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**Acer  
Sustainability Report  
Executive Summary**

**2021**



## Message from the Chairman and CEO

Acer continues to evolve with the industry and lifestyle changes, which we believe is the key to creating business growth and sustainability in the long term. A fundamental concern across all industries, the subject of climate change has become more critical than ever. In 2021 we declared our mission to help tackle environmental challenges with the Acer "Earthion" platform, that unites the strengths of our employees and supply chain partners, to effectively expand the social impact of our sustainability efforts. In the same year, we renamed our Corporate Sustainability Office as "Acer ESG Office," which not only reflects how we embed environmental, social, and governance (ESG) into our corporate actions, but also how the office serves as a platform for collaboration with our stakeholders and a catalyst for sustainable innovation.

Many goals and commitments were set in 2021, among them, we joined the RE100 initiative and pledged to source 100% renewable energy by 2035. We set a goal to reduce average personal computer energy consumption by 45% by 2025, compared with 2016. As an advocate for circular economies, Acer launched the Vero line of green laptops, desktops, displays and accessories, which utilize post-consumer recycled plastics, recyclable packaging, and ocean-bound plastic.

Our corporate responsibility efforts have consistently been recognized by global sustainability indices. We were awarded with a Silver Class distinction in the S&P Global Sustainability Yearbook in both 2021 and 2022 for the top ESG scoring companies. We were listed in the MSCI ESG Leaders Indexes for the eighth year, and garnered the best rating of "AAA" for the first time that represents the top 2% in its category. And for the eighth consecutive year we have been listed in the Dow Jones Sustainability Indices Emerging Markets Index.

With our stakeholders' support we've navigated through these ever-challenging times and tested our company resilience. We will continue to communicate transparently and strengthen the resilience of our company.

Chairman and CEO



# Awards and Recognition



## MSCI Leaders Indexes

Selected for MSCI Leaders Indexes for the eighth consecutive year



## MSCI ESG Rating

MSCI ESG Rating: AAA

Member of  
**Dow Jones Sustainability Indices**

Powered by the S&P Global CSA

## The Dow Jones Sustainability Emerging Markets Index

Selected for the eighth consecutive year to join the Dow Jones Sustainability Emerging Markets Index as a component stock as well as ranking number five worldwide in THQ Computers & Peripherals and Office Electronics.

**Sustainability Award**  
Silver Class 2022

**S&P Global**

## S&P Global

Acer received a Silver Award in the S&P Global Sustainability Yearbook 2021, the second consecutive year the Company has been so honored.



FTSE4Good

## FTSE4Good

Selected for inclusion in the FTSE4Good Emerging Index for the sixth consecutive year



FTSE4Good  
TIP Taiwan ESG Index



## FTSE4Good TIP Taiwan ESG Index

Selected for the fourth consecutive year to join the FTSE4Good TIP Taiwan ESG Index



## Ecovadis CSR Rating

Received Platinum



## WBA digital inclusion

Ranked 45th in WBA digital inclusion benchmarking



## Taiwan Corporate Sustainability Awards (TCSA)

Received the Gold Award, Climate Leadership Award, Supply Chain Leadership Award, and Sustainability Report Award in the Taiwan Corporate Sustainability Awards (TCSA)



## RE100 2021 Leadership Award

Finalist for the 2021 Leadership Award from the RE100 international renewable energy initiative



## ISS ESG

Rated "Prime" ISS ESG Corporate Rating



## World's Best Employers—by Forbes

Ranked among the world's best companies to work for second year in a row by leading financial magazine Forbes

# ESG Performance Highlights

## Environment

### RE100

Joined the global RE100 initiative and pledged to use 100% renewable energy by 2035

### 45 %

45% renewable energy usage by Acer Group

### 15 million

15 million units used post-consumer recycled plastics

### 55 %

55% of critical suppliers completed science-based carbon reduction target (SBT) setting

## Social

### NT\$51.16 million

Global social philanthropy and community engagement investments totaled over NT\$51.16 million, accounting for 1% of profits

### Second year

Ranked among the world's best companies to work for second year in a row by leading financial magazine Forbes

### 46,000 man-hours

Global investment in regional social projects totaled over 46,000 man-hours

### 100 %

100% of smelters complied with/participated in third-party mechanisms for OECD Due Diligence Guidance

### Digital Inclusion

Ranked 45th in the World Benchmarking Alliance's Digital Inclusion Category

### 14,300

143,000 people helped by Acer social projects

## Governance & Economic

### 95 %

Percentage of positive customer evaluations reached 95%

### Third

Ranked third in Taiwan for number of patents granted worldwide with 809

### +15 %

Fiscal 2021 revenues up 15.1% year-on-year

### 91 %

ESG education and training completion rate of over 91%

# Customer Recognition



Acer China received the Service Brand of the Year 2021 award from Popular Computing Weekly, its 15th time being so honored



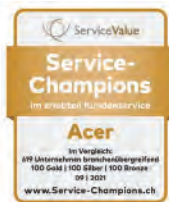
First Place for Telephone and Email Service from the German Institute for Service Quality First Place for Online Service and Support from the German Institute for Service Quality



Acer Spain won the Customer Service of the Year Award 2022, the sixth consecutive year it has been so honored



Acer Italy received Migliori In Italia awards for excellence in notebook computer service














Acer Switzerland ranked in the Top 5 in the Service Value Service-Champions Awards for the second consecutive year






Acer Italy received Migliori In Italia awards for excellence in desktop computer service

# 2025 Sustainability Goals

Aspects	Strategic Direction	2025 Goals	SDGs
 <b>Circular Economy</b>	Sustainable Design	<b>20-30%</b> 20-30% PCRs plastic content in core products (notebooks/desktops/monitors)	 
	Recycled Materials		
	Reduce Plastic Packaging		
 <b>Climate Change</b>	Renewable Energy	<b>60%</b> Acer Group to reach 60% renewable energy * RE100 by 2035	 
	Energy Efficiency	<b>45%</b> 45% reduction in average personal computer energy consumption (2016-2025)	
	Carbon Reduction	<b>80%</b> 80% of critical suppliers committed to RE100 or set carbon reduction SBTs	
 <b>Social Impact</b>	Environmental Friendliness	Over <b>90%</b> Over 90% of our employees will participate in Project Humanity to drive social impact	   
	IT Education		
	Employee Engagement	<b>80%</b> 80% of our employees are actively engaged in their work	

## 2021 Sustainability Achievements

Aspect(s)	2021 Status	
 <p><b>Circular Economy</b></p>	<p><b>16 %</b></p> <p>16% of PCR Plastic content in core products</p>	<p><b>15 million</b></p> <p>15 million units core products used post-consumer recycled plastics</p>
 <p><b>Climate Change</b></p>	<p><b>45 %</b></p> <p>45% renewable energy usage</p>	<p><b>55 %</b></p> <p>55% of critical suppliers committed to RE100 or set carbon reduction SBT</p>
	<p><b>34 %</b></p> <p>34% reduction in average desktop computer energy consumption</p>	<p><b>40 %</b></p> <p>40% reduction in average notebook computer energy consumption</p>
 <p><b>Social Impact</b></p>	<p><b>70 %</b></p> <p>over 70% of employees engaged in Project Humanity</p>	<p><b>73 %</b></p> <p>73% of global employees are actively engaged in their work</p>

# ESG GOVERNANCE

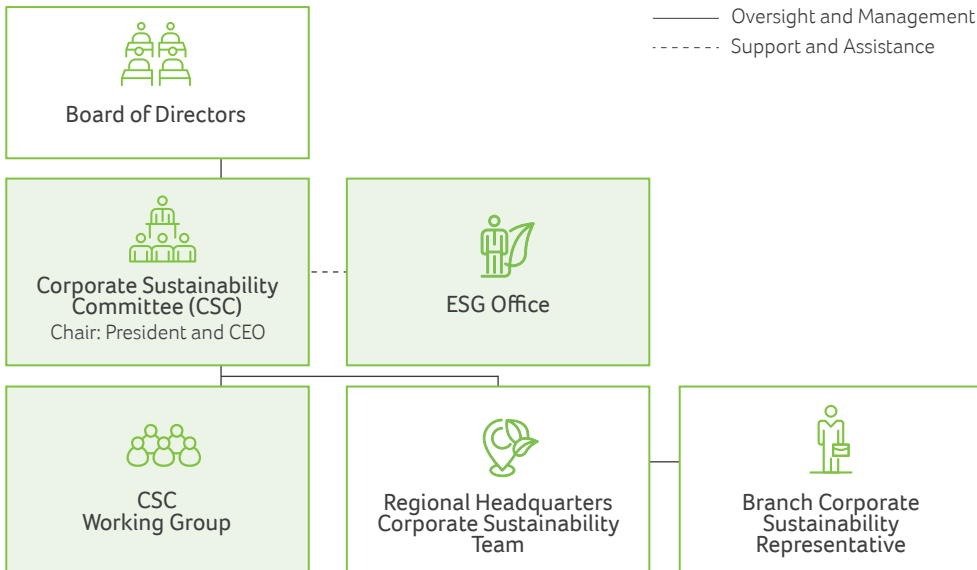
The Corporate Sustainability Committee (CSC) is the highest sustainable management organization. The chairman and CEO serves as chair. The ESG office is the secretariat. Members of the Corporate Sustainability Committee include high management, such as the chief operating officer, chief legal officer, chief financial officer, chief human resources officer, and corporate sustainability officer.

The committee convenes two meetings each year, reviewing the actions and implementation status of each taskforce and workgroup, responding to stakeholders' expectations and demands, reviewing annual sustainability goals, and setting medium- and long-term goals.

## Important 2021 Resolutions of the Corporate Sustainability Committee:

- Review the 2025 Sustainable Strategy Goals
- Review the Science-Based Carbon Reduction Targets (SBTs)
- Develop and Establish a Risk Committee
- Review 2021 Material Issues
- Review Results of Task Force on Climate-related Financial Disclosures (TCFD)
- Stakeholder Responses and Feedback

## Acer Sustainability Governance Organization



## Major Advocacy and Participation

 <p>World Business Council for Sustainable Development (WBCSD)</p>	 <p>CommonWealth Sustainability Conference</p>
 <p>Responsible Business Alliance Formerly the Electronic Industry Citizenship Coalition Advancing Sustainability Globally</p>	 <p>PUBLIC-PRIVATE ALLIANCE FOR RESPONSIBLE MINERALS TRADE</p> <p>Public-Private Alliance for Responsible Minerals Trade (PPA)</p>
 <p>Responsible Minerals Initiative (RMI)</p>	 <p>Carbon Disclosure Project Supply Chain Program</p>
 <p>RE100</p>	 <p>Taiwan Climate Partnership 台灣氣候聯盟</p> <p>Taiwan Climate Partnership</p>



# Responsible Supply Chains

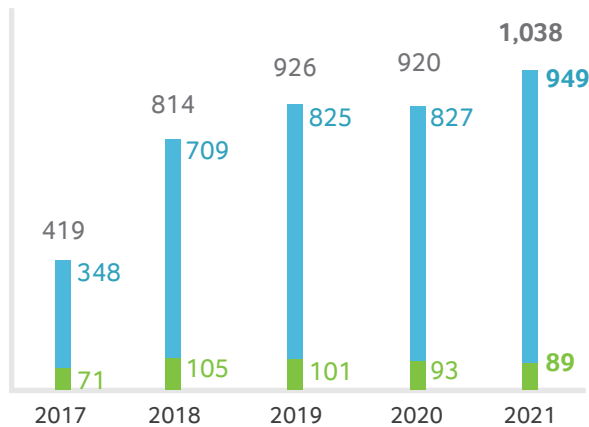
## 2021 Highlights



## On-Site Audit

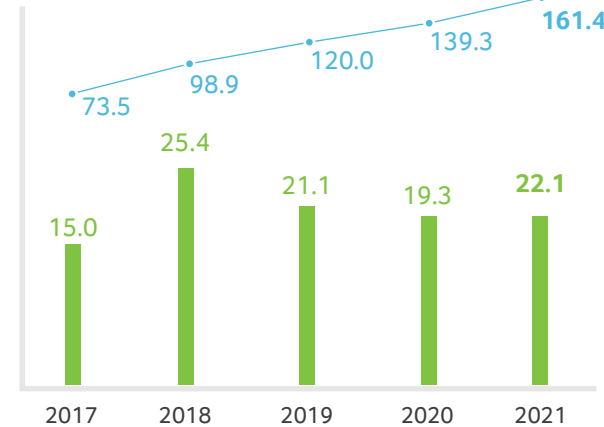
In 2021, we conducted a total of 89 audits, 100% of which were on-site audits. In 2021, the direct workers hired by the audited suppliers were more than 220,000, and among them, 4,070, and 4,070 direct employees were interviewed, with more than 80% using the RBA Validity Audit Process (VAP).

## Number of Supplier Audited



- Number of First-tier Supplier Audited
- Number of Second-tier Supplier Audited
- Number of First-tier and Second-tier Supplier Audited

## Direct workers hired by the audited suppliers and cumulative direct workers



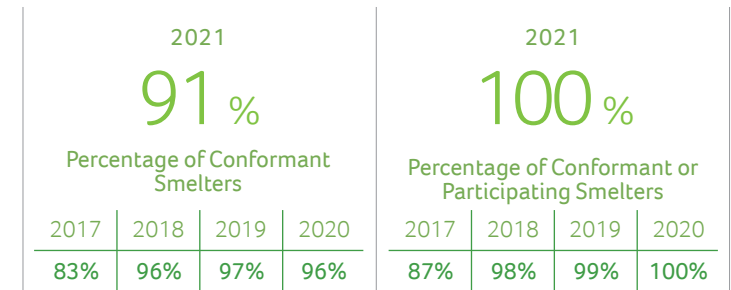
- Direct Workers (10 thousand employees)
- Cumulative Direct Workers (10 thousand employees)

## Environmental Aspect

In 2021, we began bringing together our employees and supply chain partners to expand the reach of sustainability efforts by launching the Earthion initiative, with the goal of bringing everyone together to solve our environmental challenges with innovative and integrated solutions.

In terms of supply chain responses, 90% of suppliers have included climate issues in their board-level stewardship, 86% have included them in their medium- to long-term goals. 55% of critical suppliers have committed to RE 100 or set carbon reduction SBTs.

## Social



## Supplier ESG Scorecard

The overall performance of suppliers on the ESG scorecard in 2021 continued to improve, with 59% of suppliers achieving an “excellent” standard and 30% at the “medium” level. We also use quarterly business reviews and other communication methods to request underperforming suppliers implement appropriate actions to improve their ESG performance.

# Circular Economies and Innovation

## 2021 Highlights

**15** million units

Core products used  
post-consumer recycled plastics

**ISO 50001**

Xizhi Headquarters Passed  
ISO 50001 Certification

**3rd**

Acer's rank in Taiwan by  
patents received

In 2021, Acer launched the Earthion initiative. This initiative is aimed at helping solve the environmental challenges faced by modern humanity through innovative integrated solutions. That same year, Acer began to realize this commitment through the launch of its first environmentally friendly notebook, the Aspire Vero. Built around sustainability, expandability, and upgradability, it is a reflection of Acer's commitment to sustainable operations.



Post-Consumer Recycled (PCR) Plastics



Upgradable Laptop



30% PCR Materials



Paint-Free



Aspire Vero



Earthion Initiative



50% PCR Keycaps



Reduce, Reuse, Recycle

# Innovation and Services that Respond to Social and Environmental Needs

## Smart Medicine

International  
Pandemic Information  
Station



## Smart Cities

Smart water  
meters



Telemed:  
AI-based  
diagnostic software



Smart parking



VeriSee DR:  
an AI-based  
diagnostic software





Acer Air Monitor



# Climate Strategy and Transformation

## 2021 Highlights

 <p>Joined RE100 initiative</p>	 <p>Received A- Leadership Level from CDP</p>	 <p>Jointly Launched Taiwan Climate Partnership</p>
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In May 2021, Acer Group joined the RE100 initiative, committing to using 100% renewable energy by 2035. RE100 is a global renewable energy initiative led by The Climate Group and CDP, bringing together the world's most influential companies to work together on the demand side of electricity to create a friendlier environment for green power use.

In 2021, the Acer Group used a total of 14,009,992 kWh of green electricity, accounting for 45% of the Group's Scope 2 electricity consumption.

	
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## Climate-related Financial Disclosures (TCFD)

In 2020, Acer officially implemented the Recommendations of the Task Force on Climate-related Financial Disclosures issued by the Financial Stability Board of the United Nations to analyze the current status of climate-change-related financial disclosures, identify and quantify climate risks, and publicly disclose the potential financial impact of climate change on Acer and its future response strategies.

Following the quantification of two high physical risks—heavy rainfall and increased average temperature—in FY 2020, Acer further assessed the financial impact of transformation risk—Regulations and Impact on Existing Products and Services—with reference to the quantified risk items of international benchmark companies in order to align with international trends related to low-carbon products and services and accurately measure the amount of resources invested and how they should be allocated.

### Physical Risk

 <p>Heavy Rainfall</p>	 <p>Increased Average Temperature</p>
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### Transition Risk

 <p>Regulations and Impact on Existing Products and Services</p>
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# A Tolerant Workplace and Society

## Inviting Suppliers into the Earthion Initiative

In 2021, we began bringing together our employees and supply chain partners to expand the reach of sustainability efforts by launching the Earthion initiative, with the goal of bringing everyone together to solve our environmental challenges with innovative and integrated solutions. Through the Earthion Sustainability Platform, we share the spirit of sustainability with our partners and suppliers, helping to address the environmental challenges of our generation through innovative and integrated solutions. To this end, we are focused on innovative green product design, chemical substance management in production processes, green energy use, low-carbon emission logistics, packaging materials and design, and product recycling & resource reuse, combining the efforts of our suppliers and partners to accelerate the development of green designs and processes and completely minimize our environmental impact.

### Earthion's Mission Focus







## 2021 Highlights

 <p>More than 14,000 people reached by Acer social projects</p>	 <p>Ranked among the world's best companies to work for by leading financial magazine Forbes</p>	 <p>Acer India honored as "Good Place to Work" for fourth consecutive year</p>	 <p>Ranked 45th in the World Benchmarking Alliance's Digital Inclusion Benchmark</p>
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## ESG Project Awards

In addition to continuing to focus on the themes of "education" and "the environment," Acer's global ESG Projects in 2021 also included another major event, the COVID-19 pandemic. In the midst of the dramatic changes and impacts of the pandemic, Acer's staff have continued to care for the community and apply their core competencies by donating computers and helping with online learning to support students and enable them continue to participate in distance learning at home, while also helping disadvantaged groups and small- and medium-sized enterprises implement work from home options while maintaining their economic and operational capacity.

## Social Impact of Acer Global ESG Projects

 <p>46,722 Man-Hours Invested</p>	 <p>51,162,406 Total Monetary Value of All Contributions (NTD)</p>	 <p>14,299 People Reached</p>	 <p>2,330 Partnered Stakeholders</p>
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# Acer Global ESG Project Awards Highlights



## Environment



Middle East Office



Germany Office



America office



China Office



Vietnam Office

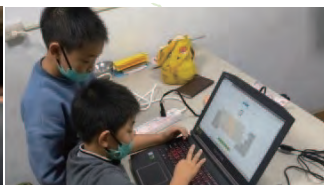
## Education



Spain Office



America Office



Taiwan Office

## COVID-19



India Office




Hong Kong Office





Taiwan Office


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