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Will Apple satisfy its environmental critics?



(Credit: James Martin/CNET)

Apple will be asked to double its green efforts at Thursday's shareholder meeting.

Once a year the people who own stock in Apple get a chance to make their voice heard regarding the direction of the company.

This year, that's Thursday. Though the issues up for vote on the ballot this year are nothing out of the ordinary--reelecting the same slate of board members, changes to employee stock plans, salary, and other compensation for the Apple's top executives--there's always the wild card of shareholder proposals.

Investors overall should have little to complain about when it comes to the company's finances. Apple posted a profit of \$3.37 billion, or \$3.74 per share, for its most recent quarter. But in other areas, some would like to see some changes. One of the issues that arises fairly regularly at these meetings is Apple's environmental record. This year's meeting will be no different when a couple groups will again lobby the gadget maker to set tougher goals for greenhouse gas emissions and release more environmental data about its products.

Apple has in years past been a target at these meetings by environmental organizations who use the opportunity to get the attention of investors. In 2005, the Silicon Valley Toxics Coalition caused a stir by demonstrating outside the event. Later inside that meeting, Steve Jobs rather tersely addressed the criticism of Apple's environmental record.

Though the environment has come up in some form or another at its recent stockholder events, it's died down since the 2005 peak. That could be because Apple has improved the amount of information it shares regarding the impact of its products on the environment and is cutting down on its use of toxic chemicals. The company updated its Web site last fall with more about its emissions and specific products' impact and was even hailed in a research report in October for its leadership in taking dangerous toxins out of its gadgets.

Still some environmental advocates want more. For the second year in a row, a nonprofit called As You Sow will present a proposal to Apple's board, in cooperation with Apple shareholders NY Pension Fund and Calvert Investments. The groups are campaigning for even more transparency from Jobs and Co. on their products. To them, that would mean Apple publishing a sustainability report, an explanation of the company's corporate strategies on climate change, and articulating goals for reducing greenhouse gas emissions.

As You Sow also hopes it can bend the ear of one of the world's most outspoken environmentalists, who also happens to sit on Apple's board: former Vice President Al Gore, a recipient of the Nobel Prize for his work on climate change.

"With a revered figure of the caliber of Mr. Gore on its board, the company should be second to none in greenhouse gas reduction commitments and detailed discussion of its approach to the issue," said Conrad MacKerron, As You Sow's corporate responsibility program director.

The group specifically calls out Apple for not publishing more details on its environmental performance, saying a formal corporate report like those issued by PC makers Hewlett-Packard and Dell and thousands of other companies worldwide is necessary.

Apple investors have rejected calls for establishing tougher sustainability goals in the past, most recently in 2009. But that doesn't mean the company hasn't made progress. Apple has become far more transparent in this regard in the two years. The environmental impact reports of each of its products, from the beefy Mac Pro desktop down to the pack of gum-size iPod Shuffle from 2008 to present can be found online.

The company also totals its greenhouse gas emissions and breaks it down by source: manufacturing, product transportation, product use, recycling efforts, and facilities use add up to 10,138,318 metric tons of greenhouse gas released into the atmosphere last year.

It's all there on Apple's Web site, and though Apple doesn't issue regular press releases on its recycling programs or energy efficiency efforts at its headquarters like Dell and HP tend to do, it has begun to drop little nuggets of environmental info into its public and media events. Jobs usually takes about a minute or so to discuss which toxins or

chemicals that have been removed from the latest product, or the reduction in packaging.

And the company has been recognized by other environmental watchdogs for its efforts. Greenpeace, which once antagonized Apple, is practically swooning over the company in its latest 2010 report. Last month the group awarded Apple four gold stars (the highest rating) in each category it rates for green electronics, desktops, laptops, monitors, and mobile phones.

Apple ranked ahead of perennial leaders Sony Ericsson, Nokia, and HP, for its recent announcement that it would be eliminating PVC and BFRs from all of those products. ChemSec and Clean Product Action also lauded Apple's efforts in the area.

However, Greenpeace isn't completely satisfied yet. The group is still pressing Apple to make future commitments to reducing greenhouse gases and be more open in general about its stances on the use of certain chemical compounds in products, and about its supply chain. And, of course, so is As You Sow.

If the meeting this year is like those in the past, Apple shareholders may not budge on issuing a formal report like some of these groups want. But it doesn't mean their clamoring isn't having any impact. After all, the constant badgering of these groups likely had something to do with Apple's move to update its Web site to be more open about the company's impact on the environment.