

# APPLE INC.

## ● Internet and mobile

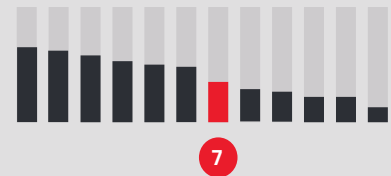
### Key Findings:

- Despite its strong public defense of users' privacy, Apple disclosed no clear commitments or policies demonstrating respect for users' freedom of expression.
- Apple disclosed how it handles and complies with government requests to hand over user information, but published no data about government or private requests it receives to restrict content or to remove apps from its app store.
- Apple led most of its peers for disclosure of its encryption policies but could do more to explain its security policies including those for responding to data breaches.

### OVERALL SCORE

35%

### INTERNET AND MOBILE RANK



### SERVICES EVALUATED

- **iMessage** (Messaging & VoIP)
- **iCloud** (Cloud storage)
- **iOS** (Mobile ecosystem)

## ANALYSIS

Apple placed seventh out of the 12 internet and mobile companies and ninth in the overall Index, scoring lower than any other U.S.-based company evaluated. This was the first year Apple was evaluated. Despite Apple's high-profile stance in defense of users' privacy, the company disclosed few commitments or policies that would indicate respect for users' freedom of expression.<sup>1</sup> For instance, the company provided little information about how it handles government or private requests to restrict content, and provided no data about government requests to remove apps from its app store. Apple also lacked disclosure of governance and accountability mechanisms around the implementation of its commitments and policies related to privacy or freedom of expression. Although considered an industry leader in user privacy and security, Apple's commitments in this regard were not always clearly reflected in its privacy-related policies across all of its services evaluated, particularly with Apple's iOS mobile ecosystem.<sup>2</sup>

### About Apple Inc.

**Apple Inc.** designs, manufactures, and sells a range of computers, smartphones, media players, and other devices. The company also produces operating system software (Mac OS for computers and iOS for mobile) and application software. Other services include iMessage, a messaging application that works across Apple devices and iCloud, a cloud storage service. Apple sells and delivers applications through its App Store.

**Market Cap:** USD 693,173 million<sup>3</sup>

**NASDAQS:** AAPL

**Domicile:** United States

**Website:** [www.apple.com](http://www.apple.com)

<sup>1</sup> Robert Hackett, "Here's How Apple Balances Data Analysis with Privacy," Fortune, June 13, 2016, <http://fortune.com/2016/06/13/apple-wwdc-event-privacy/>; Andy Greenberg, "Apple's Latest Selling Point: How Little It Knows About You," Wired, June 8, 2015, <https://www.wired.com/2015/06/apples-latest-selling-point-little-knows/>.

<sup>2</sup> For our evaluation of mobile ecosystems, see: <https://rankingdigitalrights.org/index2017/findings/mobileecosystems>.

<sup>3</sup> S&P Capital IQ, accessed February 13, 2017.



## GOVERNANCE 17%

Apple ranked 14th out of the 22 companies in the Governance category, with the lowest score on this set of indicators of any U.S.-based company. While the company published a commitment to respect users' privacy, it made no similar commitment to respect users' freedom of expression (G1). It disclosed senior-level oversight over privacy issues but made no reference to similar oversight over freedom of expression issues within the company (G2). It disclosed no information

about whether it conducts any form of human rights due diligence (G4) or evidence of engaging with stakeholders to address freedom of expression and privacy concerns (G5). The company also offered little evidence of a substantive grievance and remedy mechanism enabling users to issue complaints against the company for infringement of their freedom of expression or privacy (G6).



## FREEDOM OF EXPRESSION 22%

Apple ranked eighth among the 12 internet and mobile companies in the Freedom of Expression category, scoring slightly better than Mail.Ru and Samsung.

**Content and account restriction requests:** Apple provides less information on these indicators than most other internet and mobile companies, performing better only than Tencent, Baidu, Samsung, and Mail.Ru (F5-F7). Apple's transparency report included data on requests it received to restrict users' accounts but it disclosed very little information about its process for responding to requests to restrict content on

its platforms, or data about these requests (F5, F6). Apple should disclose its processes for responding to requests it receives from governments to restrict apps in its app store, as well as the volume and nature of these requests, as these requests are becoming an increasingly prominent threat to freedom of expression around the world.<sup>4</sup>

**Identity policy:** Apple disclosed it might require users in certain jurisdictions to verify their identity with a government-issued identification, in compliance with local law (F11).<sup>5</sup>



## PRIVACY 48%

Apple placed seventh out of the 12 internet and mobile companies evaluated, scoring lower than all U.S. companies in this category.

**Handling of user information:** Similar to other companies, Apple fell short of clearly explaining to users how it handles their information (P3-P9). The company did not fully disclose each type of user information it collects (P3), shares (P4), for what purpose (P5), and for how long it retains it (P6). Apple provided even less information regarding if and how users can obtain all the information the company holds on them (P8). However the company received the highest score of any company in the Index for clearly disclosing it does not collect user information from third-party websites through technical means (P9).

**Requests for user information:** Apple lagged behind most of its U.S. peers in its disclosure of government and private requests for user information (P10, P11), although no company received full credit on these indicators. Like most companies, Apple disclosed its process for responding to government requests but provided no information about whether or

how it has handled requests from private parties (P10). In its transparency report it disclosed data on the number of government requests it received, broken out by country, but it did not list the number of requests received for real-time user data (only for stored content) (P11). If it does not respond to real-time access requests because user communications are end-to-end encrypted, Apple should state this.

**Security:** Apple disclosed less than Google, Yandex, and Microsoft about its security policies, despite consensus in the technical community that its products are among the most secure on the market.<sup>6</sup> Apple did not fully disclose its internal security oversight processes, including whether it commissions external audits on products and services (P13). Like most companies, Apple offered no information about its process for responding to data breaches (P15). Apple's disclosure regarding its encryption policies was notably better than most other companies evaluated (P16), disclosing that it encrypts users' communications by default. For iMessage and the Apple mobile ecosystem, it disclosed that end-to-end encryption is enabled by default.

<sup>4</sup> "Clearing Out the App Stores: Government Censorship Made Easy," *New York Times*, 18 January 2017, [https://www.nytimes.com/2017/01/18/technology/clearing-out-the-app-stores-government-censorship-made-easier.html?\\_r=0](https://www.nytimes.com/2017/01/18/technology/clearing-out-the-app-stores-government-censorship-made-easier.html?_r=0).

<sup>5</sup> "Privacy Policy," Apple, accessed February 17, 2017, <http://www.apple.com/privacy/privacy-policy/>.

<sup>6</sup> The state of mobile device security: Android vs. iOS, <http://www.zdnet.com/article/the-state-of-mobile-device-security-android-vs-ios/>.