

Tim Cook Chief Executive Officer Apple Inc. 1 Apple Park Way Cupertino, CA 95014. United States

March 24, 2025

Dear Mr. Cook and the Apple Leadership Team,

We write to you as <u>B4Ukraine</u>, a coalition of Ukrainian and international civil society organizations committed to curbing the financial support that fuels Russia's brutal invasion of Ukraine. Given the turbulent and uncertain political situation and discussions about the potential return of Western businesses to Russia, we are reaching out to urge your company to remain committed to its decision to exit.

## Businesses must not return to the Russian market until:

- Ukraine's sovereignty and complete territorial integrity are restored, as recognized by international law.
- Reparations are paid in full for all damages caused by Russian aggression, covering infrastructure, economic losses, and human suffering.
- Accountability is imposed for violations of international law, including the crime of aggression, war crimes, and crimes against humanity.

As is outlined below, this is not only a matter of principle but also a strategic and financial judgment based on a plethora of risks related to Russia. The circumstances that led to the withdrawal of Western firms from Russia have not changed. The war against Ukraine continues, and the economic, legal, and reputational risks of doing business in Russia remain high.

We commend Apple for its <u>decision to leave</u> the Russian market following the full-scale invasion of Ukraine. However, various media outlets have speculated about the potential return of Western brands, including Apple, to the Russian market. On February 16, Russian political scientist Vadim Siprov suggested that major U.S. companies such as Apple might be among the first to <u>re-enter Russia</u>.

However, as of March 24, 2025, there have been no official statements from Apple indicating any plans to resume operations in Russia. In fact, recent actions suggest a continued disengagement. For instance, on February 25, 2025, Apple reportedly <u>shut down</u> access to the Apple Developer Enterprise Program for Russian developers, further limiting its business activities within the country.

Nevertheless, given these developments and the absence of official confirmation, we are writing to seek clarification on Apple's current and future intentions regarding its presence in the Russian market.

We are concerned by reports suggesting the possibility of Apple re-entering the Russian market and seek clarification regarding the company's ongoing commitment to ceasing operations in Russia.

In light of the continued Russian aggression against Ukraine, we strongly urge Apple to publicly reaffirm its position and provide clear assurance that it remains aligned with the values that informed its original decision to leave the market.

Recent speculation about the potential lifting of sanctions, particularly in the United States, has created uncertainty. However, it is clear that the broader sanctions regime remains intact. The United States has for now maintained its restrictions, while the European Union recently approved its <u>sixteenth package</u> of sanctions. Even if some policymakers consider relaxing their stance, the reality remains that the EU, UK, Japan, Canada, and numerous other countries and organisations have imposed sanctions on Russia, making it the most sanctioned country in the world, due to its crime of aggression against its sovereign neighbour.

It has been three years since Russia invaded Ukraine, committing the crime of aggression and breaching the UN Charter. Russia is violating international humanitarian and human rights law, committing over 150,000 documented war crimes. In recognition of the severity of abuses, in March 2023 the International Criminal Court issued an arrest warrant for Vladimir Putin to answer charges of war crimes.

Further, economic and regulatory conditions in Russia are no longer conducive to stable business operations. Companies re-entering the market would be navigating a landscape of restricted <u>supply</u> chains, financial barriers, and legal uncertainties.

Russia has demonstrated a pattern of malignant and systematic asset seizures, expropriations, and regulatory manipulation, using foreign businesses as leverage in political disputes. According to a study conducted by the London School of Economics, since 2022, <u>over 500 Western firms</u> have seen their assets expropriated under various pretexts, including companies in industries ranging from brewing and consumer goods (e.g., <u>Danone, Carlsberg</u>) to energy (e.g., <u>Uniper, Fortum</u>). The scope of legislation and Russian domestic case law showing the readiness for expropriation has skyrocketed since the start of the full-scale invasion. Businesses looking to re-enter must expect that their assets would meet a similar fate.

These patterns show a blatant disregard for property rights, investor and shareholder rights, and are a general indicator of an authoritarian government. Accordingly, any western business seeking reentry faces the <u>risk of Kremlin</u> decrees that introduce new fees, taxes, and price controls; limit the repatriation of profits and dividends; restrict asset sales and management decisions; and expropriate private businesses.

The <u>economic outlook</u> in Russia further devalues the case for re-engagement. Interest rates have soared to 21 percent, labour shortages are worsening, and consumer purchasing power has significantly declined. The country's middle class is shrinking, and the infrastructure that once supported international trade and investment has deteriorated.

Russia's own leaders have stated that returning businesses should<u>not expect to be treated on equal</u><u>footing</u> with local firms. Instead, as confirmed by Vladimir Putin himself, those seeking re-entry would be <u>disadvantaged</u> to ensure the competitiveness of domestic businesses. Many Western brands have already been <u>replaced</u> by domestic or Chinese alternatives, making it difficult, if not impossible, for companies to regain their former market position. Rebuilding operations in such a climate would require substantial financial investment with little certainty of return, naturally concerning investors. Russian policy is confirmed to be favourable towards domestic production and market share.

The Russian legislative framework continues to pose a high risk of business complicity in the war. Under <u>Federal Law No. 31-FZ</u> businesses, including international companies that are operating on a full or limited scale in Russia, are required to conduct military registration of the staff if at least one of the employees is eligible for military service. They must also assist with delivering the military summons to their employees, ensure the delivery of equipment to assembly points or military units, and provide information, buildings, communications, land plots, transport, and other material means of support to the war effort.

Beyond financial and legal risks, reputational risks remain high. Any company that chooses to return to Russia will be seen as disregarding the human cost of the war in Ukraine. Some Russian officials have even suggested that businesses seeking to re-enter should <u>contribute financially to the Russian</u> <u>military or establish operations in occupied Ukrainian territories</u>. These decisions would directly associate a company's name with a government engaged in an ongoing conflict, one that has been widely condemned for violations of international law. Moreover, they could render the company complicit in violations of international law.

For all these reasons, we strongly urge your company not only to remain outside the Russian market but to take an active role in discouraging others from returning. We ask that you publicly **reaffirm your commitment to staying out of Russia**, engage with your peers, and use your influence to advocate for continued economic pressure until meaningful conditions for peace and accountability are met.

With so many alternative markets offering greater stability and growth potential, the case for returning to Russia is weak. The financial, legal, and reputational risks outweigh any potential short-term benefits. More importantly, to re-enter the Russian market under current conditions would be to ignore the principles that led to withdrawal in the first place and contradict all principles of ethical business conduct and a business' responsibility to <u>respect human rights</u>.

## We hope that your company will remain firm in its decision to stay out of Russia and will use its influence to encourage others within its industry to do the same.

We are happy to discuss these issues in greater detail and are therefore inviting you to a meeting which would be held under Chatham House Rules. We are happy to provide further information and address any questions you may have. Should you wish to participate in such a meeting, please confirm your availability by April 7, 2025 to schedule. Kindly note that after this date, this letter and any responses will be published on the B4Ukraine website.

Sincerely,

The B4Ukraine Coalition

## B4Ukraine

Tim Cook Chief Executive Officer Apple, Inc. One Apple Park Way, MS 927-4INV, Cupertino, CA 95014 USA

June 13, 2023

RE: Apple's business operations in Russia

Dear Mr. Cook,

We write to you as <u>B4Ukraine</u>, a coalition of Ukrainian and international civil society organizations working to curtail the financial resources enabling the Russian invasion of Ukraine. In the spirit of respect for the fundamental rights of all people, the rules-based international order, and a prosperous global economy, we expect companies to demonstrate public support for the people, democracy, and territorial integrity of Ukraine, opposition to Russia's war of aggression, and alignment with the UN Guiding Principles on Business and Human Rights (UNGPs).

We request an urgent dialogue regarding potential inconsistencies between Apple's obligations under international humanitarian and human rights law and the company's ongoing business operations and relationships in Russia that may contribute to, or be linked with, human rights harms.

It has been over one year since Russia invaded Ukraine and the devastating impacts continue to shock the global conscience and shake the global economy. Russia is violating international humanitarian law (IHL), including war crimes and crimes against humanity, through attacks on civilians and civilian infrastructure (e.g., mass executions, sexual violence, torture, forcible transfer of civilians). More than 24,000 Ukrainian civilians have been killed and injured and millions more have been forced to flee their homes, creating one of the largest humanitarian and refugee crises of modern times. In recognition of the severity of abuses, in March 2023 the International Criminal Court issued an arrest warrant for Vladimir Putin to answer war crimes charges.<sup>1</sup>

Moreover, recent developments in Russia point to an expanding universe of financial, legal, and reputational risks facing those left behind.<sup>2</sup>

<sup>&</sup>lt;sup>1</sup> International Criminal Court, "Situation in Ukraine: ICC judges issue arrest warrants against Vladimir Vladimirovich Putin and Maria Alekseyevna Lvova-Belova," March 17, 2023,

https://www.icc-cpi.int/news/situation-ukraine-icc-judges-issue-arrest-warrants-against-vladimir-vladimirovichputin-and (accessed March 22, 2023).

<sup>&</sup>lt;sup>2</sup> B4Ukraine, "Staying in Russia is risky business: Here are 5 reasons why," <u>https://b4ukraine.org/whats-new/russia-risky-business</u> (accessed June 13, 2023).

In response to this unprovoked and unjustified war<sup>3</sup> many companies have already left Russia. According to the Kyiv School of Economics Institute's #LeaveRussia <u>company tracker</u>, Apple has decided to suspend its Russian operations.

In March 2022, Apple issued the following statement: "We have paused all product sales in Russia. Last week, we stopped all exports into our sales channel in the country. Apple Pay and other services have been limited. RT News and Sputnik News are no longer available for download from the App Store outside Russia. And we have disabled both traffic and live incidents in Apple Maps in Ukraine as a safety and precautionary measure for Ukrainian citizens."<sup>4</sup> As a result, the media reported that Apple products will no longer be sold in Russia.<sup>5</sup>

While we are encouraged by the actions taken by Apple, our research shows that Apple products are still widely available in the Russian market. Wildberries, one of the largest Russian internet stores, started importing and selling iPhones after the start of the war. Russian customs data shows that over \$10 million USD worth of Apple products have been imported to Russia in March 2023 alone.<sup>6</sup> This is confirmed by the availability of the newest Apple products on the Wildberries site<sup>7</sup>. While we understand that Apple products are imported into Russia via parallel routes, the continued availability of Apple products and brand in Russia positions the company close to the regime waging the illegal war against Ukraine and its human rights abuses and war crimes against Ukrainian people. Your ongoing brand presence helps to normalise and, implicitly condone, the war in the eyes of the Russian population. It also undermines the spirit of the unprecedented sanctions and humanitarian and military support imposed by the G7 and across Europe.

In consideration of the above points, we are asking Apple to:

- Immediately cease all operations and presence in Russia and completely exit the Russian market.
- Refrain from any future business, trade, or investment in Russia until Russia ends its war in Ukraine, territorial integrity of Ukraine is restored, and accountability imposed for war crimes and the destruction of Ukrainian infrastructure and property.
- Establish and implement comprehensive human rights due diligence measures for any responsible exit from or re-engagement with Russia.

We request an urgent dialogue with Apple's relevant senior management and staff to discuss the company's ongoing activities and relationships in Russia, associated risks to the people of Ukraine and the company. Please contact the B4Ukraine Coalition at <u>contact@b4ukraine.org</u> to schedule a call. We kindly ask for your response by 5:00pm CET, June 27th, 2023.

<sup>4</sup> Mitchell Clark, "Apple halts product sales in Russia," *The Verge*, March 1, 2022,

<sup>&</sup>lt;sup>3</sup> The UN General Assembly condemned Russia's "aggression against Ukraine" and demanded that Moscow "unconditionally withdraw all of its military forces from the territory of Ukraine within its internationally recognized borders."

https://www.theverge.com/2022/3/1/22957000/apple-russia-ukraine-invasion-halt-product-sales-app-store (accessed June 5, 2023).

<sup>&</sup>lt;sup>5</sup> Zita Sheftalovich and Camille Gijs, "Apple joins other global giants in Russia exit," *Politico*, March 2, 2022, <u>https://www.politico.eu/article/apple-pulls-products-from-russia/#:~:text=Apple%20products%20will%20no%2</u> <u>Olonger%20be%20sold%20in%20Russia%2C%20in,all%20product%20sales%20in%20Russia.%22</u> (accessed June 5, 2023).

<sup>&</sup>lt;sup>6</sup> Squeezing Putin, "Metamorphosis of Wildberries," May 13, 2023, <u>https://squeezingputin.com/support.html</u> (accessed June 5, 2023).

<sup>&</sup>lt;sup>7</sup> Wildberries, "Brands - Apple," <u>https://www.wildberries.ru/brands/apple</u> (accessed June 7, 2023).

Sincerely,

The B4Ukraine Coalition