countercurrent rinse methods.

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<sup>7</sup> Cobalt in the battery claims or references uses mass balance allocation.

<sup>8</sup> Cobalt and lithium in the battery claims or references use mass balance allocation.

<sup>9</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 verified by a third party. Less than 1 percent of the total mass shipped in Apple products in fiscal year 2024 contained 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>10</sup> Apple defines facility water use as high stress if the area is located within or withdraws water from a basin that has high or extremely high baseline water stress based on the WRI Aqueduct Water Risk Atlas V4.0 tool, and as refined by additional local knowledge and third-party research.

<sup>11</sup> Based on a water inventory conducted in 2019.

### 3.2.5. 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 working to eliminate waste from our manufacturing processes. Throughout fiscal year 2024, 100 percent of established final assembly sites maintained zero-waste-to-landfill operations<sup>12</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 2024, suppliers redirected more than 600,000 metric tons of waste from landfills, bringing the total to 3.6 million metric tons since the program's inception — equivalent to eliminating 4.5 million square meters of landfill space.

The Company's operations are ISO 14001 (2015) certified by the National Standards Authority of Ireland and achieved TRUE Platinum zero waste certification by U.S. Green Building Council (USGBC) in June 2025.

## 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 designing 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.

In fiscal year 2024, more than 1,000 supplier facilities 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 16,000 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 decisions that shape 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 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 2024, we performed toxicological assessments on 1,800 new materials to proactively evaluate and eliminate potentially harmful substances from our products.

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<sup>12</sup> These sites have been third-party verified by UL Solutions against the UL 2799 Zero Waste to Landfill Environmental Claim Validation Procedure. 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>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)

### 3.3.3. Innovation

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

We've led in the identification and successful removal of potentially harmful substances since the late 1990s. This process has involved rigorously assessing chemicals and removing those that don't align with our goals — in some cases before removal becomes a requirement and industry standard. While our analysis indicates that per- and polyfluoroalkyl substances ("**PFAS**") used in our products are safe during product use, it was important to expand our scope to consider manufacturing throughout the supply chain. We're prioritizing phaseout activities in applications that result in the highest volumes of PFAS reductions and the most meaningful environmental impact. We're pursuing our phaseout in three steps: compiling a comprehensive catalog of PFAS uses in our products, identifying and developing non-PFAS alternatives that can meet our performance needs, and confirming that non-PFAS alternatives align with our safety and environmental goals.

We've created new formulations of plastics, adhesives, and lubricants, replacing PFAS with other existing technologies to achieve similar performance in flame resistance and friction reduction.

Read more about our environmental efforts in our fiscal year 2024 Environmental Progress Report available at [https://www.apple.com/environment/pdf/Apple\\_Environmental\\_Progress\\_Report\\_2025.pdf](https://www.apple.com/environment/pdf/Apple_Environmental_Progress_Report_2025.pdf) which includes Apple's Environment, Health & Safety Policy.

## **4. OUR PEOPLE**

At Apple, we work every day to create an inclusive, respectful, and supportive environment for all our team members. We're consistently striving to find new opportunities to invest in our teams' development and to encourage collaboration and creativity. And we provide strong and comprehensive benefits and highly competitive total compensation.

### **4.1. Inclusion and Diversity**

At Apple, we're continuing to create a culture of inclusion, belonging, and collaboration where everyone can do their best work. This unique culture enables us to create the best products and services in the world.

This Report uses the gender categories of male and female. The Company deeply respects that gender is not binary. Of the Company's workforce, women represented 45% in fiscal year 2025 (45% in fiscal year 2024).

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

Apple is an equal opportunity employer committed to inclusion and to providing a workplace free of harassment, discrimination or retaliation based on any characteristic protected by law. We do not tolerate harassment, discrimination or retaliation 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 any individual for reporting a good-faith concern or complaint internally or externally or for participating in the investigation of a concern or complaint.

#### **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, we have dedicated global accessibility and accommodations teams. 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 and Japan. We have multiple accessibility-focused trainings available to team members, managers, and recruiters.

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

### **4.2. Compensation and Benefits**

Apple aims to offer highly competitive pay that's in the top tier of each local market. We also provide employees an opportunity to share in Apple's success. Separate from pay, every employee is eligible to participate in Apple Inc.'s discretionary stock programs.

Since 2017, Apple has achieved and maintained gender pay equity globally. Each year, we partner with an independent third-party expert to examine each team member's total compensation and make adjustments, where necessary, to ensure that we maintain pay equity. Apple Ireland's most recent Gender Pay Gap Report is available at <https://www.apple.com/ie/legal/more-resources/docs/ie-gender-pay-gap-report-2025.pdf>

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 full range of exceptional benefits for employees and their families 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 Apple 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 have an impact at Apple, learn to lead, and explore important topics like collaboration and communication; 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.

## 5. SUPPLIERS

Apple is committed to upholding high standards of labour and human rights, environmental stewardship, and ethical conduct. Apple's suppliers are required to provide safe working conditions, treat workers with dignity and respect, act fairly and ethically, and use environmentally responsible practices wherever they make products or perform services for Apple. These expectations are provided to our suppliers through our Supplier Code of Conduct ("**Code**") and Supplier Responsibility Standards ("**Standards**"). 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. Since 2008, we have provided a wide range of educational opportunities to more than 8 million people across our supply chain, helping them to cultivate the skills needed for the jobs of today and tomorrow.

Apple requires every third party that works with or on behalf of, or otherwise contracts with, Apple to conduct business ethically, honestly, and in full compliance with applicable laws and regulations and to operate in accordance with the principles and applicable requirements included in the Code and Standards. The Code and Standards align with internationally recognized rights and standards, including the 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 Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, and the Responsible Business Alliance ("**RBA**") Code of Conduct, as well as standards from other industry-leading health and safety organizations.

### 5.1. Labour and human rights

Apple believes all workers in our supply chain deserve a fair and ethical workplace. Workers must be treated with dignity and respect, and Apple suppliers shall uphold high standards of human rights.

Our Code and Standards communicate our requirements for labour and human rights and require suppliers to operate in accordance with a variety of laws and principles, including anti-discrimination.

Since 2008, our suppliers have educated over 30 million supplier employees on their workplace rights, as required by our Code and Standards. Trainings include international labour standards, local labour laws, environment, health, and safety standards, prevention of forced labour, 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.

We make it clear that suppliers shall not discriminate against any worker based on age, disability, ethnicity, gender, marital status, national origin, political affiliation, race, religion, sexual orientation, gender identity, union membership, or any other status protected by applicable national or local law, in hiring or other employment practices. Suppliers shall not require pregnancy or medical tests, except where required by applicable laws or regulations or prudent for workplace safety and shall not improperly discriminate based on test results.

## **5.2. Prevention of forced labour and human trafficking**

Apple does not tolerate forced labour. Our Code and Standards detail our anti-modern slavery-related requirements for suppliers, collectively known as our "Prevention of Modern Slavery Standards." These include provisions related to the prevention of involuntary labour, third-party employment agencies, and protections for foreign contract workers. They apply to all suppliers and sub-tier suppliers, including any private, public, or government agencies that work with our suppliers to recruit workers.

## **5.3. Prevention of underage labour**

Our Code prohibits suppliers from using child or underage labour. "Child or underage" means any person under 16 years of age, or under the applicable minimum legal age for employment or under the applicable age for completion of compulsory education, whichever is highest. Suppliers may employ juveniles (workers under 18 years of age who are not considered "child or underage" as defined above), provided they do not perform work that might jeopardize their health, safety, or morals, consistent with ILO Minimum Age Convention No. 138. Juvenile workers shall not work overtime or perform nighttime work. Suppliers may provide legitimate workplace apprenticeship 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. While Apple does not source primary material directly from mine sites, we maintain strict protocols for the responsible sourcing of the materials that end up 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. We also require suppliers to responsibly source materials and conduct due diligence in their own supply chains.

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

Suppliers shall 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.

## **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 remediable risks, we work with the prospective supplier to correct the issues before conducting business with them.

Our suppliers' level of adherence to the Code is also evaluated during third-party assessments, also known as assessments, 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 third-party auditing firms that are accredited to meet international auditing standards. We prohibit suppliers from having manufacturing operations in, recruiting labour 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 a supplier's operations — from workplace 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 2024 reporting period, 893 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 high standards everywhere that we and our suppliers operate, in Apple's People and Environment in Our Supply Chain 2025 Annual Progress Report available at <https://www.apple.com/supply-chain/>.

## 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

We believe that 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.

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 our users' data Apple — or anyone else — can access. They contain features designed and implemented to protect customers' privacy and give them control over their information.

Apple Intelligence first became available in certain countries in October 2024<sup>14</sup>. Apple Intelligence powers many features across the system including Writing Tools and Genmoji, and features in apps including Mail, Messages, Photos and more. Designed to protect users' privacy at every step, Apple Intelligence uses on-device processing, meaning that many of the models that power it run entirely on device. For requests that require more processing power, Private Cloud Compute extends the privacy and security of Apple devices into the cloud. Apple Intelligence sends only the data that is relevant to the request to be processed on the server. The data sent to and returned by Private Cloud Compute is not stored or made accessible to Apple; it is processed only to fulfill the user's request. In a first for the industry, independent experts can inspect the code that runs on Apple silicon servers to continuously verify this privacy promise — an extraordinary step forward for privacy in AI. In addition, Apple does not use users' private personal data or user interactions when training its foundation models that power Apple Intelligence features.

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. Recent updates provide even greater protection against trackers as users browse the web and from others 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 locks when not in use, allowing a user to keep tabs open even when stepping away from the device.

Maps uses random identifiers to ensure that routes customers take and the places they search are not associated with their Apple ID. iMessage and FaceTime are end-to-end encrypted, so Apple can't eavesdrop

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<sup>14</sup> Apple Intelligence is not yet available in all countries

on user communications. Advanced Data Protection is an option for users who wish to protect a majority of their iCloud data — including iCloud Backup, Photos, Notes, and more — using end-to-end encryption.

We created App Tracking Transparency to give users a simple way to control whether apps have permission to track their activity across other companies' apps and websites for use in advertising or to be shared with data brokers.

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.

We believe customers should control what information is shared, where it's shared, and when it's backed up. 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 <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 is committed to delivering advertising in a way that respects user privacy. Apple Ads may appear on the App Store. 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 are aimed at ensuring 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. Tools introduced in 2023 give developers more information about the data practices of third-party software development kits 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 customer 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 users connect, create, and do what they love — in the ways that work best for them. 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 users customize their display, control their devices, or navigate their surroundings. VoiceOver is an industry-leading screen reader that describes exactly what's happening on a user's device, and Zoom is a screen magnifier that lets users enlarge

the content they see on their device. Braille Access is an all-new experience that turns iPhone, iPad, Mac, or Apple Vision Pro into a full-featured braille notetaker that's deeply integrated into the Apple ecosystem. Magnifier, Apple's built-in app for iPhone, iPad, and Mac, turns the camera into a digital magnifying glass. Detection Mode in Magnifier<sup>15</sup> combines the camera, LiDAR Scanner, and on-device machine learning to offer intelligent tools like People Detection, Door Detection, Furniture Detection, Scenes, Text Detection and Point and Speak<sup>16</sup>, which give users rich details of their surroundings.

Vehicle Motion Cues for iPhone, iPad, and Mac can help reduce motion sickness for passengers in moving vehicles. With Vehicle Motion Cues, animated dots on the edges of the screen represent changes in vehicle motion to help reduce sensory conflict without interfering with the main content.

### 6.3.2. Hearing

Apple designs features to enhance the sounds users hear, or help users stay connected without hearing a sound. AirPods Pro provide an easy-to-use, clinical-grade Hearing Aid<sup>17</sup> capability for those with perceived mild to moderate hearing loss. The Hearing Aid feature makes adjustments that improve the clarity of voices and sounds. And users can even customize settings — like amplification, balance, and tone — to their needs. Other innovative features like Sound Recognition<sup>18</sup> notify users when it recognizes 15 different sounds — or users can train their devices to listen for their name, as well as electronic sounds that are unique to their environment, like the beeping of appliances in a kitchen, specific types of alarms, or doorbells. Music Haptics<sup>19</sup> is a way for those who are deaf or hard of hearing to experience music on iPhone. With this accessibility feature turned on, the Taptic Engine — which creates your device's vibrations — syncs with the rhythm of songs so users can enjoy music with taps, textures, and refined haptics.

### 6.3.3. Speech

If users have a speech disability or prefer to connect without using their voice, we've innovated to give users more ways to communicate, their way. Live Speech turns 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. Read and Speak includes a collection of features that enable users' 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. With Vocal Shortcuts, iPhone and iPad users can assign custom utterances that Siri can understand to launch shortcuts and complete complex tasks. Listen for Atypical Speech, gives users an option for enhancing speech recognition for a wider range of speech.

### 6.3.4. Mobility

Mobility features make it easy to modify a user's touch, create custom gestures, or control their devices in the ways that work best for them. With Switch Control users can navigate their device with a variety of switches, including head-tracking, sound actions, and certified MFi switches. Voice Control<sup>20</sup> helps you control a device

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<sup>15</sup> Detectors for doors, people, and furniture in Detection Mode require 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, iPhone 14 Pro, iPhone 14 Pro Max, iPhone 15 Pro, iPhone 15 Pro Max, iPhone 16 Pro, iPhone 16 Pro Max, iPhone 17 Pro, iPhone 17 Pro Max, iPad Pro (M4), iPad Pro 12.9-inch (4th generation and later), and iPad Pro 11-inch (2nd generation and later).

<sup>16</sup> Text Detection and Point and Speak can read signs and labels in Arabic, Cantonese (Simplified, Traditional), English (Australia, India, Ireland, Malaysia, New Zealand, Philippines, Saudi Arabia, Singapore, South Africa, United Arab Emirates, UK, U.S.), French (Belgium, Canada, France, Switzerland), German, Italian, Japanese, Korean, Mandarin (Simplified, Traditional), Portuguese (Brazil, Portugal), Russian, Spanish (Mexico, Spain), and Ukrainian (Ukraine). Detection Mode should not be relied on in circumstances where you may be harmed or injured or in high-risk or emergency situations.

<sup>17</sup> The Hearing Test and Hearing Aid features are supported on AirPods Pro 2 and later with the latest firmware paired with a compatible iPhone or iPad with iOS 18 or iPadOS 18 and later and are intended for people 18 years old or older. The Hearing Aid feature is also supported on a compatible Mac with macOS Sequoia and later. It is intended for people with perceived mild to moderate hearing loss. Some features may not be available in all regions or all languages. View complete list (<https://www.apple.com/airpods-pro/feature-availability/>).

<sup>18</sup> Sound Recognition should not be relied on in circumstances where you may be harmed or injured, in high-risk or emergency situations, or for navigation.

<sup>19</sup> Music Haptics are available on iPhone 12 and later (excluding iPhone SE).

<sup>20</sup> Voice Control is available in Arabic (Saudi Arabia), Cantonese (China mainland, Hong Kong), English (Australia, Canada, India, Singapore, UK, U.S.), French (France), German (Germany), Italian, Japanese, Korean, Mandarin Chinese (China mainland, Taiwan), Russian, Spanish (Mexico, Spain, U.S.), and Turkish.

with voice commands across iPhone, iPad, and Mac. Eye Tracking<sup>21</sup> gives users a built-in option for navigating iPad and iPhone with just their eyes. Powered by artificial intelligence, Eye Tracking uses the front-facing camera to set up and calibrate in seconds, works across iPadOS and iOS apps, and doesn't require additional hardware or accessories. With on-device machine learning, all data used to set up and control this feature is kept securely on device and isn't shared with Apple.

### 6.3.5. Cognitive

If users need support to stay focused or to streamline tasks, these tools can help make your day-to-day easier. Accessibility Reader is a new systemwide reading experience designed to make text easier to read for people with a wide range of disabilities, from dyslexia to low vision. Accessibility Reader gives users new ways to customize long-form text and focus on content they want to read, with extensive options for font, color, and spacing, as well as support for other Read & Speak features. 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 helps 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. Apple Intelligence<sup>22</sup> supports effective written communication and improves reading comprehension, memory and recollection, and more.

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. Education is in our DNA—and we know technology can open doors to new opportunities and give students the tools to pursue their dreams. That's why we collaborate with schools, nonprofits, and communities to get technology into classrooms and expand learning opportunities around the world—and we support programs that help teach coding, creativity, and career skills to learners of all ages. 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.

Apple's Education team works to ensure that students, teachers, and parents have the best learning tools for the classroom.

### 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.

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<sup>21</sup> Eye Tracking is available on iPhone 12 and later, iPhone SE (3rd generation), iPad Pro (M4), iPad Pro 12.9-inch (5th generation and later), iPad Pro 11-inch (3rd generation and later), iPad (A16), iPad (10th generation), iPad Air (M2 and M3), iPad Air (4th generation and later), iPad mini (A17 Pro), and iPad mini (6th generation).

<sup>22</sup> Apple Intelligence is available in beta. Some features may not be available in all regions or languages. For feature and language availability and system requirements, see [support.apple.com/121115](https://support.apple.com/121115).

- c) Apple TV: Apple TV takes learning to the big screen. Teachers and students can mirror their iPad or Mac to a TV or projector from anywhere in the classroom- eliminating the need for interactive whiteboards and document cameras. Lightweight and portable, Apple TV ensures a seamless sharing experience for both students and teachers.

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.

#### 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 projects 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 Tutorials:** 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, over one million teachers have joined the Apple Education Community to help build their skills and confidence using Apple technology.

Our community of Apple Distinguished Educators in 46 countries and regions 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.

There are certified Apple Learning Coaches in 17 countries and regions that receive Apple Learning Coach certification upon completion of our free, online professional learning program for educator coaches. This program is an online course incorporating a mix of virtual and in person sessions that help educators build their coaching capacity and build capacity in their schools.

Apple Distinguished Schools are centers of leadership and educational excellence that demonstrate the benefits of learning with Apple technology. Schools across 41 countries cultivate environments where students are engaged and curious about learning.

## 6.5. Health

Apple empowers users to take control of their health by making it easier to track and identify important insights. Users can also securely share their health and wellness information 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 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.

Most recently, Apple introduced powerful features on Apple Watch including the Vitals app, which gives users the ability to easily see when key overnight health metrics are out of a user's typical range, and sleep apnea notifications, so users can speak with their care provider about getting tested. In calendar year 2025, Apple introduced the novel hypertension notification feature on Apple Watch, which can alert users if it detects signs of chronic high blood pressure. On AirPods Pro 2 and Air Pods Pro 3, Apple introduced the world's first end-to-end hearing health experience with a clinically validated Hearing Test feature, an over-the-counter Hearing Aid feature, and active Hearing Protection<sup>23</sup> across listening modes to help prevent exposure to loud environmental noise.

Mental health is as important as physical health and affects people every day in how they think, feel, and act. Apple offers 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 Apple Watch's temperature-sensing capabilities, users can receive retrospective ovulation estimates. Knowing when ovulation has occurred can be helpful for family planning, [and/or understanding personal symptom patterns by phase of menstrual cycle](#) 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 offers 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, designed to be welcoming to all users, wherever they are in their journey. Fitness+ offers a personalized and engaging experience that can be done anytime,

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<sup>23</sup> The Hearing Protection feature works with AirPods Pro 2 and later with the latest firmware when paired with a compatible iPhone, iPad, or Mac with iOS 18, iPadOS 18, or macOS Sequoia and later. This feature is not available in all regions or all languages. View complete list: <https://www.apple.com/airpods-pro/feature-availability/>. See [support.apple.com/120850](https://support.apple.com/120850) for total attenuation and more information. The Hearing Protection feature is not suitable for protection against extremely loud impulse sounds, such as fireworks, gunfire or pneumatic drills, or against sustained sounds louder than 110 dBA. The Hearing Protection feature is not suitable for use in all workplaces. Consult with your employer prior to use. For AirPods Pro 3, the Hearing Protection feature complies with the hearing protection standard EN 352 when EN 352 Protection is on.

anywhere; intelligently incorporates real-time metrics from Apple Watch and AirPods Pro 3 that display onscreen on iPhone, iPad, or Apple TV; 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.

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 professionals (<https://www.apple.com/healthcare/products-platform/>).

Learn more about Health at <https://www.apple.com/health/>.

## **6.6. Caring for customers**

At Apple, we want to create products and services that enrich people's lives.

### **6.6.1. A world-class experience**

We're motivated by creating the best user experience through our products and in interactions 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**

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 and buy Apple products, services, and accessories by delivering a personalized experience like no other. Team members in our stores and contact centers help customers find the right products with support sessions — in person, over the phone, or via chat. Today at Apple and Personal Setup sessions help customers learn how to get the most from their devices and take their creativity further.

For business customers, teams in our stores and contact centers help customers with advice, pricing, and support small businesses need in our community.

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 Store online.

### **6.6.3. Listening and improving**

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.

## 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 expand access to opportunity, and help respond to urgent needs.

We also know that we interact with 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 program supports organizations tackling some of the most urgent issues facing our communities today. 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 strengthen communities and amplify Apple's values.

Our community giving initiatives are agile enough to allow us to respond in a timely, efficient, and effective way. We support select 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 in the places where we live and work and to build community resilience. We believe we can help 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) **Southbank Centre:** In the United Kingdom, Apple's partnership with the Southbank Centre is providing emerging creatives with the opportunity to showcase their talents at the country's largest multi-arts center. Apple's collaboration with the Southbank Centre began in 2022 with a pilot project and has since expanded to include the Reframe: Inspire Schools program. In collaboration with Midland Arts Centre and Factory International, the program provides secondary schools with creative curricula to help spark a passion for creativity in the next generation in London, Birmingham, and Manchester. The 2024/25 school year project curricula supported 400 students across 21 schools through artist-led workshops using technology. These workshops combined practical writing and visual arts exercises, enabling students to produce digital zines while developing hands-on creative skills and exploring future creative pathways. For the 2025/26 school year, the program will be expanded beyond the 21 local hubs to support 109 primary and secondary schools.
- b) **ChangemakerXchange:** In Europe, the Middle East, and North Africa, Apple partnered with ChangemakerXchange to strengthen climate action and leadership in the region. By creating a network to connect, build, and uplift youth-led climate innovation, Apple helped link solutions to funding opportunities and enhance climate leadership skills. The initiative launched in 2022 and has supported a group of 100 changemakers and social innovators — 50 from Europe and 50 from the Middle East and North Africa — with mentorship, capacity building, and access to high impact events like the UN Conference on Climate Change (COP28 and COP29) and Slush (impact founder summit).
- c) **Crises and natural disasters:** We also mobilized funding and humanitarian support for a number of unexpected events in fiscal year 2025, including flooding in Valencia, Spain; wildfires in Los Angeles; and earthquakes in Tibet.

### 7.2. Employee giving

Our employee giving program enhances charitable giving to qualified organizations by matching our employees' donations of time, money, stock or Apple products, up to an annual cap. 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 2025, 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.

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.

In Cork, the Hollyhill campus, which is home to the majority of Apple's approximately 6,000 employees in the country, continues to grow.

#### **7.3.1. Suppliers and manufacturers**

Any company that provides goods, services, or labour to Apple is part of our global supply chain, comprised of thousands of companies and millions of people across more than 50 countries and regions. 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 and empowers entrepreneurs from across the world. In Europe, it supports approximately 2.4 million jobs.

## 8. GOVERNANCE

At Apple, we are committed to conducting business ethically, honestly, and in compliance with applicable laws and regulations. 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. The 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.

Apple's COO leads the team in charge of Apple's global supply chain, as well as Apple's supply chain innovation programs that support and educate workers at supplier facilities around the world. Apple's COO also oversees teams focused on Apple's environmental and social initiatives. 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.

### 8.2. Ethics and compliance

#### 8.2.1. Compliance and Business Conduct

Apple's Business Conduct Policy (the "**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. These principles also apply to Apple suppliers, contractors, consultants, and other business partners when providing goods and services to Apple or acting on our behalf.

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

#### 8.2.2. Training and resources

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, insider trading, 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 at Apple. Additional required and recurring training includes Anti-Corruption, Antitrust and Competition, Export and Sanctions, and manager-specific training.

#### 8.2.3. Compliance policies

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

We make key compliance policies publicly available on our Ethics and Compliance website (<https://www.apple.com/compliance/>). These include our policies on Anti-Corruption, Exports and Sanctions, Antitrust and Competition, Human Rights, Supplier Code of Conduct, and Third Party Code of Conduct.

#### 8.2.4. Reporting concerns

Apple's Global Whistleblowing Policy applies to individuals who have a business relationship with Apple and have concerns about possible wrongdoing that involves Apple. This includes but is not limited to all current and former employees; directors and officers; and contractors and subcontractors of Apple and its subsidiaries. This policy sets out Apple's commitment to protecting and supporting individuals who report such concerns.

Our employees are required to speak up about any violation of the 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 or Business Conduct.

Our employees can contact Apple's Business Conduct team by phone, email, or web form. Apple's third-party reporting service, <https://apple.ethicspoint.com/>, 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 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.

Signed on behalf of the board of directors of the Company



Cathy Kearney

Director

Date: 30 March 2026



Michael Sugrue

Director

Date: 30 March 2026