

**Apple (UK) Limited**

**Strategic report,  
directors' report and  
financial statements**

**Year ended 30 September 2023**

**Registered number 1591116**



**Apple (UK) Limited**  
**Strategic report, directors' report and financial statements**  
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**Apple (UK) Limited**  
**Registered number 1591116**

## **Strategic report**

The directors of Apple (UK) Limited (the "Company") present their strategic report for the year ended 30 September 2023.

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

## **Principal activities and business review**

Apple Inc. and its wholly-owned subsidiaries (the "Group" or "Apple") designs, manufactures and markets smartphones, personal computers, tablets, wearables and accessories, and sells a variety of related services.

The Company provides services to Group affiliates. These services include research and development, technical and other services.

## **Key performance indicators**

The key financial and other performance indicators during the year were as follows:

	<b>2023</b>	<b>2022</b>	<b>Change</b>
	<b>£'000</b>	<b>£'000</b>	<b>%</b>
Operating costs	586,627	470,340	25%
Total equity	344,302	425,528	-19%

Operating costs increased by 25% year on year due to increased activities performed by the Company during the year.

Total equity decreased by 19% year on year, due to a recharge of share based compensation and a dividend paid in 2023. The decrease is offset by the addition of the net profit recognised for the year.

In 2023, the Company had a monthly average number of employees of 1,800 (2022: 1,597) which was a movement of 14% on the prior year. The increase has arisen due to increased activities by the Company.

Each indicator is monitored by local management against budget and against prior years. The directors are satisfied with the performance of the Company during the year with regard to the indicators set out above.

## **Risk and uncertainties**

The risks and uncertainties faced by the business are those typical of the technology sector, but are mitigated by the historically strong financial performance of the Company and its long-standing reputation and tradition within the sector.

The directors consider the principal risks and uncertainties facing the Company are:

- retaining key employees and succession planning, and
- a rising cost base.

The directors believe that these risks are effectively managed through a strong focus on its cost base and on its key employees.

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**Strategic report (continued)**

**Risk and uncertainties (continued)**

Financial risk is managed by Apple Inc.'s, specialist Treasury department under policies approved by its board of directors. Therefore, the financial risk facing the Company is considered low.

**Results**

The profit for the year after taxation amounted to £102,284,000 (2022: £76,603,000).

**Post balance sheet events**

There have been no other significant events affecting the Company since 30 September 2023.

**Section 172 Statement**

The directors of the Company have acted during the financial period in a way that they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its member, and in doing so they have had regard to the matters set out in section 172(1) of the Companies Act 2006. Highlighted below are certain aspects of the duties under section 172(1) that the directors consider most relevant to the Company, and the key stakeholders of the Company. This statement, and the other statements referred to herein, include information both specific to the Company and to Apple as a whole.

The directors receive training relevant to their role, including on directors' duties, to support their consideration of stakeholder impact.

The directors have delegated day-to-day engagement with stakeholders to management with relevant subject matter expertise, but they oversee this engagement and consider stakeholder impacts in relation to key decisions that are escalated to the board.

**Considering long-term impact of decisions**

Apple Inc. and its subsidiaries are demonstrating every day that business can and should be a force for good. And we've made important progress over the last year through our initiatives. At Apple, we're committed to leaving the world better than we found it, and the directors seek to have a long-term mindset when making decisions on behalf of the Company. That means supporting communities with global and local initiatives, investments, and donations that combat inequity, expand access to opportunity, and help respond to urgent needs.

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

**Employees**

At Apple, we work every day to create an inclusive, safe, and supportive environment for all our team members. We're always finding new ways to invest in our teams' development and to encourage collaboration and creativity. And we provide strong and comprehensive benefits and highly competitive total compensation. We believe we're a better and more innovative company when people have support and the opportunity to do their best work. We describe further how the Company engages with employees in our *statement of engagement with employees*, on pages 8 to 10.

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**Strategic report (continued)**

**Section 172 Statement (continued)**

### **The community, suppliers, customers and others in a business relationship**

We've worked to embed respect for human rights across Apple in the technology we make, in the way we make it, and in how we treat people. Our Human Rights Policy, which was adopted by the Company following approval by the directors of the Company, 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, and our approach is based on the UN Guiding Principles on Business and Human Rights ("UNGPs"). See our *statement of engagement with suppliers, customers and others in a business relationship with the Company*, on pages 11 to 14 for more detail on how we monitor and nurture our business relationships.

### **The environment**

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

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

See our *streamlined energy and carbon report* on pages 15 to 16 for more information on the Company's energy and carbon usage and Apple's climate action commitments, and see our *non-financial sustainability information statement* on pages 4 to 5 for more information on climate-related risks and opportunities of the Company.

### **Business Conduct**

Apple's Business Conduct Policy (the "Policy"), which has been adopted by the Company following approval by the directors of the Company, applies to all full time and part-time employees and is available to employees in over 20 languages. The Policy outlines the principles of honesty, respect, confidentiality, and compliance that guide Apple's business practices and also apply to Apple suppliers, contractors, consultants, and other business partners when providing goods and services to Apple or acting on our behalf. See our *statement of engagement with employees*, on pages 8 to 10 for more information on ethics and compliance policies and practices at the Company.

### **Principal decisions of the Company**

Decisions which are of strategic importance, are commercially material, or have a significant impact on key stakeholders are considered principal decisions of the Company.

The board of the Company has taken the following principal decisions during the financial period:

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**Strategic report (continued)**

**Section 172 Statement (continued)**

### **Declaration and payment of dividend to shareholder**

A dividend of £171,897,000 (FY22: £nil) was proposed and paid during the year. In proposing and approving the payment of such dividend, the directors carefully considered its financial impact on the Company (taking into account the impact on the Company's stakeholders), including whether there were any actual or reasonably foreseeable contingent or prospective liabilities the payment or settlement of which would be jeopardised by the payment of the dividend. The directors also considered carefully the effect that the dividend would have on the Company's ability to pay its debts as they fell due, having regard to the entirety of the Company's business and the actual and contingent liabilities (present and future) inherent in that business.

### **Non-financial and sustainability information statement**

The directors consider that the climate-related risks and opportunities of the Company, including how they are identified, assessed and managed, are integrated with those of the global Apple group of companies (the "Apple Group"). As such, the directors have delegated responsibility for identifying, assessing and managing climate-related risks and opportunities of the Company to specialist teams within the Apple Group. This is aligned to the Company's overall risk management process. The board oversees this delegated responsibility by means of a standing agenda item at regular board meetings at which climate-related risks and opportunities, and related matters, are reviewed and discussed.

The Company's climate-related risks and opportunities are directly linked to the climate-related risks and opportunities of the Apple Group, due to the services of the Company being provided solely within the Apple Group.

Please see section C2.2 of Apple's 2023 CDP response<sup>1</sup> ("Apple's CDP Response") for further details of how the Apple Group identifies, assesses and manages climate-related risks and opportunities and how such processes are integrated into the Apple Group's overall risk management process. Apple's most recently published CDP Response covers Apple Inc.'s financial year ended 24 September 2022. The matters cited in the CDP Response remain applicable to the Company's financial year ended 30 September 2023.

The principal climate-related risks and opportunities arising in connection with the Company's operations, and applicable timeframes, are broadly aligned with those that are identified by the Apple Group and set out in Apple's CDP Response. Specifically, there is a risk over the medium-term of increased indirect (operating) costs due to changes in carbon pricing. This risk is considered to be more likely than not, with a medium-low impact. On the other hand, also over the medium-term, there is an opportunity for the development and/or expansion of low emission goods and services, reducing indirect (operating) costs. This opportunity is considered to be likely, with a medium-low impact.

In fiscal year 2020, Apple conducted a climate-related scenario analysis to gain insight into Apple's exposure to climate change and the impact of climate change on our operations and supply chain. Overall, taking into consideration these scenarios alongside Apple's climate commitments, the directors consider the Company's business model to be resilient. Please see sections C2.3, C2.4 and C3.2 of Apple's CDP Response for further details of climate-related risks and opportunities affecting the Apple Group and their possible impacts.

The Company participates in the global targets of Apple Inc., as further described below.

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<sup>1</sup> Apple's response to the CDP questionnaire on climate related financial disclosures covering Apple Inc.'s financial year ended 24 September 2022 can be found at: [https://www.apple.com/environment/pdf/Apple\\_CDP-Climate-Change-Questionnaire\\_2023.pdf](https://www.apple.com/environment/pdf/Apple_CDP-Climate-Change-Questionnaire_2023.pdf).

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**Strategic report (continued)**

**Section 172 Statement (continued)**

Carbon neutrality

As mentioned in the Company's streamlined energy and carbon reporting compliance statement on pages 15 to 16, Apple is committed to carbon neutrality across its entire supply chain by 2030, including material sourcing, manufacturing, shipping and transportation, and in-use power of customer devices. In fiscal year 2023, the Apple Group has reduced its comprehensive carbon footprint by more than 55 percent since the baseline year of fiscal year 2015, with the aim of becoming carbon neutral beginning with fiscal year 2030. We plan to get there by reducing our emissions by 75 percent compared with fiscal year 2015, then investing in high-quality carbon removal solutions for the remaining emissions.

Our plan for reaching these goals is comprised of four pillars — the first three are aimed at reducing emissions, whereas the fourth (carbon removal) seeks to remove the remaining 25 percent carbon emissions that are difficult to avoid, like air travel.

For our carbon neutrality target, the key performance indicator is carbon emissions (scope 1, 2 and 3). For detailed data on carbon usage by the Apple Group, please see the carbon emissions reduction discussion on pages 12 through 14 of Apple's 2024 Environmental Progress Report (the "2024 EPR")<sup>2</sup>.

Renewable energy

The Apple Group set an ambitious goal to power 100 percent of our global facilities with 100 percent renewable energy. We reached this goal in 2018 and have since maintained it. The Apple Group has additionally committed through the Science Based Targets Initiative to maintain our use of 100 percent renewable electricity for our facilities through 2030.

For our renewable energy target, the key performance indicator is the use of renewable electricity. For detailed data on renewable electricity usage by the Apple Group, please see the renewable electricity metrics for corporate facilities on page 81 of the 2024 EPR.

For further details on the Apple Group's targets and key performance indicators, which the Company participates in, please see section C4 of Apple's CDP Response.

By order of the board

Director

  
Print Peter R. Denwood

Dated 25 June 2024

280 Bishopsgate London  
EC2M 4RB

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<sup>2</sup> Apple's Environmental Progress Report 2024 covering fiscal year 2023 can be found at:  
[https://www.apple.com/environment/pdf/Apple\\_Environmental\\_Progress\\_Report\\_2024.pdf](https://www.apple.com/environment/pdf/Apple_Environmental_Progress_Report_2024.pdf).

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## **Directors' report**

The directors of the Company present their report for the year ended 30 September 2023.

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

## **Directors**

The directors who held office during the year were as follows:

Michael Boyd (resigned 24 January 2023)  
Peter Denwood  
Eamonn Clancy (appointed 24 January 2023)

Alia Azmi was appointed as an alternate director on 28 November 2023

The Company Secretary is Abogado Nominees Limited.

## **Dividend**

The dividend paid during the year was £171,897,000 (2022: £nil).

## **Research & Development**

The Company provides services to Group affiliates. These services include research and development.

## **Future developments**

There are no significant future developments expected to impact the Company.

## **Post balance sheet events**

Post balance sheet events are disclosed in the Strategic Report.

## **Going concern**

The Company's business activities, together with factors likely to affect its future development, performance and position are set out in the principal activities and business review, risks and uncertainties and key performance indicators sections of the Strategic Report. The directors believe the Company is well placed to manage its business risks successfully.

The Company's directors have a reasonable expectation that the Company has adequate resources to continue its operations for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements.

The results of the Company for the year ended 30 September 2023 as set out on page 19 are considered satisfactory.

## **Political contributions**

The Company made no political contributions during the year (2022: £nil).

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**Directors' report** (continued)

### **Other information**

The combined business results of the Company together with Apple Europe Limited and Apple Retail UK Limited were as follows:

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Turnover	3,469,415	3,122,378
Operating profits	822,024	756,175
UK corporation tax for year at 22% (2022: 19%)	166,397	115,951
Total tax on profit on ordinary activities	143,849	96,466
Average monthly number of employees during the year	7,989	7,514

### **Disabled employees**

The Company gives full consideration to applications for employment from disabled persons where the candidate's particular aptitudes and abilities are consistent with adequately meeting the requirements of the job. Opportunities are available to disabled employees for training, career development and promotion.

### **Risks and uncertainties**

The risks and uncertainties facing the Company are disclosed in the Strategic Report.

### **Disclosure of information to the auditors**

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

### **Qualifying third-party indemnity provisions**

The Company benefits from a global indemnity policy which protects its directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in section 234 of the Companies Act 2006. Such qualifying third party indemnity provision remains in force as at the date of approving the directors' report.

### **Reappointment of the auditors**

In accordance with section 487 of the Companies Act 2006, Ernst & Young, Chartered Accountants will be deemed to be reappointed as auditors of the Company.

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**Directors' report** (continued)

### **Statement of engagement with employees**

We've worked to embed respect for human rights across Apple in the technology we make, in the way we make it, and in how we treat people. Our Human Rights Policy, which was adopted by the Company following approval by the directors of the Company, governs how we treat everyone. We're deeply committed to respecting internationally recognized human rights in our business operations, as set out in the International Bill of Human Rights and the ILO's Declaration on Fundamental Principles and Rights at Work, and our approach is based on the UNGPs.

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

### **Inclusion and diversity**

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

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

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

We are committed to providing a workplace free of harassment or discrimination based on race, color, ancestry, national origin, caste, sex, gender (including pregnancy, childbirth, breastfeeding, or related medical conditions), sexual orientation, gender identity or expression, religion, creed, age, mental or physical disability, medical condition, genetic information, marital status, or military or protected Veteran status, or on any other basis protected by law. We do not tolerate discrimination or harassment of our employees or those with whom we have a business, service, or professional relationship (including customers), nor do we tolerate workplace violence of any kind. Apple will not retaliate, and will not tolerate retaliation, against anyone for reporting a good-faith concern about harassment or discrimination or for participating in the investigation of such a concern.

#### *Supporting accessibility for our employees*

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

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**Directors' report** (continued)

**Statement of engagement with employees** (continued)

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

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

The Company is registered as a Disability Confident Employer. Please see our *statement of engagement with suppliers, customers and others in a business relationship* on pages 11 to 14 for more details on our newest accessibility features, which bring benefits to our employees as well as customers.

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

**Compensation and Benefits**

Apple aims to offer highly competitive compensation that's in the top tier of each local market and provides all employees with the opportunity to become a shareholder in Apple Inc. As outlined further in Note 4 to the financial statements, the Company's ultimate parent, Apple Inc. operates discretionary employee stock programs relevant to the Company. Since 2017, Apple has achieved and maintained gender pay equity for all our employees. To maintain pay equity, Apple conducts regular, in-depth assessments of total compensation including base pay, discretionary bonuses, and discretionary restricted stock units granted by Apple Inc.

We publish our Gender Pay Gap report on an annual basis and we're committed to improving the representation of women at all levels of the Company.

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

**Engagement**

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

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

**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.

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**Directors' report** (continued)

**Statement of engagement with employees** (continued)

### **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 fulfilment, and we continue to take new steps to ensure that everyone at Apple has the opportunity to find support to grow and develop.

Examples of our Apple-wide programs and initiatives include;

- Apple University offers all employees original classes, tools, and resources across a wide range of topics to help employees learn to lead and explore important topics like fairness and justice; and
- All Apple employees may enrol 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.

### **Ethics and compliance**

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

The directors of the Company have delegated authority to Apple's Compliance and Business Conduct team, who focus on business conduct, political compliance, export and sanctions compliance, health compliance, antitrust compliance, anti-corruption compliance, and third-party compliance. Additional compliance functions are integrated into our business organizations.

#### **Training and resources**

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

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

#### **Compliance policies**

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

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

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**Directors' report** (continued)

### **Statement of engagement with suppliers, customers and others in a business relationship with the Company**

We've worked to embed respect for human rights across Apple in the technology we make, in the way we make it, and in how we treat people. Our Human Rights Policy, which was adopted by the Company following approval by the directors of the Company, governs how we treat everyone. We're deeply committed to respecting internationally recognized human rights in our business operations, as set out in the International Bill of Human Rights and the ILO's Declaration on Fundamental Principles and Rights at Work, and our approach is based on the UNGPs. We set out an overview of our engagement with key stakeholders below.

#### **Suppliers**

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

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

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

#### **Privacy**

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

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

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

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

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**Directors' report** (continued)

**Statement of engagement with suppliers, customers and others in a business relationship with the Company**  
(continued)

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

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

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

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

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

Users can exercise their privacy rights at our dedicated Data and Privacy page <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-delivered ads may appear on the App Store, Apple News, and Stocks depending on the jurisdiction. The Apple advertising platform does not track users, nor does it buy or share user personal data with other companies.

Apple's privacy policy has been adopted by the Company following approval by the directors of the Company, and can be found at <https://www.apple.com/privacy/>.

Learn more about privacy at Apple:

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

## **Accessibility**

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

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## **Directors' report (continued)**

### **Statement of engagement with suppliers, customers and others in a business relationship with the Company (continued)**

#### **Vision**

If you're blind, have low vision, or just prefer larger text, these features help you customize your display, control your devices, or navigate your surroundings. VoiceOver, an industry-leading screen reader that describes exactly what's happening on your device, and Zoom, a screen magnifier that lets you enlarge the content you see on your device. Magnifier, Apple's built-in app for iPhone and iPad, turns the camera into a digital magnifying glass to increase the size of any physical object you point it at. Detection Mode<sup>3</sup> in Magnifier combines the camera, LiDAR Scanner, and on-device machine learning to offer intelligent tools like People Detection, Door Detection<sup>4</sup>, Image Descriptions, Text Detection and Point and Speak, which give you rich details of your surroundings.

#### **Hearing**

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

#### **Speech**

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

#### **Mobility**

Mobility features make it easy to modify your touch, create custom gestures, or control your devices in the ways that work best for you. With Switch Control you can navigate your device with a variety of switches, including head-tracking, sound actions, and certified MFi switches. Voice Control<sup>5</sup> helps you control a device with voice commands across iPhone, iPad, and Mac. AssistiveTouch for Apple Watch helps users with upper-body limb differences to enjoy the benefits of Apple Watch without having to touch the display. Apple Watch Mirroring<sup>6</sup> supports users with quadriplegia or other physical and motor disabilities in controlling Apple Watch via iPhone supported assistive features. iPadOS supports third-party eye-tracking devices, making it possible for people to control iPad using just their eyes.

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<sup>3</sup> Detection Mode requires devices with the LiDAR Scanner. The LiDAR Scanner is available only on the Pro models of iPhone and iPad. Point and Speak is available on iPhone and iPad devices with the LiDAR Scanner in English, French, Italian, German, Spanish, Portuguese, Chinese, Cantonese, Korean, Japanese, and Ukrainian.

<sup>4</sup> Door Detection can read signs in Cantonese (Simplified, Traditional), Chinese (Simplified, Traditional), English (U.S.), French (France), German (Germany), Italian (Italy), Japanese (Japan), Korean (Korea), Portuguese (Brazil), Russian (Russia), Spanish (Spain), and Ukrainian (Ukraine). Door Detection should not be relied on in circumstances where you may be harmed or injured or in high-risk or emergency situations.

<sup>5</sup> Voice Control is not available in all areas and on all Apple software. Voice Control utilizes the Siri speech recognition engine for Cantonese (Hong Kong), Chinese (China mainland), English (Australia, Canada, India, UK, U.S.), French (France), German (Germany), Japanese (Japan), and Spanish (Mexico, Spain, U.S.).

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

**Apple (UK) Limited**  
**Registered number 1591116**

**Directors' report** (continued)

**Statement of engagement with suppliers, customers and others in a business relationship with the Company**  
(continued)

#### Cognitive

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

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

#### Education

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

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

**Apple (UK) Limited**  
**Registered number 1591116**

**Directors' report** (continued)

**Streamlined Energy and Carbon Reporting**

**Methodology**

This assessment has been carried out by Antea Group USA in general accordance with the Greenhouse Gas Protocol and *ISO14064-1:2018 Greenhouse Gases – Part 1: Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals*.

**Results**

The table below sets out total energy consumption and resulting GHG emissions by Scope arising from business operations of the Company.

**Summary GHG Emissions Results**

Scope	FY23		FY22	
	kWh	tCO <sub>2</sub> e	kWh	tCO <sub>2</sub> e
Scope 1 – Heating Fuels	858,756	157.09	593,426	107.55
Scope 1 – Company Vehicles	251,973	56.16	240,525	54.96
Scope 2 – Purchased Electricity (Location-Based) <sup>7</sup>	2,476,589	512.84	2,279,598	440.82
Scope 2 – Purchased Electricity (Market-Based) & Renewable Energy Generation <sup>7</sup>	2,476,589	0.00	2,279,598	0
Scope 3 – Rental Vehicles	18,358	3.77	40,530	9.21
Scope 3 – Employee Mileage	82,190	13.29	8,316	1.89
<b>Total Gross Emissions*</b>	<b>3,687,866</b>	<b>230.31</b>	<b>3,162,395</b>	<b>173.60</b>
Carbon Offset		-230.31	-	-173.6
<b>Total Net Emissions</b>		<b>0.00</b>	<b>-</b>	<b>0.00</b>
<b>Intensity Ratios</b>	<b>FY23</b>		<b>FY22</b>	
kWh/sq.ft/year	36.60		31.53	
tCO <sub>2</sub> e/employee/year (Location-Based Electricity)	0.41		0.38	
tCO <sub>2</sub> e/£m/year (Location-Based Electricity)	1.11		1.16	

\* Total Gross Emissions includes all Scope 1 emissions; only Scope 2 – Purchased Electricity (Market- Based) & Renewable Energy Generation; and all Scope 3 emissions.

<sup>7</sup> Energy Consumption from purchased electricity is reported as both (1) Location-Based emissions, using UK Government emissions factors for grid electricity; and (2) Market-Based emissions, which take into account procurement of renewable electricity (backed by Renewable Energy Guarantees of Origin (REGOs)) and emissions saved through the Company's renewable energy purchasing, resulting in a net nil tCO<sub>2</sub>e count.

**Apple (UK) Limited**  
**Registered number 1591116**

**Directors' report** (continued)

**Streamlined Energy and Carbon Reporting** (continued)

### **Climate Action Statement**

Building on our achievement of carbon neutrality for Apple's<sup>8</sup> corporate emissions, Apple is committed to total carbon neutrality across its entire value chain by 2030, including material sourcing, manufacturing, shipping and in-use power of customer devices.

In fiscal year 2023 the Apple Group has reduced its comprehensive carbon footprint by more than 55 percent since our base year of 2015, with the aim of becoming carbon neutral beginning with fiscal year 2030. We plan to get there by reducing our emissions by 75 percent compared with 2015, then investing in high quality carbon removal solutions for the remaining emissions.

To reduce emissions from Apple facilities, we conduct regular energy audits of our corporate offices, retail stores and data centres to identify system improvements that could reduce energy use. We have improved energy tracking and benchmarking processes. This helps us to identify low-performing buildings early and ensure issues are rectified quickly. We have integrated energy efficiency early in the design process for our new stores and refurbishments to ensure that savings are maximized.

We source 100 percent renewable energy for our electricity use at our retail stores, offices and data centres. For over 90 percent of the electricity, we source renewable energy from Apple-created projects, including direct ownership, equity investments (such as solar, wind and low-impact hydro), or long-term renewable energy contracts (primarily sourced from solar and wind). In the remaining cases where we need more renewable energy than what's generated by our Apple-created projects, we directly purchase renewable energy through available utility green energy programs.

We are applying high-quality forest, wetland and grassland protection or restoration projects to offset residual carbon and cover our remaining corporate scope 1 & 3 emissions. Apple is committed to leading by example when tackling global climate change; and we will continue to lend our voice to climate advocacy, joining with others to drive for collective action and strong climate positive policies.

For more details on Apple's environmental performance, please go to <https://apple.com/environment>

By order of the board

Director



Peter R. Denwood

Dated 25 June 2024

280 Bishopsgate London  
EC2M 4RB

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<sup>8</sup> References to Apple in this paragraph apply to the Group. The Company, as part of the Group, shares this commitment and participates in the Group's global actions to reduce the carbon and emissions.

**Apple (UK) Limited**  
**Registered number 1591116**

### **Directors' responsibilities statement**

The directors are responsible for preparing the strategic report, the directors' report and the financial statements in accordance with applicable law and regulations.

UK company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Standards and applicable law), including Financial Reporting Standard 102 – 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland'.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping proper accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

By order of the board

Director



Peter R. Denwood

Dated 25 June 2024

280 Bishopsgate London  
EC2M 4RB

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF APPLE (UK) LIMITED**

### **Opinion**

We have audited the financial statements of Apple (UK) Limited ("the Company") for the year ended 30 September 2023 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the related notes 1 to 21, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the Company's affairs as at 30 September 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) 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 Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard 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. Our evaluation of the directors' assessment of the Company's ability to continue to adopt the going concern basis of accounting included our assessment of the financial condition of the Company including but not limited to:

- We confirmed, through management enquiry, our understanding of management's going concern assessment process. We also engaged with management early to ensure all key risks and factors were considered in their assessment.
- We evaluated the appropriateness of management's assessment by assessing the financial condition of the Company including but not limited to:
  - assessing the recoverability of intercompany amounts and the Company's access to working capital facility arrangements within the Apple group;
  - inspecting the existence of intercompany agreements; and
  - re-calculating historic trend of net assets, net current assets and net profit.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF APPLE (UK) 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 Company's ability to continue as a going concern for a period of 12 months from 25 June 2024.

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 Company's ability to continue as a going concern.

### **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the 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 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report have been prepared in accordance with applicable legal requirements;

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

In the light of 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 strategic report or directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

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

### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement set out on page 17 the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and for such internal control as the directors 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 Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have 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 (UK) 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.

### ***Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud***

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the Company and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and determined that the most significant are FRS 102, Companies Act 2006 and the relevant tax compliance regulations in the UK. In addition, we concluded that there are certain significant laws and regulations that may have an effect on the determination of the amounts and disclosures in the financial statements and those laws and regulations relating to health and safety, employee matters, environmental, bribery and corruption practices, and Miscellaneous Reporting Regulations 2018.
- We understood how the Company is complying with those frameworks by making enquiries of management. We corroborated our enquires through reading the board minutes, and we noted that there was no contradictory evidence.
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur through inquiry of management, those charged with governance and others within the entity, as to whether they have knowledge of any actual or suspected fraud. Where this risk was considered higher, we performed audit procedures to address the fraud risk. These procedures included testing manual journals and were designed to provide reasonable assurance that the financial statements were free from fraud or error.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved reading board minutes to identify any non-compliance with laws and regulations and enquiries of management.



## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF APPLE (UK) LIMITED (Continued)

### *Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud (continued)*

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

### **Use of our report**

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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.

*Ernst & Young*  
Mark Hegarty (Senior statutory auditor)  
for and on behalf of Ernst & Young, Statutory Auditor  
Cork, Ireland

Date: 25 June 2024

**Apple (UK) Limited**

**Statement of comprehensive income  
for the year ended 30 September 2023**

	Note	2023	2022
		£'000	£'000
Turnover	2	666,685	533,365
Administrative expenses		(586,627)	(470,340)
<b>Operating profit</b>	3	<b>80,058</b>	<b>63,025</b>
Other interest receivable and similar income	5	18,197	2,111
Interest payable and similar charges	6	(24)	(75)
<b>Profit before taxation</b>		<b>98,231</b>	<b>65,061</b>
Tax on profit	7	4,053	11,542
<b>Profit for the financial year</b>		<b>102,284</b>	<b>76,603</b>
Other comprehensive income		-	-
<b>Total comprehensive income for the year</b>		<b>102,284</b>	<b>76,603</b>

**Apple (UK) Limited**


**Statement of financial position  
at 30 September 2023**

	Note	2023 £'000	2022 £'000
<b>Fixed assets</b>			
Tangible fixed assets	9	18,938	17,763
		<b>18,938</b>	<b>17,763</b>
<b>Current assets</b>			
Debtors: amounts falling due within one year	10	609,790	514,248
		<b>609,790</b>	<b>514,248</b>
<b>Creditors: amounts falling due within one year</b>	11	(250,358)	(70,712)
<b>Net current assets</b>		<b>359,432</b>	<b>443,536</b>
<b>Total assets less current liabilities</b>		<b>378,370</b>	<b>461,299</b>
<b>Provisions</b>	12	(34,068)	(35,771)
<b>Net assets</b>		<b>344,302</b>	<b>425,528</b>
<b>Capital and reserves</b>			
Called up share capital	13	1,000	1,000
Profit and loss account		343,302	424,528
<b>Shareholder's funds</b>		<b>344,302</b>	<b>425,528</b>

These financial statements were approved by the board of directors on 25 June 2024 and were signed on its behalf by:

Director

Dated 25 June 2024

  
Peter R. Denwood

280 Bishopsgate London  
EC2M 4RB

**Apple (UK) Limited**

**Statement of changes in equity  
for the year ended 30 September 2023**

	<b>Called up share capital</b>	<b>Profit and loss account</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>At 25 September 2021</b>	<b>1,000</b>	<b>230,601</b>	<b>231,601</b>
Profit for the financial year	-	76,603	76,603
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	76,603	76,603
Dividends paid (note 8)	-	-	-
Transfer between reserves	-	-	-
Share-based payment charge	-	117,324	117,324
<b>At 24 September 2022</b>	<b>1,000</b>	<b>424,528</b>	<b>425,528</b>
Profit for the financial year	-	102,284	102,284
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	102,284	102,284
Dividends paid (note 8)	-	(171,897)	(171,897)
Transfer between reserves	-	-	-
Share-based payment transactions	-	(11,613)	(11,613)
<b>At 30 September 2023</b>	<b>1,000</b>	<b>343,302</b>	<b>344,302</b>

## **Apple (UK) Limited**

### **Notes to the financial statements for the year ended 30 September 2023**

#### **1. Accounting Policies**

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's financial statements.

##### **Statement of compliance**

Apple (UK) Limited is a limited liability company incorporated in the United Kingdom. The Registered Office is 280 Bishopsgate, London, EC2M 4RB.

The financial statements have been prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Standards and applicable law), including Financial Reporting Standard 102 – 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ("FRS 102"), and with the Companies Act 2006.

##### **Basis of preparation**

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102:

- Section 3 Financial Statement Presentation paragraph 3.17(d)
- Section 7 Statement of Cash Flows
- Section 11 Basic Financial Instruments paragraphs 11.42, 11.44, 11.45, 11.47, 11.48 (a) (iii), 11.48 (a) (iv), 11.48 (b) and 11.48 (c)
- Section 12 Other Financial Instruments Issues paragraphs 12.26, 12.27, 12.29 (a), 12.29 (b) and 12.29 (A)
- Section 26 Share-based Payment paragraphs 26.18(b), 26.19 to 26.21 and 26.23; and
- Section 33 Related Party Disclosures paragraph 33.7.

The financial statements are presented in sterling which is the functional currency of the Company and rounded to the nearest £'000.

##### **Going concern**

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

##### **Judgments and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the statement of financial position date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognized in the financial statements.

## **Apple (UK) Limited**

### **Notes to the financial statements for the year ended 30 September 2023**

#### **1. Accounting Policies (continued)**

##### **Judgments and key sources of estimation uncertainty (continued)**

- **Taxation**  
The Company establishes provisions using reasonable estimates of taxable profits. The amount of such provisions is based on various factors, such as experience with previous tax audits and differing interpretations of tax regulations by the Company and the responsible tax authority.
- **Deferred Tax Asset**  
Management estimation is required to determine the amount of deferred tax assets that can be recognized, based upon likely timing and level of future taxable profits together with an assessment of the effect of future tax planning strategies. Further details are contained in note 7.
- **Impairment of non-financial assets**  
The Company reviews its non-financial assets for impairment whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable. Recoverability of these assets is measured by comparison of their carrying amounts to fair value. If these assets are considered to be impaired, the impairment recognized is equal to the amount by which the carrying value of the assets exceeds its fair value.

##### **Revenue recognition**

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

##### **Interest**

Income is recognised as interest accrues using the effective interest method.

##### **Related party transactions**

As the Company is an indirect subsidiary of Apple Inc., the Company has taken advantage of the exemption contained in section 33.1A of FRS102 and has therefore not disclosed transactions or balances with entities which form part of the Group.

The consolidated financial statements of Apple Inc., within which the results of this Company are included, can be obtained from the address given in note 18 to the accounts.

## Apple (UK) Limited

### Notes to the financial statements for the year ended 30 September 2023

#### 1. Accounting Policies (continued)

##### Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Such cost includes the costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life, as follows:

Leasehold improvement	The lease term
Office equipment	3 - 7 years

The carrying values of tangible fixed assets are reviewed at each reporting date for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

The capital costs associated with capital projects, are accumulated in a construction in progress account until the project is placed in service. When a capital project is placed in service, the fixed assets are transferred from the construction in progress account to the appropriate capital asset accounts.

##### Taxation

Current tax is provided on the Company's taxable profits, at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted at the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date. Provision is made at the rates and laws that have been enacted or substantively enacted at the balance sheet date and expected to apply when the timing differences reverse. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in taxable profits in periods different from those in which they are recognised in the financial statements. A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

##### Foreign currencies

The financial statements are presented in Sterling ("£"), which is the Company's presentational and functional currency and the level of rounding is to the nearest £'000. Transactions in foreign currencies are recorded at the rate of exchange ruling at the date of the transaction. The resulting monetary assets and liabilities are translated at the closing rate and the exchange differences are dealt with in the statement of comprehensive income.

##### Pensions

The Company operates a defined contribution pension scheme. Contributions are charged to the statement of comprehensive income as they become payable in accordance with the rules of the scheme.

## **Apple (UK) Limited**

### **Notes to the financial statements for the year ended 30 September 2023**

#### **1. Accounting Policies (continued)**

##### **Operating leases**

Rentals payable under operating leases are charged in the statement of comprehensive income on a straight line basis over the term of the lease. Lease incentives are recognised over the lease term on a straight-line basis.

##### **Share based payments (SBP)**

The Company recognises no shareholder dilution related to share-based payment transactions in which it receives employee services in exchange for equity instruments of the Company's ultimate parent, Apple Inc. Share-based compensation cost for restricted stock units ("RSUs") is measured based on the closing fair market value of the Apple Inc.'s common stock on the date of grant. Share-based compensation cost for stock options is estimated at the grant date based on each option's fair-value as calculated by the Black-Scholes-Merton ("BSM") option pricing model. The Company recognizes share-based compensation cost as an expense over the requisite service period with a corresponding shareholder contribution recorded within equity.

##### **Provisions**

A provision is recognised in the balance sheet when the Company has a legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to that liability.

##### **Leasehold property restoration**

Full provision is made for the Company's costs in relation to restoration liabilities at its leasehold properties. The estimated costs are capitalised as leasehold improvements and depreciated over the remaining useful life of the leasehold property. Current cost estimates are revised each year and any resulting change is reflected in the carrying amount of the relevant assets.

##### **Dividends**

Dividends are recognised as a liability in the financial statements in the year in which they are approved by the shareholders. These amounts are recognised in the statement of changes in equity.

##### **Short-term debtors and creditors**

Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Short-term debtors and creditors are not discounted.

#### **2. Turnover**

Turnover comprises consideration received or receivable for the sale of services in the ordinary course of the Company's activities.

As permitted by paragraph 68(5) of schedule 1 to the Large and Medium-sized Companies and Groups (Accounts and reports) Regulations 2008, turnover is not analysed as in the opinion of the directors the disclosure of this information would be seriously prejudicial to the interests of the Company.

## Apple (UK) Limited

### Notes to the financial statements for the year ended 30 September 2023

#### 3. Operating profit

	2023	2022
	£'000	£'000
Operating profit is stated after charging:		
Loss on disposal of fixed assets	177	-
Depreciation of tangible fixed assets (note 9)	7,982	8,751
Foreign exchange (gain)/loss	460	534
Lease payments recognised as expenses	6,723	6,616

Audit fees were borne by another group company in 2023 and 2022.

#### 4. Staff costs

(a) Staff costs are analysed as follows:

	2023	2022
	£'000	£'000
Wages and salaries	220,264	181,053
Social security costs	57,516	57,578
Pension costs (note 14)	12,764	10,370
Share based payments	176,402	117,324
<b>Total staff costs</b>	<b>466,946</b>	<b>366,325</b>

The average monthly number of employees during the year was 1,800 (2022: 1,597).

(b) Directors' remuneration

There were no payments to directors during the financial year (2022: £nil).

(c) Share-based payments

As of 30 September 2023, the Company did not have any equity-settled plans or transactions. However, the Company's parent, Apple Inc. had three employee benefit plans relevant to the Company: the 2022 Employee Stock Plan ("2022 Plan"), the 2014 Employee Stock Plan (the "2014 Plan") and the Employee Stock Purchase Plan (the "Purchase Plan"). Under these plans, the Company's ultimate parent issues shares of Apple Inc. upon vesting of restricted stock units (RSUs), exercise of stock options or the employees' purchase of shares under the plans. The issuance of shares and cash received upon exercise or sale is undertaken solely by Apple Inc. and as a result no dilution in shareholder's equity or cash inflows will occur for the Company. Apple Inc.'s relevant employee benefit plans are summarised as follows:

##### 2022 Employee Stock Plan

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.

## Apple (UK) Limited

### Notes to the financial statements for the year ended 30 September 2023

#### 4. Staff costs (continued)

##### (c) Share-based payments (continued)

###### 2014 Employee Stock Plan

RSUs granted under the 2014 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.

###### Employee Stock Purchase Plan

The Employee Stock Purchase Plan is a shareholder approved plan under which substantially all employees may purchase Apple Inc. common stock through payroll deductions at a price equal to 85% of the lower of the fair market values of the stock as of the beginning or the end of six-month offering periods. An employee's payroll deductions under the Purchase Plan are limited to 10% of the employee's compensation and employees may not purchase more than US\$25,000 of stock during any calendar year. A maximum of approximately 230 million shares (split-adjusted) were authorized for issuance under the Purchase Plan at the time the plan was last amended and restated on March 10, 2015.

#### 5. Other interest receivable and similar income

	2023	2022
	£'000	£'000
Interest on amounts owed from related undertakings	17,662	1,905
Other interest income	535	206
	<b>18,197</b>	<b>2,111</b>

#### 6. Interest payable and similar charges

	2023	2022
	£'000	£'000
Bank charges and fees	24	21
Other charges and interest payable	-	54
	<b>24</b>	<b>75</b>

## Apple (UK) Limited

### Notes to the financial statements for the year ended 30 September 2023

#### 7. Taxes on profit

##### (a) Tax on profit on ordinary activities

The tax (credit)/charge is made up as follows:

	2023	2022
	£'000	£'000
UK corporation tax at 22% (2022: 19%)	16,160	1,865
Adjustment in respect of prior years	(3,293)	(3,352)
<b>Total current tax (credit)/charge</b>	<b>12,867</b>	<b>(1,487)</b>
Deferred tax:		
Depreciation/ capital allowances	(509)	(455)
Share Based Payments timing differences	(11,047)	(6,077)
Other timing differences	(573)	-
Impact of previously enacted future tax rate	(4,791)	(3,523)
<b>Deferred tax credit</b>	<b>(16,920)</b>	<b>(10,055)</b>
<b>Tax on profit on ordinary activities</b>	<b>(4,053)</b>	<b>(11,542)</b>

##### (b) Reconciliation of the total tax credit

The tax (credit)/charge for the year is different to the standard rate of corporation tax in the UK of 25% (2022:19%). The differences are explained below:

	2023	2022
	£'000	£'000
Profit on ordinary activities before taxation	98,231	65,061
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 22% (2022: 19%)	21,554	12,362
Difference between UK GAAP and UK tax treatment of share based compensation	(16,584)	(17,207)
Other adjustments	110	48
Impact of previously enacted future tax rate	(4,791)	(3,523)
Adjustment in respect of prior years - under/(over) provision	(3,293)	(3,352)
Adjustment in respect of prior year deferred tax asset – (over)/under provision	(1,049)	130
<b>Total tax credit</b>	<b>(4,053)</b>	<b>(11,542)</b>

## Apple (UK) Limited

### Notes to the financial statements for the year ended 30 September 2023

#### 7. Taxes on profit (continued)

##### (c) Deferred Tax

The Company has a recognised deferred tax asset of £52,763,000 (2022: £35,843,000) comprising:

	2023	2022
	£'000	£'000
Accelerated capital allowances	4,105	3,518
Share based payments timing difference	47,827	32,325
Other timing differences	831	-
	<b>52,763</b>	<b>35,843</b>
Deferred tax asset at start of year	35,843	25,788
Deferred tax credit in profit and loss account	16,920	10,055
<b>Deferred tax asset at end of year</b>	<b>52,763</b>	<b>35,843</b>

The Company reviews its position on the utilisation of deferred tax assets on an annual basis. Currently the Company expects £25,594,000 (2022: £17,160,000) of the closing deferred tax asset to be reversed during the next financial year.

#### 8. Dividends

	2023	2022
	£'000	£'000
Declared and paid during the year	171,897	-

## Apple (UK) Limited

### Notes to the financial statements for the year ended 30 September 2023

#### 9. Tangible fixed assets

	Leasehold improvement	Office equipment	Construction in progress	Total
	£'000	£'000	£'000	£'000
<b>Cost:</b>				
At the beginning of year	9,882	50,299	633	60,814
Additions	195	10,105	526	10,826
Disposals	-	(3,533)	(252)	(3,785)
Transfer from CIP	-	157	(157)	-
<b>At end of year</b>	<b>10,077</b>	<b>57,028</b>	<b>750</b>	<b>67,855</b>
<b>Depreciation:</b>				
At the beginning of year	(7,594)	(35,457)	-	(43,051)
Charge for year	(620)	(7,362)	-	(7,982)
Disposals	(518)	2,634	-	2,116
<b>At end of year</b>	<b>(8,732)</b>	<b>(40,185)</b>	<b>-</b>	<b>(48,917)</b>
<b>Net book value:</b>				
At 30 September 2023	1,345	16,843	750	18,938
At 24 September 2022	2,288	14,842	633	17,763

#### 10. Debtors: amounts falling due within one year

	2023	2022
	£'000	£'000
Amounts owed by group undertakings	82,003	374,767
Amounts owed by parent undertaking	473,368	83,934
VAT receivable	624	3,337
Prepayments and accrued income	1,032	1,971
Corporation tax	-	14,396
Deferred tax asset (Note 7)	52,763	35,843
	<b>609,790</b>	<b>514,248</b>

The outstanding balances included in 'Amounts owed by parent undertakings' and 'Amounts owed by group undertakings', at the balance sheet dates are interest or non-interest bearing, unsecured and repayable on demand or within 45 day terms.

## Apple (UK) Limited

### Notes to the financial statements for the year ended 30 September 2023

#### 11. Creditors: amounts falling due within one year

	2023	2022
	£'000	£'000
Trade creditors	4,684	3,723
Amounts owed to parent undertakings	187,183	-
Amounts owed to group undertakings	5,931	14,459
Corporation tax	2,175	-
Other taxes and social security taxes	12,013	11,449
Accruals	38,372	41,081
	<b>250,358</b>	<b>70,712</b>

The outstanding balances included in 'Amounts owed to parent undertakings' and 'Amounts owed to group undertakings' at the balance sheet dates are interest or non-interest bearing, unsecured and repayable on demand or within 45 day terms.

#### 12. Provisions

	National insurance on unvested SBP	Long term leasehold improvement	Total
	£'000	£'000	£'000
<b>At 24 September 2022</b>	<b>33,815</b>	<b>1,956</b>	<b>35,771</b>
Arising during the year	10,780	-	10,780
Utilised during the year	(11,777)	(706)	(12,483)
<b>At 30 September 2023</b>	<b>32,818</b>	<b>1,250</b>	<b>34,068</b>

The long-term leasehold improvement provision is in respect of asset retirement obligations whereby the Company has an obligation to restore its leased premises to their original condition on vacation of the lease in 2024.

A provision has been applied for national insurance contribution liability in relation to unvested restricted stock units and unexercised stock options, which are expected to vest between 2023 and 2027.

## Apple (UK) Limited

### Notes to the financial statements for the year ended 30 September 2023

#### 13. Called up share capital

	2023	2022
	£'000	£'000
<b>Allotted, called up and fully paid</b> 1,000,000 ordinary shares of £1 each	1,000	1,000

The ordinary shares carry the right to:

- participate in any dividends (if any) declared on that class of share; and
- receive notice of, attend, speak or vote at any general meeting of the Company. Where a matter is being decided on a show of hands, every member present in person and every proxy shall have one vote and poll, every member shall have one vote for every share held or for each £1 of stock held;
- in the winding up of the Company, repayment of capital paid upon such shares and the right to participate in the division of any surplus assets or profits of the Company.

#### 14. Pension scheme

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independent administered fund. The pension costs charged for the year represents contributions payable by the Company to the scheme and amounted to £12,764,000 (2022: £10,370,000). The liability outstanding at year end was £2,074,000 (2022: £3,356,000).

#### 15. Commitments

##### *Capital Commitments*

There were capital commitments of £78,000 at 30 September 2023 (2022: £25,000).

#### 16. Guarantees

The Company has issued a guarantee in favour of HM Customs & Excise in the amount of £174,000 (2022: £174,000).

## Apple (UK) Limited

### Notes to the financial statements for the year ended 30 September 2023

#### 17. Obligations under lease contracts

Future minimum rentals payable under non-cancellable operating leases are as follows:

	2023	2023	2022	2022
	Buildings	Others	Buildings	Others
	£'000	£'000	£'000	£'000
- Not later than one year	2,195	3,994	2,926	3,337
- Later than one year and not later than five years	4,761	5,713	4,025	1,545
- Later than five years	1,061	-	1,488	-
	<b>8,017</b>	<b>9,707</b>	<b>8,439</b>	<b>4,882</b>

#### 18. Ultimate parent undertaking and parent undertaking of largest group of which the Company is a member

The Company's immediate parent undertaking is Apple Operations International Limited, a company incorporated in the Republic of Ireland, the consolidated financial statements of which are publicly available from the Registrar of Companies, CRO Public Office, Gloucester Place Lower, Mountjoy, Dublin 1, D01 F2X5, Ireland. The Company's ultimate parent undertaking is Apple Inc., a company incorporated in California, United States of America, the consolidated financial statements of which are publicly available from Investor Relations, Apple Inc, One Apple Park Way, Cupertino, California, 95014, United States of America. The smallest group in which the results of the Company are consolidated is that headed by its immediate parent undertaking, Apple Operations International Limited and the largest group in which the results of the Company are consolidated is that headed by its ultimate parent undertaking, Apple Inc.

#### 19. Related party transactions

The Company undertakes transactions with other group undertakings. As the Company is a wholly-owned indirect subsidiary undertaking of Apple Inc., the consolidated financial statements of which are publicly available, disclosure of such transactions is not required under Section 33 Related party disclosures paragraph 33.1A of FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

#### 20. Events after the reporting period

There have been no other significant events affecting the Company since 30 September 2023.

#### 21. Approval of financial statements

The directors issued and approved the financial statements on 25 June 2024.