



# 2019 ACER CORPORATE RESPONSIBILITY REPORT

Executive Summary





## CSR PERFORMANCE HIGHLIGHTS



### CORPORATE GOVERNANCE/ECONOMIC

#### Amend Corporate Governance Code of Practice

Continue to strengthen corporate governance

## ISO 27001

Obtained ISO 27001 Information Security Management Systems and ISO 27017/ ISO 27018 cloud security standards certification

## 97.7 %

Percentage of staff who have completed information security education and training

## 691

Patents obtained globally



### ENVIRONMENT

## 60 %

Renewable energy usage by information products business operations

## 3 million kWh

Annual solar power generation globally

#### Comprehensive Product Life Cycle Assessment

Desktop Computer VX4660G

## >5 million

Shipped product units using post-consumer recycled plastics accounts for 17.9% of hardware revenue

## >3.7 million

Units of phthalate-free products across product lines shipped, valued at over US\$1.6 billion



### SOCIAL

## 2.2 %

Global community engagement investments as percentage of profits

## >25,570 man-hours

Acer's global investment in regional social projects

## >2.01 million

Beneficiaries of Acer social projects

## 56.43 million

Total investment in global social philanthropy and community engagement



### SUPPLY CHAIN MANAGEMENT

## 819

Second-tier suppliers to whom supplier management has been expanded

## 40 %

Critical suppliers that have set science-based targets (SBTs) for carbon reduction set

## 101

First-tier suppliers subjected to on-site audits

## 99 %

Percentage of smelters that meet third-party OECD Due Diligence Guidance

## MESSAGE FROM ACER CHAIRMAN & CEO



A company's pursuit of making the world a better place must start with its employees' conviction and willingness to participate. At Acer, we have been raising awareness of climate change and educating employees on how they can each contribute to make a significant impact to a

greener environment. Our ongoing research and development also includes new technologies for people's wellbeing. This involves collaborating with biotech and medical institutions to focus on applying artificial intelligence in enhancing the accuracy and speed of disease detection.

In 2019 Acer launched Project Humanity, an initiative involving our worldwide employees to make the world a better place. We are committed to innovating in all aspects of our technology, management, and operations. By closely engaging with our partners and suppliers to act responsibly, we will continue making positive impacts to the society and environment.

Chairman and CEO

## ★ IMPORTANT ACHIEVEMENT AND RECOGNITION IN 2019



Chosen for the sixth consecutive year to join the Dow Jones Sustainability Emerging Markets Index as a component stock



MSCI ESG Rating: AA



FTSE4Good

Chosen for inclusion in the FTSE4Good Emerging Index for the fourth consecutive year



Ecovadis CSR Rating: Gold



Received Platinum Award at the Taiwan Corporate Sustainability Award



Won Silver Sustainability Award and Industry Mover Award of RobecoSAM Corporate Sustainability Assessment



Chosen for the sixth consecutive year to join the MSCI Global Sustainability Indexes



Chosen for the Taiwan ESG Index



Responsible Sourcing Network Evaluation: Strong



Received Second Prize of "Buying Power Social Innovation Product and Service Procurement Award"



## CUSTOMER RECOGNITION



### CUSTOMER SERVICE

Received fifth French customer service award



### CUSTOMER SERVICE

Received third Spanish customer service award



### TOP 100 CUSTOMER SATISFACTION COMPANIES

Acer Brazil was recognized for the second year in a row as one of the Top 100 Customer Satisfaction Companies. The company was in **16<sup>th</sup>** place among corporations in the electronics sector

acer

### POPULAR COMPUTING WEEKLY

Received Best Service Brand award for **14<sup>th</sup>** consecutive year from China's Popular Computing Weekly



### CONSUMER ELECTRONICS CUSTOMER PRODUCTS SURVEY

Received **first** place among computer brands in German Consumer Electronic Customer Products Survey

### GERMAN CUSTOMER TRUST SURVEY

Received **second** place in the consumer electronics category of German Customer Trust Survey



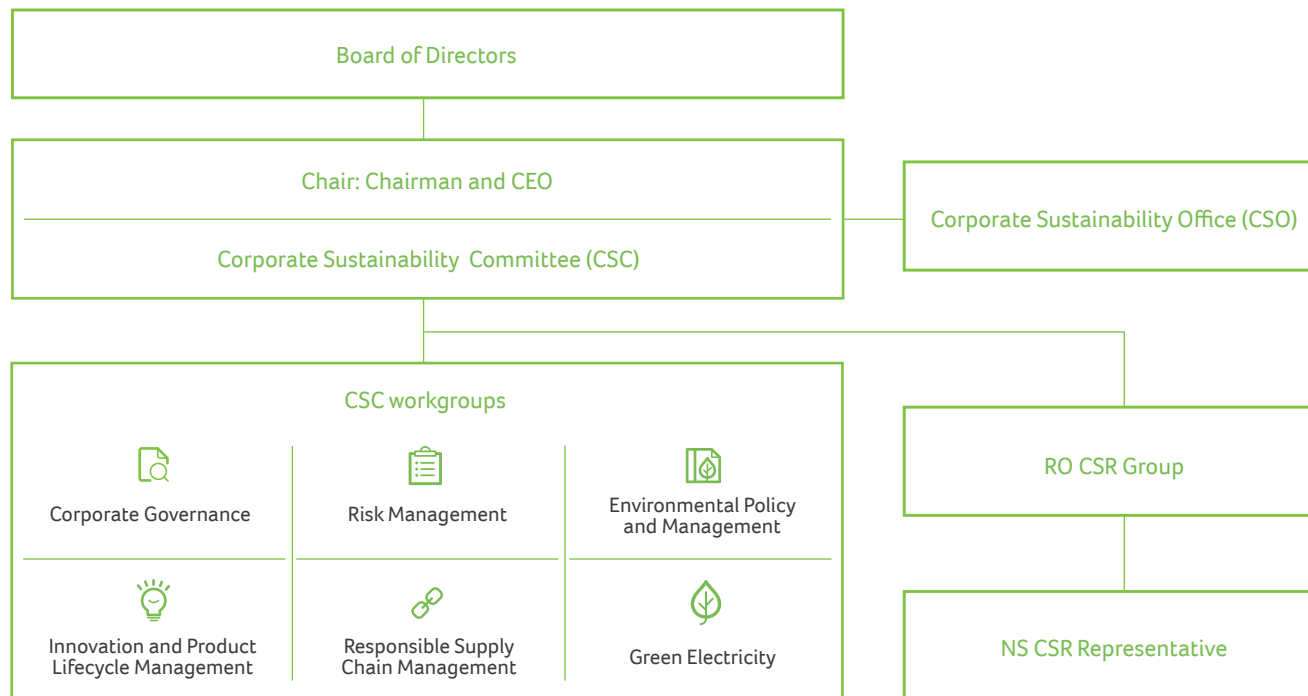


# SUSTAINABLE GOVERNANCE

In 2019, through the Corporate Sustainability Committee, we have formed a consensus among first-level management regarding Sustainability, being that it should be aimed at “doing good business, creating a new era, and injecting new energy into society.”

With issues of climate risk becoming increasingly important, the CSC also decided create a Green Electricity Taskforce to assess global green electricity strategy and action.

## ACER SUSTAINABILITY GOVERNANCE ORGANIZATION



## ADVOCACY INITIATIVES

### COMPREHENSIVE SUSTAINABLE DEVELOPMENT ISSUES



World Business Council for Sustainable Development (WBCSD)

### HUMAN RIGHTS



Responsible Business Alliance (RBA)



Public-Private Alliance for Responsible Minerals Trade (PPA)



Responsible Minerals Initiative (RMI)

### ENVIRONMENTAL TRENDS/ CARBON MANAGEMENT



Carbon Disclosure Project Supply Chain Program (CDP)

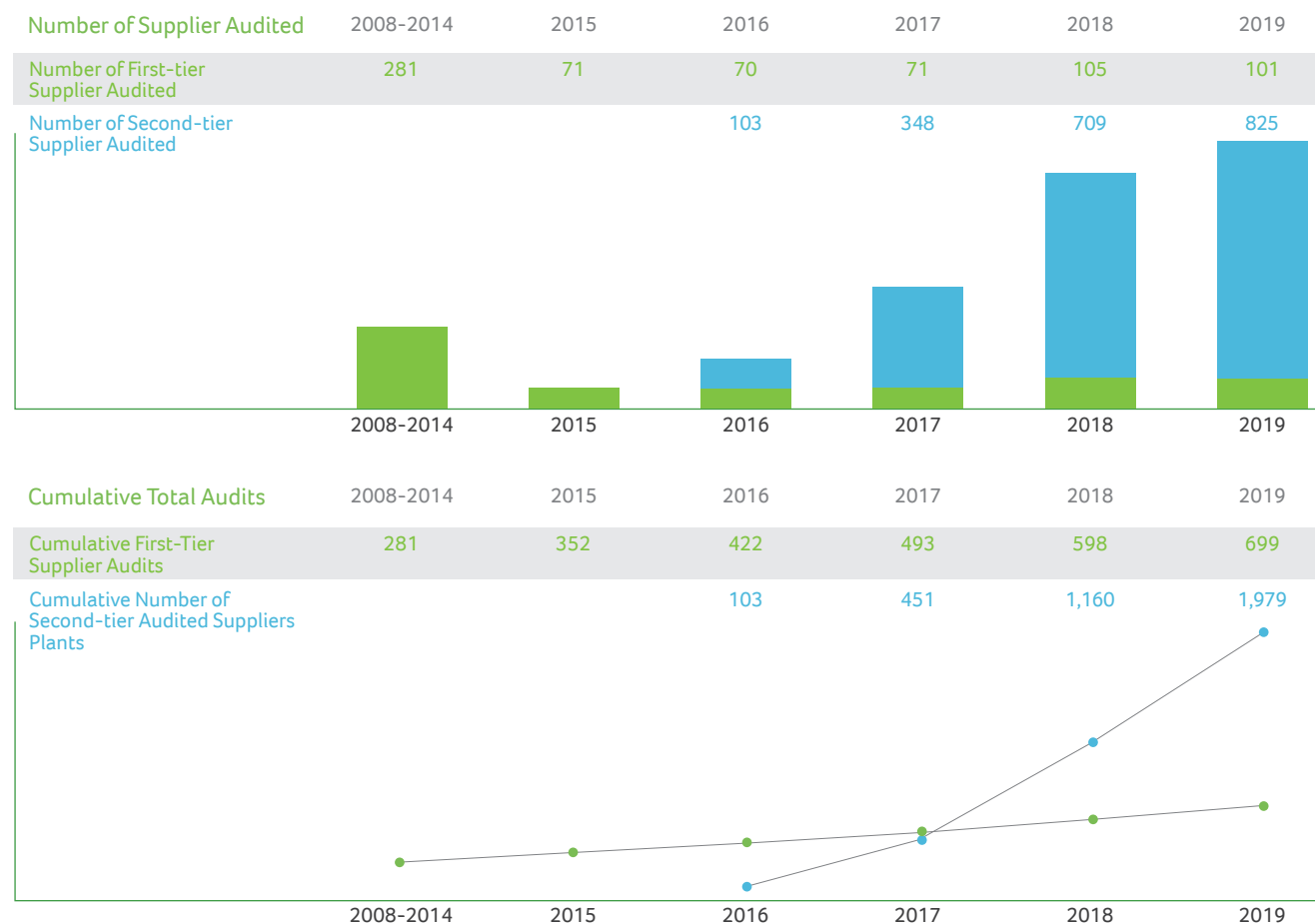


# RESPONSIBLE SUPPLY CHAINS

## 2019 ON-SITE AUDIT RESULT

We conducted on-site audits of 101 supplier plants. The audited suppliers had more than 210,000 direct employees, 3,744 of whom were interviewed. More than 60% of audits employed the RBA VAP. Additionally, in 2019, a total of 819 audits of second-tier suppliers were carried out.

### SUPPLIER AUDIT CATEGORIES AND INCIDENCES, 2008-2019



## ENVIRONMENTAL

Expand the invitation of the second-tier suppliers to respond to annual questionnaires from the CDP

>45%

Percentage of suppliers that have adopted green electricity.

## SOCIAL

The quantity of conformant and participating (RMAP-Active) smelters is up to 99% of the identified smelters in our supply chain.

99%

	2015	2016	2017	2018	2019
Percentage of Conformant Smelters	71%	83%	83%	96%	97%
Percentage of Conformant or Participating Smelters	83%	89%	87%	98%	99%

## SUPPLIER CSR SCORECARD

49%

Percentage of suppliers that at the "excellent" standard

51%

Percentage of suppliers that at the "medium" level

We use quarterly business reviews or individual meetings in order to demand underperforming suppliers implement appropriate actions to improve their CSR performance.



## INNOVATION AND SERVICE

In 2019 Acer continued to innovate, obtaining 691 patents around the world and seeing patents obtained for the year in the China, Taiwan, Asia Pacific, and Pan America regions grow over 2018. Acer Taiwan applied for the second largest number of patents in Taiwan, ranking fourth in the nation by patents received.

Growth Over 2018

### TAIWAN

PATENTS OBTAINED IN 2019  
390

59.2%

### EMEA

PATENTS OBTAINED IN 2019  
62

-8.8%

### ASIA PACIFIC

PATENTS OBTAINED IN 2019  
151

21.8%

### PAN AMERICA

PATENTS OBTAINED IN 2019  
88

7.3%

Predator Helios 700 Sliding  
HyperDrift keyboard



Acer C250i Portable  
Wireless LED Projector



- BrainSphere™ AI Computing Platform: A New Accelerated Genome Sequencing cardiovascular disease.
- Smart AI Medical Ecosystem



Relevant SDGs

- A Smart Water City Solution
- Smart Lighting Solution



Relevant SDGs



Cloudgoda Cloud Portal

INNOVATIVE  
PRODUCTS

Relevant SDGs





## ENVIRONMENT

### CARBON REDUCTION

#### MEDIUM-AND LONG-TERM GOALS

2050: 80% carbon reduction compared with baseline year of 2009

80%

#### 2019 STATUS

Total emissions in 2019 were reduced by 57% compared with the baseline year (2009)

57%

### GREEN ENERGY

#### MEDIUM-AND LONG-TERM GOALS

Increase green energy usage to

50%

#### 2019 STATUS

The green electricity usage is 43% of total scope 2 electricity consumption.

43%

### ENVIRONMENTAL PERFORMANCE IN 2019



#### USE GREEN ENERGY

Use **17 million kWh** of green electricity, which, if taken only with REC usage figures, accounts for **60%** of ICT product-related operations



#### REDUCE CO2 EMISSIONS OF TRANSPORTATION

By optimizing truck loading rate, we save **US\$2.12 million** in transportation costs and **993.19 tons** in carbon emissions



#### MANAGE CHEMICALS IN RAW MATERIALS

More than **3.7 million** units of phthalate-free products across product lines were shipped, valued at over **US\$1.6 billion**



#### USE OF POST-CONSUMER RECYCLED PLASTICS

More than **5 million devices** were shipped in 2019 using PCR, accounting for **17.9%** of hardware revenues

### COMPREHENSIVE PRODUCT LIFE CYCLE ASSESSMENT

In cooperation with the Industrial Technology Research Institute and suppliers, we have enacted quantitative life cycle assessment and analysis for Desktop PC VX4660G in line with ISO 14040: 2006 and ISO 14044: 2006 standards

VX4660G





## RESPONDING TO THE COVID-19 PANDEMIC

Responding to the COVID-19 pandemic, we are taking strict preventative measures to create for our staff safe office environments while also paying attention to their mental health. We provide staff with a support hotline that serves as a means for them to ease some of the mental stress this pandemic has brought with it. In addition, acer staff around the world also support and encourage local communities to work together to fight the epidemic.

## MAKING POSITIVE DIFFERENCES TO SOCIETY

Since 2017, Acer has provided notebook computers, servers, tablets, network equipment, and all on-site maintenance and related services for International Olympiad in Informatics competitions held in different countries for five consecutive years. In 2019, Acer was the sole supplier of 450 Aspire notebooks for contestants and staff, in addition to servers, to run contest management systems for the event held in August. After the contest, the notebooks were donated to ADA University and the Ministry of Education to support computer science programs for young scientists in Azerbaijan.



Grigory Nizovsky, Vice President for Russia, Eastern Europe and Turkey, Acer gave a speech at the opening ceremony of International Olympiad in Informatics

## CORPORATE SOCIAL RESPONSIBILITY AWARDS

In 2019, in the spirit of the company's Project Humanity, the 3rd Corporate Social Responsibility Project Awards and the 1st Creative Corporate Social Responsibility Ideas Awards were held on the theme of education and the environment. The goal of these is to help mold Acer into a brand that people can be proud to be part of and to encourage Acer employees in all regions to do their part to change the world.

### The theme of CSR Project Award 2019

#### EDUCATION



#### ENVIRONMENTAL



### 2019 CSR Projects Social Impact

Over **25,570** man-hours  
Man-Hours Invested

US\$ **733,522**  
Total Monetary Value of All Contributions

US\$ **106,328**  
Total Monetary Value of Donations

Over **2,007,195** people  
People Touched and Assisted

Over **21**  
Partnered Stakeholders (incl. governments, clients, non-profit organizations, private enterprises, schools, suppliers, and local staff)



If you have any comments, please contact us at [cr@acer.com](mailto:cr@acer.com)

 [www.facebook.com/Acer](http://www.facebook.com/Acer)

 [twitter.com/Acer](http://twitter.com/Acer)

 [www.youtube.com/user/Acer](http://www.youtube.com/user/Acer)

 [community.acer.com](http://community.acer.com)