

February 12, 2007

Mr. Steve Jobs
CEO
Apple Computer Inc.
Cupertino, CA

Dear Mr. Jobs:

Over the past four years As You Sow and a number of investment firms have engaged major U.S. computer companies on the subject of responsibility for electronic waste. Their position has been that these companies should be guided by the principle of Extended Producer Responsibility, i.e. companies should be responsible for the ultimate disposition of their products, especially when these products contain potentially toxic compounds.

As You Sow and Calvert Group originally approached Apple in 2002 on this issue. More recently, along with colleagues at F&C Asset Management and Green Century Funds, they have sought to engage Apple staff to encourage them to set a public recycling goal and offer a variety of public takeback events around the nation as Dell and HP have done. To date the company has not been willing to engage in a substantive dialogue and move in a proactive fashion on these issues.

During this same period, your competitors Hewlett-Packard and Dell have each made major public commitments to computer takeback, recycling, and toxics use reduction. These commitments have included goal setting and public reporting.

Frustrated by a lack of action at Apple, As You Sow filed a shareholder proposal at Apple for the last two years asking the company to provide shareholders with a report studying ways to improve its computer takeback policies at least to the point of industry leaders Dell and Hewlett-Packard. This year our colleagues at Trillium Asset Management have filed a related proposal seeking a report on the feasibility of eliminating persistent and bioaccumulative toxics chemicals from Apple products. Even small amounts of these chemicals can poison the air, water and food supplies of impoverished communities in countries like China and Nigeria where much e-waste is now sent for disposal. Announcing a new policy by the end of 2007, as called for in the Trillium resolution, to set in motion a plan with benchmarks for completely eliminating the use of these substances, including PVC plastics and brominated flame retardants in all Apple products, would represent a major step toward ending this pollution.

These resolutions are a direct result of shareholders' inability to make progress on these issues through constructive dialogue. We recognize that Apple has recently taken some steps. We appreciate the launch of Apple's iPod recycling program through U.S. retail stores in 2005 and the takeback program in June 2006 allowing free recycling of old systems when a new Mac is purchased. However, Apple has yet to set any public takeback goals or take a number of other steps that its industry peers have taken. Apple should be leading, not lagging its industry peers.

For these reasons we appreciate your personal offer to meet with As You Sow. We had hoped that this meeting would include other Apple shareholders with an interest and expertise in this issue. We have been informed that they are not invited to participate in the Feb. 12 meeting. In lieu of that participation, we are using this letter to convey the broad ongoing concern over these issues within the investing community.

Specifically, we request that you discuss the following subjects with the company's stakeholders:

- Public disclosure of Apple's takeback goals and progress on meeting those goals;
- Feasibility of using Apple stores as takeback centers, and developing takeback partnerships and events with resellers;
- Disclosure of Apple's systems for verifying that computers are recycled safely and not exported;
- Benefits of working with competitors to develop a standard recycling metric; and
- Commitment to engage in serious, good faith discussion of ways to improve Apple's takeback performance through a broad shareholder or stakeholder group, and to provide periodic updates on the company's progress.

We would also like to discuss the development of open channels of communication with Apple staff members. We have been concerned with a lack of willingness to provide sufficient data that would allow for frank discussions about implementing better recycling policies. Meetings to date have been marked by a reticence to share data, or even allow employees with responsibilities in these areas to talk to us. This is in marked contrast to the stance taken by other companies when addressing issues raised by shareholders and unlike the dialogue Apple has maintained with Domini Social Investments and a group of ICCR members on global labor standards. To date, this dialogue has produced a strong code of conduct for Apple's supplier factories, and a commitment to good faith discussions about implementation of that code.

These resolutions present a challenge, but they also present an opportunity to Apple. Taken together, the implementation of these resolutions could establish Apple as the industry leader in producing and reclaiming the greenest products in the industry. For recycling of electronic products to become truly environmentally

sustainable, manufacturers need to move faster to design products that use only safe, reusable materials. Absent evidence of a credible commitment to improving Apple's environmental footprint as it relates to these issues, the undersigned groups will support these resolutions at the 2007 annual meeting.

We hope we can look forward to working with Apple in a more open, collaborative manner as the company implements these proposals and other policies that draw on Apple's innovative genius to make Apple the undisputed leader of producing environmentally sound products in the electronics industry.

Thank you.

Sincerely,

Andrew Shalit
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On behalf of:

Stu Dalheim, Manager of Advocacy and Policy
Calvert Group, Ltd.

Rick Hausman, President
Clean Yield Asset Management

Sister Stella Storch, OP, Justice Coordinator
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Linda Hayes, OP, Director, Corporate Social Responsibility,
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Adam Kanzer, General Counsel & Director of Shareholder Advocacy
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Julie Goodridge, President
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Neil Stallings, Director of Shareholder Advocacy
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Bob Walker, Vice President, Sustainability
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Shelley Alpern, Assistant Vice President
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Tim Smith, Senior Vice President
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