

**Kate Adams' Remarks to
the Inaugural European Commission Legal Service Conference
March 17, 2023**

I first want to begin by congratulating Daniel and the Legal Service on 70 years. It's a remarkable achievement. Personally, I'm really flattered to be included in the celebration. So, thank you for having me. I'm also honored to share the stage with my esteemed co-panelists, and I really am excited about this conversation. This is a very important moment in regulation in Europe, and a timely opportunity to talk about the path forward.

Let me just back up a little bit and provide some context for all of you about why I'm here and who we are.

It is an enormous privilege to be able to represent Apple in Europe—because we are deeply connected to this continent and have been for many years. Apple came to Europe more than four decades ago. Initially established in Cork, Ireland, our team here has grown to more than 25,000 people from over 90 countries here in Europe.

With the help of our colleagues here, we have innovated and unlocked technology that's serving customers across Europe and around the world. And we have been inspired, so many times, by the work they've done and by our collective deep and abiding commitment to certain values that I'm going to talk about later today.

I want to emphasize that we at Apple share Europe's commitment to tackling climate change. Europe is very far ahead in this work, and we're also tackling it with urgency. And I want to comment on our efforts to build a more sustainable and, importantly, a circular economy. Since 2018, our global corporate operations have run on 100 percent renewable energy, and we are investing in wind and solar projects to generate enough renewable energy to power all Apple devices on the continent. We are transitioning towards 100 percent recycled and renewable materials in our products in line with the EU's circular economy ambitions—and, in fact, we operate an advanced device recycling facility for iPhones in Breda, the Netherlands. At the same time, we are continuing to design for durability so our customers can rely on their products for a very long time.

Privacy and security are shared core values for Apple and Europe, too. We believe that privacy is a fundamental human right, and we are thrilled that GDPR,

which was a ground-breaking law as you all know, has shown the world that there is both the political will *and* a political way to shape the law to protect it. In fact, Apple has encouraged policymakers in the United States to follow the EU’s example; we don’t have a national privacy law in the United States. Our commitment to this cause is going to be consistent, will not waver, and I know people here are committed to long-term improvements in privacy.

Apple and Europe also share a long-standing commitment to making products that work for everyone, especially the one-in-five Europeans living with disabilities. We have released new software features for people with mobility, vision, hearing, and cognitive disabilities, giving them more options to use our products in ways that best suit their needs and lives.

And, of course, we have been working together to invest in innovation here in Europe. Just this month, we announced a further investment of 1 billion euros in our state-of-the-art chip design center in Munich, in addition to the 1 billion euros we announced in 2021. I believe that is consistent with other work that is going on here in terms of promoting the European economy. And that is just the tip of the iceberg for our investments here. We have built a research hub on artificial intelligence and machine learning in Barcelona; established a Developer Academy in Italy; and launched a tech education program for underserved students in France.

These are exciting projects and big commitments in Europe, and I cannot wait to see what they accomplish.

Apple and Europe also share a deeply rooted commitment to the safety of Europeans online, as reflected in the DSA—which I’ll talk about—including their protection from illegal and harmful content, and we believe, like you do, in the promise of fostering competition—because we know it results in better products for consumers. Those mutual values—protecting Europeans online and fostering competition—bring me to our topics today, the DSA and DMA.

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To share our perspective on how we think about compliance with new laws like the DSA and DMA, I would like to take you inside Apple—and explain how we have structured our entire company around certain core principles that guide everything we do. All of that informs how we put compliance into practice—how we bring legal texts to life—and I hope that by sharing these perspectives with you,

it will provide helpful context as we all work together, in particular with Olivier and Roberto and their teams, to implement the DSA and the DMA.

At Apple, our highest priority is to always make products that we want to use ourselves, and that we want our family and closest friends to love as much as we do. And I say that not just as an Apple employee, but as a mother, grandmother, wife, sister, and daughter. I think about my family when I think about what we're making and what it can do for them.

To do that, we need to keep innovating, developing great products that combine best-in-class performance with an integrated and intuitive user experience that everyone, from a child to a grandparent, can use. And, we need to make sure that those products protect our users' privacy and security—and their children's privacy and security.

That is especially important in a dynamic world, full of new and emerging threats and opportunities. If our customers can't trust us to provide safe and secure devices, then we have lost our way. That is why we at Apple place such an intense focus on privacy and security—we strive to be the best option on the market on those dimensions, and the data shows that's what our products are. To be clear, we are not perfect—there is always room to improve and new threats to address. But when it comes to privacy and security, I'm confident that nobody in the market can match us.

I know you'll agree that it's really important for Europeans to have a choice like that in the marketplace. More choices means more competition. No one wants European customers to have fewer choices, or to lose access to the things they love about our products. No one wants our devices to be less innovative or harder to use. I have not met a single person who wants European customers (and their children) to be less safe online than they are today, and I think European consumers would be devastated if they no longer had access to the privacy and security features they want, expect, and deserve.

I know from my conversations with senior leaders at the Commission, some of whom are here in the room today, that preserving these protections for consumers is a priority we share.

I also know that Apple talks about the values of privacy and security a lot, but that is only because they are so critically important in today's world. And European policymakers have agreed: both the DSA and DMA recognize that the security,

privacy, and integrity of products can and must be preserved. Protections for these safeguards are built into these regulations, and that's a good thing.

Of course, complicated legal provisions—and you're all lawyers in the room so you understand what I mean when I say that—are not always black and white. For us, where the text of a law is unclear, or provides for a variety of compliance solutions, Apple is going to be guided by our values, asking the question: what is in our European customers' best interest?

We know that not everyone will always agree with the choices we make. That is understandable; we all come from different perspectives and responsibilities. Those kinds of disagreements are natural, but the thing I always remember is that, no matter which side you are on, we are all operating in good faith and we need to give each other the benefit of the doubt. At the end of the day, we all want what is best for Europeans.

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So, how does Apple put our values into practice? And, as a practical matter, how do we approach compliance with new laws like the DSA and DMA? This is where I would like to bring you inside Apple for a moment.

Most large companies have segmented business units—various teams working toward their own objectives within the organization. The idea is that each team should have its own focus and specialization, with its own measures for accountability. That way, you can see if one business unit is doing well and another is not.

But at Apple, we do things differently: all of our operations exist on one balance sheet for the entire company. Why do we do it that way? Well, when Steve Jobs returned to Apple in 1997, he found the company adrift—and just 90 days away from bankruptcy. Back then, managers were running each Apple product line as a separate business unit, resulting in turf wars and an isolated and siloed structure. They had begun to focus inward and had lost their focus on the user and on our values.

So Steve placed all the different competing business units into a single organization—and it transformed Apple. Now, the entire company had to work together as a cohesive whole—as one team—with one clear mission: building things that we would want for ourselves, for our friends, and for our family. Steve

understood that this structure would not only foster deep collaboration between designers and engineers and legal and everyone else at the company—it would require it.

I believe that approach is reflected in our products. They are not a collection of parts cobbled together, but instead a seamless integration of hardware and software. What this means, from a practical perspective, is that any change we make requires us to think deeply about its potential impact across the entire user experience.

I think of it sort of like a web: if you pull one strand, it can create tension or slack elsewhere. So, when we think about changing the way a product works—including changes we need to make based on new laws—the entire organization must engage in an intensive cross-functional deliberation.

For attorneys, new laws like the DMA and DSA are, first and foremost, important legal texts. We interpret the words that appear on paper, studying their meaning and their purpose and their relationship to other texts. I love that aspect of being an attorney—the practice of truly engaging with doctrine.

But as Apple’s General Counsel, it is not enough for me to see the law as words on paper: I work on multi-disciplinary, cross-functional teams that must bring these texts to life.

For our software engineers, new laws could mean changes to every piece of code they write, every user interface they design, and every application framework they create. For our hardware designers, new laws could mean changes to the functionality and appearance of the devices they build—both inside and out. For our supply team, new laws could mean changes to significant aspects of our global supply chain and procurement.

So, at Apple, implementing new laws is not just the work of lawyers; it is the work of everyone. It is an intensive and complex internal process for us.

I sometimes worry that those outside the company see Apple as a big black box—where inputs like laws and regulations go in and disappear for a while, until somehow, magically, a decision or a solution comes out on the other side. But, in reality, we don’t have a big computer back in California that comes up with perfectly designed answers to hard questions. Apple is just a big group of people—some of the smartest and hardest-working people I have ever met, but people, nonetheless.

So, when Apple is presented with a new regulatory regime that represents a sea change in the compliance landscape—like DMA—I don’t simply tell my teammates at Apple: “Here is what the law says. Now go follow it.” Instead, we have a cross-company dialogue and debate, helping teams across Apple comply with differing sets of regulatory and policy priorities in jurisdictions around the globe, all the while maintaining the Apple experience that consumers expect and deserve.

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This might not be the easiest approach to running a business. But we have found again and again that this is the best way to serve our customers. Our implementation of GDPR demonstrated the power of this approach. It was no small task to coordinate the entire company around the new privacy rules. It was a complex process, but it was worth it. And the results have been really terrific.

And that is what we intend to accomplish with the DSA and DMA, too.

As we announced last month, we plan to align our App Stores with the DSA’s requirements. Apple is well-positioned to advance the DSA’s safety goals—thanks to the global team of over 500 human app reviewers who examine 100,000 apps and updates every week; our effective notice and action policies that allow easy reporting of illegal content; and other aspects of our process.

And while we have had some debates over the best ways to promote competition in certain markets, Apple has always agreed that competition makes us all better. From my perspective, as we think about the implementation of the DMA, the task is now to work together to ensure that we are all meeting the DMA’s goal of improving contestability, but without sacrificing principles that the DMA acknowledges can and should be preserved—protections for the safety, security, privacy, and integrity of our products that are baked into the law’s text.

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As we have collaborated on our shared values—privacy, safety, competition, accessibility, innovation, the environment—I can’t tell you how much we value the relationships we have built with the institutions of the European Union.

I especially want to offer my thanks to the DSA and DMA teams for the opportunities we’ve had to engage in constructive dialogue, including last week’s

DMA workshop. We are looking forward, not backward, grounding our analysis in the laws' texts, and in Apple's values.

I look forward to continuing to work constructively with the European Commission to ensure that consumers benefit from our collaboration. Thank you.

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