

# *Leading Sustainability*

## Acer Corporate Responsibility Report 2012

Executive Summary

Acer has endeavored to advance its corporate ideal of breaking down the barriers between people and technology through continuous innovation, in the hope of providing consumers with simple, reliable, easy-to-use products that meet diverse needs and raise the quality of people's lives. We redefined our brand values in 2012, focusing on "curious," "progressive" and "human," with a brand spirit of Explore Beyond Limits. We are determined to make Acer into a diverse, globally-recognized brand with a unique position.

The industrial environment has changed. We plan to use selected user experiences to guide product development. Everything from logistics and sales to service must contribute towards an equally friendly user experience and an outcome that adds to the value of the brand. Green, low-carbon, smart and sustainable development are naturally the key areas of our commitment to continuous innovation. In 2012, the Global Corporate Social Responsibility Committee began overseeing the organization's operations and strengthened the effectiveness of the internal CSR governance system. We have focused on four major orientations covering the environment, society, governance, and communication (ESGC), so that CSR practices can be closely integrated into the daily operations of all business units and departments. We are confident that through differentiated innovation and long-term pragmatic investment, we can mold Acer into the most sustainable, most valuable global brand.



J.T. Wang  
Chairman and CEO



This executive summary discloses Acer's performance on key issues of sustainable development from 1 January 2012 to 31 December 2012. We disclose information and future plans on the three aspects of corporate governance, environment, and society to stakeholders in all sectors on an annual basis. Acer engaged KPMG to perform an independent limited assurance in accordance with ISAE 3000 on the full report, of which GRI G3.1 Application Level A was applied.

Our full report provides more detailed performance information for 2012. You can also see Acer's determination to carry out sustainable development and social responsibility, and our performance in carrying out that determination in all orientations.

[Acer Corporate Responsibility Report 2012  
http://www.acer-group.com/public/Sustainability/chinese/download.htm](http://www.acer-group.com/public/Sustainability/chinese/download.htm)

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# Corporate Responsibility

Acer established the Global Corporate Social Responsibility Committee (GCSRC) in 2011. We formally convened the GCSRC in 2012 to discuss how to achieve the complete internalization of CSR practice for each department, set annual targets, discuss new ideas for products and services and evaluate CSR risks.

1,000  
participants

Acer has promoted carbon management issues, provided long-term sponsorship for the sponsoring 10 events of the Carbon Disclosure Project in Taiwan over 5 years, beginning in 2008, with a total of over 1,000 participants.

## Acer CSR Forum

The theme of the fourth Acer CSR Forum in 2012 was "Green ICT • Green Economy". Yvo de Boer, former General Secretary of the United Nations Framework Convention on Climate Change (UNFCCC), and Fumitoshi Terashima, Senior Vice President of Sanyo Energy were invited as keynote speakers, and to participate in panel discussions with Chairman J.T. Wang, sharing the latest trend of the low-carbon economy and the contributions made by information and communication technologies (ICT) products to the low-carbon economy.

The Forum also included four workshops with the following themes: Supply chain management, communication, green products and energy and climate change. In each workshop, two representatives from international stakeholders and a blue-chip supplier shared international trends and industry methods.



## Stakeholder Engagements

During the Acer CSR Forum in 2012, we invited deputations of stakeholders for issues related to supply chain management, green products and CSR governance and information disclosure to hold three internal communication meetings at Acer. Discussions were held with staff at the senior supervisor level and above from all relevant departments to clarify and review the direction of future actions and plans.

“ After several years of foundation-building, We have focused on four major orientations covering the environment, society, governance, and communication (ESGC), so that CSR practices can be closely integrated into the daily operations of all business units and departments. ”

Jim Wong

Corporate President



▶ Read more in the 2012 Acer Corporate Responsibility Report:

- [Acer Overview](#)
- [Stakeholder Identification](#)
- [Multi-Stakeholder Engagement](#)
- [Major Initiative and Participation](#)

The ICT industry is playing a core role in helping society move toward a low-carbon economy. Acer is also playing a leading role by increasing the ecological benefits and lowering the environmental impact of its own value chain, and guiding supply chain partners towards sustainability.

# 60%

Using 2009 as the base year, Acer has committed to reducing greenhouse gas emissions by 30% by 2015 and 60% by 2020.

## Responding to Energy and Climate Change

We continued to take control of climate risk of all kinds, and we set carbon-reduction targets for the Group in 2012, to be achieved by raising the energy efficiency of operating sites and using renewable energy and green power.

We obtained external verification of greenhouse gas data for 2009 and 2011 for the first time this year, ensuring the validity of the data. In terms of supply chain management, we require all major supply partners to participate in the CDP supply chain program and have included supplier's information, including greenhouse gas inventories, relative reductions and the use of renewable energy, in the 2013 assessment mechanism, with the aim of continuously improving operating efficiency and response to climate change.

## Product Innovation

Acer launched the Aspire S7 Ultrabook (Aspire S7-391), which won the CES 2013 Innovations Design and Engineering Award and had innovative development of production process and eco-friendly design. The Aspire S7-391 features an Acer-patented structural design wherein the cover, made of white Gorilla® Glass 2, also forms part of the Ultrabook's framework. This unique structural design requires minimal aluminum and uses 94% less raw material than conventional unibody designs. Its power consumption is higher than the industry standard and consumes 64% less power than is mandated by the ENERGY STAR® 5.2 specification. In addition, the TwinAir system is

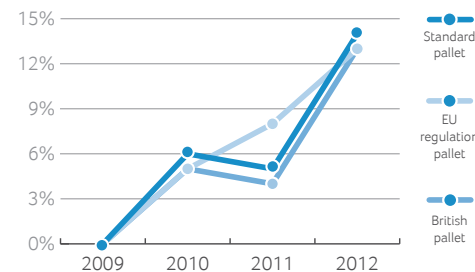
able to achieve rapid cooling and keep the case at a comfortable temperature.



## Increasing Product Transport Efficiency

Acer is committed to increasing transport efficiency and reducing transport costs by reducing carbon emissions produced by transport.

By reducing packaging dimensions and shipping multiple orders together, we have been able to maximize pallet and container loading efficiencies. Excellent preparation of materials and production planning, using sea freight instead of air cargo, and setting up transport hubs in key areas or adding several new ports instead of just one has enabled us to reduce transport distances and times and deliver products to customers even more rapidly.



■ Improvement in Pallet Load Efficiency from 2009 to 2012.

“ We believe CSR can help increase Acer's competitiveness and inspire product and service innovation while also having a positive effect on environmental and social issues. ”

Tiffany Huang

President  
PC Global Operations



▶ Read more in the 2012 Acer Corporate Responsibility Report:

- Product Design that Incorporates Environmental Considerations
- Responding to Energy and Climate Change
- Our Operations and the Environment

# Responsible Supply Chain

We are grateful to all our suppliers for working hard with Acer to establish a supply chain that is responsible to society and the environment. We will carefully investigate the necessary responses to sustainability issues so as to increase the positive effect of the supply chain on society and the environment.

> 100,000 employees

The manufacturing facilities that underwent audits covered more than 100,000 directly employed workers.

## Supplier Social and Environmental Management Structures

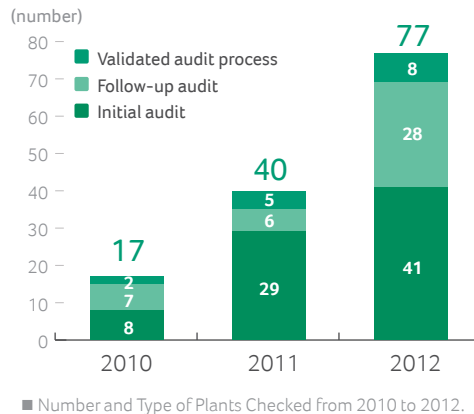
We have adopted the Code of Conduct of the Electronic Industry Citizenship Coalition (EICC) as the management norm for suppliers, and we assist suppliers to adopt the EICC Code of Conduct, carry out risk assessments and on-site audits, and assist

with the continual improvement of each stage of the process.

We have adopted the EICC code of conduct as our standard, and refer to the EICC Supplier Engagement Process by dividing our suppliers' social and environmental management process into four stages: Introduction, Assessment, Validation, and Continuing improvement

## 2012 Site Check Results

Acer continuously carries out social and environmental responsibility checks on suppliers. In 2012, we expanded the social and environmental responsibility audits of our suppliers by conducting factory inspections at 77 of our suppliers manufacturing facilities; a 93% increase on the number in 2011. All suppliers undergoing site checks are required to produce a corrective action report



## Management of Conflict Minerals

We continuously communicate issues regarding conflict minerals to suppliers, and we trace the supply chain back to the sources of metals used in our products. We are involved in the EICC/GeSI Extractives, and Due Diligence work groups, and we use EICC due diligence tool template to carry out inspections of the smelters in our supply chain. In 2012, we submitted our smelter lists to the EICC/GeSI Conflict-free Smelter (CFS) program to facilitate the creation of an industry smelter master list. We also joined an initiative to reach out to certain smelters to encourage them to participate in the CFS Program.

In the meantime, Acer joined the "Implementation Programme of the Supplement on Gold to OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-affected and High-risk Areas." Acer will continue to participate by implementing the OECD Guidance and participating on discussions to build due diligence capacity in our supply chain and in the region and to share experiences on program implementation. We hope to be able to contribute along with other companies, governments, and civil societies to support solutions to supply chain challenges and to enable the future sourcing of legitimate, conflict-free minerals from the region.

“ Acer sells tens of millions of ICT products each year. We hope that each product is manufactured in a safe environment, and that each worker is treated fairly and with dignity. ”

Ellen Chen

Assistant Vice President  
Key Component Procurement  
Business Unit



▶ Read more in the 2012 Acer Corporate Responsibility Report:

- Supplier Social and Environmental Management Structures
- 2012 Site Check Results
- Government Management of Conflict Minerals



# Employee Care and Development

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 enhance employees' core and professional competencies and career development through systematic training and staff development plans.



## Schemes to Promote Work-Life Balance

We organized a series of activities for colleagues and their families, including 2-3 day employee excursions, Acer family day and movie and arts appreciation activities. In addition, we established the Acer Sports Team to encourage colleagues and their families to take part in a variety of sporting events such as marathons and swimming across Sun Moon Lake, with the number of participants reaching 20,000.

We organized 18 seminars, topics including on maintaining good health, leisure and recreation, investment and financial management and parent-child relationships.

## Personnel Training and Career Development

Acer assists employee career development by continually increasing employees' professional knowledge, capabilities and skills through systematized internal training integrating various methods, including job training, coaching, job transfers, and project assignment, as well as attending external professional training courses and seminars.

In order to reinforce the concepts of health and safety in the workplace, we organized " Education and Training for General Labor Safety and Health," covering topics such as the prevention of traffic accidents when traveling to and from the workplace, laboratory safety, safe computer operation, and safety precautions and sickness prevention during business travel. The training was provided in seven sessions and was attended by a total of 841 colleagues from Taiwan. We also organized training on first aid and cardiopulmonary resuscitation (CPR), as well as automated external defibrillator (AED) training, to improve employee emergency care capabilities.

“ To attract, retain and facilitate the development of top talents, we strive to create a high-quality working environment, maintain open communication channels, provide competitive compensation, encourage staff to increase productivity, and assist them in maintaining an appropriate work-life balance. ”

### Tek Yoong Kon

Chief Financial Officer and Head of Human Resources Asia-Pacific Financial, Human Resources and General Affairs



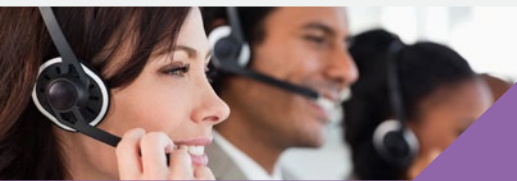
# 20,000

participants

20,000 people participated in work-life balance schemes.

▶ Read more in the 2012 Acer Corporate Responsibility Report:

- Staff structure
- Competitive compensation packages
- Employee Relationships
- Continuous Learning and Growth
- Health and Safety in the Work Environment
- Standards of Business Conduct



# Customer Services

Acer has always followed a quality policy of " Serve with honor and work with pride " and adheres to the concept of " Service is the pride of Acer " in providing professional products and services.

## Multiple Service Channels

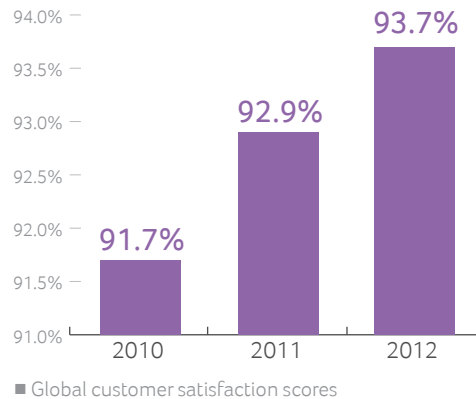
We are devoted to helping customers understand our product features and services and to using a variety of methods to understand customer requirements. Acer customers can contact us at any time and provide comments and suggestions through any one of the channels listed below.

- Network download and support services.
- Telephone services support center/technical support.
- Acer-managed service centers.
- Authorized service centers and professional maintenance companies.
- International travelers warranty service centers.
- Acer Web Master (procedures and mechanism for handling customer complaints).
- Facebook and Acer community.



## Customer Satisfaction Survey

Acer carried out evaluations and surveys of customer satisfaction after receiving services related to ensure customer requirements are being understood and handled appropriately. Customer response is also an important basis for the continuous improvement of Acer's operational processes. In order to further understand the complete picture of global satisfaction levels, we carried out a customer satisfaction survey



on all customers who had received service at a maintenance center or who had called the customer service hotline for support and assistance. After compiling the data, we converted the questionnaire results to determine that global satisfaction scores had risen from 93 in 2011 to 94 in 2012.

# 7,000 people

In 2012, more than 7,000 employees and partners used the Acer E-Academy.

## Online Education and Training for Employees and Partners

We use an online learning system (the Acer E-Academy) to provide professional knowledge training for new products, resolution of common product queries and customer coping skills and standard processes to first-line customer service employees and operating unit employees, including an online evaluation after the course has finished. Over 7,000 employees and partners worldwide have already obtained the latest product knowledge via this system, enabling them to provide even better customer service.

“ By providing local maintenance services that help our customers reduce unnecessary product replacement and increases customer satisfaction, Acer helps our customers to maximize usage of our innovative products, displaying its commitment to environmental protection. ”

Thomas Riege

Assistant Vice President  
Customer Services for Europe,  
the Middle East and Africa



▶ Read more in the 2012 Acer Corporate Responsibility Report:

- Acer Group Service Model
- Customer Satisfaction Survey
- Protection of Customer Privacy



# Community Involvement

Acer, the Acer Foundation and the Gateway Foundation start from core competencies, giving back to the community by means of our technologies and products, employee capabilities and donations. We hope to establish shared values with the community, furthering the company's economic interests while also achieving social inclusion.

# 63 schools

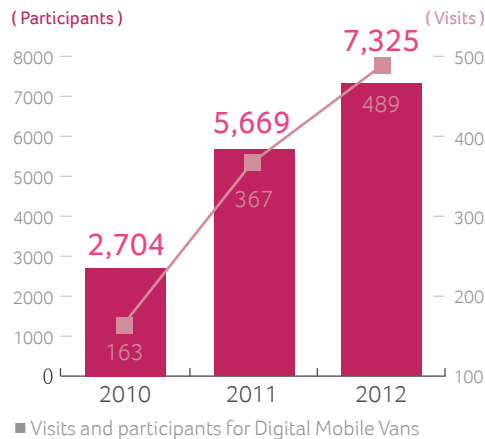
A total of 63 schools from 8 countries participated in the Acer European tablet education program.

## Education

We work with local non-profit organizations to promote values created by exploring the integration of technology and education. In 2012, we launched programs in the following three major areas:

- Using technology to inspire educational innovation

- ▶ European tablet education program
- ▶ Program to increase teacher information capabilities in Indonesia
- Increasing digital opportunities in remote regions
  - ▶ Digital Mobile Van Project in Taiwan and the Philippines
  - ▶ Digital opportunities classroom in Indonesia
- Creating opportunities for young students
  - ▶ Acer Incredible Green Contest
  - ▶ Acer Elite



## Acer volunteers

The scope of services provided by Acer's Taiwan volunteer team covers four major areas: "Digital Volunteers," "Community Volunteers," "Overseas Volunteers" and "Environmental Conservation Volunteers." Every Acer employee in Taiwan enjoys two paid volunteer days each year, enabling them to take part in a variety of volunteer activities and gain new experiences and ideas, while giving them renewed

energy that they bring to the challenges involved in work and handling customers.

## Environmental Conservation

We work together with non-profit organizations to increase environmental awareness in the communities and among Acer employees. For example, in the Philippines, we worked with the Green Earth Heritage Foundation to build the "Acer Bamboo Greenhouse," and we planted the 1,000 seedlings we cultivated in the Sierra Madre mountains. In addition, we worked with the Haribon Foundation to build the Hari Eco Van, an ecological education touring van that teaches children the importance of biodiversity conservation.



## Charity

Many Acer volunteers are enthusiastically participating in charity activities in America, Britain, India, Thailand, Vietnam and Indonesia, including organizing fund-raising breakfast, visiting orphanages, nursing homes and schools in remote regions and donating computers and supplies, not only helping the community but also strengthening our connection to communities and society, allowing our relationships to grow even closer.

“ We start from core competencies, devoting ourselves to improving digital inclusion. We hope to help young students and disadvantaged groups be able to use information technology, giving them opportunities for life. ”

Richard Lai

Executive Director  
Acer Foundation



▶ Read more in the 2012 Acer Corporate Responsibility Report:

- Education
- Acer volunteers
- Environmental Conservation
- Charity



# Target Achievement in 2012

	2012 Targets and Commitments	Status	Results and Comments
Environmental	Complete organizational greenhouse gas verification by third party	●	A third-party verification statement for the global data for 2009 and 2011 has already been obtained from SGS.
	Set greenhouse gas reduction targets	●	We have already set greenhouse gas targets and estimate that by 2015, Acer's global greenhouse gas emissions will be 30% lower than in 2009. Emissions by 2020 will be 60% lower than in 2009.
	Increase the proportion of green products in each product line	●	<ul style="list-style-type: none"> <li>Increased halogen-free models in all product lines, including notebooks, desktop PCs, monitors and smart phones.</li> <li>Imported a high proportion of recycled plastic materials into some screen products.</li> </ul>
	Prohibit the use of chemical substances such as dibutyl phthalate (DBP), di(2-ethylhexyl) phthalate (DEHP), benzyl butyl phthalate (BBP), and diisobutyl phthalate(DIBP) in new products	●	We have already included prohibitions or restrictions against the use of 7 types of phthalates in the chemical substance management guide for new Acer products.
Social	Promote the green innovation of ICT and reduce the impact of ICT's 3% share of carbon emissions by 15%	●	Organized the Acer Incredible Green Contest to encourage students from around the world to use ICT to achieve environmentally and socially sustainable targets.
	Hold the Acer CSR Forum	●	The theme of the 2012 Acer CSR Forum was "Green ICT • Green Economy". We invited Yvo de Boer, former General Secretary of the United Nations Framework Convention on Climate Change (UNFCCC) to deliver a keynote speech, which emphasized that low-carbon economy is an inevitable trend. Discussions focused on how Taiwan's ICT industry can use business strategies and technological innovations to make an even greater contribution to the global low-carbon economy.
	Carry Out number of environmental and social checks on suppliers by at least 150% over 2011	●	In 2012, we expanded our environmental and social responsibility checks on suppliers, carrying out site checks on 77 suppliers with more than 100,000 workers among them was 193% of 2011.
	Integrate the global human resources database, management application system, and talent management and development system	●	<ul style="list-style-type: none"> <li>A global talent resource database and an application management framework for e-system personnel have been established.</li> <li>Approval authorization policies have been established for global staff management, along with policies for business travel and cross-regional talent transfer.</li> <li>Already carried out development training for some executives.</li> </ul>
Governance	Prepare the global CSR project plan	◎	Planning for the global corporate social responsibility program is already complete. Implementation will be postponed owing to internal budget control factors.
	Update the senior management remuneration system to align it with the Company's long-term interests	●	A top-level management compensation system has already been approved by the Board of Directors and Remuneration Committee, including both short-term and long-term targets and related incentives, in order to align it with the Company's long-term interests.

● Completed ◎ Partially completed



Thank you for reading this executive summary. For more information, please see the 2012 Acer Corporate Responsibility Report.

<http://www.acer-group.com/public/Sustainability/chinese/download.htm>

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