



2011 Acer Corporate Responsibility Report

Content

About This Report	2	G Corporate Governance	13	Product Design that Incorporates Environmental Considerations	27	Safe and Healthy Working Environment	44
High Level Statement	3	History and Development	15	Energy and Climate Change Response	31	Standards of Business Conduct	45
Message from the Chairman & CEO	3	Market Recognition	15	S Responsible Supply Chain	34	S Customer Service	46
Message from the Corporate President	4	Marketing Communication	15	Supplier Social and Environmental Management	35	Acer Group Service Model	47
Report Summary	5	Corporate Governance	16	On-site Audit	35	Acer ³ Customer Service System (CSS)	47
2011 Goals and Achievements	5	Corporate Responsibility Policy and Strategy	16	Follow-up and Response	37	Customer Satisfaction Survey	48
2012 Goals and Commitments	6	Corporate Responsibility Governance	17	Reponse to Conflict Minerals	38	Product Alerts and Recalls	49
2011 Acer Numbers at a Glance	7	C Stakeholder Engagement	19	California Transparency in Supply Chains Act	39	Customer Privacy	49
		Public Policy Participation	20	Supplier Greenhouse Gas Management	39	S Community Outreach	50
		Support for New Issues	21	S Employee Welfare and Advancement	40	Education	51
		Other Initiatives and Participation	22	Staff Structure	41	Acer Volunteers	54
		E Environmental and Energy Management	23	Competitive Compensation	41	Disaster Relief	55
		Comprehensive Environment, Health, and Safety Management	24	Employee Relations	42	Environmental Conservation	56
		Our Operations and the Environment	24	Continuous Learning and Growth	44	GRI Content Index	57
						Assurance Statement	58

About This Report

Acer began issuing corporate social responsibility (CSR) reports on a regular basis each year in 2008, disclosing information on the three aspects of corporate governance, society, and environment to give stakeholders in all sectors an understanding of Acer's determination to carry out sustainable development and social responsibility, and our performance in carrying out that determination. The previous report was issued in August 2011. The contents and framework of this report were compiled in accordance with the GRI G3.1 guideline that was announced in 2011 by the Global Report Initiative (GRI); the disclosures in this report have been validated by SGS and reach Application Level B+, and its final page contains its framework content and a cross-reference table of GRI indicators. The Chinese and English versions of the report were released simultaneously on the Acer Group's "[Sustainable Acer](#)" website.

Boundaries and Scope of the Report

The information in this Report is based primarily on data for 2011 (Jan. 1-Dec. 31, 2011), with organizational boundaries established in accordance with the principles of consolidated financial reporting. The scope of the Report encompasses Group subsidiaries but not reinvested enterprises, and some performance information is not included. Any adjustment of the data will be separately explained in the text of the Report.

For more detailed financial information, please refer to the Acer Group's "[Investor Relations](#)" web page.

Contact us:

If you have any questions or suggestions regarding this 2011 Acer CSR Report, please contact the Acer Corporate Sustainability Office at cr@acer.com.tw

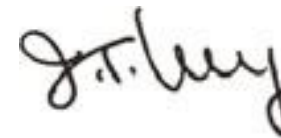
Message from the Chairman & CEO

While the global economy faced tremendous challenges in 2011, Acer underwent personnel reshuffle and organizational change. We proceeded from corporate governance which includes enhancing the management system, and promoting independent and transparent management. Acer took the courage reformation. The organizational change was aimed at overcoming the barriers between departments, and eliminating the making of decisions based on the department's individual interest that may cause a negative impact on global governance. For Acer to realize its core philosophies and business goals, the company operations need to be more sustainable and more competitive.

The ICT industry has entered the era of 4C convergence (Computer, Communication, Consumer electronics and Content services). Facing the challenges of the global carbon reduction and scarcity of natural resources, product design trends have shifted. The industry that used to focus on super-computing power, high-speed graphics processing, and large memory storage capacity, has now switched to emphasizing on "mobile computing" capability, ultra-thin, energy-saving and high efficiency notebooks and tablets, as well as cloud computing. We believe that the new trend is favorable to the promotion of sustainable development, and ICT technology on the global carbon reduction will provide a more significant contribution than in the past.

As a leading ICT brand, the implications of corporate social responsibility to Acer means promoting energy efficiency, low carbon, fewer resource consumption and responsible management of chemicals. After all the efforts we made in 2011, Acer will strive to create more energy-efficient products and

services to the worldwide market in order to make a concrete contribution to the Green Revolution for ICT. We believe this is an opportunity for Acer, as well as a new hope for world sustainability.



J.T. Wang,
Chairman & CEO



Message from the Corporate President

Acer is a pragmatic enterprise; it was so in the past, it is so now, and it will remain so in the future. We will not, nor should we, ever forget our commitment to our stakeholders.

Acer's actions for sustainability continuously keep focus on five major themes: climate change, green products, supply chain management, reports, and product recycling. Although there were some changes in the operating team in 2011, Acer not only did not deviate from its path of sustainable development and fulfillment of CSR, but made ever-greater breakthrough progress under our faith in reform.

In 2011, Acer introduced the ultra-thin Aspire S3 Ultrabook™, providing rapid boot-up connection using “Acer Green Instant On” energy-saving technology, and new-generation ultralight long-lasting lithium batteries. With sales of these notebooks expected to reach 5 million units, the resultant power savings will equate in carbon removal terms to 1.45 million trees. Additionally, each Aspire S3 notebook cuts the use of metal by 32.5 grams, which is equivalent to a reduction of 68.81 kilograms of carbon dioxide emissions. With the expected sale of 5 million units, this is equivalent to the carbon removal effect of 28.67 million trees. Also, the magnesium-aluminum alloy case of the Aspire S3 is 100% recyclable.

As climate change continues to be a growing problem, Acer has chosen to respond not only through product innovation, but also by setting long-term carbon-reduction targets. In 2011, we began acquiring green power and renewable energy certification in Italy and Germany.

In the field of digital inclusion, Acer followed up its cooperation with the European School net netbook project of the first half of 2010, in which six

countries (Italy, France, Spain, England, Germany, and Turkey) used low-cost Acer E100 netbooks in a pre-pilot project, by carrying out a school-year pilot project running from September 2010 to June 2011. Eight thousand students and teachers from these European countries participated in this stage of the project. In 2012, we will apply the use of tablets to this project.

In 2011 we carried out the social and environmental responsibility onsite audit of 40 of our manufacturer suppliers, an increase of 150% over 2010. Acer's engagement with its stakeholders has not ended with our organizational re-engineering. Indeed, it is being constantly deepened and broadened, as it has become an indispensable element and value in our promotion of strategic CSR. We will keep sharing, learning and engaging with stakeholders, and gain momentum for innovation in the process.



Jim Wong
Corporate President



2011 Goals and Achievements

	2011 Goals and Commitments	Status	Achievements and Details
Corporate Governance and Stakeholder Engagement	Continued holding of Acer CSR Forum and communication with international stakeholders.	○	The timing of the Forum was switched from the fourth quarter to the first quarter beginning in 2011 to coordinate with Acer's global CSR governance mechanism.
	Development of an internal corporate responsibility sharing platform.	◎	In development; Completion expected in second quarter of 2012.
	Establishment of information platform for supply chain SER management.	◎	Being done according to the timetable for development of the EICC On supply chain social responsibility platform; suppliers expected to be asked to join the platform in fourth quarter of 2012.
	Achievement of organizational reform of global CR governance for transferring existing responsive actions to 2011-2014 strategic actions.	◎	Following Acer's major personnel reorganization in 2011, new management team adjusted company's operating strategy to grasp new opportunities. Corporate governance has also been strengthened, and a global CSR committee has been set up under executive committee.
Environment and Energy Management	Improvement of HSF-related trial runs and mass-production on every production line, including those for notebook computers, tablet PCs, desktops, monitors, and smart handheld devices.	◎	HSF machines are being added to each production line, and ratio of HSF machines on all lines is growing. On notebook lines, for example, ratio has increased from 33% to 67%, and on smart handheld device lines it has risen from 0% to 14%.
	Continued participation in international legislative discussions on halogen-free manufacturing.	●	Acer participated in discussions on legislation to revise EU's RoHS, which was completed in July 2011. We will continue watching related international regulations.
	Continued participation in CDP Supply Chain Program and improvement of questionnaire feedback quality.	●	Acer continued asking major suppliers to join Carbon Disclosure Project (CDP) in 2011; 74 suppliers responded to questionnaire, for a response rate of 97%.
	Participation in domestic and international discussions on and formulation of carbon footprint standards.	●	Acer participated in WRI/WBCSD global pilot project for product and value-chain carbon footprint standards, entering models of netbook, display, and projector, and also joined Environmental Protection Administration's "Discover the Carbon Footprint Label" activity.
Continued promotion of energy conservation programs in workplace.	●	When renovating our offices we choose green materials and energy-saving lighting, and install automatic light shutoff systems. We also promote energy conservation and carbon reduction in public areas; at Acer's Taiwan headquarters, for example, we have reduced electricity usage by 411,000 kilowatt-hours and CO2 emissions by 251.6 tons. Energy-saving measures undertaken at Aspire Park include changing of fire-safety lighting, heat pump water heating systems, assembly hall lighting, and chilled-water variable frequency air conditioning systems, and installation of digital electric meters for more effective management of energy use. These measures save about 379,085 kilowatt-hours of electricity and reduce CO2 emissions by about 395.2 metric tons per year. In all, Acer Taiwan cut greenhouse gas emissions by 3.2% in 2011.	
Responsible Supply Chain	Boosting of percentage of medium- and high-risk suppliers audited from 16% to 50%.	◎	SER on-site inspections of 40 suppliers were carried out in 2011.
	Increase of percentage of suppliers filling out SAQs to 100%.	◎	Percentage of suppliers filling out SAQs reached 80%.

2011 Goals and Achievements

	2011 Goals and Commitments	Status	Achievements and Details
Responsible Supply Chain	Provision of suppliers with training and lectures <ul style="list-style-type: none"> Greenhouse gases CDP Conflict minerals Global trends in SER 	●	<p>Before sending out CDP Supply Chain Program questionnaire, we held a supplier questionnaire capacity-building workshop to help suppliers better understand the program and Acer's demands in regard to energy and climate change, and thus enhance their professional ability and their ability to complete the questionnaire.</p> <p>We cooperated with BCS&D and TCSF in organizing lectures on Corporate Ecosystem Valuation and Global Water Tool trends, introducing WBCSD's innovative sustainable management tools to Taiwanese enterprises and Acer's suppliers.</p>
	Organizing of supply-chain SER meetings.	○	In line with Acer's global CSR governance mechanism, supply-chain SER meetings will be merged with first-quarter 2012 CSR Forum.
	Requirement for all ODM suppliers to obtain OHSAS 18001 accreditation by 2011 and OHSAS 18001 accreditation by 2012.	●	All ODM suppliers have introduced OHSAS 18001 occupational safety and health management system.
Employee Welfare and Advancement	Continued implementation of Acer Group Standards of Business Conduct.	●	Standards of Business Conduct have been incorporated into the performance management system.
	Formulation and implementation of a global training and development program, including online training courses.	◎	A global personnel development system has been designed and is being implemented by region as needed.
	Conducting of environmental safety and health training.	●	573 new employees were given three hours of training; training will be extended to all employees in 2012.
	Implementation of a performance evaluation system.	●	<ol style="list-style-type: none"> Performance management systems have been set up in all regions, and the global personnel databank will be integrated in 2012~2013. The global personnel management policy has been updated in such areas as limits of authority and target management.
Customer Service	Continued consolidation of the Acer Global Customer Service System (CSS).	●	Establishment of this system was initiated in 2010, and it is now in use in Europe, the Middle East, Africa, and the Americas.
Community Involvement	Promotion of Acer Volunteer Team services.	●	The Acer Volunteer Team has provided such volunteer services as environmental protection and concern for disadvantaged groups, and holds regular donations of funds and blood.
	Development of community-centric digital opportunity projects.	●	<p>The following digital opportunity projects were initiated in 2011:</p> <ul style="list-style-type: none"> Cambodian Digital Opportunity Center Three Philippine Digital Opportunity Centers Remote Chinese School Digital Opportunity Project

● Complete ◎ Partially complete ○ Not complete

2012 Goals and Commitments

2012 Goals and Commitments

Environment

Completion of third-party verification for organizational-type greenhouse gases.

Enhancement of the ratio of green products in different product lines.

Banning of such chemical substances as DBP, DEHP, BBP, DIBP from use in new products.

Society

Promotion of information and communication technologies (ICT) green innovation to achieve a 15% reduction in the 2% of carbon emissions caused by ICT.

Holding of the Acer CSR Forum.

Increasing supplier environment and social investigations by at least 150% over 2011.

Integration of the global manpower databank, management application systems, and personnel management and development systems.

Governance

Planning of global CSR program.

Updating of the senior management compensation system to align it with the company's long-term interests.

2011 Acer Numbers at a Glance

	Item	Unit	2008	2009	2010	2011	Explanation
Corporate Governance	Consolidated revenue	NT\$ billion	5,462.7	5,739.8	6290.6	4,753.4	
	Operating income	NT\$ billion	140.7	153.4	182.0	(64.0)	
	PAT	NT\$ billion	117.4	113.5	151.2	(66.0)	
	EPS	NT\$	4.7	4.3	5.7	(2.5)	
	R&D spending	NT\$ million	550	887	1,210	1,165	
	PC shipments	Million Units	31	39.8	45.5	39.5	
	Market share	%	10.3%	12.6%	13.0%	11.2%	
	Global market share ranking		3	2	2	4	
	Political contributions	NT\$	0	0	0	0	
	Major government aid spending	NT\$	0	0	0	0	
	Board of Directors meetings	Time	4	7	10	11	
	Number of directors (including executive and non-executive directors)	Person	7	7	7	7	
	Number of independent directors	Person	0	0	0	2	
	Number of supervisors	Person	2	2	2	2	
	Violations of employee business behavior standards	Violation	—	—	—	0	
	Total number of monetary and non-monetary sanctions for noncompliance with laws and regulations	Case	0	0	0	0	
	Stakeholder Engagement	Number of participating suppliers in CSR Forum	Supplier	46	71	66	—
Number of participants in CSR Forum		Person	98	163	144	—	Not held in 2011.
The number of international stakeholders in suppliers conference during CSR Forum		Unit	7	7	6	—	Not held in 2011.
Participating suppliers in CDP Supply Chain Program		%	41%	62%	74%	74%	
Participating suppliers in CDP Supply Chain Program questionnaire workshops		Supplier	—	—	23	17	Participants included suppliers with low 2010 ratings and new suppliers.

2011 Acer Numbers at a Glance

	Item	Unit	2008	2009	2010	2011	Explanation
Stakeholder Engagement	Participating suppliers in CDP Pre-launch Event in Taiwan	Supplier	—	28	28	8	
	The total number of participants in CDP Pre-launch Event in Taiwan	Person	—	239	198	114	
	Participating suppliers in CDP Launch Event in Taiwan	Supplier	11	22	25	8	
	Total number of participants in CDP Launch Events in Taiwan	Person	194	205	162	138	
	Suppliers participating in GHG working group	Times/Supplier	—	4	5	4	
Environmental and Energy Management	Water consumption	Metric ton	—	—	—	39,000	Scope of calculation was 63.5% of Acer employees worldwide.
	Solid waste	Metric ton	—	—	—	12,771	Scope of calculation was 91% of Acer employees worldwide and included paper, cans, plastics, glass, electronic waste, and others.
	OHSAS 18001-certified ODM suppliers	%	—	—	95.7%	100%	
	Acer products takeback and recycling	Kg	1,089,000	3,497,753	6,038,825	11,808,446	The scope of calculation for 2008 was Acer Taiwan. The scope of calculation for 2009 was Acer Taiwan and Japan. The scope of calculation for 2010 and 2011 was Acer Taiwan, Japan and America.
	Significant pollutions and leaks	Times	0	0	0	0	
	Serious violations of environmental protection statutes	Times	0	0	0	0	
	Scope 1 GHG emissions	Ton CO ₂ e	3,238	3,205	3,541	6,345	Including eDC.
	Scope 2 GHG emissions	Ton CO ₂ e	34,901	36,755	40,280	38,639	Including eDC.
	Scope 3 GHG emissions	Ton CO ₂ e	3,457	2,901	5,453	7,901	Including eDC.
	GHG emissions intensity	Ton CO ₂ e/US\$ million revenue	—	2.09	2.09	2.85	Including eDC.
	GHG emissions per capita	Ton CO ₂ e/employee	—	6.03	5.65	5.71	Including eDC.
	Annual electricity consumption	Kilowatt hour	49,954,700	61,132,293	66,585,259	65,850,315	Indirect consumption of energy by Acer.

2011 Acer Numbers at a Glance

	Item	Unit	2008	2009	2010	2011	Explanation
Environmental and Energy Management	Petrol consumption	Liter	400,244	536,714	635,717	663,556	Direct consumption of energy by Acer.
	Diesel consumption	Liter	238,547	568,036	604,406	1,626,242	
	Lighting facility replacement in workplace to save electricity	Kilowatt hour	—	—	86,000	794,585	Scope of calculation was Acer's Xizhi headquarters and Aspire Park and included energy-saving lights and inverter air conditioning.
	Green electricity consumption	Kilowatt hour	—	—	—	1,305,318	Acer Germany and Acer e-Enabling Data Center (eDC).
Responsible Supply Chain	Participating suppliers in suppliers conference	Supplier	46	71	66	—	Not held in 2011.
	Participating suppliers in suppliers conference	Person	98	163	144	—	Not held in 2011.
	Suppliers filling out EICC SAQ	%/Supplier	45	43	61	80	Expressed as percentage in 2008-2010, as number of suppliers beginning in 2011.
	On-site audit of major suppliers	Supplier	3	7	17	40	
Employee Welfare and Advancement	Number of employees	Person	6,897	6,624	7,757	7,894	
	Percentage of female employees	%	-	36.4%	32.0%	33.9%	
	Newcomers	Person	—	—	446	137	
	Turnover rate	%	—	—	—	16.2%	
	Disabling injury frequency rate	Disabling injuries per million working hours	0	0	0	1.23	The scope of calculation for 2008-2010 was Acer Taiwan; for 2011 it was 87.84% of Acer's global work force.
	Disabling injury severity rate	The number of disabling injuries/per million work hours	0.95	0.67	0.59	24.00	The scope of calculation for 2008-2010 was Acer Taiwan; for 2011 it was 72.1% of Acer's global work force.
	Courses opened	Course	—	—	177	316	
	Number of employees trained	Person/Time	—	2,235	2,682	7,921	
	Total hours in training	Hour	—	33,261	40,578	62,514	
	Average hours of training per year per employee (Male)	Hour	—	—	—	8.3	

2011 Acer Numbers at a Glance

	Item	Unit	2008	2009	2010	2011	Explanation
Employee Welfare and Advancement	Average hours of training per year per employee (Female)	Hour	—	—	—	7.3	
	Management skills trainings	Person/Time	—	364	439	412	The scope of calculation is Acer Taiwan.
	Funding support for external training or education	Person	—	—	—	602	
	Number of employees who visited the Acer Massage Stop	Person/Time	—	2,640	2,640	2,130	The scope of calculation is Acer Taiwan.
	Acer Sports Team participated in sports competitions	Person/Time	284	417	245	1,475	The scope of calculation is Acer Taiwan and includes the Taipei Marathon, Sun Moon Lake Cross-Lake Swimming Carnival, and 100k bike ride.
	Percentage of employees that should return to work after parental leave (Male)	%	—	—	—	94%	
	Percentage of employees that should return to work after parental leave (Female)	%	—	—	—	63%	
Customer Service	Taiwan corporate customer satisfaction	Score	—	92	89	92	
	Taiwan Direct Service Center customer satisfaction	Score	86.4	85.7	86.8	88.1	
	Chunghwa Telecom Customer Service Center customer satisfaction	Score	92.74	92.44	92.26	93.11	
	European, Middle Eastern, and African customer satisfaction	Score	7.71	7.06	7.97	8.26	
	Malaysian customer satisfaction	%	—	—	84.83%	87.13%	
	Thailand Service Center customer satisfaction	%	90%	95.80%	97.20%	98.20%	
	Significant noncompliance with regulations concerning health and safety impacts of products	Case	0	0	0	0	
	Significant noncompliance with regulations concerning product and service information and labeling	Case	0	0	0	0	
	Significant noncompliance with regulations concerning marketing communications	Case	1	0	0	0	

2011 Acer Numbers at a Glance

	Item	Unit	2008	2009	2010	2011	Explanation
Customer Service	Major customer privacy complaints	Case	—	—	—	0	
	Total amount of fines for major product or service violations	NT\$	—	—	—	0	
Community Outreach	Number of applicants for volunteer service leave	Person	—	38	47	49	Scope of calculation is Acer Taiwan.
	Total volunteer service hours	Hour	—	—	—	882	Scope of calculation is Acer Taiwan.
	Number of employees and relatives applying for volunteer service leave	Person	—	—	93	141	Scope of calculation is Acer Taiwan.
	Number of persons served by Acer Digital Van	Person	—	—	2,704	5,760	June-December 2010.
	Number of bags of blood donated by Acer employees	Bag	1,072	1,611	1,915	2,314	Scope of calculation is Acer Taiwan and neighboring companies.
	Number of Acer employees donating blood	Person	799	1,144	1,307	1,508	Scope of calculation is Acer Taiwan and neighboring companies.
	Acer contributions	NT\$	13,473,155	47,103,466	28,654,443	220,850,000	Donations include money, products, and company charity activities. The scope of calculation for 2008 and 2009 was Acer Inc. and the Acer Foundation. The scope of calculation for 2010 was Acer Inc., Acer China, and the Acer Foundation The scope of calculation for 2011 was Acer Global .
Monetary donations from Acer employees	NT\$	4,624,000	7,166,300	4,680,000	6,075,000	The scope of calculation for 2008-2009 was Acer Taiwan, including Acer Taiwan, Australia, United States, Indonesia and Thailand in 2010. The scope of calculation for 2011 was Acer Taiwan.	

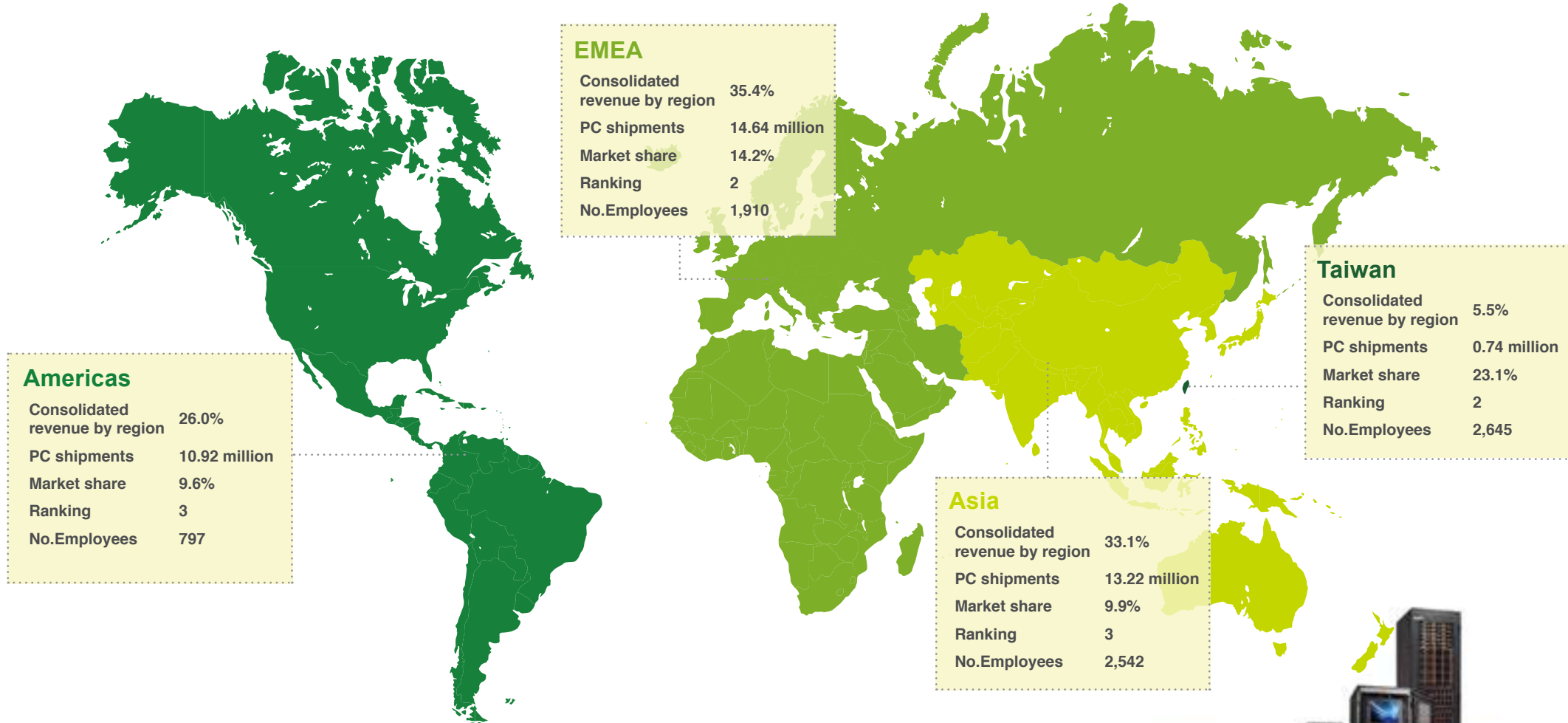
Corporate Governance

Acer, an international high-tech company with its own brand, was established in 1976, taking as its mission "Breaking the barriers between people and technology." With operating bases set up in over 70 countries across five continents, it engages primarily in personal computer, LCD monitor, projector, smartphone, and tablet development, design, marketing, sales, and service. At the present time, we are also actively engaged in the development of cloud computing technology. In 2011 we became the world's second-largest notebook computer brand.

World's **2**-largest notebook computer brand.



Acer Global Overview



	2009	2010	2011
Consolidated revenue	NT\$573.98 B	NT\$629.06 B	NT\$475.34 B
Operating income	NT\$15.33 B	NT\$18.20 B	(NT\$6.40 B)
Net income (loss) after tax	NT\$11.35 B	NT\$15.12 B	(NT\$6.60 B)
EPS	NT\$4.3	NT\$5.7	(NT\$2.5)

	2009	2010	2011
PC shipments	Approx. 39.80 million	Approx. 45.50 million	Approx. 39.50 million
Market share	12.60%	13.00%	11.2%
Global Market Share Ranking	2	2	4



Corporate Governance

History and Development

In July 2011, Acer acquired American cloud computing company iGware Inc. to improve brand value, provide customer service, participate in the development of Acer's own AcerCloud system, and be part of Acer's long-term plans for developing cloud computing technology. In August 2011, the Longtan-based Acer e-Enabling Data Center (eDC) established the Cloud Competency Center, which aims to become a fertile ground for the development of cloud computing solutions for medium-sized enterprises.

Economic weakness in Europe and America, together with problems caused by internal organizational changes and channel inventory, impacted Acer's consolidated operating revenue, seeing it drop 24% in 2011 to NT\$475.34 billion. The company suffered an operating loss of NT\$6.4 billion, after-tax net loss of NT\$6.6 billion, and after-tax loss per share of NT\$2.52. After more than a year of reorganization and reform, the company's new management team is now operating more stably by the day and Acer, under its post-reorganization operating strategy, is on the way to returning to profitability.

The most promising opportunities for the computer industry in 2012 will be the introduction of the Ultrabook in the first half of the year and Windows 8 in the second half. The lightness, thinness, rapid boot up and Internet connection exemplified by the Ultrabook have become trends in the notebook computer industry; Acer has already carried out extensive deployment in this field, and its high-efficiency, low-carbon, material-reducing, and recyclable-material green design marks a new milestone in notebook innovation. Windows 8 software can not only be installed on the Ultrabook, but also on new mobile devices, thus creating considerable business opportunities. ([See page 33](#))

In the future Acer will adopt a basic strategy of "winning through simplification," meaning that it will streamline brands, reduce model numbers, and simplify operating procedures so that more resources can be assigned to product innovation, design, performance, and quality; at the same time, the company will speed up its logistics

and re-establish its competitiveness. To this end, in PC sector, investment in brands and models will be reduced and growth in volume of shipments will be pursued; in the tablet and mobile phone sector, selective investment will be carried out so as to emphasize the pursuit of performance.

Acer's strategic goal is to focus on the standpoint of the user in strengthening innovation capability, creating customer value, upgrading brand positioning, and achieving better performance and profit. Business policy will focus on consolidating the company's position of global leadership in the notebook computer industry, pragmatically managing mobile devices, boosting the growth of commercial products, developing cloud computing services, and expanding further in major emerging markets.

Market Recognition

Acer operates several product lines and brands under its banner; in addition to developing new consumer demand-oriented products, the company focuses on a strategy of multiple-brand optimization in carrying out optimal planning for product properties and brand images with the aim of providing customers with the finest of products. Various Acer products won the following domestic and international awards in 2011:



Gateway FX desktop games won the innovative 2011 design award in the hardware category at the Consumer Electronics Show (CES) in the U.S.



The Acer Aspire 9843G and Gateway FHD 2303L displays won the iF industrial design award in Germany.



The Iconia Dual-screen Touchbook Notebook Computer won the Favorite Gadget award at CES, the German red dot 2011 award, and Taipei's Design & Innovation Award



The Acer C20 Pocket Projector won Germany's iF industrial design award and red dot 2011 design award.



The Iconia Smart mobile phone and Acer Revo 100 home desktop computer won the best product award and innovative design awards at Computex Taipei

Incorporating the design concepts of environmental protection and user orientation, Acer products have won the affirmation of consumers as well as numerous awards in product and industrial design competitions.

Marketing Communication

Acer holds firmly to the principles of honesty, transparency, proactiveness, timeliness, and regularity, and carries out marketing communication with consumers and partners, in conformity with local laws and regulations, through the corporate website, subsidiary websites, advertising, product exhibitions, press conferences,

Corporate Governance

mobile exhibitions, and sponsorship of activities. In these ways the company communicates information on its corporate ideals, products, and services.

Acer is honored to have the opportunity to be part of the Olympic Games. On January 1, 2009, we became a Worldwide TOP Partner, and were also a partner for the Vancouver 2010 Olympic Winter Games and London 2012 Olympic Games. For the London 2012 Olympic Games we donated state-of-the-art technology and products for the Technology Operations Centre and Integration Test Lab, located at LOCOG Headquarters, providing more than 25,000 pieces of calculating equipment and sending a 400-strong technical team to provide technical support during the entire course of the Olympic Games. The main functions of the Technology Operations Centre included real-time monitoring technology for all venues, venue support, and problem reporting and management. The Integration Test Lab carried out more than 200,000 hours of testing of the timing and results system for the London 2012 Olympic Games and testing of other major systems, such as the live broadcast information system used by the Olympic Broadcasting Services and the Olympic Data Center. We are confident that our outstanding technology and comprehensive preparations contributed to the success of the Olympics.



Corporate Governance

In the re-election of Acer's Board of Directors in 2011, two independent directors, F.C. Tseng and Julian Horn-Smith, were elected with the aim of using the wisdom and professionalism of outstanding international industry personages for participation in corporate operations and decision-making, further fulfilling corporate governance requirements and improving management quality. The new Board of Directors has established a remuneration committee and financial statement/internal control audit committee, chaired by the new independent directors Horn-Smith and Tseng, so as to bolster their independence, reinforce the committees' operations, and upgrade corporate governance to a higher level. The committee is responsible for evaluating the performance of the operations manager, determining that manager's compensation, assessing the performance of operating teams, staff compensation and formulating bonus distribution policies. The committee reviews and ratifies items on the agenda annually and schedules provisional meetings as circumstances demand. In 2011 we also implemented more comprehensive internal privacy protection, giving employees a more open channel for making suggestions to the independent director who chairs the internal control audit committee and providing better protection for employee suggestions.

Corporate Responsibility Policy and Strategy

Acer, as a multinational enterprise, fully understands that different regions have different key CSR issues and that risk control cannot be limited to the headquarters alone. After years of effort, we entered the strategy implementation stage by setting up a Global CSR Committee to expand the scope of the company's internal CSR governance system. We also reviewed Acer's original five major orientations—energy and climate change, green products, product recycling, supply-chain management, and information disclosure and communication—and carried out a re-categorization of key issues, proposing four major orientations for the next

stage of development—environment, society, governance, and communication (ESGC). The aim is to deepen the internalization of CSR so that "Sustainable Acer"'s strategic directions will be clearer to internal units at all levels.



• Corporate Key Aspects and Issues 2011-2014

Corporate Governance

Corporate Responsibility Governance and Expansion of the Implementing Organization

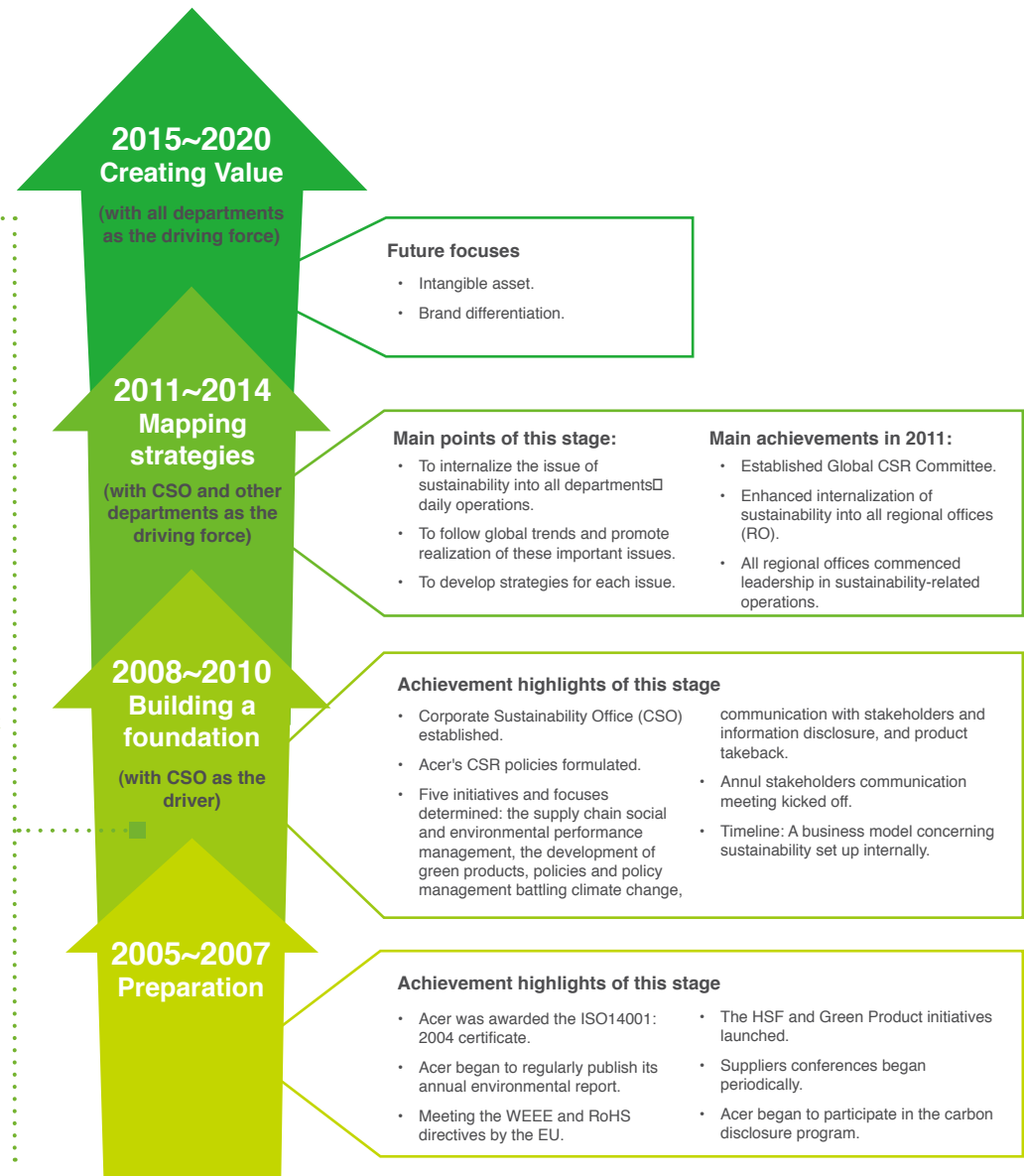
The issue of sustainability is becoming more important to Acer's global operations every day. In response to this, we readjusted our CSR governance and implementing organization and established a new Global CSR Committee based on implementation and experience built up over recent years. In addition to the supreme policymaking body of this new governance and implementation organization, the CSR Executive Committee, we have set up, under the different regional offices, Regional Office (RO) CSR Committees with memberships comprised mainly of RO heads, national subsidiary heads, and RO business unit heads. We have also established RO CSR executive secretarial positions to assist with CSR matters in the different regions. The new Global CSR Committee is made up of the RO CSR executive secretaries for the different regions and the headquarters BU heads; it is charged with carrying out the internalization of CSR in regard to the four major orientations of environment, society, governance, and communication, and with setting a clear timetable for progress. The Global CSR Committee must set up relevant strategies at the beginning of the year, review strategic directions and progress of implementation in the middle of the year, and carry out an annual summation and review of programs implemented at the end of the year. The close integration of all these efforts demonstrates that we will take further action in regard to sustainability, and the establishment of these different bodies will help us become an ICT brand and company with global leadership capability and sustainability.

Corporate Responsibility Policy

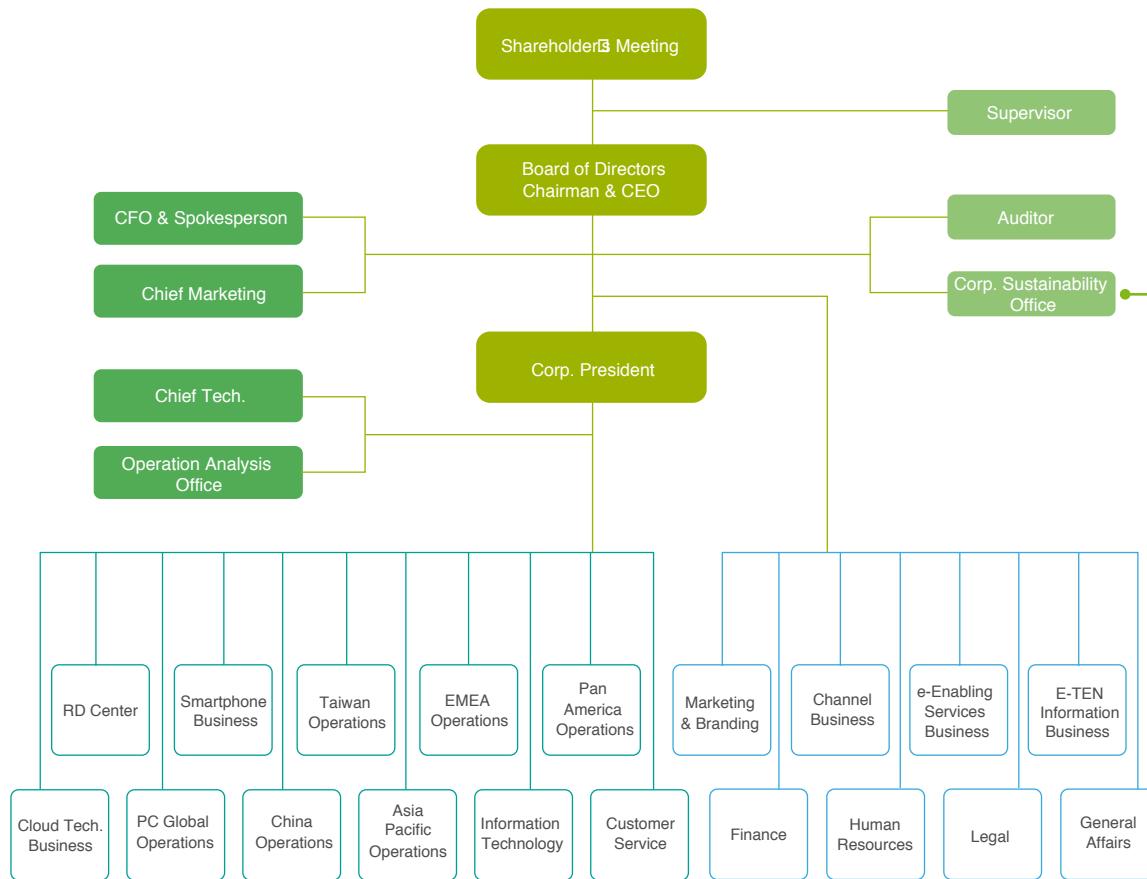
1. We aim to meet the growing expectations of stakeholders and seek the continuous improvement in business operation, better communication with stakeholders, recognition and support from the market.
2. We will walk the talk on CSR by means of a top-down process with practical, prioritized, workable and measurable action plans which are relevant to our products and services.
3. We will manage the risks and explore the opportunities of sustainable development through efficient governance wherever we operate.
4. We will engage suppliers to work together for business ethics, mitigating climate change and improving resource efficiency.

Definition of Acer's Corporate Sustainability

We define Acer's corporate sustainability as "A successful global IT company which achieves in triple-bottom line, i.e., outstanding balanced performance in economy, environment and society", thus pursuing financial growths, environmental protection and social advancement as Acer actively works to fulfill its CSR.

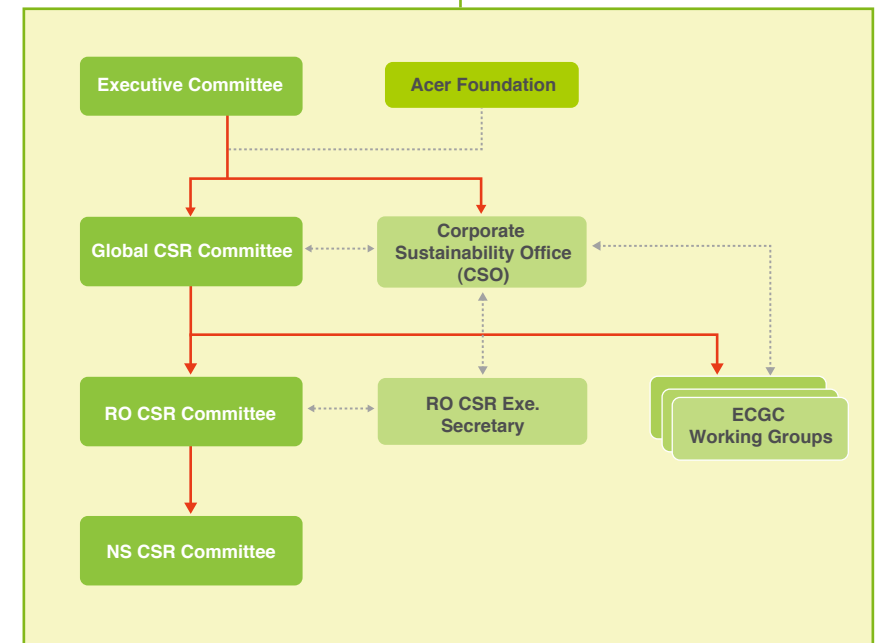


Corporate Governance



• Acer Organization Chart

With the establishment of the Global CSR Committee, the issue of sustainability will be instilled more deeply into Acer's locations around the world as well as its internal departments, with the aim of realizing the vision of a "Sustainable Acer." With a focus on responsibility, innovation, profitability, and efficiency, and under our sustainable new channel business model, we will bring our customers and business partners the ability to advance toward sustainability as we develop into an IT brand and company with global leadership capability.



• Sustainable Development Office Organization

Stakeholder Engagement

Acer understands that the pursuit of sustainable development and the fulfillment of corporate social responsibility can be carried out successfully only with the cooperation of stakeholders of all kinds. To this end we have engaged in a long-term effort to build up mechanisms and platforms for communication through which we can discuss public policy and new issues with stakeholders. We hope, in this way, to exercise our influence as an industry leader and help Taiwan's ICT industry enhance its ability to cope with the issue of sustainability.

The Acer CSR Forum has been held since 2008, with participation by international stakeholders and Taiwan's ICT industry, to bring about face-to-face communication and discussion of the challenges of sustainability faced by the ICT industry, and of solutions to those challenges. In coordination with the readjustment of Acer's global CSR governance mechanism, including planning for the establishment of an Acer Global CSR Committee, the decision was made in 2011 to move the annual Acer CSR Forum from the fourth quarter to the first quarter with the aim of helping more senior managers to understand global trends in sustainable development and think about Acer's role and strategies in this regard.

Sponsor of CDP pre-launch and launch events in Taiwan for

4

years running.



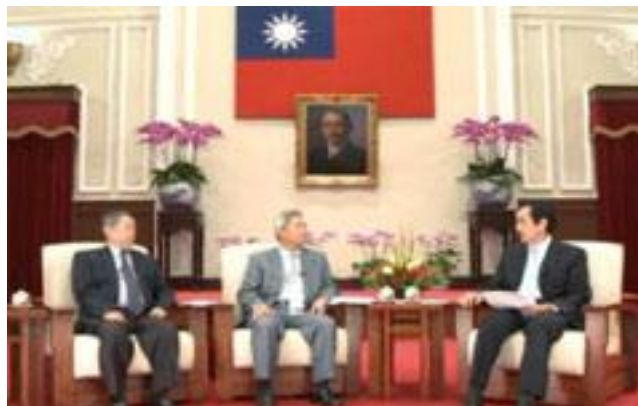
Stakeholder Engagement

Public Policy Participation

Acer is actively involved with public policy related to CSR, sustainable development, and industry. In addition to offering suggestions based on its abundant experience in global commerce, Acer joins organizations related to these issues and participates both directly and indirectly in discussions and pilot projects. It continuously expresses relevant opinions with the aim of creating, together with the government, an environment that is more favorable to the realization of CSR and sustainable development.

Suggestions on Energy and Climate Change Policy

Acer has had an active long-term involvement in the provision of sustainability policy suggestions. This is a time of ongoing development in energy and climate change issues, and of a new situation for the United Nations Framework Convention on Climate Change. We feel that in addition to promoting our own business growth, we in industry should vigorously voice our views with the aim of building an operating environment that encourages enterprises to live up to their corporate responsibility. Further, because Taiwan's own energy resources are lacking, in the past the island has thus relied on imports of fossil fuels as a significant part of meeting its energy needs, and if the government does not take the initiative, not only will energy supply pose problems, the relatively large carbon footprint of products resulting from the CO2 emissions factor of electricity could possibly create competitive issues in the form of trade barriers. For this reason, in a "weekly journal" interview hosted by ROC President Ma Ying-jeou this year, J.T. Wang, in his capacity as Acer's chairman and group CEO as well as chairman of the Taipei Computer Association, suggested to the president that the government should devote more effort to public policy in regard to energy conservation and carbon reduction. He also voiced the opinion that the government should develop policies to encourage industries to develop green, low-carbon



products. He expressed the hope that in the future, the government would work actively to improve Taiwan's energy structure and develop renewable energy, and would provide a market mechanism under which companies would voluntarily purchase clean energy and be encouraged to implement energy conservation and carbon reduction measures. This would facilitate a gradual shift to low-carbon industries while maintaining industrial competitiveness. At the end of 2011 the government announced a "green electricity pricing policy," which was expected to be implemented in 2012. For details, please visit the [President Office website](#).

Preventive management of chemicals

In addition to holding to strong principles regarding preventive management of chemicals, during the 2009-2011 consultation period for the revision of the EU's RoHS, Acer cooperated with its allies in voicing to the European Parliament the hope of having PVC/BFR and other chemical substances containing organic chloride and organic bromine listed in the law so as to avoid harming the environment. Although the final revision has not yet been passed, we hope to take advantage of the law to implement cross-the-board management and to use a variety of channels,

such as the Supplier Conference and the Acer CSR Forum, to propagate the concept of preventive management and carry on continuing communication and discussion with suppliers and other stakeholders worldwide.

Dealing with Conflict Minerals

On the issue of conflict minerals, Acer supports the U.S. Dodd-Frank Wall Street Reform and Consumer Protection Act (H.R. 4173) and similar requirements of other areas. It is an active participant in the EICC's Extractive Working Group and Extractives Due Diligence Sub-working Group; supports the EICC/GeST Due Diligence, OECD Due Diligence Guidance and Piloting, and Smelter Audit and Verification Programs; and backs In-region Sourcing Schemes, as well as carrying out effective collective communication with stakeholders. In 2011 we adopted the EICC/GeSI due diligence tools and carried out investigations of suppliers' smelting plants. In the future we will continue cooperating with the EICC/GeSI Extractive Sub-working Group and support the EICC/GeST Conflict-free Smelter Program ([See page 37](#)) with concrete action.

WiMAX Development

During the opening ceremony of Computex Taipei, J.T. Wang, in his capacity as CEO of Acer Inc. and chairman of the Taipei Computer Association, appealed on behalf of the WiMAX industry to ROC President Ma Ying-jeou, who was a guest of honor at the event, for the government to focus on the development of WiMAX in Taiwan and coordinate with the competent authority to review related regulations and allow existing WiMAX operators to consolidate. This would help resolve the problem of inadequate coverage, boost the number of subscribers, and expand the market. In addition, WiMAX could help enhance the functioning of the earthquake early-warning and command center systems, satisfy the needs of public communication networks, and play a significant role in the overall national disaster prevention system.

Stakeholder Engagement

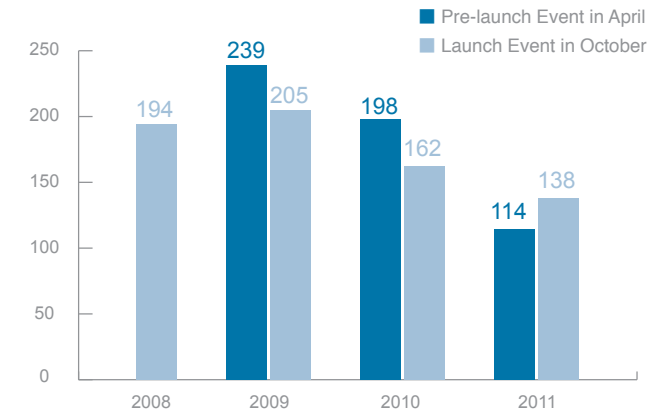
Support for New Issues

Sustainable development encompasses a great many issues, and Acer fulfills its responsibility as a citizen of the world by giving long-term support to specific issues with the aim of motivating more stakeholders to pay attention and take action. In addition to supporting the propagation of the Carbon Disclosure Project in Taiwan, in 2011 we also began supporting the Vision 2050 plan and water issues.

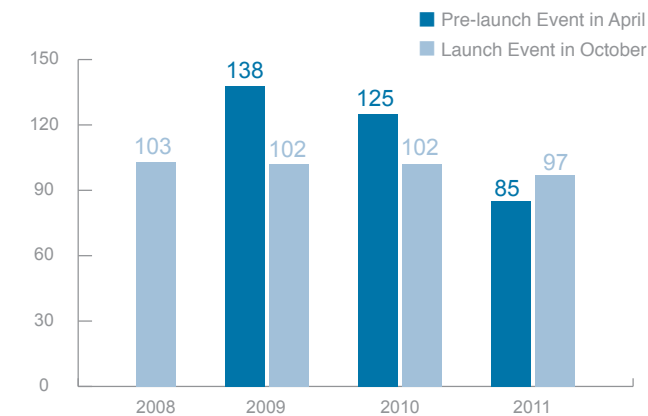
Carbon Disclosure Project

Acer and the Acer Foundation have provided long-term sponsorship for the CDP's promotional activities in Taiwan beginning in 2008, helping the island's industries to learn about the latest trends in carbon control and helping enterprises respond to the demands of international stakeholders.

In coordination with the scheduling of the CDP questionnaire, we provide sponsorship every year for the CDP Pre-launch Event and CDP Launch Event, and invite all Acer suppliers to participate in meetings, engage in discussions of the questionnaires and their results. To help more enterprises and stakeholders understand the importance of the carbon disclosure issue, in 2011 we started inviting financial experts to participate and analyze, from the viewpoint of capital markets and institutional investors, the concerns and attitudes of international stakeholders in regard to the issue of carbon emissions control.



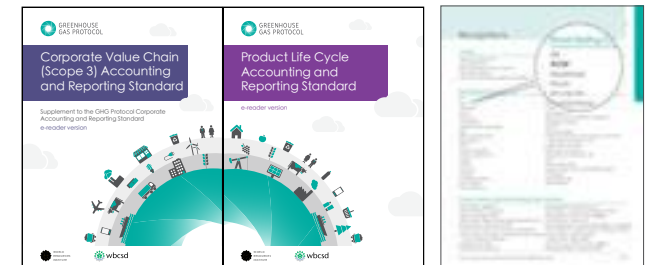
• Person



• Company

WRI/WBCSD Global Pilot Project for Product and Value Chain Carbon Footprint Standards

In 2011 Acer continued leading suppliers and one model each of netbooks, displays, and projectors in participation in the GHG Protocol Global Pilot Project for Product and Value Chain Carbon Footprint Standards as formulated by the World Business Council for Sustainable Development (WBCSD) and WRI, sharing experiences and suggestions on the carbon footprint inventory for ICT products to serve as a basis for the setting and improvement of standards. The WBCSD and WRI announced the formal versions of the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard and Greenhouse Gas Protocol Life Cycle Accounting and Reporting Standard in October 2011, and began implementing them worldwide, to help give companies a general understanding of carbon emissions throughout the value chain and of how to keep their impact under control.



Vision 2050

After becoming a member of the WBCSD in 2010, we responded to that year's Vision 2050 proposal. At the end of 2011 we began working, together with companies in the Taiwan Corporate Sustainability Forum that are concerned with the issue of sustainability, on formulating a local Taiwan Vision 2050 with the hope of providing companies, the government, and society

Stakeholder Engagement

with a blueprint and a role definition for the island's sustainable development in the future. We also worked on mapping out short-, medium-, and long-term transition targets so that we can strive together toward sustainable development throughout the world and advance toward realizing Vision 2050.

The Water Issue

According to UN statistics, by 2015 two-thirds of the world's people will face water shortages. This will in turn have a severe impact on the use of water by agriculture, households, and industry; it also means that in the future, the consumption of water necessary for ICT products, from the acquisition of materials and the production process to the provision of after-sales services to consumers, faces the risk of shortages. As an ICT product value chain integrator, we must make early preparations for this future threat. We held two New Focus on Management Tools to Develop Sustainable Global Enterprises seminars this year with the aim of concentrating more attention on the water issue from our suppliers and other industries by introducing the global water-supply situation and the risk assessment tools that have been developed by major worldwide organizations. A total of 45 enterprises participated in the two seminars, helping domestic enterprises to understand the new trends affecting corporate sustainable development.



• Introduction of water-resource risk assessment tools



Other Initiatives and Participation

Promotion of the Taiwan Corporate Sustainability Forum

The Taiwan Corporate Sustainability Forum was established in 2008 with the goal of providing representative Taiwanese enterprises with a platform for discussion and sharing on the issue of sustainability. Acer served as the convener of the Forum beginning with its second iteration in 2011, continuing to promote cooperation within the ICT industry and with other industries in the implementation of special action plans with the aim of bringing about more sustainable practices among Taiwanese enterprises.

In 2011 Acer and the other member companies of the Forum offered insights on the use of the GRI Guidelines by Taiwanese enterprises, and their suggestions for improvement of the fourth generation (G4) that was about to be launched. We will continue following up on the continuing development of the GRI G4 Guidelines and providing feedback on the experiences and suggestions of Taiwanese enterprises.

At the end of 2011 Acer, the Forum, and the Taiwan Business Council for Sustainable Development (BCSD-Taiwan) jointly organized the New Opportunities in Corporate Development – Creating Sustainability in 2012 sustainability sharing event, inviting eight corporations to share their outstanding performance in CSR and giving Taiwanese enterprises a chance to inspire each other to develop more and different kinds of innovations and concepts.

Response to the “Healthy, Low Carbon, Happy Life – Everybody Together Movement”

In 2010 Acer began responding to the Movement One initiative of the Taiwan BCSD, encouraging employees to make one small change in their daily lives and habits with the aim of achieving healthy, happy lives and a sustainable environment. In 2010 we responded to the “Healthy Vegetables – Eat Less Red Meat” activity by urging employees, in concert with “Earth Month,” to eat one vegetarian meal per week. In 2011 we participated in the “Yes, I Can” one tree for everyone activity initiated by Movement One in response to the UN's International Year of Forests. We will continue participating in Movement One's activities with the aim of making sustainable living a reality.



Environmental and Energy Management

Climate change and consumption of natural resources will inevitably have a major impact on our lives both at home and in the workplace. We believe that ICT technology can play a central role in assisting businesses and consumers to adapt to the coming low-carbon economy. To this end, Acer is always looking for ways to improve the environmental performance of our products and services. The environmental responsibility facet of our corporate sustainable development is seen in both our business operations and product design. We maintain a firm grasp of the risks and opportunities inherent in climate change so that we can advance toward our target of becoming a climate-friendly corporation.

Acer's new IT solution will help both businesses and individuals use energy more efficiently. We also hope to use our influence to encourage both our suppliers and customers to reduce their impact on the environment through using Acer products and services, thus all doing our part in caring for the environment.

Recipient of EPEAT gold medals for **31** products

100% of notebook models have received Energy Star certification.

Environmental and Energy Management

Comprehensive Environment, Health, and Safety Management

By sticking to our environment, health, and safety (EHS) policies and by implementing the Acer Environment, Health and Safety Management System we have been able to fulfill our pledges and reach our corporate targets with regard the environment and employees' health and safety. These policies include:

- Managing the potential risks in people's interactions with the environment
- Reducing the environmental impact of business operations, services and products
- Conducting regular reviews of our degree of adherence to in-house standards and statutory regulations
- Ensuring that our employees enjoy a safe working environment
- Implementing all necessary health and safety measures

In 2011 Acer conducted 13 training courses on EHS audits and internal audits. We have an accredited external agency audit our performance each year to ensure that every item in our EHS management program is being fully implemented. In 2011, the EHS management system at Acer's Xizhi office headquarters passed a triennial expanded recertification audit and was awarded ISO14001:2004 and OHSAS18001:2007 certification. The scope of this certification included the following brands: Acer, Gateway, eMachines, Packard Bell, and Founder.

We frequently monitor the system in action to ensure that the measures we are taking are fully concordant with the law. As for items that audits reveal not to be concordant, we seek out the root of the problems and implement improvement plans to ensure that these errors are not repeated. We believe that increasingly in-depth implementation of the requirements of our EHS management system is the best way to maintain a comfortable work environment for our employees and manage health and safety issues.

Acer also requests all suppliers to establish their own autonomous EHS management systems. In 2011 all of Acer's Original Design Manufacturing (ODM) suppliers obtained ISO 14001 and OHSAS 18001 certification. Acer also conducts audits of suppliers' EHS management systems to ascertain their depth of implementation and effectiveness.

For more on health and safety management please refer to the chapter on employee welfare and advancement ([See page 44](#)).

Our Operations and the Environment

We take the administering of our EHS system very seriously. We set targets and draw up action plans every year related to improving EHS performance and try our best to reduce the impact that our operations – use of water, energy, and paper; waste generation; etc. – have on the environment. In 2011 Acer had a clean record as regards major pollution incidents or violations of environmental regulations.

Acer Water Plan

Acer's global operations focus on marketing Acer products and providing customer services. As we do not have factories, our primary facilities are offices, and thus the water we consume is used for typical office-block facilities such as washrooms and air-conditioning. As such, we have very limited options when it comes to making big reductions in our water consumption. We have, however, been working with our landlords to improve the water and energy saving features of the buildings we rent. We ask our employees to use water sparingly and report leaks, and have beefed up our usual system of in-house patrols. We have also installed water-saving equipment, such as taps with the water-

saving label. In 2011 our Xizhi headquarters consumed 33,100 tonnes of water, a savings of 3,500 tonnes on 2010. In 2011 we also started to collect data on our total worldwide consumption of water and arrived at the figure of 39,000 tonnes. This amount only accounted for 63.5% of our employees, so we are still working to gather more comprehensive figures. As for wastewater, all wastewater from our offices around the world is discharged into public sewers according to local regulations and is thus treated by wastewater treatment plants.

Acer is an ICT brand company, and although we are not part of a water-intensive industry our manufacturing chain and markets are spread all over the globe. Water issues are becoming more prominent by the day and this will bring both direct and indirect challenges to our commercial development. We have thus drawn up the Acer Water Plan, which was implemented beginning in 2011 and marks the first time that we have employed the Global Water Tool developed by the WBCSD. The tool will be used to analyze the risks inherent in water shortages. We will also begin to focus more intensely on water resource issues from a macro-economic perspective so that we can lead our own suppliers, and Taiwan's industries as a whole, in getting a firm grasp on this new trend in corporate sustainable development.



• Acer Water Plan

Environmental and Energy Management

Long-term targets for the Acer Water Plan

1. Plan A – Dissemination: By focusing long-term on water resource issues we hope to show leadership to other Taiwan industries.
2. Plan B – Suppliers: We will assist our suppliers to recognize and manage their water resource risks so that in the eventuality of water shortages we can quickly work together to minimize impacts.
3. Plan C – Acer Operations: Recognizing and understanding the risks and opportunities that might arise from having to face water resource shortages in the future.

In order to achieve the long-term goals mentioned above we have formulated two main administrative approaches:

(1) Building In-House Capability

We conducted our first water resources risk assessment in 2011, which focused heavily on establishing a basic outlook and identifying future trends. This assessment will become the cornerstone of future commercial strategies and water resource management for our supply chain.



• Acer Water Plan administrative procedures.

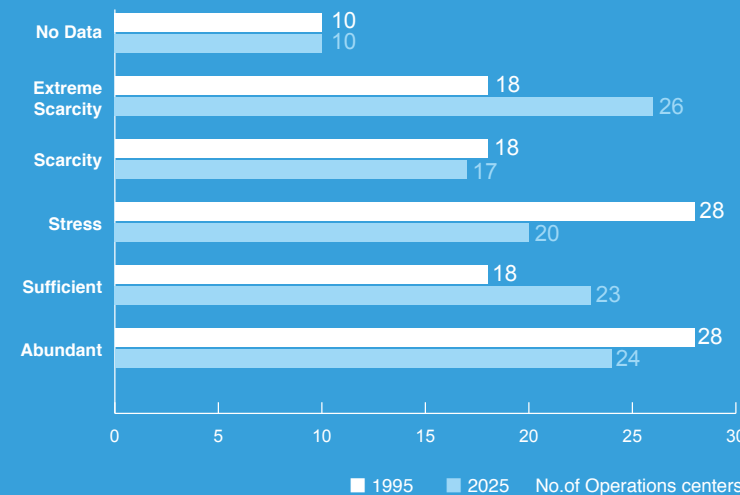
1. We used the WBCSD Global Water Tool to conduct water resource risk analysis at all Acer operations centers around the world.
2. We have held the New Focus on Management Tools to Develop Sustainable Global Enterprises – Water Risk Assessment Tools Seminar on two occasions. [\(See page 22\)](#)

(2) Supply Chain Management

We used the WBCSD Global Water Tool to first conduct supplier water resource risk analysis at all Acer supplier operations centers in China.

We use the WBCSD Global Water Tool to conduct water resource risk analysis at all Acer operations centers globally, based on the Annual Renewable Water Supply per Person index for 1995 and the Projected Renewable Water Supply per Person index for 2025. It was found in both indexes that over 50% of our operations centers are situated in areas that are “extremely likely” to face water shortages. In 1995, 15% of our operations centers were in

areas recognized as being of “extreme scarcity”; this proportion is projected to increase to 22% by 2025. We will be looking much more closely at the issue of water scarcity areas in order to help us build up a more comprehensive picture of our overall use of water resources.



• Annual renewable water supply per person.

Notes:

The Annual Renewable Supply per Person index is compiled from the results of the analysis of a World Resources Institute (WRI) model that combines volumes of rainfall and runoff in river drainage areas around the world. The model indicates that areas in which the annual average per person supply of water is less than 1700 cubic meters have a very high probability of facing water scarcity.

The Global Water Tool was developed in 2007 by the World Business Council of Sustainable Development (WBCSD) as a water resource risk assessment tool. The data in the database that it is connected to is provided by important international organizations such as FAO, WHO/UNICEF, and WRI. The Global Water Tool can give better risk analyses of the global distribution of water resources so that we can quickly spot high-risk areas.

Environmental and Energy Management

Waste Management

Acer Taiwan implements waste management in its office buildings by providing convenient recycling points for our employees so that they can recycle food left over from their meals and separate their refuse into containers for plastics, aseptic containers (Tetra Paks), glass, and metal cans. The 2011 recycling statistics for our Xizhi headquarters are as follows: 464 kg of metal cans; 557 kg of PET bottles; 176 kg of aseptic containers; 74 kg of glass bottles; and 4,844 kg of waste food. All of our waste is handled by certified waste disposal operators and we sometimes pay unscheduled visits to their premises to ensure that our waste is being recycled or disposed of according to regulations. Our waste reduction efforts have paid off: apart from unwanted IT equipment, the 2011 amounts of waste in other categories were much lower than in 2010. The 2011 waste statistics for our Xizhi headquarters are as follows: 35 kg of waste fluorescent light tubes; 11 kg of waste batteries; 409 kg of waste DVDs; 7,927 kg of waste metal; and 186 broken IT machines. Statistics show that Acer's headquarters in Xizhi produced 22.2 tonnes of waste in 2011, of which 8,754 kg was industrial waste. The amount of waste produced worldwide by Acer was 12,771 tonnes, and this included paper, metal cans, plastics, glass, and electronic products, among other categories. The scope of the statistics covered 91% of Acer employees around the globe.

Paper Reduction and Recycling

Acer Taiwan headquarters has been using renewable paper for many years now and we have also been encouraging our employees to do double-sided printing and photocopying. We are gradually systemizing the management of all of our operations to reduce our use of paper. In 2011 our volume of photocopies was 226,000 sheets fewer than in 2010, a reduction of about 5%, and the amount of recycled paper was 3,510 kg. At the end of every quarter we destroy unwanted confidential documents using water, instead of burning or burying them, which avoids polluting the atmosphere or soil. In 2011 we destroyed about 9,000 kg of confidential documents in this way, thus reducing our carbon footprint by 7.6 tonnes of carbon dioxide equivalents. We are currently conducting a paper and cardboard packaging recycling survey of all our branch offices

worldwide; the 2011 survey showed that about 80% of our branch offices had already established a paper recycling system. In 2011 Acer Pan America branches recycled 270 tonnes of paper. The Singapore branch has a particularly effective system that managed to recycle 30 tonnes of paper. Acer UK started recycling paper and plastics in its offices in 2010, and by 2011 recycled 72% of all office waste.

Raising Employee Awareness of Environmental Issues

Every year Acer Taiwan headquarters' volunteer team holds a number of voluntary environmental events and activities for Acer employees that give them the chance to gain a greater depth of understanding regarding the importance of environmental conservation. In 2011 we held an in-house activity called "Carry

Carry Environmental Protection with You

Since 2008, every year from April 22 to June 21 staff volunteers have been holding a series of activities to raise environmental awareness, from switching off office lights and taking the stairs to not eating meat on Mondays. A new activity, "Carry Environmental Protection with You," was launched in 2011, encouraging everyone to reduce waste and show their concern for Earth by bringing their own cups for purchasing beverages.

Environmental Protection with You" which encouraged our employees to bring their own cup when buying beverages. We also offered three mini eco-holidays for our employees: A trip to Guandu Nature Park learn how to conserve paddy fields; a trip to Baxianshan Nature Center to repair hiking trails; and a trip to participate in the "One Tree for Everyone" tree planting event.

Acer Singapore adopted a slightly different method of deepening their employees' understanding of the importance of environmental conservation by participating in Earth Hour, a global environmental event. Employees were sent emails and posters were hung up in their offices to encourage everyone to turn off all lights for one hour from 8:30 pm on March 26 and to visit the Earth Hour Web site to learn more about the event. Employee response was uniformly positive.



Acer Vietnam, by contrast, looked to their customers by inviting them to participate in their 15 Green Days with Acer environmental protection competition. Our Vietnam branch also financially supported the Climate Camp forum to help companies understand climate change issues.

Acer Japan also remembered their customers by sending

them, and all employees, an innovative temperature-sensitive calendar with a clever design that allows indoor workers to see at a glance whether or not the air-conditioning is set at an appropriate temperature.

Acer India held a series of activities to raise employee environmental awareness as part of World Environment Week, which leads up to World Environment Day on 5 June. Some of their activities were:

- What an Idea! – Acer employees were encouraged to think up good CSR ideas.
- Car-pooling – Acer employees were encouraged to carpool with their neighbors to reduce air pollution.
- Say No to Plastic! – Employees made paper bags from waste paper, with a prize given to the employee who made the most.
- Bus Day! – Employees were encouraged to use public transport to commute to work.
- Plant a Sapling! – Employees were given tree saplings to plant in their gardens or neighborhoods.
- Color Me Green! – All employees wore green for a day to symbolize unity of purpose during World Environment Week.

Environmental and Energy Management

Product Design that Incorporates Environmental Considerations

Here at Acer we are continually trying to reduce the environmental impact of our products beyond just adhering to government regulations. In order to meet even more challenging standards – such as PVC/BFR Free, EPEAT, and Energy Star – we are striving to improve our products' energy efficiency, packaging design, and recycling, and effectively manage their chemical content. By reducing the environmental impact of our products at every stage of their life-cycle, we are helping our customers to save time and resources and live and work in a more sustainable way.

Raising Energy Efficiency

Being in accordance with the EU's ErP directive is the basic energy efficiency requirement of all Acer products, including for "power-down" and "switch off" functions, and for external power supply equipment. In 2011 all of our range of notebook computers was accredited by ENERGY STAR®, and from 2012 all of our monitors will carry the ENERGY STAR label. The Acer range of notebooks now also have screens that use energy-saving LED backlighting. We believe that raising the energy efficiency of our products is a big part of our responsibility to the citizens of the world and future generations to come.

Properly Managing Chemical Substances

In terms of managing chemical substances, all Acer products are now fully accordant with the requirements of the EU's RoHS and REACH directives. In fact, in our enthusiasm to be eco-friendly we have taken the principle of preemption a step further and now have a system of mutual chemical substance management with our suppliers. This means that requirements regarding the chemical content of anything we usually order from our suppliers are stricter than legally necessary. We and our suppliers also pay close

attention to whether or not the chemical content of our product is a potential threat to the environment. If such chemicals are discovered we immediately announce that we will be putting them on our lists of controlled/banned substances.

For example, PVC cables and all materials that contain BFRs may produce dioxins when burned in incinerators, and so in order to prevent this kind of problem from occurring, Acer has been working with suppliers to find feasible alternatives to PVC and BFRs. We have also been busy establishing waste product recycling channels to mitigate the environmental impact of our products being improperly recycled or disposed of. PVC/BFR-free products that we released in 2010-2011 include the following.

Notebooks	
TravelMate 8172T	TravelMate 6595T
TravelMate 8372T	TravelMate 6595TG
TravelMate 8472T	TravelMate 8573T
TravelMate 8572	TravelMate 8573TG
NS10(Gateway)	TravelMate 6495T
NS30(Gateway)	TravelMate 6495TG
NS41(Gateway)	TravelMate 8473T
NS51(Gateway)	TravelMate 8473TG
Monitors	
C233HL	C193HQL
C203HL	C193WL
Desktop Computers	
aHornet	
Smart Hand-Held Devices	
ICONIA Smart	

Out of the many voluntary environmental protection standards, the EPEAT standards are becoming more prominent due to their successful global development. EPEAT encourages the use of plastic regrind, which increases the distribution of materials from recycled electronic products. EPEAT also has stricter hazardous substance management standards than RoHS. Other EPEAT requirements, including recycling, product life, energy saving values, corporate environmental protection performance, and environmental packaging, are all important indicators of a product's environmental pedigree. We are working hard to overcome managerial and technical challenges to reduce the number of these hazardous substances – permitted though they may be – so that our products meet EPEAT's strict standards. In 2011, 31 of our products were awarded the EPEAT Gold and 61 of them were awarded their Silver.

Acer EPEAT Products	2010	2011	
	Silver	Gold	Silver
Notebook	53	8	13
Desktop	16	11	28
Display	19	5	11
Integrated Desktop Computers	--	7	10
Total	88	31	61

In addition to EPEAT we are also eagerly applying for voluntary environmental labeling or accreditation in a number of countries around the world, including accreditation for energy saving from the China Standard Certification Center, China's Ten Central Certification, Taiwan's Green Mark, and TCO certification. Attaining certification is an important way of proving our commitment to environmental protection.

Environmental and Energy Management

Advancing Eco-Efficiency of Product Packaging

Acer product packaging design aims to reduce all areas of environmental impact by taking a “whole life cycle” approach. We do our best to reduce packaging material, use recycled materials and restrict hazardous substances, while adopting sustainable packaging principles to guide the design of our product packaging. These principles include:

- Functionality
- Increased efficiency of resource usage
- Recyclability
- Consideration of both user- and environmental-friendliness

We have initiated corresponding actions for each of our product lines to reduce the use of paper and packaging.

- **Tablet PC:** From August 2011, instead of providing paper with printed instructions on starting the computer, we now provide this information on a document that can be downloaded from our website.
- **Notebook PC:** From 2010, we reduced the use of manual pages by 80%, downsizing from 102 pages to 12 pages.
- **Desktop PC:** From 2007, European and US regions no longer provide a user's manual and have reduced the weight of paper used in other documents from 80 grams to 70 grams.
- **Monitors:** From September 2010, user's manuals are no longer provided for 95% of monitor products; from 2011 over 40% of LED monitors were packaged with cardboard of new design which reduces overall packaging volume by 40%.

To attain our goals for using reusable packaging materials, all external packaging of notebook PCs is made from recycled paper and from 2009 all notebook PCs have been wrapped in reusable felt.

We are currently in the process of formulating our Sustainable Paper and Packaging Policy, which will serve as a guideline for future paper procurement and design product packaging. We support international stakeholder organizations that advocate bans

To further implement sustainable packaging principles, we will soon introduce a glue-free cardboard design for the packaging of our Tablet PCs to make recycling easier for consumers and to attain our goals for reducing the use of paper.



on illegal felling of forests, and Acer explicitly forbids cooperation with suppliers involved with such felling. To this end, we are also expanding our use of products from responsible forest management systems.

We are gradually introducing paper products that have been certified by related sustainable forest systems such as Forest Stewardship Council (FSC) certified paper. Starting in the second quarter of 2012, we will take the lead in using FSC-certified paper for instruction manuals for our Notebook and Tablet PCs. Our staff is becoming more aware of paper conservation concepts when using office paper for printing, and we are further reinforcing these concepts by gradually expanding our use of FSC-certified printing paper to promote the ideals of sustainable forest management.

Product Recycling

All electronic products have a certain lifetime and waste electronic products can potentially degrade the environment if they do not undergo appropriate treatment. Acer strives to put environmental considerations into product design not only by designing environmentally friendly products that are easy to recycle, but also by providing consumers with convenient recycling channels through voluntary recycling schemes that comply with legal requirements. We support Individual Producer Responsibility (IPR), and pledge to work together with government, consumer and retailer stakeholders in shouldering responsibility for the recycling and management of e-waste.

North America

We are continually working to expand voluntary recycling channels in North America to ensure consumers have greater convenience and peace of mind when recycling end-of-life products. In 2010 we launched new recycling partnerships with E-World Recyclers and AERCCR. The expansion of these partnerships in 2010 and our participation in the eCycling Leadership Initiative in 2011 to boost voluntary recycling in the United States resulted in an increased recycling rate in 2011 compared to 2010.

Acer Canada recycled both waste computer products and batteries, continuing cooperation with Phoenix Recycling and the Rechargeable Battery Recycling Corporation (RBRC), while expanding our partnership with GEEP into British Columbia in 2011.

In 2011, Acer America expanded the scope of its voluntary recycling plans by participating in the Consumer Electronics Industry's Billion Pound eCycling Challenge, which was launched as a collaborative effort among IT manufacturers, administered by the [Consumer Electronics Association \(CEA\)](#), to conserve resources, protect the environment and increase efficiency. Acer America participated in a pilot project in two states, using a third-party accredited recycling firm to ensure responsible recycling. The recycling target for the project was set at 686,000 pounds, but in the end we actually recycled 724,464 pounds, showing a 655% increase over the

Environmental and Energy Management

96,000 pounds recycled by Acer America in 2010. In 2012, we will continue to participate in the pilot project in these two states, upping the target by 25% while adding on another pilot project in two other states.

Acer continued its partnership with Best Buy in supporting their in-store [recycling program](#). Originally Best Buy charged customers US\$10 for collecting, transporting and responsibly recycling end-of-life products. In return Best Buy offered a US\$10 gift card. Since Best Buy discontinued this system in November 2011, Acer has made recycling completely free for all of Acer-branded products, reimbursing Best Buy for recycling fees.



Acer America requires that all recycling schemes ensure appropriate disposal and management of end-of-life electronics devices, components and materials. In 2011, Acer America continued its transition to working only with recycling firms that have obtained environmental management system certification such as Responsible Recycling (R2) or eStewards. We plan to complete this transition in the United States and Canada in 2012.

Acer continues to request that all suppliers and second tier suppliers comply with Acer waste disposal standards for the management of end-of-life products. In 2011 Acer launched a recycling firm auditing program to ensure full command of our recycling firm's on-site treatment operations. The audit plan had both Acer recycling program administrators and third party auditors target our first-tier electronic waste treatment firms as well as downstream treatment firms. The audit checks for compliance with Acer's Standards for Electronics Recycling as well as environmental, safety and health performance to ensure that all Acer products handed over by



consumers for recycling receive appropriate treatment.

Thanks to impeccable recycling channels, in 2011, Acer recycled a total of 9,307,573 kg in North America, exceeding our original target by 6%.

For more information on Acer America's recycling program, please visit [Acer America's recycling website](#).

Europe

Acer partakes in recycling and waste-reduction design of products, batteries and packaging in Europe by keeping in compliance with all EU regulations including the European Union Waste Electrical and Electronic Equipment Directive (WEEE). For more information on recycling channels in Europe, please refer to Acer websites in each of the European nations.

Asia Pacific

Acer promotes voluntary product recycling services throughout several countries in the Asia Pacific region, including Indonesia, Taiwan, Japan, and Malaysia, providing consumers several recycling options such as postal service or drop-off stations.

India

We have promoted the [Acer India e-Waste Program](#) for several years, inviting consumers to ensure the appropriate recycling of end-of-life Acer products. The program makes sure that a certificate is sent back to the consumer to verify completion of the product recycling treatment process.

Taiwan

For many years Acer Taiwan has recycled Acer products through participation in the recycling and treatment system administered by the Executive Yuan's Environmental Protection Administration (EPA). The following chart shows the estimated recycling volume of Acer products in Taiwan according to the EPA Resource Recycling Fund's annual recycling volume for waste IT products in the Taiwan area.

From mid-2010 Acer Taiwan installed waste mobile phone recycling bins at 25 service locations throughout Taiwan to make it easier for customers to recycle their old mobile phones. By the end of 2011 we collected a total of 86 mobile phones for recycling. From mid-2011 we saw an increase in the number of notebook PC batteries collected for recycling with 516 batteries collected in just half a year.

Year	Recycled computers	Recycling rate (%)	Volume recycled (tonnes)
2006	73,261	31.20%	869
2007	77,763	29.80%	876
2008	96,652	29.47%	1,089
2009	104,012	26.28%	1,158
2010	159,243	35.75%	1,801
2011	207,871	37.72%	2,361

Japan

Acer Japan works in cooperation with the local [PC3R Promotion Association](#) which allows consumers to register through the [Japan recycling website](#), via email or fax, after which they can send their waste products through the postal system for recycling. Statistics for the year 2011 showed that a total of 12,962 computers of the three brands Acer, eMachines and Gateway had been received for recycling, amounting to a total volume of 139,873 kilograms.

Product type	Category	Volume recycled (kg)	Units	Volume of treated resources (kg)	Volume of resources reused (kg)	Reuse rate (%)
Desktop PCs	Commercial	1,403.70	120	37,957.80	32,393.60	85.30%
	Consumer	36,554.10	3,125			
	Total	37,957.80	3,245			
Notebook PCs	Commercial	56.4	22	2,476.60	1,535.40	62.00%
	Consumer	2,420.20	944			
	Total	2,476.60	966			
CRT Monitors	Commercial	1,288.50	71	25,207.60	20,295.30	80.50%
	Consumer	23,919.10	1,318			
	Total	25,207.60	1,389			
LCD Monitors	Commercial	78	16	4,294.50	3,351.80	78.00%
	Consumer	4,216.50	865			
	Total	4,294.50	881			

* Includes integrated desktop PCs

Australia

Acer Australia signed on to become a member of the Australian Packaging Covenant (APC) in 2011. The APC is a voluntary initiative by government and industry that utilizes cooperative methods to reduce the environmental impact of packaging through effective life-cycle management.

We will be unfolding a new action plan in 2012 that adopts the Sustainable Packaging Guidelines, featuring design, recycling and management methods that reduce the environmental impact of packaging:

- Design: more efficient use of resources to reduce environmental impact without impinging on product quality and safety.
- Recycling: effectively collect and recycle used packaging materials.

- Product stewardship: promise to improve packaging design and recycling so as to reduce the impacts of waste.

Recycling Activities

Acer Malaysia used computer donation event

In 2011 Acer Malaysia and Microsoft cooperated on a technology education CSR project called "Idea Inspired," which encourages consumers to recycle old computers. Old computers can be dropped off at designated consignees and computer exhibitions in return for a 200 Malaysian ringgit voucher toward the purchase of a new computer.

The event lasted from March 23 to April 17, during which we collected a total of 787 used computers. From these we refurbished 65 Acer computers and installed software donated by Microsoft.

Environmental and Energy Management

The computers were donated to non-governmental organizations including The St. Nicholas Home in Penang, The Grace Community Home in Klang and Peyakin.



• Grace Community

• Peyakin

• St Nicholas' Home

Acer America e-Waste Recycling Event

From 2009, Acer Services Corporation in Texas, US, cooperated for three consecutive years with Cinco Electronics Recycling and Kennedy-Powell Elementary School in the town of Temple, Texas, to hold an e-waste recycling activity providing a convenient recycling channel for residents in the Temple area. The event recycled a total of five tonnes of electronics waste, ensuring this waste would receive appropriate treatment and not enter landfills.



Energy and Climate Change Response

Climate change is at once both risk and opportunity for the ICT industry. The industry must not only work to reduce its own emissions, but also must stay attuned to the risks climate change pose to its operations, while creating opportunities for other sectors to apply ICT toward carbon reduction initiatives. Several natural disasters have already had a devastating impact on PC manufacturers and supply chains in 2011, signs that climate change has already become the biggest risk management issue for the industry. Acer is mitigating the impacts of climate change on the industry through the adoption of practical countermeasures.

Climate Risk Preparedness

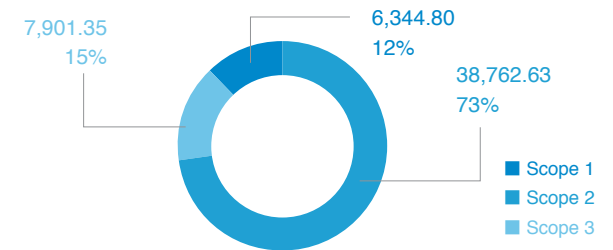
Staying abreast of climate risks has long become an important task for Acer in terms of managing the supply chain and maintaining value. A case in point is when hard drive supplier Western Digital's Thailand factor was impacted by floods in October 2010 and unable to provide a steady supply of goods. We immediately took action by closely monitoring the supply of goods and adjusting our product strategy to minimize impacts on our financial affairs. We now consider climate risk an integral part of our long-term strategy to help buffer the impacts of extreme weather events on our supply chain.

Greenhouse Gas Inventory

Organizational Greenhouse Gas Inventory

We have been keeping greenhouse gas inventories since 2008. Over these four years we have gradually expanded the scope and level of implementation and have strengthened our experience and capacity in data collection, management and analysis. We believe that only by being fully aware of the greenhouse gas emissions generated by our operations can we know the best course of action to make reductions.

The total greenhouse gas emissions from worldwide offices and operations in 2011 amounted to 53,008.78 tonnes of carbon dioxide equivalents, which is further divided into three scopes. Scope 1 emissions are mainly fuel combustion and fugitive refrigerants. Scope 2 comprises the largest contributor of emissions at 73% of the total, and are the indirect emissions from the electricity used to operate our offices and points of operation. Scope 3 emissions are transportation related emissions caused by the airplane travel of our staff, and accounted for 15% of total emissions in 2011.



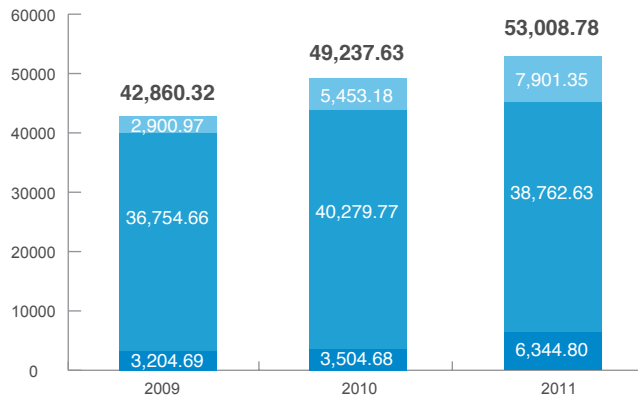
• 2011 Greenhouse Gas Emission from Worldwide Operations (Unit: Tonnes of Carbon Dioxide Equivalents)

Every year we review inventory boundaries to confirm that all of our operations are performing data collection and statistical compilation as required within the applicable organizational boundaries delineated by the operational control approach of the GHG Protocol. We additionally review the correlation between the content of operations and the operational control principles of our operations so as to reconfirm the actual boundaries of our GHG inventories.

After discussion with a third party accreditation agency in 2011 we verified that a lease relationship exists between Acer e-Enabling Data Center operations services and clients. As a result we readjusted our inventory boundary to proportionally divide all of the eDC electricity use into two parts: emissions generated from the client's independent electricity use is categorized under the client's Scope 2 emissions, while emissions generated from non-client independent electricity use is categorized under Acer's Scope 2 emissions. This boundary adjustment created a major difference in our overall emissions and thus we started back at the baseline year to recalculate GHG emissions of global operations from 2009 to

Environmental and Energy Management

2011, as shown in the following chart.



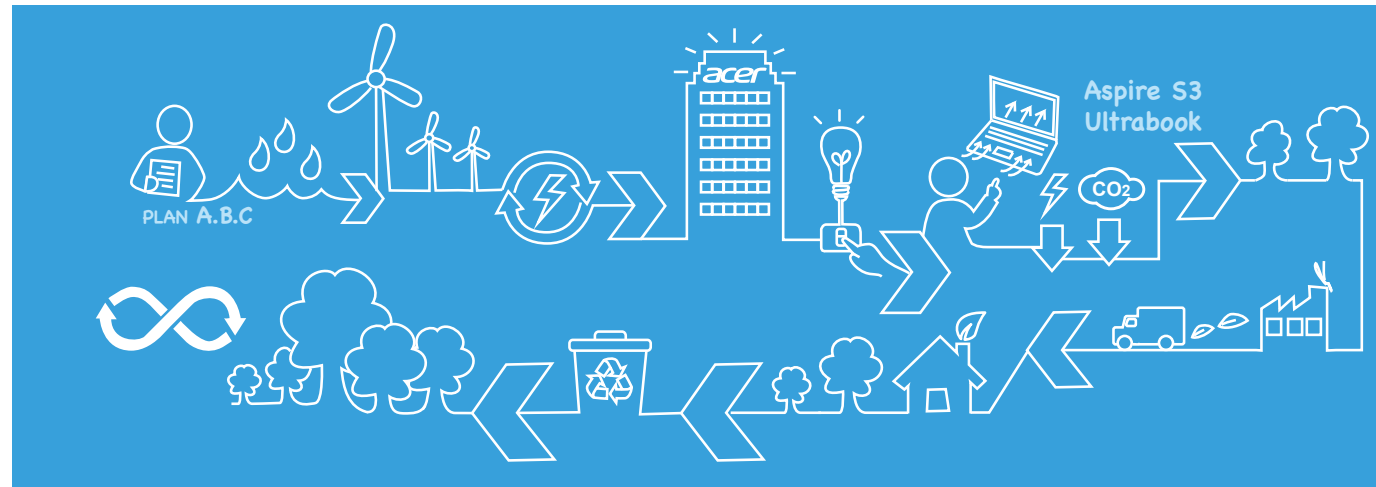
• 2009-2011 Acer's global GHG emissions from offices and other operations.
(Units: tonnes of carbon dioxide equivalents)

■ Scope 1
■ Scope 2
■ Scope 3

GHG Reduction

Setting GHG Reduction Targets

Beyond our continuous work in upgrading energy efficiency of our products and operations, we have also set long-term goals for energy usage reduction. This been done bearing in mind both the interests of our stakeholders and the feasibility of the goals, and we hope that this concrete demonstration of leadership will inspire our suppliers and partners to follow suit, creating a greater effect as the reductions accumulate across the supply chain. We aim to meet these goals through internal energy efficiency upgrades, investments in renewable energy, and procurement of green energy. We firmly believe that GHG reductions are only possible through cooperation between private and public sectors, which is why Acer has always supported the two GHG absolute reduction targets set forth by the EU, that is, for industrialized nations to reduce emissions 30% (with 1990 as the baseline year) by 2020 and 50% by 2050. We also urge developing countries to transcend the thinking that environmental costs can be ignored when seeking economic growth, and that they should develop their nation's potential to become a low carbon society.



GHG Reduction Case Study

Recording energy consumption of 1,200,000 kWh in 2011, Acer Germany took the lead in procuring certified renewable energy to offset all 649 tonnes of carbon dioxide equivalents from energy consumption. This offset plan won the TÜV NORD certificate and became the highlight of Acer Europe as the first carbon-neutral initiative for power consumption. From October 2011 Acer Italy cooperated with the local E-Piu renewable energy supplier to use green power, while saving approximately 800 tonnes of carbon dioxide equivalents and 12.5% of electricity costs.



In 2011, Acer Japan made a temperature-sensitive calendar for consumers and clients to help them determine whether their air

conditioner is set at an appropriate temperature. For example, if the air conditioner thermostat is set lower than 28 degrees Celsius from June to September, or if the heater is set higher than 20 degrees from November to March then the dates on the calendar will become illegible. The calendar serves as a reminder for users to pay attention to thermostat settings and join in the effort to conserve energy and reduce carbon emissions.



Acer Australia works in cooperation with Carbon Neutral by promoting tree planting projects in western and southern Australia. Through this program a total of 133,948 native trees such as eucalypts and acacias, and 851 shrubs were planted between 2008 and 2011. Assuming a life span of 100 years, these trees will sequester 29,760 tonnes of carbon dioxide equivalents.

Acer Taiwan headquarters' office renovation is scheduling the transition to environmental building materials, such as energy saving lamps and automatic shut-off systems on lights to achieve energy-saving targets. In 2011 Acer Taiwan participated in several

Environmental and Energy Management

energy saving improvements including the renovation of office illumination equipment, expansion of the existing automatic light shut-off system, and replacement of LEDs in the headquarters building logo sign. These measures add up to an annual electricity savings of 211,000 kWh, equivalent to 129.6 tonnes of carbon dioxide equivalents.

We aim to exert a positive influence on our neighbors by promoting a public area for energy conservation and carbon reduction at the Acer Taiwan headquarters building and the nearby Dongke Building. By 2011, the park 1-3 building public space and underground parking lot had already replaced all lights with energy saving lamps, an annual savings of 200,000 kWh, or 122 tonnes of carbon dioxide equivalents. We also installed infrared motion detectors and automatic shut-down systems in the escalators of all Acer buildings, saving approximately 4,500 kWh each year and 2.8 tonnes of carbon dioxide equivalents.

As for staff transportation, we encourage the use of mass transit systems to reduce the carbon emissions of individually driven motor vehicles. In 2011 we began planning an internal carpool system, which will be on the roads in 2012. In the renovation of our company cars, we have procured certified energy-saving vehicles.



Acer e-Enabling Data Center

A data center can be a considerable power consumer as it must maintain system stability 24 hours a day. Since its establishment, Acer e-Enabling Data Center has surpassed industrial energy

consumption standards and provided clients with the most energy efficient service.

While maintaining the operation of our renewable energy generation systems, we also look for ways to improve the efficiency of existing operations. For example, in 2011 we launched a project to reduce the escape of air from our air conditioners and increase the efficiency of air circulation by adding an air conditioner system with a valve to control the intake of return air. Upon installation the system effectively increased airflow by at least 10%. Just one system has already saved 1.7 kW, and it is estimated that over 900,000 kWh can be saved each year as well as over NT\$2 million in electricity fees – truly a win-win situation both economically and environmentally.

Product Innovation

Increased energy efficiency and lightweight design of our products are continuously sought-after goals, evident in our Aspire One series, the Energy Star compliant Aspire Timeline series, and the Aspire Timeline X series, which sports a battery that can provide continuous power for up to ten hours.

In the latter half of 2011, we satisfied consumer demands for rapid start-up, internet connection and portability with the introduction of the Ultrabook Aspire S series. This model is under 1.35 kg and features a unique heat dissipation and ventilation system as well as a lightweight exterior and the capacity to maintain continuous stand-by for up to 50 days, far surpassing former standards. Due to this new Acer technology, each Ultrabook saves approximately 3.5 kg of carbon emissions compared to traditional notebook computers. If five million Ultrabooks were to replace traditional notebook computers, the result in terms of carbon reduction would be equivalent to planting 1.45 million trees!

The Ultrabook Aspire S series uses smart energy-saving technology to greatly increase battery longevity; this technology enables batteries to be recharged 1000 times, a 3.3-fold increase over the 300 charges of standard lithium batteries. In terms of environmental impact, assuming sales of 5 million units, the savings would be equivalent to some 975.5 trees worth of carbon equivalents.

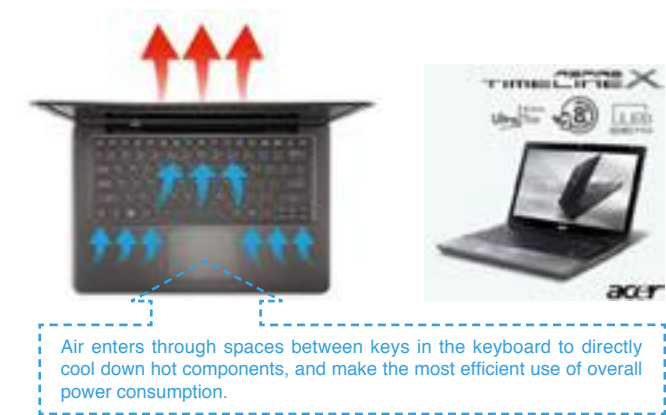
Lighter

The Acer Aspire S3 uses open-cell display technology, not only making the notebook lighter, but also reducing the metal used by 32.5 grams, thus saving 68.81 kg in carbon dioxide emissions, or approximately 28.67 million trees worth in carbon equivalents!

In addition, the aluminum and magnesium used for the case are 100% recyclable, further reducing the environmental impact of the Aspire S3.

Energy Consumption Comparison

Acer Aspire S3	VS	Traditional Notebooks
Normal Use: 6 W/h		Normal Use: 8 W/h
Sleep Mode: 0.28 W/h		Sleep Mode: 0.35 W/h
Hibernation: 0.015 W/h		Hibernation: 0.03 W/h



Responsible Supply Chain

We realize the important role that a branded company has to play in the social and environmental impact of its suppliers. Acer not only demands that all of its suppliers operate within local regulations and according to Acer's own in-house policies, but also informs suppliers about the latest trends in social and environmental responsibilities so they can build their capacity to meet the challenges of sustainable development. We conduct risk management and on-site factory inspections for our suppliers in order to improve their general capabilities and to ensure that worker rights are protected, and continue to encourage our suppliers to actively manage their greenhouse gas emissions by responding to our Carbon Disclosure Project Supply Chain Program questionnaires and joining the EICC Carbon Reporting System. Acer also holds conferences and training courses with our suppliers' greenhouse gas reduction working teams to expand the overall effectiveness of greenhouse gas reduction efforts. We are grateful to all of our partners for working conscientiously with us to build a supply chain that encompasses social and environmental responsibilities. Acer regularly conducts full and careful reviews of applicable sustainability issues and intends to be even more active and visionary in reinforcing the positive impact of a socially and environmentally responsible supply chain.

Conducts on-site audits for **40** suppliers.



Responsible Supply Chain

Supplier Social and Environmental Management

Acer understands well its own corporate social and environmental responsibilities and knows that this extends to influencing and improving the performance of its suppliers with regard to their own social and environmental responsibilities. We therefore work closely with our suppliers to set out management practices and implement a multilateral approach to improving their capabilities.

In 2008, Acer joined the Electronic Industry Citizenship Coalition (EICC) and has been enthusiastically participating in EICC events and activities since then. EICC participation has helped us to understand the latest international approaches to implementing corporate social responsibility and to share practical experience with fellow members. Acer has adopted the EICC code of conduct to guarantee that the manufacturing operations of our suppliers accord with their social and environmental responsibilities, and that their employees are treated with respect and dignity. We also require our Tier 1 suppliers to adopt the same code and encourage them to fulfill their corporate social responsibility. This will hopefully spur to promote the code of conduct among their own suppliers and play a part in raising working conditions in global electronics supply chains.

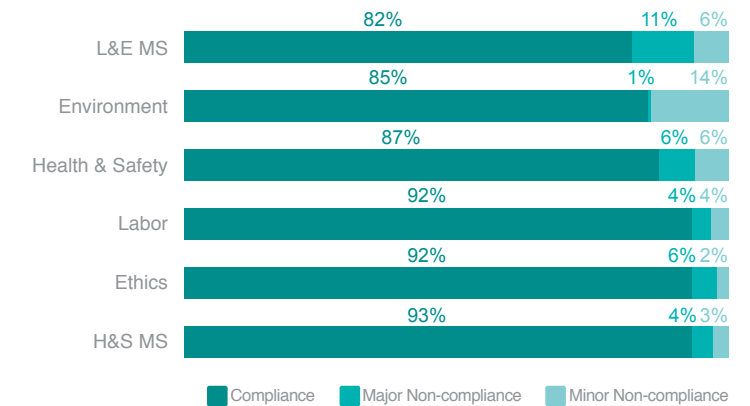
In its management of suppliers Acer has adopted a trilateral approach. First, Acer suppliers must sign our Declaration of Compliance with Acer Supplier Code of Conduct and undertake a self-assessment in order to better understand what implementation of social and environmental responsibilities actually entails. Second, Acer is a participant in the EICC's Validated Audit Process (VAP) and also uses third party verification agencies to audit suppliers' premises to ensure that they are fulfilling their social and environmental responsibilities. Third, we hold regular conferences with our suppliers to enhance their ability to respond effectively to the demands made upon them. Acer will continue to work with

suppliers on social and environmental issues in order to build a supply chain based on principles of sustainable development.

On-site Audits

Acer is committed to promoting social responsibility by improving the labor rights, business ethics, environmental safety and health practices of the electronics industry supply chain. We have carried out EICC on-site audits for 40 higher risk suppliers in 2011 and taken corrective actions for issues found.

Compliance of the EICC code of conduct



Responsible Supply Chain

Follow-up and Response

Audits of 40 suppliers showed the top five areas of non-compliance were: Working Hours, Child Labor Avoidance, Fair Business, Advertising and Competition. Other areas of particular concern were Plan Implementation, Improvement Objectives, and Industrial Hygiene.

Top five areas of non-compliance

Category	EICC Provision	Compliance	Minor	Major	Issue	Acer response
L & E Management System	Improvement Objectives	71%	10%	19%	Suppliers are not implementing the appropriate procedure to establish performance objectives and implementation plans of labor and ethics.	We require suppliers to develop specific labor and ethical performance objectives and implementation plans according to procedures, and implement and maintain records.
Labor	Young Workers	80%	20%	0%	Young workers exceeded the prescribed limit for overtime hours. (overtime exceeding 3 hours per day or 36 hours per month)	We require suppliers to establish an overtime warning function in their staff management system and propose a working hours management and improvement plan. We also require suppliers to improve their change of shift and hire more workers to solve overtime problems.
Labor	Working Hours	82%	15%	2%	Workers exceeded the prescribed limit for overtime hours and worked an average of seven days without a day off.	We require suppliers to establish a warning function in the staff management system and propose a rest management and improvement plan. We also require suppliers to improve their work shift planning and hiring in order to solve overtime problems.
Ethics	Fair Business, Advertising and Competition	82%	18%	0%	Ethics and intellectual property protection procedure is not established.	We require suppliers to build up a procedure of ethics and intellectual property protection, and implement and maintain records.
Health and Safety	Industrial Hygiene	79%	7%	14%	Personal protective equipment missing or is not used (e.g no radiation meters; workers not wearing goggles, masks and appropriate protective gloves at glue station; earplugs not used in air-conditioned room (noisy area), gloves not worn at tin furnace station; workers at ultrasonic wave bonding station not wearing earplugs.)	We have told suppliers that workers must wear the required personal protective equipment and receive risk education to ensure the proper use of personal protective equipment as well as monitoring by managers and supervisors.

Validated Audit Process, VAP

The EICC Validated Audit Process (VAP) is jointly managed by EICC and GeSI and is conducted by independent audit managers who have full control over audit procedures, tools employed, and audit results. This ensures that each audit is of consistent quality. Acer has been participating in VAP since 2010, and has been urging our suppliers to also adopt VAP audits. Always having a valid audit report will reduce the burden of having to undergo audits for different clients.

EICC and GeSI jointly run a Labor & Ethics Lead Auditor Course in accordance with requirements of the International Register of Certificated Auditors. We believe that participation in such a course can increase our understanding of VAP and enhance the quality and effectiveness of our audits. To this end, in the 3rd quarter of 2011 we were able to persuade the only organization in the world offering this kind of training – Verité – to hold a course in Taiwan. The workshop covered social systems auditing, investigative skills, management systems, validation and reporting, and the EICC-GeSI Audit Process. The instruction included case discussions, practice questions, and role playing. We also invited our suppliers to take the workshop with us in order to raise auditing competence and quality throughout our supply chain. Seven suppliers did send staff from different departments – personnel, purchasing, auditing, factory management, and corporate social responsibility (CSR) – to participate in the course. Having the viewpoints of different departments during the discussions and experience-sharing sessions was invaluable in helping us understand the practical problems and solutions involved in social and ethical auditing.



Responsible Supply Chain

Response to Conflict Mineral

We are deeply concerned about the social and environmental issues related to the materials contained within product parts and to the manufacturing process. The rich mineral resources in the Democratic Republic of Congo (DRC) have fueled one of the world's deadliest conflicts. We understand that most of our suppliers do not have direct purchasing relationships with mining companies. There are often multiple sources for metals including recycled metal, metal inventories and crude ore. However, we understand we have the opportunity to have a positive impact on this complex issue as an individual company, and we support the legislation of related regulations.

Our Commitment

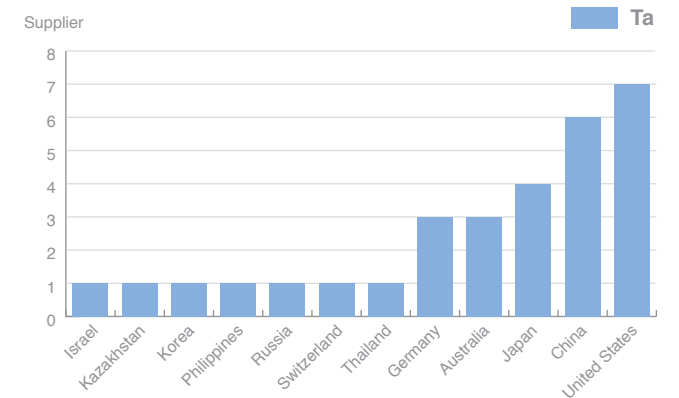
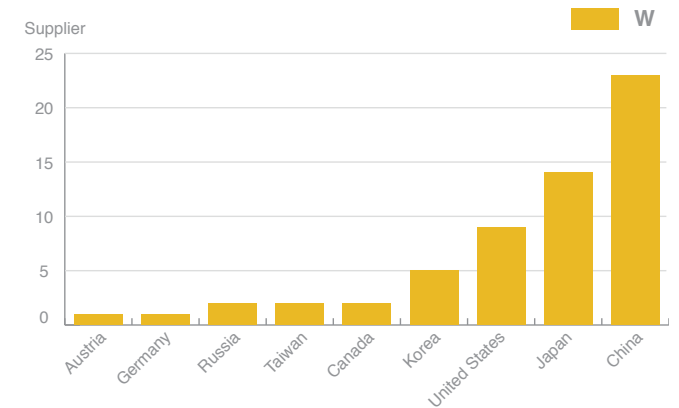
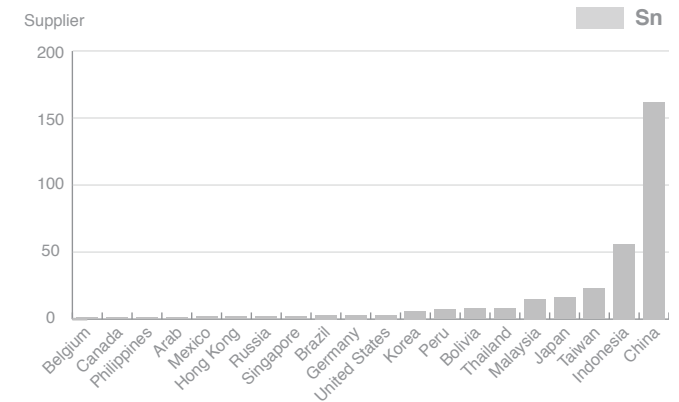
Acer is committed to ensuring that working conditions in its supply chain are safe, that workers are treated with respect and dignity, and that business operations are environmentally responsible and ethical. As a result of this overarching commitment, Acer will not accept any supply chain activities in the DRC or adjoining countries that fuel conflict of tantalum, tin, tungsten, and gold. Acer supports the conflict mineral provisions contained within the Dodd-Frank Wall Street Reform and Consumer Protection Act (H.R. 4173), and will support similar requirements in other regions of the world. Acer commits itself individually and through participation in the EICC/Global e-Sustainability Initiative (GeSI) Extractives Working Group to support EICC/GeSI due diligence programs, OECD due diligence guidance and piloting, smelter audit and verification programs, in-region sourcing schemes, and engagement with stakeholders for collaboration and efficiency. Acer understands that a certification program may be a necessary solution in the future. Acer will support a certification process should all the relevant stakeholders agree to go down that path. In the meantime, Acer will continue to support the audit and verification programs established by the EICC and GeSI.

Our Actions

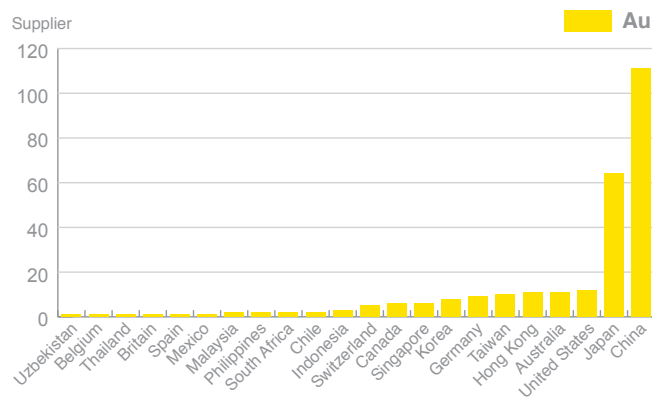
Since 2009, Acer has engaged its suppliers to educate them on the issue and begin tracing its supply chain back to the source of cobalt, gold, palladium, tantalum, tin, and tungsten. Along with the survey, we also provided our suppliers with references including usage, major producers and consumption in the electronics industry of the minerals in question. The survey took six months and the response rate from our suppliers was over 90%. This engagement has given Acer an initial understanding of its supply chain with respect to these metals, and has prepared the foundation for future management of mineral sources. It has also helped us understand that only through industry collaboration can we be successful in managing mineral sources.

In 2010, Acer began participation on the EICC/GeSI Extractives working group and Extractives Due Diligence sub-working group. Acer contributed to the development of the Conflict Minerals Reporting Template tool (Template), which facilitates disclosure and communication of information regarding smelters that provide material to a company's supply chain. Acer also participated on the Template pilot by conducting a test-run with Acer's suppliers and gathering feedback for further refinement of the Template.

We adopted EICC/GeSI Due Diligence Template tool to investigate which companies refine our supply of tantalum, tin, tungsten, and gold in 2011. However, we also encountered problems during our survey, particularly related to the uncertainty about the accuracy of received information, for example the names, locations and products of smelting plants. The preliminary analysis indicated the companies that refine gold, tantalum, and tin are mainly located in China, Japan and USA. Tungsten, on the other hand, is located mainly in China and Indonesia. We will continue to cooperate with the EICC/GeSI Extractives working group to support EICC/GeSI Conflict-free Smelter (CFS) Program.



Responsible Supply Chain



Acer requires all employees to comply with the Acer Group Standards of Business Conduct (SBC). The SBC includes provisions relating to supply chain issues, including the use of child and forced labor. Any offense or violation against the articles in the SBC will result in corrective action proceedings according to the gravity of the offense committed. Serious offenders will face disciplinary action or be asked to leave the company accordingly. This set of standards is the highest-level behavioral criteria for all Acer employees engaged in corporate activities and is incorporated in our employee performance assessments. Furthermore, all new employees are enrolled in orientation training and asked to honor these behavioral requirements when they first join the company.

EICC Code of Conduct v4.0

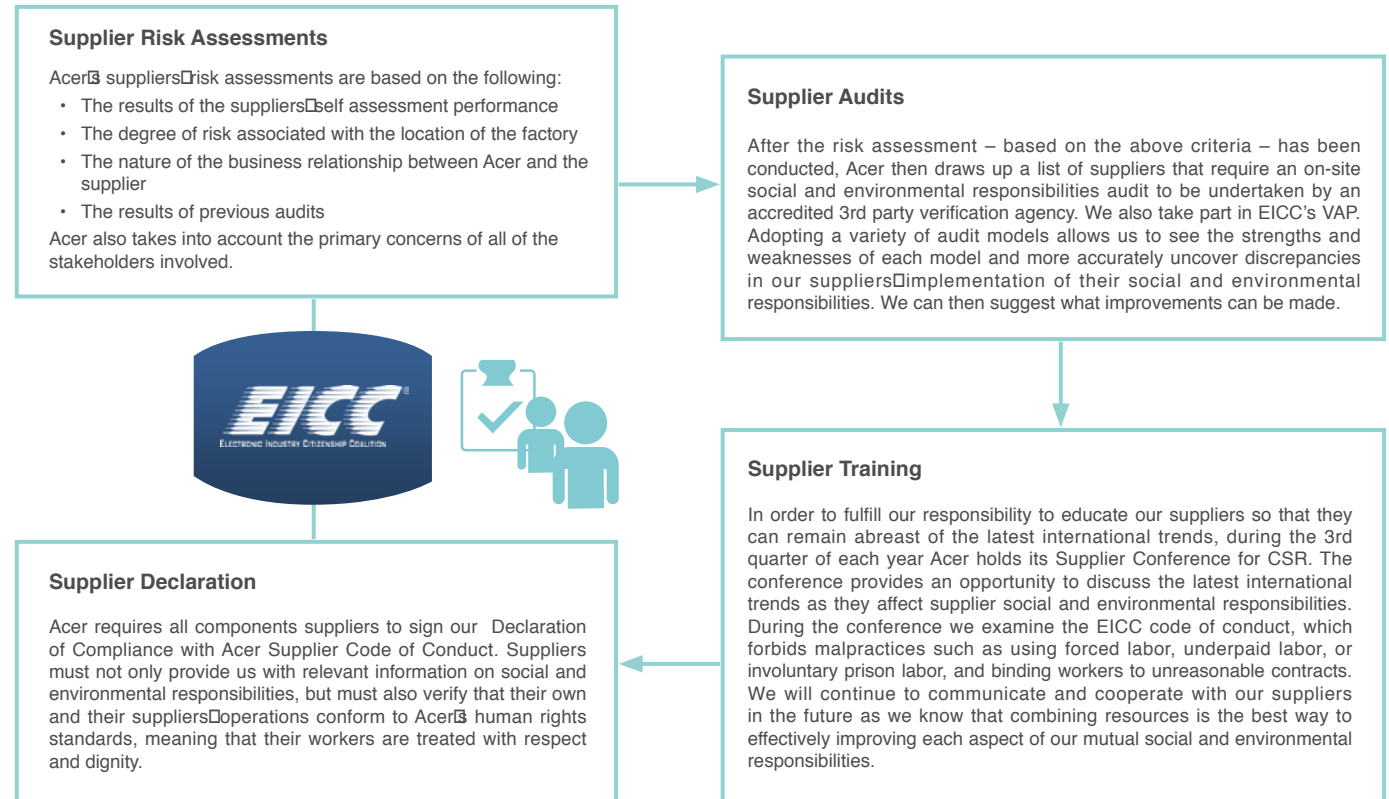
A.1 Freely Chosen Employment

Forced, bonded (including debt bondage) or indentured labor; involuntary prison labor; slavery or trafficking of persons shall not be used. This includes transporting, harboring, recruiting, transferring or receiving vulnerable persons by means of threat, force, coercion, abduction or fraud for the purpose of exploitation. All work must be voluntary and workers shall be free to leave work at any time or terminate their employment. Workers must not be required to surrender any government-issued identification, passports, or work permits as a condition of employment. Excessive fees are unacceptable and all fees charged to workers must be disclosed.

California Transparency in Supply Chains Act

In 2010 the California Transparency in Supply Chains Act of 2010 (SB 657) was passed and will go into effect on January 1, 2012. This law requires large retailers and manufacturers who do business in the state of California and have annual gross worldwide sales of over \$100 million U.S. dollars to be transparent about the efforts they have undergone to eradicate slavery and human trafficking in their supply chain.

As Acer is a member of the EICC, we require our suppliers to abide by the EICC code of conduct, especially with regards to their workforces. The EICC code of conduct specifically forbids malpractices such as using forced labor, underpaid labor, involuntary prison labor, or binding workers to unreasonable contracts. Acer also conducts risk management, on-site factory inspections, training courses, and other management procedures to ensure that our suppliers' manufacturing operations accord with Acer's social and environmental responsibilities. The EICC also has a Freely Chosen Employment (FCE) task force that makes recommendations based upon the California Transparency in Supply Chains Act and has been aiding us in adopting best practices. We have adopted the following measures to prevent the possibility of any of our suppliers engaging in forced labor or human trafficking:



Responsible Supply Chain

Supplier Greenhouse Gas Management

Acer has set its own greenhouse gas reduction targets and is working assiduously to incorporate energy conservation and emissions reduction throughout our operations and product designs. We are also using the weight of our influence as a large branded corporation to organize a greenhouse gas working group among our major suppliers. This team conducts regular carbon data tracking, which is a valuable aid to cultivating the greenhouse gas management capabilities of our suppliers. In addition, Acer is also participating in a number of external carbon reduction-related initiatives that when internalized should prove useful in facilitating a greener, low-carbon supply chain.

Carbon Disclosure Project – Supply Chain Program and EICC Carbon Reporting System

In 2011 Acer continued to require that our major suppliers take part in our Carbon Disclosure Project – Supply Chain Program. A total of 74 suppliers were asked to submit questionnaires through an online response system, attaining a response rate of 97%. This compares very favorably with the global supplier response rate of 44% and clearly reflects the enthusiastic attitude that Acer and its major suppliers have towards responding to climate change. The figures for data disclosure and performances also exceed the average global rates for suppliers in the Carbon Disclosure Project. Acer intends to continue improving supplier carbon disclosure and actual performance figures. We will also continue to ask our Tier 1 suppliers to participate in the EICC Carbon Reporting System and, through participation in international mainstream external initiatives, getting a firmer grip on the trends and requirements of international carbon disclosure.

Supply Chain Greenhouse Gas Working Group

Acer will continue collecting emissions data from the Supply Chain GHG Working Group. In 2011 our Tier 1 suppliers of smart handheld devices, projectors, and monitors were included in the Supply Chain GHG Working Group, and the scope of carbon disclosure was expanded to include Tier 2 suppliers. In the new scheme, suppliers are now extending carbon inventory to upstream manufacturers. We also continue requesting our Tier 1 suppliers to send in quarterly greenhouse gas emissions data for all Acer products they manufacture or assemble. This includes their own emissions data, plus that of Tier 2 suppliers – such as key component manufacturers – that they deal with. We also intend to begin requesting our major suppliers to draw up mid- and long-term carbon emissions reduction plans and to regularly compile data on their emissions reduction performances so that we can build up a complete picture of carbon reduction results for the whole of our supply chain.

Employee Welfare and Advancement

Acer strives to create a high-quality working environment, promote a work-life balance program, care for employees' physical and mental health, provide competitive compensation, and upgrade employees' professional abilities and career development through systematic training and staff development projects.

Provided education and training for **7,921** people worldwide,

accounting for over **62,000** hours of training time.



Employee Welfare and Advancement

Staff Structure

Employment

At the end of December 2011 Acer employed 7,894 persons worldwide, including 202 managers, 7,036 professionals, and 656 administrators. Their average age was 37.2 years and average seniority was 5.4 years.

Recruitment

In our recruitment of staff around the world, we observe labor laws in the relevant locations and recruit mainly local personnel, holding to the principle of equal opportunity and carrying out recruitment

through open selection procedures with no discrimination by race, gender, age, religion, nationality, or political affiliation. The hiring of child workers is forbidden. The right personnel are hired for the right jobs, and a diverse range of personnel are recruited for Acer worldwide. A total of 137 new personnel were recruited in 2011.

formulating our compensation policy, we consider the requirements of local labor laws at our global locations and consult compensation surveys carried out in various parts of the world by consulting firms to assure that the total compensation packages we offer are competitive in the local manpower markets. Depending on our profitability and the performance of units and individuals, we pay bonuses to reward outstanding personnel; in the Taiwan area, for example, we provide performance bonuses and profit sharing for our employees.

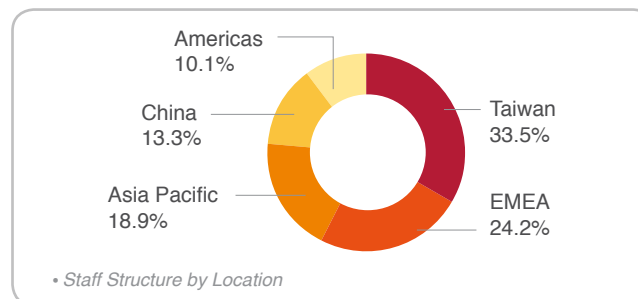
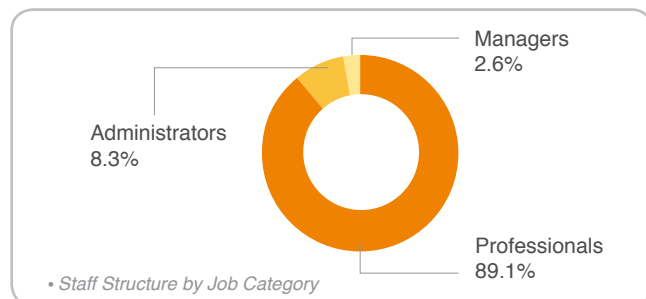
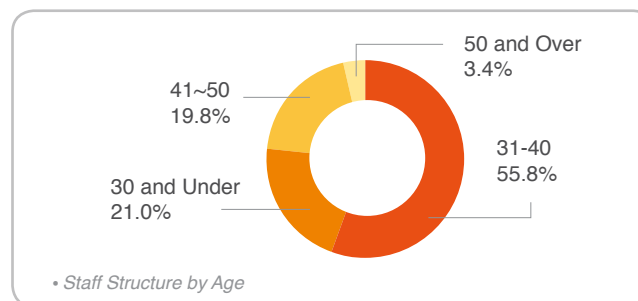
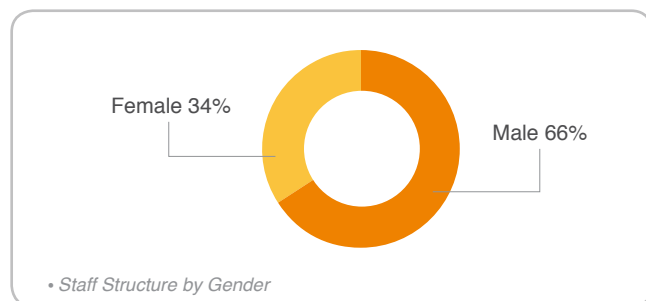
Competitive Compensation

Compensation

Competition in the global market for technology products is intense, and so is the competition for personnel; to recruit and retain quality personnel, therefore, we offer competitive compensation. In

Acer sets its compensation policy according to the following principles:

- Equal consideration of shareholder and employee interests.
- Ability to attract and retain outstanding personnel.
- Provision of suitable incentives to reward personnel who make remarkable contributions to Acer.



Employee Welfare

Besides providing basic welfare as required by law, we also provide group medical insurance and other employee benefits in accordance with local custom and practice. The Taiwan area's employee welfare committee, for instance, provided the following three types of benefits in 2011:

1. Leisure and entertainment

The company provided numerous choices of activities for employee and family participation, including 2- and 3-day trips in which more than 10,000 family members participated, allowing employees to relax in body and mind and have fun with their families. Subsidies for self-arranged leisure activities were also provided, allowing employees to choose their own leisure activities to stimulate balanced physical and mental development.

Employee Welfare and Advancement

2. Fellowship activities

Expenses are provided to different departments for the establishment of facilities to promote friendly interchange: massage chairs, video games, exercise equipment, meeting rooms, and coffee rooms, all of which colleagues welcome as places to relax.

3. Cash benefits

Gift vouchers were provided for the three major Chinese festivals, and scholarships were provided along with cash gifts for weddings, funerals, and other celebrations.

Retirement

Acer's pension policies for every one of its global operations are instituted and enforced in accordance with the area's regulations. Take Acer Taiwan for instance: in addition to pensions earmarked that are due to our employees in accordance with both the Labor Standards Act and the Labor Pensions Act, Acer Taiwan also introduced an "Early Retirement Package." Employees who have

reached the age of 50 can apply for retirement to plan for their pensioned future as long as they have been with Acer for 15 full years.



• A cocktail party celebrates the opening of staff leisure space.



• Staff travel

• Acer Family Day

Thai Flood Relief

Acer Thailand provided relief in three stages to help employees during the flooding that devastated Thailand from September through December 2011:

1. Employees who needed to move house because of flooding were given three days of leave.
2. Necessary assistance was provided to employees.
3. Reconstruction assistance was provided.

A total of 214 employees received government subsidies (amounting to about 1.6 million Thai baht or US\$53,333), and the company also negotiated with hotels for temporary employee accommodation.

Employee Relations

Communication with Employees

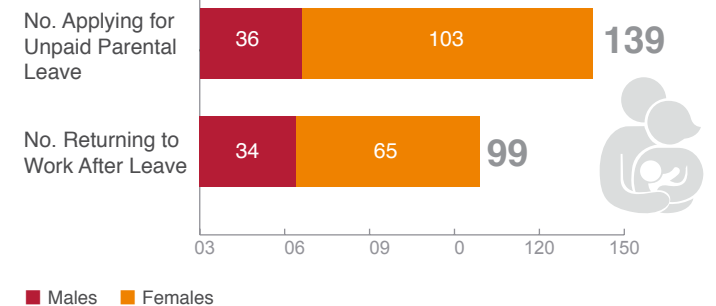
Acer respects the opinions of its employees and provides open internal channels of communication including support service hotlines, cross-rank communication with higher level managers, and a biennial global online employee opinion survey. In addition, an Employee Representative Meeting is held each quarter, hosted by the chairman and CEO, during which elected representatives have face-to-face communication on the making and implementation of resolutions about company operations, the working environment, and employee interests. Important decisions made during the

Employee Representative Meeting in 2011, for all of which we have formulated and are carrying out plans for improvement, are given below.

Major Resolutions Made During Taiwan-area Employee Representative Meetings in 2011

- Institute a feedback channel for staff opinions about products.
- Provide a channel for employees to purchase gift vouchers.
- Increase the frequency of health examinations.
- Increase welfare for section-level managers.
- Provide mobile phones to sales personnel.
- Revise regulations for flight cabin class for business travel.
- Improve the office environment.

No. of Employees Taking Unpaid Parental Leave in 2011



Human Rights and Freedom of Association

Acer believes that each employee deserves equal treatment and respect. In addition to striving for and respecting internationally recognized human rights (such as those embodied in the UN's "Universal Declaration of Human Rights" and the basic conventions of the International Labor Organization), we have formulated a

Employee Welfare and Advancement

human rights policy for communication to suppliers, customers, investors, employees, and the community as part of our business ethics; further, we have never checked or obstructed our employees' freedom of association.

To protect human dignity and gender equality in employment and provide a working environment where employees are free of sexual harassment and gender bias, we have laid out our "Measures for the Prevention of Sexual Harassment, and Disciplinary Methods," clearly stipulating complaint channels, operating procedures, and disciplinary rules, and have organized sexual harassment prevention training classes to help employees recognize and prevent sexual harassment. The Company received two sexual harassment complaints in 2011, and they were investigated immediately and disciplinary action taken. No cases of racial discrimination have been reported.

Time to Value Values

To recognize outstanding employees performance, strengthen morale, so that staff members will identify more closely with the company's core values, in 2011 Acer Middle East screened outstanding employees for recognition based on innovative, fast, effective, value creating, customer-centric, caring, and ethical qualities. The awards ceremony was held in the Dubai office in August, with 40 employees receiving 45 awards. Later on, the stories of their achievements were e-mailed to other employees for inspiration.



Continuous Learning and Growth

Personnel Training and Career Development

The focus of our training was adjusted in line with Acer's strategic repositioning in 2011 to give added emphasis to employee growth and strengthen core competence, thereby assuring the effective implementation of the Company's strategies. Our training priorities in 2011 included the creation of value for customers through innovation, boosting of the efficiency of implementation by reinforcing process management, strengthening brand image by enhancing product quality, and moving from "push" to "pull" in marketing.

The focal points of training are passed on through new-hire training, general training, professional training, managerial competence training, and online learning. To assure quality, all training is carried out in accordance with the "Management Procedures for Internal and External Training." Training in the Taiwan area in 2011 included the offering of 186 training courses which attracted 4,865 personnel for a total of 19,574 person-hours of training. Outside of Taiwan, 3,056 personnel undertook a total of 42,940 person-hours of training.

	Male	Female	Total
No. of Trainees	4,807	3,114	7,921
Total Person-Hours of Training	39,941	22,573	62,514
Average Hours of Training per Trainee	8.31	7.25	7.89

Diversified Learning and Development

Each employee can upgrade his or her professional competence through a diverse range of development paths. Internally, these paths include on-the-job training, job coaching, job transfers, lectures, online learning, and study groups. Externally, employees can participate in professional seminars as well as short-term training at prominent universities and training institutions. We have also formulated "Incentives for Professional Certification" to encourage employees to upgrade their skills and achieve professional certification by providing incentives and subsidies to cover the cost of professional certification.

Australian Learning and Development Program

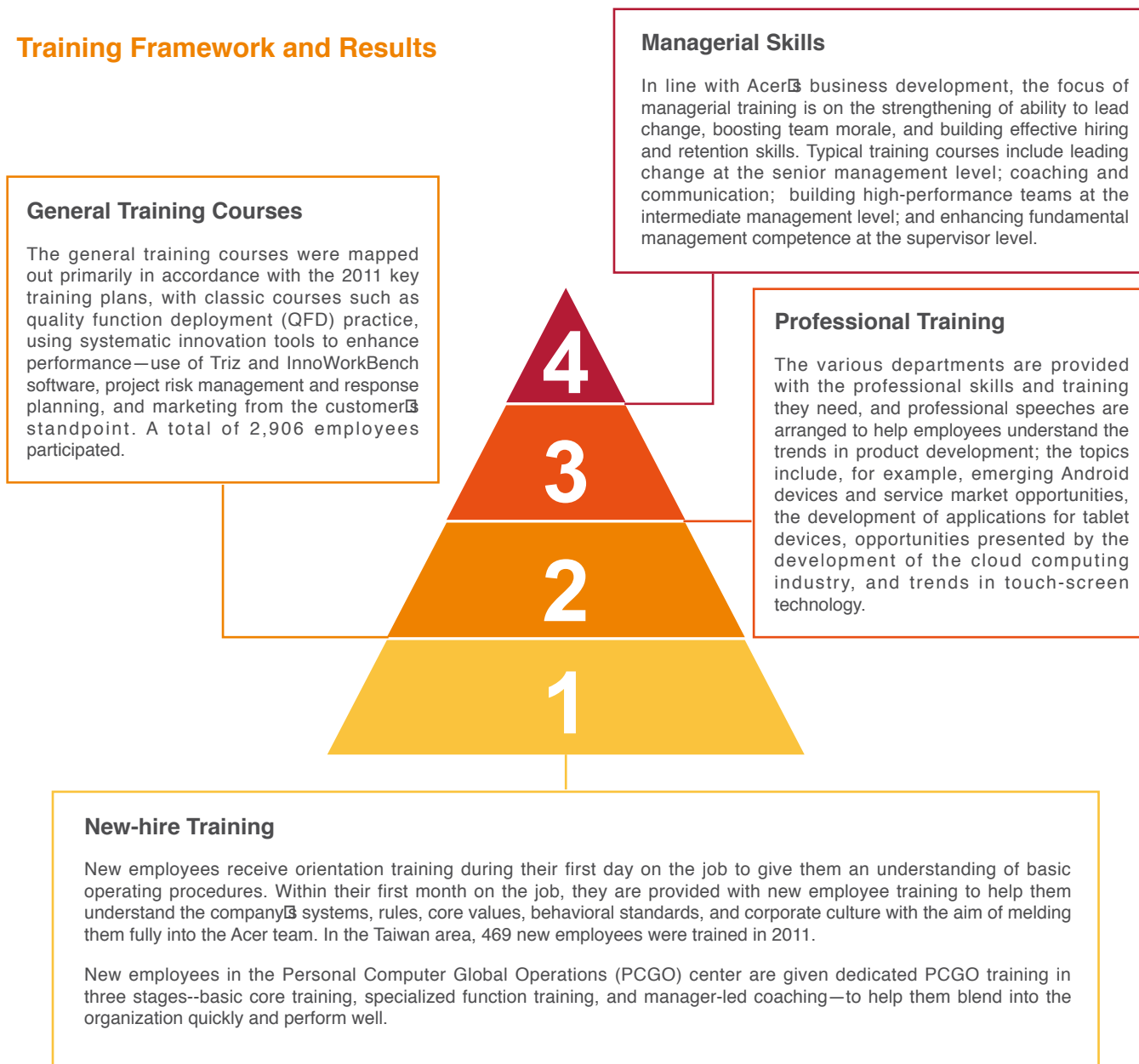
Acer Australia recognizes that employees are key contributors to the achievement of business targets, and strongly supports the continuous development of employees. The company's internal Acer Management Academy offers the following courses:

- **Basic course: Basic Leadership Skills**
Seven modules: Leading meetings, problem solving, effective delegation, disciplinary procedures, leading change, time management, and effective hiring.
- **Advanced course:**
Seven modules: Supervising outstanding performance, consultative management, team building, effective business communication, decision making, finance, and establishment of strategic relationships.

Courses Offered in 2011	No. of Persons Completing	No. of Continuing to Participate in 2012	Total Participants in 2011
Basic	11	6	17
Advanced	11	25	36

Employee Welfare and Advancement

Training Framework and Results



Asplex Employee Training

To help employees hone their leadership skills and become potential successors in the future, in 2011 Acer Asplex chose one weekend each month for group study and learning by selected employees (including newly appointed managers). Asplex also held one-day courses each to introduce financial status and new customs clearance procedures, enhancing knowledge and understanding of finance status and business conditions.

Performance Management and Development

Acer’s performance management and development system was designed to improve the overall performance effectiveness on a personal, departmental, and organizational level. The committee is responsible for evaluating the performance of operations managers and determining their compensation, assessing the performance of operating teams, assessing staff compensation, and formulating bonus distribution policies. The committee reviews and ratifies items on the agenda annually, and schedules provisional meetings as necessary. In 2011, 100% of Acer Taiwan’s employees underwent performance review.

Provision of a Safe and Healthy Working Environment

General Safety and Health Training

Acer held a “General Safety and Health Training” program in 2011 in order to boost awareness of workplace safety and health and comply with the Council of Labor Affairs’ “Rules for Labor Safety and Health Training and Education” and the standards of OHSAS 18001.

Employee Welfare and Advancement

The training helped employees understand Acer's labor safety and health policy, as well as other items requiring attention, including employer responsibilities and employee obligations in respect to labor safety and health (the legal aspect); frequent office accidents, types of accidents, and preventive methods (environmental aspect); company rules regarding safety and health, and items needing employee cooperation (safety aspect); and the health promotion program (care aspect).

The training placed emphasis on case studies using incidents that occurred in the company to give the trainees a feeling of intimacy with the cases. Topics included the prevention of traffic accidents on the way home from work, laboratory hazards, computer operating hazards, risks in climbing and descending stairs, appliance safety, safe use of appliances (microwave ovens, refrigerators), office hygiene, overseas trips, travel health, diseases, and prevention.

The training was held in eight sessions with a total of 1,105 Acer Taiwan employees participating.

Health Exams, Education, and Promotion

Acer Taiwan cooperates with medical institutions in giving health exams to its entire staff every two years. When an exam shows an employee to have a major anomaly, follow-up is carried out with the help of a medical institution. Acer Taiwan held a series of physical and mental health lectures, which over 2,000 people attended, and has set up in-house leisure areas, basketball courts, table tennis, basketball machines, video games, massage chairs, and other facilities to help relieve stress. "Acer Massage Stations" that were introduced in 2008 bring in blind masseurs and masseuses to serve employees; to date, more than 6,880 employees have taken advantage of this service.

To enrich the leisure life of our employees, Acer Taiwan encourages them to organize groups of various kinds; in addition, "Acer Sports Teams" are established to encourage employees to participate in sports competitions such as the Taipei Marathon and 100k Bicycling Tour. A total of 1,475 employees participated in these activities in 2011.



• Acer Sports Teams

Standards of Business Conduct

In addition to observing the laws and regulations of different countries around the world, Acer requests all staff members adhere to the principle of integrity. To that end, in 2009 we established Standards of Business Conduct (SBC), with provisions including observance of the principles of fair competition, no acceptance of improper gifts or entertainments, opposition to corruption, and no discrimination or harassment. Any violation of these standards will be punished in accordance with the severity of the case, and severe cases will be dealt with by disciplinary action or dismissal.

These are the rules of conduct for all Acer employees engaging in business activities. When a new employee enters the company, he or she is given training and education in observing the rules, and observance is included in performance assessment in order to assure good behavior.

Singapore Health Program

Acer Singapore introduced a series of employee health programs in 2011, including a "Know Your Health Facts Quiz" that was held prior to the Lunar New Year to boost awareness of healthy living. Chinese medicine health lectures were held during lunchtimes to provide an understanding of how to promote health with Chinese medicine. In addition, blind masseurs and masseuses from the Singapore Association of the Visually Handicapped (SAVH) were brought in to provide roving massage services in the company; a SAVH fund-raising activity was held at the same time, with the company matching donations by employees. Acer Singapore also provided free basic health exams in the office, with about 1/3 of all employees participating.



• Free employee health exams

CSR and SBC Training in Vietnam

Acer Vietnam provided one to two hours of CSR and SBC training for all employees in 2011; participants were tested after the class, with a score of 28/30 required for passage. Ninety percent of all employees have received this training so far, and all new recruits will be required to undergo the training.

Customer Service

Acer's success depends on the trust that customers place in us. Ever since its inception, Acer has given its highest priority to quality in all aspects of its operations; from product design to manufacturing to after-sales service, all of our operations conform to the demands of domestic and international regulations concerning consumer safety and performance. We at Acer firmly believe that our "quality in everything we do" approach has helped us gain considerable competitive edge in the market; more importantly, to satisfy our customers we work proactively to understand their needs and constantly introduce products that are better and easier to use. Our aim is to provide customer services which meet or exceed the expectations of our customers and create greater value for them.

Provider of Acer
E-Academy, which has over

8,000

users amongst
staff and partners.



Customer Service

Acer Group Service Model

The Acer Group Service Model is unique in today's IT industry. In addition to operating service centers around the world, the Acer Group also partners with Authorized Service Providers (ASPs) wherever required. The four key attributes of this model are:

- Hybrid model - Own facilities and operations complemented by a network of partners
- Self-owned IT system: **One Company, One System** - Allows seamless real-time links among all service entities
- Spare parts logistics – Central and local inventory managed by one single system
- Multiple brands – Meets the brand requirements (Acer, Packard Bell, Gateway, eMachines, and Founder) of specific customers across the globe

Besides the unique service model, our inherent strengths lie in providing quality repair services that:

- Are technically sound and fully satisfy customer's needs;
- Meet the applicable regulatory requirements;
- Are delivered on time at agreed costs;
- Represent value for money.

To better serve our clients from around the world, we have designed a variety of customer-oriented service platforms based on the different natures of various customer groups and marketing channels. We have also set up multiple contact channels to facilitate communication, so as to offer our customers worldwide a more convenient and comprehensive service network.

Our customer types include consumer product users, small and medium enterprises, large enterprises, educational institutions, and government. Our service channels for end users include Web-based Customer Self Service (email and chat), Contact Centers

and Technical Support, Depots/Repair Centers, ASPs, Third Party Maintenance Partners (TPM), and International Traveler Warranty (ITW) Repair Centers. For corporate customers we offer on-site and online technical support.

Our state-of-the-art Contact Centers satisfy the needs of customers all over the world, supporting them with their queries, by telephone or e-mail, on product issues, usage, and technical clarification.

Our Global Download facility allows customers to download driver programs and user manuals for all Acer brands from the Internet. Customers can also get answers to questions about products via email, live chat, robust FAQs, smart assistance for emails, and online customer and partner repair case creation. They can also use text messaging, the web, or email to find out about the status of repairs.

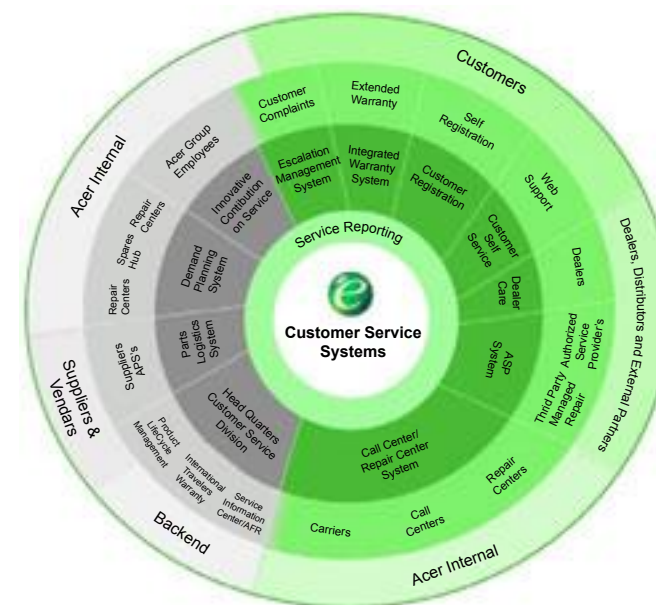
The Acer Service Network

The Acer Service Network is made up of repair centers managed directly by Acer, together with authorized service providers. When a customer's product requires repair, whether it is in Milan; Kuala Lumpur; Temple, TX; or the location of any other Acer Repair Center, it will be subjected to the same repair process, under the same rigid quality standards. Almost 60% of our global repair volume is handled directly by Acer, giving us total control over the operations and assuring the highest standard of repair quality.

To achieve the highest quality of diagnostics and repair, we have implemented Service Quality Assurance and Diagnostics (SQUAD) along with PC Doctor Inc., a world leader in Computer Diagnostics, as Acer's customized quality framework.

Acer's Customer Service System (CSS)

A good system is the backbone of customer service activity. To further enhance the quality of customer service, we have developed the Customer Service System (CSS) as a home-grown suite of programs that provides one unified system for management of repair centers, ASPs, third-party maintenance partners (TPMs), contact centers, parts planning and warehouse management. It also manages various other web-based customer interactions.



• CSS Overview

Customer Service

The most unique and competitive aspect of CSS is its method of logistics operation, which uses the actual demand for parts by the different repair centers to optimize orders for parts warehouses in different areas. For example, if multiple countries order the same spare parts from a regional service operation center at the same time, the center will first ship parts for cases that have CSS system repair numbers. This reduces the time that customers have to wait for repairs.

CSS is already being used in Europe, the Middle East, Africa, and the Americas. The Asia-Pacific region is expected to have the system deployed by the end of 2012; the following year it will be expanded to China and Taiwan, bringing the finest of services to customers all over the world.

Web-based training for employees and partners

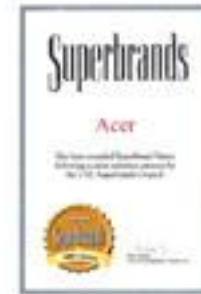
Acer has introduced the Acer E-Academy in all regions around the world to meet the learning needs of Acer employees and partners, and over 8,000 users have benefited from the system. In 2011 we offered over 100 courses in multiple languages, helping employees and partners to acquire the latest product and process know-how.

Customer Satisfaction Survey

Customers are the reason for our existence. Acer designs and conducts regular customer satisfaction surveys tailored to each region to get customer feedback and work on areas that need improvement.

Acer Taiwan has improved its corporate customer satisfaction score from 90 points in 2010 to 92 points in 2011, and its consumer customer satisfaction score from 86.8 points in 2010 to 88.1 points in 2011.

The customer satisfaction score for Acer Europe, the Middle East, and Africa rose from 7.97 in 2010 to 8.26 in 2011. Acer UAE also won a Superbrands award in 2011.



In China the survey focused on service centers for end consumers and used brand differentiation. Customer satisfaction reached 94.0 for the Acer brand, 93.8 for the Gateway brand, and 98.48% for the Founder brand. Acer has won recognition and approval from consumers and the media in China, and the Acer brand has won the Best Service Brand award from Popular Computer Week for six consecutive years beginning in 2006.



U.S. Customer Service Week

Customer Service Week was held at the Acer Service Corporation in Temple on Oct. 3-7 to help our customer service personnel reacquire their energy and ardor for customer service, with all Acer personnel participating.

Customer Service Week 2011 concentrated on the theme "Refresh, Recharge, Reconnect," and a series of activities was held to achieve the following:

- Boost morale, motivation, and teamwork
- Recognize frontline agents
- Raise company-wide awareness of the importance of customer service
- Thank other departments for their support

Through this annual international activity we hope to emphasize the importance of customer service and award our outstanding and professional customer service personnel while stimulating them to continue serving our customers with enthusiasm and professionalism.



Customer Service

Product Alerts and Recalls

In the event of a product alert or recall, Acer publishes the details needed by customers on the "Alerts & Recalls" section of its various national websites so that customers can find out whether their products are affected and, if so, what action to take. In addition, our Contact Centers proactively reach out to affected customers and help them resolve their problems. In 2011, nothing related to consumer health and safety concern occurred.

Customer Privacy

We do everything we can to protect our customers' confidential information. We strictly observe Acer's [privacy policy](#), demand that all Acer employees strictly protect the confidential and proprietary information of our customers, and incorporate data security technology in our products to protect the personal information of consumers. We have adopted separate measures on the following three levels:

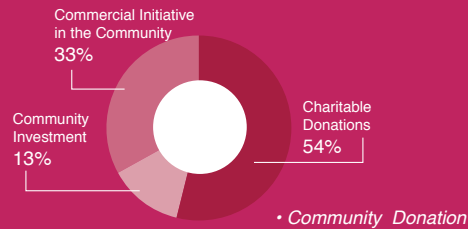
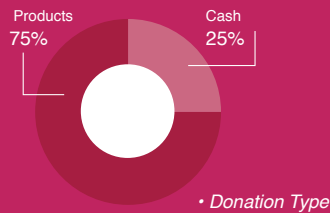
Hacking Incident

In June, 2001, a security breach resulted in the release of customers' information from Packard Bell server unit in Acer Europe. Customers' names, addresses, phone numbers, email addresses and product serial numbers were accessed by a hacker group called the Pakistan Cyber Army (PCA). After internal investigation, we have concluded that other personal and credit card information remains secure.



Community Outreach

As a global brand, Acer has held constantly to the principle of "technology in our hearts, our eyes on the world." We hope to make positive changes in the communities where we operate, not only in terms of economic development but also in social inclusion. Ever since their establishment, therefore, Acer and the Acer Foundation have used their technology and their products, the abilities of their staff, and their donations to give back to society. The total value of Acer's global community participation in 2011 was approximately NT\$220.85 million and was focused primarily on education, Acer volunteer work, disaster relief, and environmental conservation, with special attention in education work given to enhancing digital opportunities for disadvantaged groups.



Community involvement worth approx. NT\$ **220,850,000**

Provided access to **8,374** people through Acer's Mobile Digital Classroom.

Provided access to European "Schoolnet Educational Netbook Pilot Project," serving over **7,000** students.



Community Outreach

Education

The encouragement of communities to use information and communications technology (ICT) to create digital opportunities has always been one of the main focuses of Acer's community participation, so we cooperate with non-profit organizations that are deeply rooted in local communities all over the world in constantly promoting and exploring the creation of value by combining technology with education. We serve students, teachers, women, and other disadvantaged groups in remote areas through the development of computer-assisted instruction, increasing their opportunities to come in contact with computers and study them; and encouraging them, in this way, to use e-learning to boost their digital competitiveness and further helping them prepare to compete in the information economy.

Acer for *Education*



Using Technology to Stimulate Educational Innovation

As a world-leading computer manufacturer, Acer provides educational communities throughout the world with innovative and affordable technologies, making technology products into our learning tools—tools that no longer need to be studied.

We understand that technology can stimulate educational innovation; and to further promote new models of teacher-student interaction that can be developed through the introduction and use of technology, we have programs to encourage instructors to use technology products in education in both Europe and Indonesia.

European Educational Netbook Project

Acer cooperated with the European Schoolnet in the Acer-European Schoolnet Educational Netbook Pilot Project (Netbook Project), and from January to June 2010 we carried out a Pre-pilot Project involving 59 schools in six countries. The Netbook Project ran from September 2010 to June 2011; with the exception of three British schools, all of the classes that joined in the Pre-pilot Project went on to participate in the Pilot Project.

Building on the experience gained from the Netbook Project, Acer and European Schoolnet will follow up on their cooperation with a new tablet computer education innovation project, taking advantage of the tablet's ease of use to continue probing the feasibility of applying new technology in schools. These projects are triggering changes in learning visions and strategies in the participating countries and schools, and clarifying directions for the development of e-learning in the future.

In order to better understand how students and teachers make use of netbooks in different educational situations, we conduct performance evaluations of teachers, students, and parents participating in this project. Through this, we ourselves can better understand the trends and realities of applying technology to education, and share this experience with teachers and school management.

For more information, please visit the [Acer for Education](#) and [1:1 Pedagogy for Schools](#) websites.

Participants in the Netbook Project:

6 Countries (Italy, France, Spain, the UK, Germany, Turkey)

124 Schools 245 Classes

1000 Teachers More than 7000 Students

Provisions for each class participant:

- Acer netbook for learners
- Acer notebook for teachers
- An Acer desktop that can function as a mini server
- Access to a [multilingual resources portal](#)
- An online teachers' community to develop and share ideas



• Using affordable technology such as netbooks stimulates educational innovation.

Community Outreach

Upgrading the Information Ability of Indonesian Teachers

We have realized that to upgrade the information ability of society, it is necessary to start with teachers; and so, beginning in 2010, Acer Indonesia has implemented the Acer Guru Era Baru Project for upgrading teacher competence, utilizing such methods as seminars, workshops, sponsorship, and the provision of product discounts. In 2010 and 2011 we held eight Guraru Roadshows, in which 5,000 teachers participated, and set up a [Guraru](#) website to encourage teachers to share and discuss their experiences with others. In 2011 we also provided sponsorship for the Teaching Indonesia Project of the Indonesia Mengajar Foundation, which recruited, trained, and dispatched 250 outstanding Indonesian university graduates to teach in isolated areas for one year. Acer provided each of the teachers with an AS4830TG notebook computer, at a total cost of US\$174,750, to encourage them to transfer their information ability to remote areas.



• Acer sponsored instructors teaching in 14 remote Indonesian areas.

Upgrading Digital Opportunity in Remote Areas

Geographic factors have long made it impossible for children in remote areas to enjoy educational resources like those in urban areas, and this has affected their pursuit of further education. For this reason Acer has always focused its community participation on upgrading digital opportunities in remote areas and using technology to help children narrow the education gap and achieve digital inclusion. In 2011, Acer's global remote-area digital opportunity upgrading project encompassed Cambodia, China, the Philippines, and Taiwan.

Digital Opportunities for Remote Schools in China

In China we provided sponsorship to the Rural Education Action Project (REAP), organized by Stanford University and the Chinese Academy of Sciences, by providing 200 computers to rural schools in Qinghai with the hope to help students and policymakers to develop effective policies and appropriate programs to improve the existing rural education system. We also cooperated with the Ying Kuang Educational Foundation in donating, through the Beijing Youth Development Foundation, 533 computers and 19 projectors to 16 Ying Kuang Hope Schools in Inner Mongolia and Yunnan. University students receiving Acer grants guided students in using and maintaining the computers.



• REAP Project donation ceremony.

The Rural Education Action Project (REAP) is a foundation-type organization established by Chinese and American academics to work for study and development of rural education in China.



• Computers donated by Acer light the lamp of digital hope for rural schools.

Philippine Digital Opportunity Centers

In the Philippines, Acer donated to the establishment of three digital opportunity centers in remote areas. These have become community digital opportunity centers, providing community Internet café, printing, and computer learning services:

- Sierra Madre Foothill Digital Opportunity Center in Bulacan: Cooperated with the Green Earth Heritage Foundation in donating nine computers.
- Bohol Digital Opportunity Center: Cooperated with the Village Online Education Project (VOEP) in donating 20 desktop computers.
- Pangasinan Digital Opportunity Center: Cooperated with VOEP in donating 10 computers.



• A Digital Opportunity Center in the Philippines.

Community Outreach

Acer Digital Vans

In Taiwan, after being inaugurated in Hualien in June 2010, two Acer Digital Vans, each equipped with 21 notebook computers, one projector, and wireless Internet access along with instructors and assistant teachers, traveled to pre-appointed community groups in different localities to teach, receiving a hugely enthusiastic response from the public. By the end of 2011 the vans had made 529 trips and served more than 50 local non-profit organizations, attracting 8,374 participants to their classes. A number of organizations offered classes through long-term cooperation with the Digital Vans, and the Van teams assisted students in obtaining TQC professional computer certification. In the future, the Action Vans will further assist in industrial development in local Hualien areas through e-learning, and two more Digital Vans are to be inaugurated in Yilan in 2012.



• Senior citizens attending an Acer Digital Action Van class.



• Young students welcome the Acer Digital Action Van.

Women's Information Ability Enhancement Project

Acer has a long-term concern for the information ability of women in Italy, and in 2011 continued cooperating with Microsoft in the futuro@lfemminile project, with the scope of the project being expanded; 95 computers and four projectors were provided to help institute a series of computer classes, including web search, e-mail, and word processing software. A series of corporate computer application classes has also been set up for female office workers so as to enhance the digital information ability of women in life and at work.

For more information, please visit the futuro@lfemminile and Web@lfemminile websites.



• Italian women learn how to use computers.

London 2012 Chairman's Club Legacy Project

Acer has been a Worldwide TOP Partner of the International Olympic Committee since Jan. 1, 2009. The Chairman's Club is a network of senior executives from the sponsors of the London 2012 Olympic and Paralympic Games. Its overall aim is to utilise the combined weight of the business skills and acumen of the members to enhance the success of London 2012 and its legacy, helping to promote the positive impact of the Games in the UK through a programme of developing qualified 'Mentors' developed by the Chartered Management Institute (CMI). We participated in the Mentoring Programme for British schools that was developed by the Chairman's Club; in 2010 and 2011 six Acer personnel first completed the

Certified Mentoring Training Programme developed by the CMI, and then mentored students (aged 14 to 21) and peer mentor Head Teachers and Deputy Head Teachers at nominated schools and colleges in the UK for a period of six months.

Also in Great Britain, Acer Olympic Games Team worked with the UK National Apprenticeship Service (NAS) in offering eight British university students an opportunity to intern with the Acer Olympic Team and, upon completion, earn their National Vocational Qualification. Through the exchange of corporate experience, this project stimulated the potential of schools and young students for the development of managerial and leadership talent in the schools and finally for the training, within Acer Olympic Games Team, of a group of confident and certified mentors who would become leaders in strengthening our values and principles.



• Acer Olympic Games Team proudly presents our Student Interns and Apprentices assigned to the London 2012 Olympic Project.

Left to Right: Anthony Schafer, Aziz Moten, Chris (AUK HR), Apoorva Mohan, Ryan Blackman, Hamza Patel, Tejbir Bhatia, George Stewart, Daljeet Singh.

Community Outreach

Acer Volunteers

In addition to our donation of funds and core technologies, volunteer services also play an important role in our community participation. All Acer Taiwan employees get two days of paid volunteer leave per year, allowing them to join the charity groups and community activities that they support, helping with the community's social and environmental needs. Volunteer service also allows our employees to gain new experiences and ways of thinking, as well as the abilities they need to face the challenges posed by work and their customers.

Acer Taiwan's volunteer team holds regular internal employee donation activities every year, as well as blood donation and LOHAS environmental protection activities at Acer's headquarters in Xizhi during Earth Months each year. In their community involvement, Acer volunteers organize all kinds of community service activities every year, and Acer employees are encouraged to use their volunteer leave to participate. In 2011 these activities comprised two major categories, environmental protection and care for disadvantaged groups, with a total of 115 employees participating.

Our regional offices also organized their own volunteer activities in 2011. For instance, Acer Thailand invited its employees to record audio books for the blind, and within five months 17 books were

Acer volunteers left Taiwan for the first time in 2011, taking stationery materials donated by colleagues to two villages in Cambodia along with a dental care group that provided five days of charity dental care to students and villagers.

The tablet-computer cartoons and games that Acer volunteers took to Cambodia alleviated the children's fear of dentists, and the young patients learned basic dental hygiene through the volunteers' lively illustrations and teaching. The Acer volunteers also gained a lot, learning the joy of helping others.



produced and donated to foundations for the blind. The CSR Club organized by the employees of Acer India continued to carry out energy conservation, carbon reduction and community service activities. When natural disasters happened, Acer employees in different places immediately joined local volunteer efforts to help the disaster areas weather their difficulties.

Environmental Conservation

1. Participation in environmental work by joining in the weeding of paddies in the Guandu Nature Park.
2. Trails were improved and ditches cleaned up at the Mt. Basian Nature Center.
3. Participation in the "One Tree For Everyone" tree-planting activity.



Concern for disadvantaged groups

1. Guidance and companionship for disadvantaged students in Xizhi.
2. Delivering meals to old folks living alone on the night before Lunar New Year's Eve.
3. Volunteers serve with a dental care team in Cambodia.



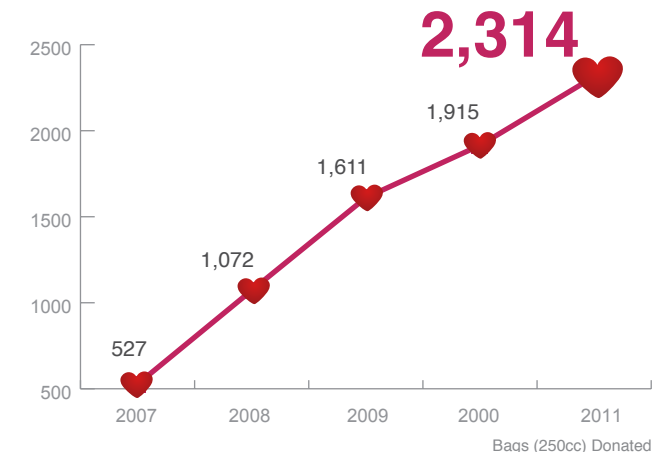
Total Donations from Employees in 2011

NT\$ **6,075,000**

Amount of Employees' Donations

Time of Donation	Amount (NTD)
First-half 2010	\$1,952,000
Second-half 2010	\$1,950,000
First-half 2011	\$2,282,000
Mar. 11, 2011 Earthquake in Japan	\$3,793,000

Thanks to donations by its employees, Acer has become one of the Blood Center's top-five donor groups.



Community Outreach

Disaster Relief

Major disasters can affect all of society and even the whole country. When such disasters occur, as members of their communities, Acer and Acer volunteers cooperate with local humanitarian relief organizations in contributing needed resources and manpower to support community reconstruction. In 2011 our global disaster relief activities provided help following the Japanese tsunami, Thai flooding, American flooding, and Philippine typhoons.

Flooding in the United States

Acer Gateway cooperated with local relief organizations to prevent the Missouri River from overflowing, and offered Gateway's offices and parking lots as relief activity sites for the storing of sandbags, relief equipment, and belongings of residents. Acer Gateway volunteers also contributed more than 500 hours of work to help with community evacuation and the placement of sandbags.



• Acer Gateway offered its North Sioux City offices and parking lots for use by relief organizations.

The Japan Earthquake and Tsunami

Acer Japan donated US\$1 million to the Japanese Red Cross as well as 180 computers to the disaster area; in addition, 15 volunteers traveled to the disaster area to set up computers and networks, and Acer Taiwan employees donated NT\$3,793,000.



• Futaba-machi residents used Acer computers to communicate with the outside world.



• Acer volunteers helped set up computers and networks.



• Acer Taiwan volunteers serve as workers for an evening fundraising party for the Japanese earthquake.



• Acer Thailand donated funds raised at a movie charity auction.

Flooding in Thailand

Acer Thailand raised 82,482 baht (US\$2,658) to donate to the Chaipattana Foundation (Thai Royal Foundation), and 20 volunteers participated in Bangkok University's disaster relief efforts by packing relief foods.



• Acer Thailand volunteers made food packages for disaster relief.

Philippine Typhoons

Acer Philippines and Acer Middle East both donated cash and Acer Middle East volunteers prepared 250 food packages that were donated, through the Philippine Red Cross, to help disaster victims get through the Christmas and New Year holidays.



• Acer Middle East volunteers pack relief food for Philippine typhoon victims.

Community Outreach

Environmental Conservation

We promote environmental conservation concepts through our volunteer activities. The Acer Taiwan volunteer team, for example, organizes environmental conservation activities; Acer Singapore participates in Earth Hour; Acer India holds an Environment Week; and in Japan we provide a temperature-sensitive calendar (See [page 32](#)). We also work with non-profit organizations to strengthen environmental awareness among the public and Acer employees by holding environmental activities.

Environmental Education Activities in Vietnam

In Vietnam we held “15 Green Days with Acer” on Aug. 12-27, inviting communities and customers to organize teams and join in environmentally friendly activity competitions. A total of 113 teams participated. We also cooperated with provincial People’s Committees in a 42-day PC4Life – Trans-Vietnam Green Journey through 16 provinces, promoting remote-area education and environmental conservation concepts along the way. This activity attracted about 1,500 participants. To help companies better



• Acer employees participated in a “Green Walk.”

understand the impact of climate change on the Mekong Delta, Acer Vietnam sponsored a Green Business Forum organized by the World Wide Fund for Nature and other organizations for the purpose of sharing experiences in climate change and discussing action measures designed to reduce the environmental impact of production and other corporate activities.



• Awards were presented to outstanding “15 Green Days with Acer” participants.



• Communities, customers, and Acer engaged together in environmental action.

Greenhouse Seedling Cultivation Project in the Philippines

In the Philippines we worked with the Green Earth Heritage Foundation to build an “Acer Bamboo Greenhouse” at the Sierra Madre foothills in Bulacan to cultivate tree seedlings. With the advantage of bamboo’s flexibility and ability to withstand bad weather, we estimate that 10,000 seedlings can be cultivated in this greenhouse for planting in the countryside. The greenhouse will also be used by the community and by Acer employees as a place for environmental education.



• Tree seedlings grow in the Acer Bamboo Greenhouse in the Philippines.

For information on more Acer community activities, please visit the [Sustainable Acer](#) and [Acer Foundation](#) .

GRI Content Index

About This Report 3.1, 3.2, 3.3, 3.4, 3.6, 3.7, 3.8, 3.13

High Level Statement

Message from the Chairman & CEO 1.1, 4.2

Message from the Corporate President 1.1, 1.2, EC MA, EC2

Report Summary

2011 Goals and Achievements 4.12, 4.16, EN18, EN26, LA8, LA10, SO5

2012 Goals and Commitments EN 26

2011 Acer Numbers at a Glance 2.8, 3.9, 4.3, 4.14, EC4, EN3, EN4, EN5, EN8, EN16, EN17, EN22, HR2, LA1, LA2, LA7, LA10, LA11, LA15, PR2, PR4, PR5, PR7, PR8, PR9, SO6, SO8, EC8

Corporate Governance

History and Development 1.2, 2.1, 2.2, 2.3, 2.4, 2.5, 2.6, 2.7, 2.8, 2.9, EC MA, EC1

Market Recognition 2.10

Marketing Communication PR6

Corporate Governance 4.1, 4.5, 4.6, 4.7

Corporate Responsibility Policy and Strategy 3.5

Corporate Responsibility Governance 2.3, 4.8, 4.9, 4.10

Governance

Communication

Stakeholder Engagement 1.2, 4.11, 4.12, 4.13, 4.14, 4.15, 4.16, 4.17, SO MA, SO5

Public Policy Participation

Support for New Issues

Other Initiatives and Participation

Environment

Environmental and Energy Management

Comprehensive Environment, Health, and Safety Management EN MA, 4.12

Our Operations and the Environment EN5, EN8, EN21, EN22, EN23, EN28

Product Design that Incorporates Environmental Considerations 3.9, 4.11, EN18, EN26, EN27, PR MA, PR1, PR3

Energy and Climate Change Response 3.9, 3.10, 3.11, EN3, EN4, EN5, EN6, EN7, EN16, EN17, EN18, PR3

Society

Responsible Supply Chain 4.12, 4.13, HR MA

Supplier Social and Environmental Management 4.12, 4.13, HR MA

On-site Audit HR2, HR6, HR7

Follow-up and Response 4.12, HR6, HR7

Response to Conflict Minerals SO5, 4.12

California Transparency in Supply Chains Act HR MA, HR7

Supplier Greenhouse Gas Management 4.12, EN18

Society

Employee Welfare and Advancement LA MA, HR MA

Staff Structure EC7, LA1, LA2, LA13, HR6

Competitive Compensation EC3, LA3

Employee Relations 4.4, HR4, HR5

Continuous Learning and Growth LA10, LA11, LA12

Safe and Healthy Working Environment LA8, LA15

Standards of Business Conduct 4.8, SO MA

Customer Service PR MA

Acer Group Service Model

Acer³ Customer Service System (CSS) LA11

Customer Satisfaction Survey PR5

Product Alerts and Recalls PR2

Customer Privacy PR8

Community Outreach EC8, SO MA, SO1

Education EC9

Acer Volunteers

Disaster Relief EC9

Environmental Conservation

GRI Content Index 3.12



ASSURANCE STATEMENT

SGS TAIWAN'S REPORT ON SUSTAINABILITY ACTIVITIES IN ACER INCORPORATED'S CORPORATE RESPONSIBILITY REPORT OF 2011

NATURE AND SCOPE OF THE ASSURANCE/VERIFICATION

SGS Taiwan was commissioned by Acer Incorporated (hereinafter referred to as ACER) to conduct an independent assurance of the Corporate Responsibility Report of 2011. The scope of the assurance, based on the SGS Sustainability Report Assurance methodology, included the text, and data in accompanying tables, contained in ACER's all group subsidiaries of this report.

The information in the ACER's Corporate Responsibility Report of 2011 and its presentation are the responsibility of the superintendents, CSR committee and the management of ACER. SGS Taiwan has not been involved in the preparation of any of the material included in the ACER's Corporate Responsibility Report of 2011.

Our responsibility is to express an opinion on the text, data, graphs and statements within the scope of verification set out below with the intention to inform all ACER's stakeholders.

The SGS Group has developed a set of protocols for the Assurance of Sustainability Reports based on current best practice guidance provided in the Global Reporting Initiative Sustainability Reporting Guidelines. These protocols follow differing options for Assurance depending the reporting history and capabilities of the Reporting Organisation.

This report has been assured at moderate level of scrutiny using our protocols for:

- evaluation of content veracity; and
- evaluation of the report against the Global Reporting Initiative Sustainability Reporting Guidelines (G3.1 2011).

The assurance comprised a combination of pre-assurance research, interviews with relevant employees at headquarter of ACER in Taiwan; documentation and record review and validation with external bodies and/or stakeholders where relevant.

Financial data drawn directly from independently audited financial accounts has not been checked back to source as part of this assurance process.

STATEMENT OF INDEPENDENCE AND COMPETENCE

The SGS Group of companies is the world leader in inspection, testing and verification, operating in more than 140 countries and providing services including management systems and service certification; quality, environmental, social and ethical auditing and training; environmental, social and sustainability report assurance. SGS Taiwan affirms our independence from ACER, being free from bias and conflicts of interest with the organisation, its subsidiaries and stakeholders.

The assurance team was assembled based on their knowledge, experience and qualifications for this assignment, and comprised auditors registered with SA 8000, EICC, QMS, EMS, SMS, EnMS, GPMS, GHG Verification Lead Auditors and experience on the SRA Assurance service provisions.

VERIFICATION/ ASSURANCE OPINION

On the basis of the methodology described and the verification work performed, we are satisfied that the

information and data contained within ACER's Corporate Responsibility Report of 2011 verified is accurate, reliable and provides a fair and balanced representation of ACER sustainability activities in 01/01/2011 to 12/31/2011. Some statements and data within the scope were not assured due to lack of accessible records during the timescale allowed for assurance.

The assurance team is of the opinion that the report can be used by the Reporting Organisation's Stakeholders. We believe that the organisation has chosen an appropriate level of assurance for this stage in their reporting. The report is the first to be assured by an independent assurance team and ACER has taken a bold step by offering the report to evaluation against Global Reporting Initiative's G3.1 guidelines. This shows a deserved confidence in their reporting process.

In our opinion, the contents of the report meet the requirements of Global Reporting Initiative G3.1 Application Level B⁺.

GLOBAL REPORTING INITIATIVE REPORTING GUIDELINES (G3.1 2011) CONCLUSIONS, FINDINGS AND RECOMMENDATIONS

Principles, Standard Disclosures and Indicators

The report, ACER's Corporate Responsibility Report of 2011, is adequately in line with the Global Reporting Initiative G3.1 application level B⁺. The principle of stakeholder inclusiveness and Balance may be further enhanced. It is recommended to have more direct involvement of different stakeholders during engagement to ensure better consistent result in future reporting. It is also recommended to formalize both process and criteria applied to assess materiality. Contents of disclosure on management approach may have long-term and/or intermediate goals for each aspect. The disclosure of performance indicators by gender needs to be improved in next reporting. It is suggest using page number or web link to identify the location of the standard disclosures in the report.

Signed:

For and on behalf of SGS Taiwan



Dennis Yang, Chief Operating Officer
Taipei, Taiwan
10 January, 2013
WWW.SGS.COM

www.acer-group.com

acer
explore beyond limits™