

°CLIMATE GROUP

APPLE'S SUPPLIER CLEAN ENERGY PROGRAM

YEAR STARTED:

2015

PRIORITY REGIONS:

Asia, Europe, US

TARGET:

100% renewable electricity and decarbonization in its supply chain for Apple related production by 2030.



SUMMARY:

Apple is transitioning the company's entire manufacturing supply chain – from mineral extraction to component manufacturing and final product assembly – to 100% renewable electricity, through its Supplier Clean Energy Program.

The program forms a key pillar of Apple's goal of carbon neutrality for Scope 3 emissions by 2030, a core part of which is increasing energy efficiency in supplier facilities and transitioning to clean, renewable electricity. Apple is working to reduce product-related carbon emissions, create a more resilient supply chain and contribute to healthier communities, while offering a model for others to follow. Apple is already carbon neutral for its corporate operations.

KEY SUCCESS DRIVERS:

- The Supplier Clean Energy Portal provides a space for knowledge sharing, giving suppliers a place to go to discuss specific challenges and peer learning. By sharing learnings, Apple is hoping to break down the complexity of renewable electricity contracts and market designs by sharing its own learnings, often from challenging markets.
- Moving forward, Apple plans to donate resources to create a first-of-its-kind public training platform that is free for businesses across many different industries, ensuring that companies of all sizes — in Apple's supply chain and beyond — will have access to the resources and advocacy networks needed to speed their transition to 100% clean energy and carbon neutrality.
- Working with specific regional and government level electricity providers to bring renewables to challenging markets. In China, for example, Apple created the China Clean Energy Fund, enabling Apple and its suppliers to invest in clean energy projects totalling more than 1 GW of renewable electricity in China.
- Apple connects suppliers with opportunities to buy renewable electricity directly from project developers and utilities as they become more accessible around the world.
- Apple is also supporting clean energy policies around the world that can accelerate the transition for its supply chain.



PROGRESS:

- 250+ global manufacturing partners, operating across 28 countries, are on a path to decarbonize Apple production by 2030. This represents more than 85 percent of the company's direct manufacturing spend and more than 20 gigawatts in commitments.
- Apple's manufacturing partners now support over 13 gigawatts of renewable electricity brought online around the world, a nearly 30 percent increase in the last year.
- Apple has invested directly in nearly 500 megawatts (MW) of renewable electricity projects to cover a portion of upstream emissions.
- In fiscal year 2022, the 13.7 GW of renewable electricity already online in Apple's supply chain generated 23.7 million megawatt-hours (MW/h) of clean electricity, avoiding 17.4 million metric tons of carbon emissions a 23% increase over fiscal year 2021.
- In autumn 2022, Apple called on its global supply chain to take new steps to address their greenhouse gas emissions and take a comprehensive approach to decarbonization. The company will evaluate the work of its major manufacturing partners to decarbonize their Apple-related operations including running on 100% renewable electricity and will track yearly progress.

MAJOR BARRIERS:

- Geographic regions where limited commercially viable renewable electricity options exist, in some cases due to policy limitations.
- Carbon-intensive energy sources, like coal and gas, often have an unfair price advantage because of explicit subsidies and the ignored costs of externalities — like air pollution and carbon emissions.

"We are proud that so many of our manufacturing partners have joined our urgent work to address the climate crisis by generating more renewable energy around the world. Clean energy is good for business and good for the planet. By sharing what we learned in our own transition to renewables, we are helping point the way to a greener future."

Lisa Jackson, Vice President of Environment, Policy, and Social Initiatives, Apple

DEPLOYMENT TOOLS:

- In-house expertise provided to suppliers, including additional market-specific resources and the supplier education portal.
- Connecting suppliers with high-quality clean energy projects and developers.
- Working with suppliers and other local partners to advocate for policy changes in key markets.

LESSONS LEARNED:

- New renewable electricity can be hampered by long-standing energy structures. Supporting innovative, localised approaches should be encouraged. While some suppliers have moved to proven energy solutions, others have pioneered new purchasing methods, created renewable electricity businesses or even taken part in some of the world's largest renewable electricity deals.
- Clean energy investments and the transition to renewable electricity at scale need to make financial sense. However, carbon-intensive energy sources, like coal and gas, often have an unfair price advantage because of explicit subsidies and the ignored costs of externalities — like air pollution and carbon emissions. So we work with others to use our collective voice to encourage governments not to subsidize or expand carbon-intensive infrastructure that will inhibit competition and discourage the development of new technologies like renewable energy and advanced energy storage technologies.



megawatt-hours (MW/h) of clean electricity generated by Apple's supply chain



The Exponential Roadmap Initiative is for innovators, transformers and disruptors taking action in line with 1.5°C, with the mission to halve emissions before 2030 through exponential climate action and solutions.

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