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Brussels, 10th June 2020

Re: Planned obsolescence - request for Belgian, Italian, Portuguese, Spanish and Brazilian consumers

On May 29, in Italy, the Administrative Court of Lazio confirmed the penalty of 10 million euros, imposed on October 24, 2019 by the Italian Antitrust Authority against Apple for unfair and aggressive commercial practices in relation to updating the IOS operating system (in particular, IOS 10.1 and IOS 10.2.1) (see a copy of the judgment attached).

Apple, despite being aware of the damage that the update could have produced on iPhones up to the 6s plus model, deliberately failed to inform consumers who, on the contrary, were pushed to proceed with the update.

As established by the Italian Court, "Apple has also implemented a commercial policy aimed at increasing the replacement, by the owners of Apple smartphones, with newer models (so-called" upgrade selling")". As clarified in the ruling, Apple was able to adopt a similar commercial policy by leveraging the high degree of loyalty of its users. Thus, this loyalty has been abused to force consumers to replace a product that they otherwise would not have replaced, voluntarily creating a loss of performance.

Recently, the same behavior was the focus of a class action in the United States where the preliminary proposed settlement calls for Apple to pay consumers \$ 25 for each iPhone, with a minimum total payout of \$ 310 million.

Just like in Europe (and in Brazil), American consumers contended that their phones performance deteriorated after they installed Apple software updates. They said this misled them into believing their phones were near the end of their lifecycles, requiring replacements or new batteries.

It is unequivocal that Apple has implemented a conduct, worldwide, aimed at increasing the replacement of old iPhones through a phenomenon that can be traced back to the so-called "planned obsolescence". It is, also, unequivocal that this conduct has caused an identical damage to European and Brazilian consumers who should not be discriminated, but instead are entitled to be compensated in the same way as US consumers.

Planned obsolescence represents not only a deliberate unfair practice towards consumers, but it is also an unfair practice towards the environment, increasing the number of electronic waste which is also among the most polluting.

Gathering four national consumer organizations in Europe (Italy, Belgium, Spain, Portugal) and one in South America (Brazil) and giving voice to a total of more than 1.5 million people, Euroconsumers is the world's leading consumer cluster in terms of innovative information, personalized services and defense of consumer's rights.













Considering the foregoing, we invite you:

- 1. To compensate Italian, Belgian, Spanish, Portuguese and Brazilian consumers for the damages in the same way as U.S. consumers;
- 2. To stop the practice of planned obsolescence, adopting more sustainable policies to the environment.

Euroconsumers is available and ready to start a dialogue with Apple to establish the best way to satisfy the above requests. We look forward to hearing from you soon.

Yours sincerely,

Marco Pierani, Director of Public Affairs at Euroconsumers

Els Bruggeman, Head Policy and Enforcement at Euroconsumers

Gathering five national consumer organisations and giving voice to a total of more than 1.5 million people, Euroconsumers is the world's leading consumer cluster in terms of innovative information, personalised services and defence of consumer's rights. Our organisations work closely with BEUC, the European consumer organisation, and Consumers International to ensure safe, fair and honest relations between consumers, businesses and public authorities.











