

Apple Shareholder Meeting – Statement in Favor of Resolution #9
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My name is Justin Danhof, and I am representing the National Center for Public Policy Research, the proponent of Proposal Number Nine.

Our Proposal highlights an area of concern to all shareholders: Company affiliations that may primarily advance social or environmental causes rather than promoting shareholder value.

We are asking the Company to be transparent about its membership in, and payments to, trade groups and outside organizations that are actively promoting top-down environmentalism rather than working to advance shareholder value.

The Proposal is necessary because Apple is a member of the Retail Industry Leaders Association (RILA) – one of the country’s largest Washington, D.C.-based trade associations. RILA has been working with its member companies to advance top-down, market-distorting sustainability initiatives. RILA is pressuring its members to make expensive capital expenditures that have limited prospects for a reasonable return. RILA also advocates that its members lobby for changes to local building codes that will increase building costs and restrict property rights.

RILA claims that this strategy will give its member companies a competitive advantage when bureaucrats in Washington, D.C issue new environmental regulations. But why is an increasing regulatory state the only future RILA sees? Shouldn’t the Company’s trade associations be working to prevent costly federal interference with Apple’s operations rather than pro-actively acceding to DC’s regulatory morass?

Apple’s 2013 hiring of President Obama’s former head of the Environmental Protection Agency administrator Lisa Jackson is evidence that perhaps the Company agrees with RILA’s sustainability push. Under Jackson’s direction, the EPA issued 1,824 regulations – 20 of which are major regulations estimated to cost corporate America “\$7 billion in one-time initial compliance and \$44.86 billion in annual direct compliance costs.”

Also, under her leadership, the EPA issued its endangerment finding that dubbed carbon dioxide as a pollutant that is now driving much of the corporate climate change hysteria.

As shareholders, we object to increased government control over Company products and operations, and likewise mandatory environmental standards. This is something the Company should be actively fighting, not preparing surrender.

Apple should feel free to invest in sustainability where it is doing so with a business rationale – and staying one step ahead of federal regulators falls far short of this duty.

We urge shareholders to vote for Proposal Number Nine.

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