acer

2023 ACER INCORPORATED
Sustainability Report

Cover Story

Reuse & Recycle for a Sustainable Future

Acer acknowledges the environmental impact of plastic waste on the environment and has established specific objectives in sustainable design. Our goal is to incorporate 20% to 30% of post-consumer recycled (PCR) plastic into our products by 2025, thereby reducing our dependence on virgin plastic. This initiative not only contributes to the reduction of plastic waste on land and in the ocean, but also conserves energy resources, minimizes greenhouse gas emissions, and protects natural resources.

In practice, the research and development process can also be viewed as an implementation of learning. Along with emphasizing the importance of environmental protection, continuous improvement is also essential. Starting from 2021, Acer has taken the lead in using the highest proportion of post-consumer recycled (PCR) plastic in the Vero series products. These materials were the best available at that time and met the durability requirements of the products. Subsequently, Acer collaborated with manufacturers to increase the proportion of PCR plastic used in the products. The durability of recycled materials in electronic products has been proven through production and assembly, international transportation and warehousing, as well as the actual daily use and subsequent maintenance by consumers.

In 2024, with the Aspire Vero 16, we have further increased the proportion of recycled plastic in the casing to 60%, which is twice as much as in 2021, without compromising the overall performance of the laptop. It meets multiple military standard tests (MIL-STD 810H), demonstrating its strength and durability. In the future, Acer will expand the use of recycled materials from Vero series products to other conventional products, including those in the business and consumer product lines, further increasing the use of recycled plastics and enhancing our efforts to address plastic issues. Acer expects that all our products will contribute to sustainability, with sales figures reflecting not only financial performance but also environmental contributions.

You can learn more about our use of post-consumer recycled plastics in Chapter 5, Circular Economies and Innovation, of this report.
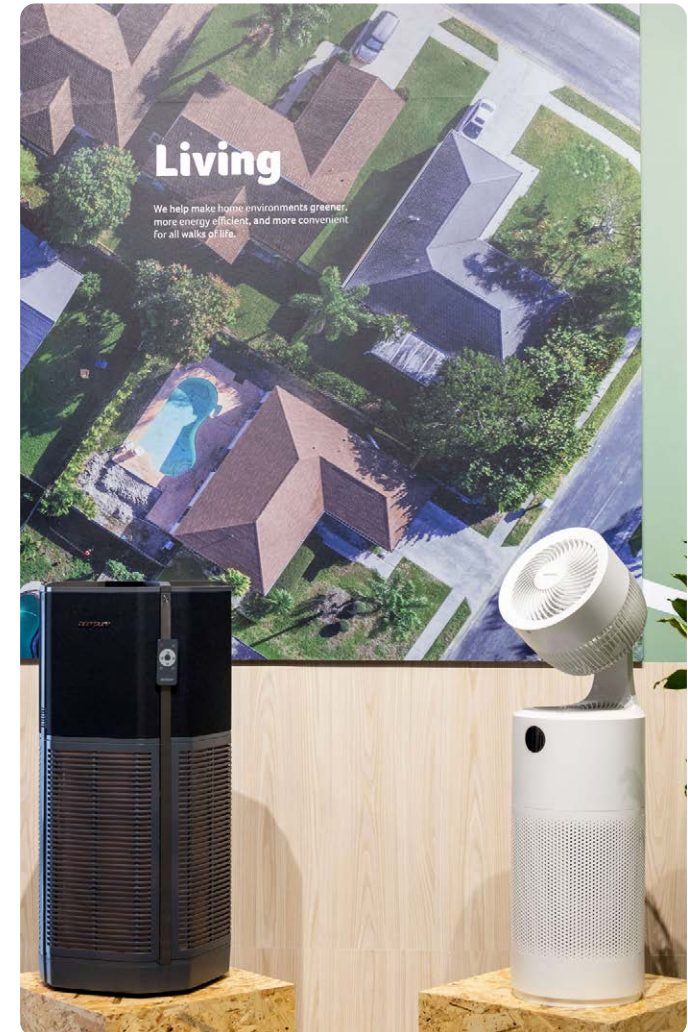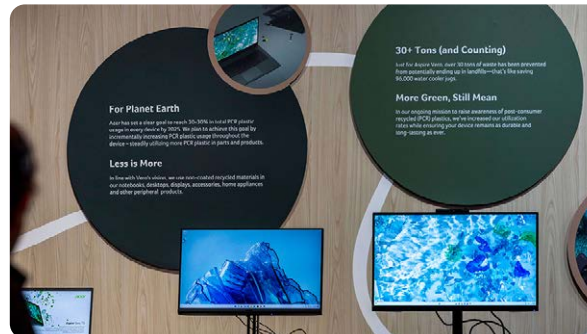
Feature Story

Conscious Technology for a Brighter Tomorrow

Acer believes that a sustainable future for all is imperative. In 2023, we collaborated with the creative agency, IDEO, to co-design an innovative ecosystem of sustainable products and services. Centered around four modes of life—Working, Living, Moving, and Learning—we introduced concepts for products, services, and initiatives designed with consideration for the future.

In December 2023, in alignment with COP28 in Dubai, Acer unveiled its "Conscious Technology" vision, highlighting proactive measures in sustainable development during its Global Press Conference. Other key initiatives shared at the event include the Vero product line made with a high percentage of recycled materials, the Project Humanity initiative that educates and unites our employees around the world to take greener actions, and the Earthion platform that brings together supply chain partners to tackle environmental challenges.

Since launching "Earthion", Acer has actively collaborated with suppliers and partners to uphold environmental, social, and governance (ESG) commitments such as reducing sea logistics emissions thanks to biofuel and developing sustainable packaging materials. Acer also took part in Microsoft's "The Future PC Forum" at the United Nations Climate Summit, advocating for enhanced energy efficiency and the increased use of sustainable materials.

Under the theme "Conscious Technology for a Brighter Tomorrow", Acer exhibited innovative concepts for products and services that span the four major modes of life. In line with our commitment to sourcing 100% renewable electricity by 2035 and achieving net-zero emissions by 2050, Acer has also expanded its presence and introduced new energy storage products, providing comprehensive solutions that help minimize the negative impacts on the environment.

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Message from the Chairman and CEO

> **During 2023, Acer made considerable progress in our environmental sustainability efforts; working with our partners and our subsidiaries, we unveiled numerous smart solutions for a better future. At the same time, our strategy to expand multiple business engines continued to gain momentum with a total of 12 public subsidiaries by the end of the year, and our computer business moved back on the right track with post-pandemic inventories returning to a comfortable level.**

Accelerating Our Sustainability Efforts with Smart Solutions

With the goal of making environmental, social and governance (ESG) a sustainable part of Acer, we are accelerating our efforts and seizing new business opportunities. We steadily expanded our Vero portfolio of eco-conscious products to include our first carbon-neutral laptop, in addition to monitors, projectors, air purifiers and peripherals. We invested in smart solutions that will help reduce carbon, save energy, and increase productivity, including solutions in e-mobility, parking, and air quality monitoring. We started leveraging biofuel solutions in product transportation and offered energy storage solutions from household to industrial use, manufacturing to application, and front-of to behind-the-meter solutions to contribute to the energy transition. In addition, we offer AI-assisted medical screening software for diabetic retinopathy, age-related macular degeneration, osteoporosis, and AI-based smart solution for other medical diagnosis needs.

Acer chose to announce its latest sustainability concepts and developments alongside COP28, the United Nations Climate Change Conference in Dubai, to attract global climate campaigners and leaders to visit and learn our initiatives for a better future, and to welcome external parties' oversight to help enhance our commitments and actions. Four lifestyle concepts proposed under the theme of 'conscious technology' were exhibited – working, learning, moving, living – with products, services, and solutions by Acer and our subsidiaries that provide people with smart, low carbon, and conscious living.

Winning Global Recognition for Our ESG Initiatives

Acer's "Earthion" sustainability platform that unites employees and supply chain partners to tackle environmental challenges has continued to gain strength. We are committed to sourcing 100% renewable electricity by 2035 and have pledged to achieve net-zero emissions by 2050. As one of the world's top ICT companies, Acer seeks to amplify positive impacts on the environment through united actions; ahead of our target schedule, 76% of our critical suppliers have committed to 100% renewable electricity or set science-based carbon reduction targets. We will continue working toward the goal to use 20-30% post-consumer recycled plastic in our computers and monitors (on average by weight) by 2025, for which 18.8% use was achieved in 2023.

Our focus on ESG through transparent reporting and initiatives under our Earthion mission has gained increasing global recognition and is instrumental in our inclusion in worldwide sustainability indices and winning major industry accolades throughout 2023. Acer was listed in the Top 5% of companies in the S&P Global Sustainability Yearbook 2023 for sustainable business practices. We debuted on the CDP Supplier Engagement Rating Leaderboard and received "A-" rating in leadership level for climate change for CDP's questionnaire for carbon disclosure for the third year. For the 10th consecutive year, we were listed in both the MSCI ESG Leaders Indexes, garnering the best rating of "AAA" in its category since 2021, and in the Dow Jones Sustainability Indices Emerging Markets Index. Furthermore, we were named among Forbes World's Best Employers for the fourth consecutive year and awarded an Ecovadis Platinum Medal that represents the sustainability rating's highest recognition for the top 1% of rated companies for the second year.

Demonstrating our commitment to keep enhancing our corporate disclosures, we published a dedicated Task Force on Climate-related Financial Disclosures (TCFD) Report in 2023, describing our risk management and decision-making planning in more detail to help stakeholders better understand the related financial impact. Looking ahead, Acer intends to publish its first nature-related disclosures, aligned with the Taskforce on Nature-related Financial Disclosures (TNFD) for 2025. We are among the 320 organizations from over 46 countries that have committed to make nature-related disclosures.

We will march on with our strategy to establish multiple business engines beyond existing boundaries with an emphasis on sustainability, which will continue to provide us with more opportunities in the evolving industry dynamics and enhance our corporate resilience. We look forward to a brighter future for our next generation.

Jason Chen
Chairman and CEO, Acer Inc.

Important Achievements and Recognition

MSCI ESG Leaders Indexes

Selected for MSCI Leaders Indexes for the tenth consecutive year

2023 MSCI ESG Leaders Indexes Constituent

MSCI ESG Rating

AAA

MSCI ESG RATINGS | CCC | B | BB | BBB | A | AA | **AAA**

Ecovadis Sustainability Rating

Received Platinum

PLATINUM Top 1% 2023 ecovadis Sustainability Rating

S&P Global Sustainability Year Book

Among top 5% of companies in the S&P Global Sustainability Yearbook 2023

Acer Inc.
Computers & Peripherals and Office Electronics

Top 5%
S&P Global Corporate Sustainability Assessment (CSA) Score 2023

S&P Global | Sustainable1

FTSE4Good

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

FTSE4Good

FTSE4Good TIP Taiwan ESG Index

Selected for the sixth consecutive year as part of the FTSE4Good TIP Taiwan ESG Index

FTSE4Good TIP Taiwan ESG Index | **TIP Taiwan Index Plus**

The Dow Jones Sustainability Emerging Markets Index

Listed on the DJSI Emerging Markets Index for the 10th consecutive year in 2023

Member of
Dow Jones Sustainability Indices
Powered by the S&P Global CSA

CDP Climate Change

Rated as leadership level "A" for three consecutive years

CDP
DISCLOSURE INSIGHT ACTION

CDP Supplier Engagement

Listed on Supplier Engagement Leaderboard

CDP SUPPLIER ENGAGEMENT LEADER 2023

World's Best Employer by Forbes

Named by Forbes as one of the World's Best Employers for the fourth straight year

Forbes 2020-2023 WORLD'S BEST EMPLOYERS POWERED BY STATISTA

World's Top Companies for Women

Named by Forbes as one of the World's Top Companies for Women 2022

Forbes 2023 WORLD'S TOP COMPANIES FOR WOMEN POWERED BY STATISTA

World Benchmarking Alliance (WBA)

Included in the list of the 2,000 most influential companies (SDG2000)

Ranked 64th of Digital Inclusion benchmarking

World Benchmarking Alliance

2023 Excellence in Corporate Social Responsibility Award by CommonWealth Magazine

Ranked 25th

Taiwan Corporate Sustainability Awards (TCSA)

Received "Platinum" Sustainability Report Award in the TCSA

TCSA 台灣企業永續獎

ISS ESG Corporate Rating

Received "Prime" ESG Corporate Rating

Corporate ESG Performance RATED BY ISS ESG Prime

ESG Performance Highlights

Environment

TCFD — Released our first TCFD Report

A- — Rated leadership level "A-" for CDP climate change for three consecutive years

A — Listed on the Supplier Engagement Leaderboard

SBTi — Carbon reduction target validated by the Science Based Target initiative (SBTi)

40 million — From 2020 to 2023, more than 40 million computers and monitors were manufactured using post-consumer recycled plastics

Social

210,000 — 210,000 direct supplier employees audited in 2022

77 % — 77% of Acer employees engaged in Project Humanity

Best Employer — Selected as one of the best employers in the world by Forbes 2023

Women Friendly Company — Selected as World's Top Companies for Women by Forbes 2022

37,896 — Global investment in regional social projects totaled over 37,896 man-hours

Governance & Economics

25,920 — A total of 25,920 attendees completed human rights training

94 % — Percentage of positive customer evaluations reached 94%

29 % — The proportion of female directors increased to 29%

Third — Ranking of issued patents by domestic applicants

27 % — Approx. 27% of 2023 revenues contributed from businesses other than computers and displays

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ABOUT ACER

For the long-term sustainability of both Acer's operations and the environment, Acer continues to evolve with the industry and lifestyle changes by pushing for innovation in existing businesses, eco-conscious designs, and solutions, and solutions, while expanding multiple business engines. Guided by its long-term mission of breaking barriers between people and technology, Acer is determined to change the world for the better, and its brand values are aligned with the company's commitment to environmental, social, and governance.

12
12 listed companies

27 %
Approx. 27% of 2023 revenues contributed from businesses other than computers and displays

Net Zero
Committed to Net Zero Emissions by 2050

About the Company

Founded in 1976, Acer is one of the world's top ICT companies with a presence in more than 160 countries. To maintain its momentum and long-term sustainability, Acer continues to evolve with the industry and changing lifestyles by pushing for innovation in existing businesses, eco-conscious designs, and solutions, while expanding multiple businesses with an emphasis on sustainability. Acer's 7,800 employees are dedicated to the research, design, marketing, sale, and support of products and solutions that break barriers between people and technology. The company's strategy to enhance its resilience through establishing multiple business engines has resulted in three more subsidiaries going public in 2023 to reach a total of 12 public subsidiaries by year end.

Founded	Headquarters	Employees	Products sold in
1976	Taiwan	7,800	160+ countries

12 — 12 listed companies: Acer Cyber Security, Acer Synergy Tech, Acer Synergy Manpower, Weblink International, AOPEN, Acer e-Enabling Service Business, Acer Medical, Highpoint Service Network, Acer Gaming, Winking Studios, Acer Gadget, Protrade Applied Materials

27 % — Approx. 27% of 2023 revenues from businesses other than computers and displays

Net Zero — Committed to Net Zero Emissions by 2050

Business Scope

Acer continues to evolve with the industry and changing lifestyles by pushing for innovation in existing businesses, eco-conscious designs, and solutions, while expanding multiple business engines with an emphasis on sustainability.

In its computers and displays business, Acer is incorporating more AI capabilities, while strengthening its foundations with technological innovations such as display and sensory technologies for the virtual world and designing product lines for gaming, creating, learning, and more. At the same time, its strategy to explore new initiatives and sustainable technology to better serve more user groups is gaining momentum.

As environmental issues are becoming increasingly pressing, Acer calls for more businesses to help tackle environmental challenges. In 2023, Acer announced its

"Conscious Technology" vision alongside the COP28 event for technology designed and made with consideration for the future through four lifestyle concepts: Living, Learning, Working, and Moving. It also showcased new energy storage solutions and a climate exhibition featuring technology and product concepts. By being near the COP28, Acer aimed to attract climate campaigners and leaders to learn what the company is doing and the concepts it has for a better future.

Meanwhile, its Vero line of products built with PCR materials has expanded to include monitors, Chromebooks, routers, projectors, accessories, air purifiers, and more, further strengthening the connection between technology and humanity and demonstrates the commitment of Acer and its supply-chain partners to bringing positive impacts on the environment.

Acer Gadget Inc. develops products, services, and solutions across a variety of industries to enable digital transformation and smart, sustainable lifestyles—including hardware, software, IoT and the cloud.

Acer Synergy Tech Corp. provides a one-stop-shop of integrated IT services including planning and consultation, integration and installation of computer and network equipment, and management of enterprise information infrastructure.

Protrade is a global polymer distribution group mainly focused on synthetic rubber, plastics, natural rubber, and related fillers.

Highpoint Service Network Corp. provides repair and maintenance for multi-brand electronics products, including after-sales services for computers, smartphones, workstations, appliances, and more.

Acer Cyber Security Inc. offers technical consulting services, including proactive defense technologies for customers in information and operational technology and cloud fields to help counter cyber threats.

Acer Gaming Inc. provides gaming products and services including consumer electronics, gaming software, gaming platforms, network services, and game content.

Acer e-Enabling Service Business Inc. provides enterprises in pursuit of digital transformation with comprehensive, state-of-the-art cloud and digitalization solutions.

Weblink International is a channel agent for 150+ leading brands with a diverse portfolio including business and consumer electronics, application software, gaming consoles, system integration, and more.

Acer Medical Inc. is an AI medical imaging company, providing multiple AI-assisted medical solutions, such as diagnostic software for diabetic retinopathy.

Winking Studios is one of the largest art outsourcing and game content design and development studios in Asia. It is one of the few studios that utilize 5G technology when developing VR games.

AOPEN Inc. designs and develops industrial control/commercial equipment, and industrial computers.

Acer Synergy Manpower provides comprehensive short-term and long-term human resource services, especially in the semiconductor, manufacturing, finance, and medical industries.

Current Products and Services

- Notebook PCs
- Desktop PCs
- Monitors
- Projectors
- Gaming products and esports platform
- Gadgets and apparel
- Servers
- Cloud services

- E-business and services
- Commercial solutions
- Digital signage solutions
- Cyber security and datacenter
- Smart cities
- AI-assisted medical diagnostic solutions
- E-mobility
- Home appliances

- Energy storage solutions
- Home electronics service and repair
- Recruitment and staffing services
- Polymer trading and distribution
- Integrated IT services
- Industrial computers
- Connectivity devices
- Dietary supplements
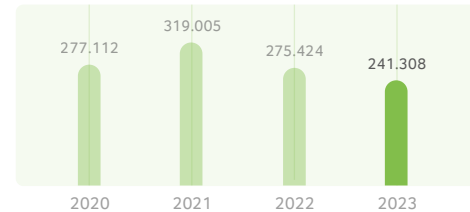
Status of Operations

According to data from global technological research and consulting firm, Gartner, the PC market returned to growth in the fourth quarter of 2023 after eight consecutive quarters of decline. In the full year 2023 Acer ranked No. 6 among top PC brands, some as the previous year, with 5.8% market share, according to IDC. Gartner estimates overall PC shipments worldwide will total 250.4 million units in 2024, a 3.5% increase from 2023; that on-device AI should rejuvenate the marketing of PCs through the year and estimating that AI PCs will represent 22% of all PCs shipped in 2024.

Facing global issues such as inflation, Acer's strategy to build and strengthen multiple business engines continues to gain momentum. In 2023 its businesses other than computers and displays contributed around 27% of total revenues. Weathering the post-pandemic industry stress test, Acer's computer business bottomed out around May 2023, while new graphic cards and connectivity products reached markets.

For the full year 2023, Acer reported consolidated revenues of NT$241.31billion, gross profits of NT$ 25.82 billion with 10.7% margin, operating income of NT$4.23 billion with 1.8% margin, net income of NT$4.93 billion, and earning-per-share (EPS) of NT$1.64.

Financial Performance

Consolidated Revenue
NTD Billion
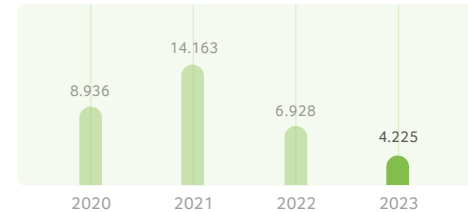
2020	2021	2022	2023
277.112	319.005	275.424	241.308

Operation Profit (Loss)
NTD Billion

2020	2021	2022	2023
8.936	14.163	6.928	4.225

After Tax Earnings (Loss)
NTD Billion

2020	2021	2022	2023
6.029	10.897	5.004	4.932

Dividends/Basic Earnings Per Share
NTD

	2020	2021	2022	2023
Dividends	1.50	2.28	1.50	1.60
Basic Earnings Per Share	2.01	3.63	1.67	1.64

● Dividends ● Basic Earnings Per Share

Operation Costs/Expenses
NTD Billion

	2020	2021	2022	2023
Operation Costs/Expenses	-21.413	-23.140	-22.955	-21.658
Staff Remuneration and Welfare	-13.112	-14.901	-14.251	-14.950

● Operation Costs/Expenses ○ Staff Remuneration and Welfare
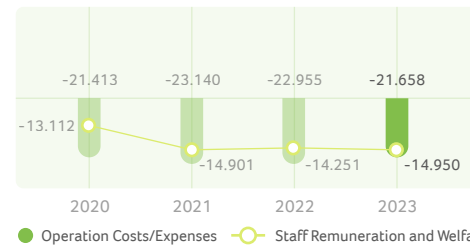
Liabilities/Equity
NTD Billion

	2020	2021	2022	2023
Liabilities	121.967	148.765	118.606	128.392
Equity	61.942	66.023	70.434	80.342

● Liabilities ● Equity

Income Tax Expense (Benefits)
NTD Billion

2020	2021	2022	2023
-2.759	-4.148	-2.271	-2.168

R&D
NTD Billion

2020	2021	2022	2023
2.838	2.646	2.449	2.118
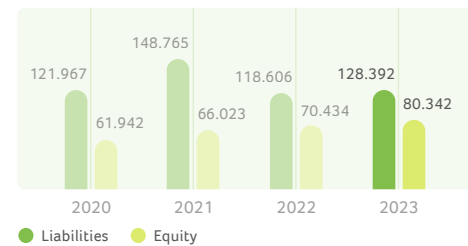
IT Products 2023

Region
NTD Million

	EMEA	PA	PAP	Total
2023	25%	25%	50%	241,308
2022	26%	26%	48%	275,424
2021	33%	26%	41%	319,005
2020	34%	30%	36%	277,112

● EMEA ● PA ● PAP
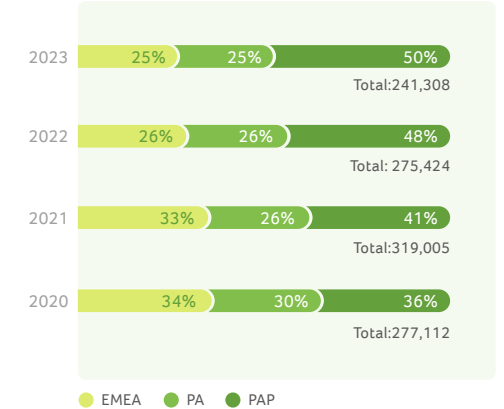
Product Category
NTD Million

	Notebook Computers	Desktop Computers	Display	Others	Total
2023	53%	11%	9%	27%	241,308
2022	57%	11%	10%	22%	275,424
2021	63%	10%	10%	17%	319,005
2020	64%	10%	12%	14%	277,112

● Notebook Computers ● Desktop Computers
● Display ● Others
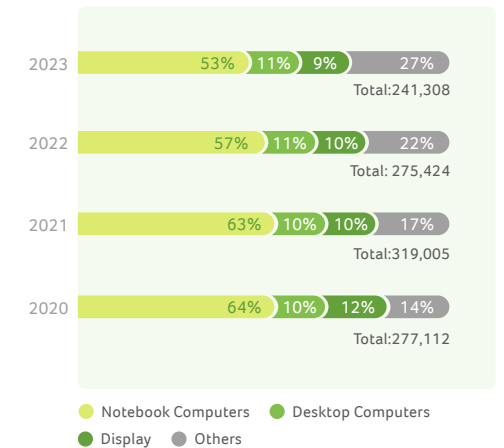
Breaking Barriers

Guided by its long-term mission of breaking barriers between people and technology, Acer's brand values of "human," "progressive," and "curious" translate into a determination to change the world for the better, and aligns with the company's commitment to environmental, social, and governance.

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Acer's commitment to sustainability and education extends far beyond products and operations. Through our Project Humanity initiative and Earth Mission app, employees are empowered to become agents of change, fostering a sense of pride in being part of the Acer family.

Jerry Kao
Chief Operating Officer, Acer Inc.

Project Humanity: Fostering a Global Community of Change-makers

Launched in 2019, Project Humanity aims to cultivate a sense of belonging and purpose among Acer employees while empowering them to drive positive change. It has created an authentic brand culture through a combination of bottom-up initiatives and the management team's support, addressing the urgency of social issues and environmental challenges.

Project Humanity has flourished into a global movement, with over 6,000 employees (over 77% participation) in nearly 60 countries participating in socially driven projects. From volunteering initiatives to environmental conservation efforts, every decision counts. To amplify the voices of its global community and celebrate their contributions,

the Humanity Times was launched in December 2022 as a monthly internal newsletter that serves as a platform for recognizing initiatives, sharing program achievements, and keeping employees informed about important environmental and educational news, and foster a sense of camaraderie across borders.

Earth Mission App: Inspiring a Greener Tomorrow

In its quest to mobilize the tech industry to tackle climate urgency, Acer developed the Earth Mission app to encourage individuals to take eco-friendly actions in their everyday lives. Its gamified mechanism helps users stay engaged in achieving their green missions and reward them for their accomplishments. Initially targeting Acer employees and business partners, the app offers practical tips and challenges aligned with the United Nations Sustainable Development Goals. In 2023, the user base was broadened to include a wider community including visitors at the Computex Taipei tradeshow, reaching a total of over 11,000 users.

Since its launch, the Earth Mission app has garnered widespread acclaim, receiving numerous awards such as the Red Dot Digital Solutions award, Google Play Best App of 2023, and Best App for Good awards. The app is catalyzing a global movement toward sustainability and inspiring a greener tomorrow, one action at a time.
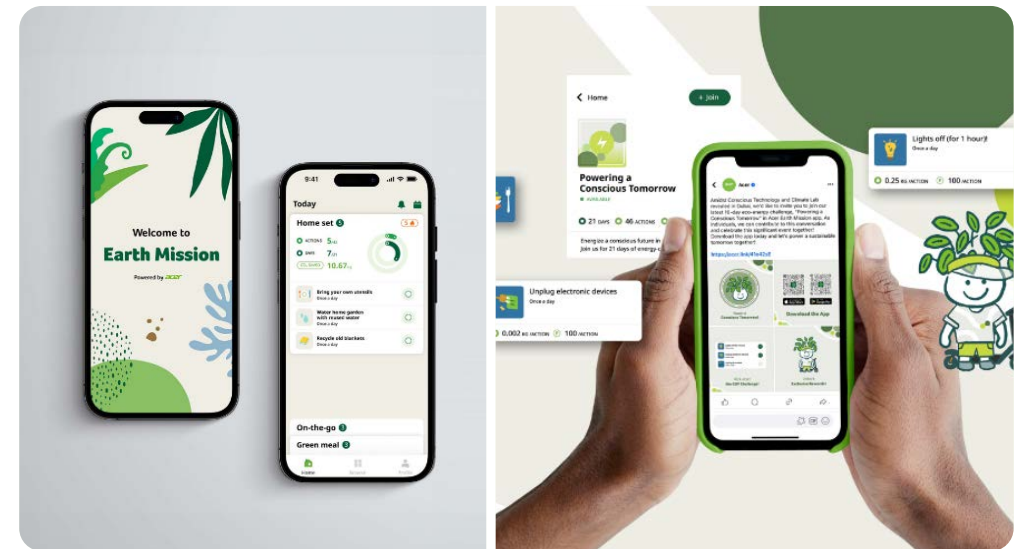
Smart Cities

Acer is committed to building a resilient city, envisioning a smart city for a greener and more sustainable future. Its subsidiaries are engaged in various fields of sustainable solutions for everyday living, including a smart roadside parking management system, AI-based solutions such as medical diagnostic software, and e-mobility software and hardware.

Global Efforts for Social, Environmental, and Governance

Acer Empowers Young Computer Scientists at the IOI 2023

Acer powered the 35th International Olympiad in Informatics (IOI) in Hungary by providing PC solutions for all the contestants and onsite staff. Acer has been a constant partner of the IOI contests since 2018, enabling young computer scientists to formulate algorithms and programming tasks using Acer laptops and for staff members onsite to conduct pre-event tests and evaluate algorithms submitted by contestants.
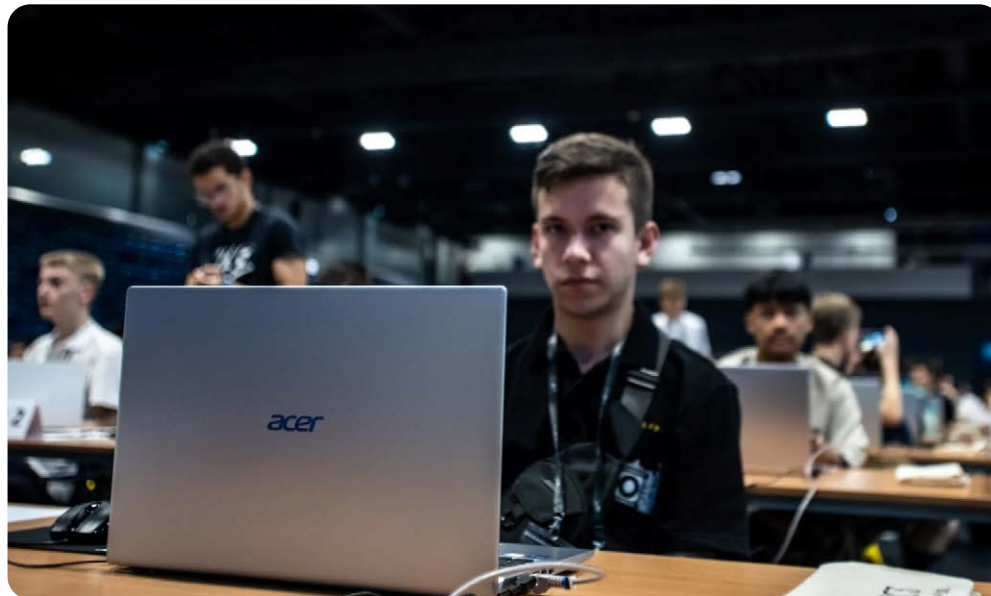
Acer Advocacy Film and Advertising Campaign Win Red Dot 2023 Awards for Brand and Communicaton Design

Acer Day Campaign

Watch the film

The Acer Day: #MakeYourGreenMark campaign amplified sustainability messages through a combination of promotions, CSR partnerships, and entertainment. It initiated an exchange of plastic waste donations for tickets to Acer's "Green Mark" concert held in the Philippines. The campaign raised funds to plant 5,401 trees to aid in forest rehabilitation efforts and a donation of over 20 metric tons of plastic to an environmental non-government organization.

#SayangBumi Documentary

Watch the film

The #SayangBumi movement, which means "to love Earth", aims to spread greater awareness for environmental issues. The #SayangBumi online documentary film series features Indonesian influencer, Ricky Santoso, visiting destinations across Indonesia to tell stories about environmental preservation highlights, local wisdom, and encourage everyone to take responsibility for preserving their beauty. Acer initiated efforts to educate locals about recycling and nature preservation, and donated Aspire Vero National Geographic Edition laptops, a symbolic representation of the company's dedication to protecting planet Earth.

02

ESG GOVERNANCE AND STRATEGY

Acer continues to review and work on important sustainability issues and integrate sustainable development strategies into daily operations. We have established an ESG governance pipeline for the communication of relevant issues, implementing a variety of resolutions and pursuing stronger governance. We review the overall environment and the expectations of our stakeholders to plan Acer ESG policy and more deeply integrate ESG into our overall value chain to boost ESG performance.

UN Sustainable Development Goals (SDGs)

The UN SDGs cover important issues and challenges facing the sustainable development of mankind. In 2023, we continued to examine the relevance of the UN SDGs and business operations based on Acer's major ESG issues and value chain and defined SDG 3 (Good Health and Well-being), SDG 4 (Quality Education), and SDG 7 (Affordable and Clean Energy), SDG 8 (Decent Work and Economic Growth), SDG 11 (Sustainable Cities and Communities), SDG 12 (Responsible Consumption and Production), and SDG 13 (Climate Action) as prioritized issues, and we use the company's products and services and leverage our core competency based on SDG 17 (Partnerships for the Goals) and solve various social and environmental issues through various plans and programs by promoting the universal and innovative application of technology. It helps us to achieve the UN SDGs and realize the important role as a corporate citizen.

Implementing key SDGs in the Acer Value Chain

Ensure healthy lives and promote wellbeing for all at all ages

Ensure people's health and well-being through our core products and services.

- Acer and Acerpure collaborate on air quality improvement solutions, which continued to benefit schools, business, healthcare, and other sectors in 2023, allowing us to understand and improve indoor air quality in real time and helping to reduce human health hazards caused by indoor air pollution
- Acer Medical continues its cross-domain collaboration in technology and healthcare, from VeriSee DR (AI-assisted diagnosis of diabetic retinopathy), VeriSee AMD (AI-assisted screening of age-related macular degeneration), to VeriOsteo OP (AI-assisted screening of bone mineral density abnormalities) to create more diversified products and services for smart healthcare.

Innovative Products and Services

Ensure access to affordable, reliable, sustainable, and modern energy for all

We provide people with more efficient, sustainable, and safe energy usage and encourage our employees to use sustainable energy through our initiatives.

- Acer has been increasing its renewable electricity ratio annually and has joined the RE100 initiative, with the Acer Group expecting to use 60% renewable energy by 2025 and RE100 by 2035 and achieve net-zero by 2050
- Since 2022, Acer Spain has installed more than 100 rooftop solar panels in order to fulfill its commitment to achieve RE100 by 2035. As a result, the total monthly consumption has decreased from 45,000 kWh to 25,000 kWh
- Acer Smart Frequency's Acer Power Bar, an mobile power supply, provides reliable, clean, green and stable backup power In response to the growing demand for energy storage and green energy conversion, Acer Gadget Inc. (AGT) has introduced a range of portable power stations tailored for the residential market

Climate Strategy and Transformation   Digital Inclusion and Social Philanthropy

Innovative Products and Services

Ensure inclusive and quality education for all and promote lifelong learning

Acer is committed to shrinking the digital divide and nurturing talent, firm in the belief that technology can inspire people and help tap their potential. To this end, we provide free digital education and donate computers to support various groups of disadvantaged people.

- Acer Thailand, Acer Ukraine, Acer Pan America, and the Acer Foundation have donated computer products to several charity organizations targeting the disadvantaged, contributing to the bridging of the digital divide
- Our colleagues in Taiwan not only donated refurbished computers, but also served as volunteers to accompany children from disadvantaged families and the elderly to help improve their digital abilities

Digital Inclusion and Social Philanthropy

Promote inclusive and sustainable economic growth, employment, and decent work for all

- Acer strives to protect the human rights and health of labor and provide a safe workplace, performing on-site audits, which affected some 220,000 direct employees of supply chain in 2023
- Every employee of Acer's is treated with dignity in accordance with the principle of fairness. We strive to protect personal privacy, provide channels for the free and safe communication of opinions, and offer a safe, healthy working environment

Responsible Supply Chain   Attracting and Developing Talent

Make cities inclusive, safe, resilient, and sustainable

Through software, hardware, and service products, Acer makes the cities where we live more friendly, inclusive, and accessible.

- Acer's subsidiary, AGT, is consistently introducing a range of micro-mobility products, such as electric bicycles and electric scooters, offering a sustainable and convenient option for commuting and leisure activities
- Acer Germany organizes the Acer Bike Challenge for its employees every year in response to Germany's Stadtradeln bicycle campaign. In 2023, a total of 33 employees enthusiastically signed up and rode 10,522 kilometers together. This initiative not only promoted employee health but also reduced carbon dioxide emissions by 1,638 kilograms

[Innovative Products and Services](#)   [Digital Inclusion and Social Philanthropy](#)

Ensure sustainable consumption and production patterns

Coordinate supply chain stakeholders to implement responsible production/consumption, sustainable management and effective use of natural resources, and reuse/recycling systems.

- The Aspire Vero 16 chassis is made from materials containing over 60% post-consumer recycled plastics and maintain carbon neutrality throughout its entire lifecycle
- In 2023, PCR plastic content makes up 18.8% of the plastic in computers and monitors
- Continuously use recycled materials for packaging materials
- Continuously promote global reuse and recycling the program

[Circular Economies and Product Life Cycle](#)   [Innovative Products and Services](#)

Take urgent action to combat climate change and its impacts

Acer is actively implementing climate change response strategies, including drafting low-carbon, sustainable strategies.

- Net zero emissions by 2050
- Publish the TCFD report
- Acer's employees continue to launch a number of energy-efficient and carbon reduction projects, such as the green commuting project in Germany and tree-planting projects in the United Kingdom, France, the Philippines, Indonesia, and the Czech Republic
- The ongoing promotion of the Earth Mission application has enabled users to cultivate environmentally friendly habits in their daily lives. As of 2023, a total of 11,000 employees and partners have used the app

[Responsible Supply Chain](#)   [Breaking Barriers](#)

Promote peaceful and inclusive societies for sustainable development, provide access to justice for all, and build effective, accountable, and inclusive institutions at all levels

Acer is implementing responsible supervision and management of conflict minerals, and promoting a peaceful and inclusive society.

- Acer continues to focus on the human rights impacts of our business development, advocate responsible mineral sourcing, and publish responsible minerals reports

[Responsible Supply Chain](#)

Strengthen the means of implementation and revitalize the global partnership for sustainable development

Acer leverages and implements its core competencies to collaborate and create value with all stakeholders.

- We work in tandem with schools, local governments, nonprofit organizations, supplier partners, and customers to solve problems through collaboration with all sectors of the community
- Launched the Earthion platform, working with our supplier partners toward sustainable environmental and societal development

[Digital Inclusion and Social Philanthropy](#)   [Breaking Barriers](#)

ESG Governance and 2025 Sustainability Goals

Sustainable Acer

Acer's ESG policies and strategies are aligned with the company's development direction and the core spirit of the brand: While pursuing profitability, leading transformation, and providing innovative services, we will continue to create tangible and intangible values, and move toward a future-oriented enterprise by promoting sustainable model transfer and social influence with our three core beliefs of value creation, balance of interests, and sustainable management.

Acer ESG Policy

We believe that only by enabling a company to make profits while fulfilling environmental and social responsibilities can it achieve sustainable development and thereby increase social influence. We actively develop diversified businesses, innovate products and services, and explore new business models. Our goal is to enhance group resilience, promote low-carbon and circular strategies, and create greater value for the group and society.

Integrating Sustainability Governance

Deepen ESG governance and stakeholder engagement, and strengthen the overall management and transparent disclosure of both financial and non-financial performances

Pioneering Green Innovations Incorporate

Incorporate low-carbon, sustainable, and recycling innovation technologies and concepts in products and services; take lead in smart cities and the development of a new green economy

Comprehensive Sustainability Impact

Create real corporate value and exert our influence on suppliers and partners, and assist the overall industry to move toward a sustainable future

Acer's ESG sustainability strategy focuses on the following three major areas and formulates sustainability goals for 2025:

- Circular Economy: As one of the strategies to adapt to climate change, circular economy not only reduces the environmental burden, but also promotes innovation of enterprises.
- Climate Change: Net Zero Carbon Emission has become a global consensus, and it is also a mission and challenge that we must take on.
- Social Impact: Gathering employees' recognition of and commitment to environmental protection and social participation, cooperating with various stakeholders, and exerting social impact

2025 Sustainability Goals and 2023 Accomplishments

Aspect(s)	2025 Goals	2023 Accomplishment	Key SDGs for Response
Circular Economy • Sustainable Design • Recycled Materials • Plastic Packaging Reduction	20-30% of PCR plastics content in computers and monitors	18.8% of PCR plastics content in computers and monitors	11 SUSTAINABLE CITIES AND COMMUNITIES / 12 RESPONSIBLE CONSUMPTION AND PRODUCTION
Climate Change • Renewable Electricity • Energy Efficiency • Carbon Reduction	Acer Group to reach 60% renewable electricity usage * RE100 reached by 2035	48% renewable electricity usage	7 AFFORDABLE AND CLEAN ENERGY / 13 CLIMATE ACTION
	45% reduction in average computer energy consumption in 2025, compared to 2016	Rate of reduction in average computer energy consumption Notebook Computer: 42% / Desktop Computer: 38%	
	80% of critical suppliers committed to RE100 or set carbon reduction SBTs	76% of critical suppliers commit to RE100 or set Science Based Targets (SBT)	
Social Impact • Environmental Friendliness • IT Education • Employee Engagement	Over 90% of employees engaged in Project Humanity	77% of employees engaged in Project Humanity	4 QUALITY EDUCATION / 13 CLIMATE ACTION / 17 PARTNERSHIPS FOR THE GOALS
	80% of global employees are actively engaged in their work	77% of global employees are actively engaged in their work	

ESG Governance

In line with the mission and policies of ESG, Acer has established the Corporate Sustainability Committee (CSC). The committee is chaired by the Chairman and CEO, with the ESG Office serving as the executive secretary. The committee members consist of the CEO, Chief Operating Officer (COO), Chief Legal Officer (CLO), Chief Financial Officer (CFO), Chief Human Resources Officer (CHRO), and Chief Sustainability Officer (CSO). Their responsibilities include defining the sustainability vision, strategies, and medium- to long-term targets, coordinating and integrating resources across departments, supervising sustainability performance, overseeing the response to and management of sustainability-related risks and opportunities, and regularly reporting to the Board of Directors. It has formed interdepartmental working groups on corporate governance, risk management, green products, environmental policies and management, and supply chain management. Each working group aligns with the medium- to long-term sustainability targets, develops annual objectives and action plans, holds regular meetings for interdepartmental communication and coordination, and implements and tracks the action plans. The CSC convenes two meetings annually, during which they supervise and review the sustainability actions and implementation status of each working group, address the demands and expectations of stakeholders, review the annual sustainability targets, and establish medium- to long-term targets. They also engage in discussions and decision-making on material sustainability issues. The meetings for 2023 were held in June and December, with a 100% attendance rate.

The ESG Office is fully responsible for promoting sustainable development. It is led by the CSO and serves as the executive secretary of the CSC. In addition to regularly reporting the trends, impacts, and implementation performance of sustainability-related issues to the CSC, it plays the role of communication and coordination between various working groups and the CSC. In addition, to communicate effectively with our global locations, we have established an ESG Executive Secretary at Regional Operations, who is responsible for formulating ESG action plans and programs at regional operations to implement various sustainability issues management.

The CSO regularly reports the goals and achievements of the sustainable development strategy to the Board of Directors on behalf of the CSC. In 2023, CSO reported three times and, the agenda discussed includes:

- Materiality and management objectives and plans
- Stakeholder engagement
- Climate strategy and net zero
- Carbon inventory and TCFD
- Review of environmental safety and health policy, biodiversity commitment, and product packaging and forest conservation policy
- Supply chain management plans

Acer Sustainability Governance Organization

Board of Directors

Corporate Sustainability Committee (CSC)

Chair: Chairman and CEO

ESG Office

CSC Mission

- Approving sustainability vision, strategy, and medium- to long-term targets
- Facilitating the coordination and integration of resources across departments
- Supervising the performance of sustainable practices
- Responding to stakeholder requests and expectations

CSC Working Group

- Corporate Governance
- Risk Management
- Environmentally friendly products
- Environmental Policy and Management
- Supply Chain Management

Regional Operations Sustainability Team

Branch Sustainability Representative

CSC Working Group Mission

- Formulating annual goals and action plans in accordance with the long-term sustainability targets.
- Planning, executing, and tracking the progress and effectiveness of action projects.
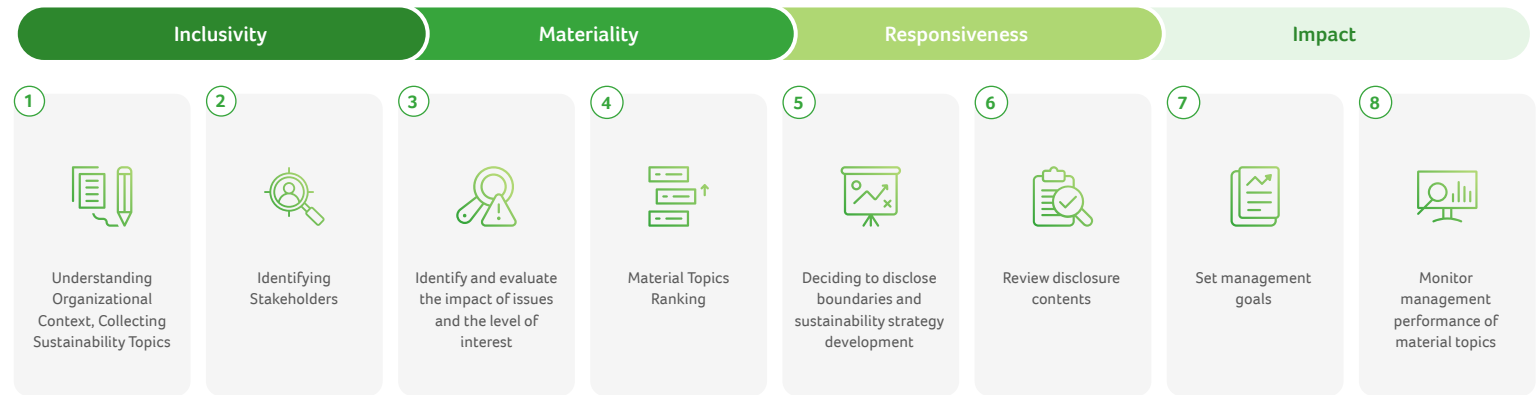
——— Oversight and Management

--------- Support and Assistance

Materiality and Stakeholder Engagement

Materiality Analysis Process

Acer conducts materiality analyses annually by referring to the Universal Standards and the AA 1000 Accountability Principle: 2018 published by the Global Reporting Initiative (GRI): The four principles of Inclusivity, Materiality, Responsiveness and Impact are used to understand stakeholders' concerns about ESG, to strengthen internal and external communication, to respond to stakeholders' expectations for information, and to plan and establish a management structure for ESG information disclosure.

Inclusivity	Materiality	Responsiveness	Impact

1 Understanding Organizational Context, Collecting Sustainability Topics

2 Identifying Stakeholders

3 Identify and evaluate the impact of issues and the level of interest

4 Material Topics Ranking

5 Deciding to disclose boundaries and sustainability strategy development

6 Review disclosure contents

7 Set management goals

8 Monitor management performance of material topics

Identifying Stakeholders

In order to achieve sufficient communication and interaction with stakeholders, we refer to the AA1000 SES Stakeholder Engagement Standard's five major aspects, namely responsibility, influence, dependence, concern, and diversity, to fully identify all stakeholders, including employees, advocacy organizations, customers, investors, suppliers, charity groups/communities, government agencies, industry associations, educational and research institutes, media to facilitate in-depth communication with them and understand the demands of different stakeholders.

Listing and Compilation of Sustainability Topics

Sustainability topics related to Acer and the information and communications industry are listed. The sources of topics include sustainability standards such as the GRI Universal Standards theme, the Sustainability Accounting Standards Board (SASB), the Climate Relevant Financial Disclosures (TCFD), and international ESG assessments such as the Dow Jones Sustainability Indices (DJSI) questionnaire, FTSE4Good, MSCI ESG Index; initiatives such as the United Nations Sustainable Development Goals (SDGs), the Responsible Business Alliance Code of Conduct (RBA Code of Conduct). We also consider key issues in the information and communications industry as outlined in the United Nations Sustainable Development Goals (SDGs), the RBA Code of Conduct, the Renewable Energy Initiative (RE100), the United Nations Global Compact, and the Global e-Sustainability Initiative (GeSI). In addition, taking into account the company's strategic development goals, we have divided the material topics into three categories: governance/economy, society, and environment, and in 2023, we maintained the number of topics at 14."

Double Materiality

We adopt the "Double Materiality Principle" recommended by the European Commission in the "Guidelines on Non-financial Reporting: Supplement on Reporting Climate-related Information" to consider the positive/negative impact of each ESG topic issue on the organization's business operations and also consider the impact of the organization's role in the value chain on the economy, environment, and people (human rights) aspects.

External Impact

In relation to the impact of the organization's value chain operations on the economy, environment, and human rights aspects, we have conducted a comprehensive assessment. Firstly, in 2022, we conducted an online survey, gathering feedback from 1,136 internal and external stakeholders who engaged in communication or collaboration with Acer and possessed a certain level of understanding of Acer's business. Secondly, we carried out a qualitative analysis of the impact, involving relevant departments, to evaluate the impacts of the material topics of the organization's value chain on the economy, environment, and human rights aspects. Additionally, we performed a sustainable value assessment, assessing the impact on the economy, environment, and human rights aspects at each stage of the value chain. For detailed assessment results, please refer to the section on sustainable value creation.

Internal Impact

To dynamically respond to changing trends, in 2023, we requested senior executives, including the Chairman and CEO, Co-COO, CFO, CLO, CHRO, CSO, and Presidents of business groups, to assess the impact of ESG topics on our organizational business operations. Based on their questionnaire responses, we gained an understanding of the importance and rankings of these topics as well as the importance of each stakeholder's impact on the organization's operations. This result helped align the management team's perspective on the impact of ESG issues on our business operations. Additionally, we conducted a sustainable value assessment to evaluate the impact of each stage of the value chain on our business operations. For detailed assessment results, please refer to the section on sustainable value creation.

Material Topic Ranking

We created a matrix of material topics based on surveys of stakeholder concerns and impacts on our operations. The X-axis represents the impact of these topics on Acer's business operations, while the Y-axis represents the level of stakeholder concern and the impact of ESG topic on the external environment. This ranking has undergone two stages of confirmation. First, the sorted results were reviewed in the context of sustainable development, industry environment, and company status, with further examination by the CSO. It was then confirmed by the highest sustainability governance unit, the Corporate Sustainability Committee (CSC.)

The top three important topic for the company in 2023 are energy, carbon emissions, and climate change; innovation and research and design, and information security and privacy protection. Compared to 2022, the following topics increased in the ranking in 2023: innovation and research and design, talent attraction, retention and development, and supplier environmental and social management. Circular economy, corporate governance, and standards of conduct slightly decreased in ranking. In 2023, we renamed the topic "circular economies and product life cycle" to "circular economy" to highlight Acer's emphasis on this topic. Additionally, considering occupational health and safety as an topic valued by employees, biodiversity as an important natural capital for enterprises, and Acer's responsibility and key role in digital inclusion and social philanthropy issues, we consider them as secondary material topics and still report and disclose relevant content in this report.

Identification of Material Topics and Boundaries and Review

The Sustainability Committee finalized 10 material topics of medium to high concern and importance, mapped them to the GRI Universal Standards topics, identified the indicators and their boundaries to be disclosed in the Sustainability Report, and had the content of the disclosure confirmed by an external third party. The material topics survey results of Acer in 2023 were already reviewed, approved, and supervised by Acer's Board of Directors.

Set Long-term Goals for Material Topics

The sustainability committee regularly monitors and reviews the status of goal achievement and discloses the results of ESG engagement in the sustainability report to the public.

Material Topics Analysis - Impact Assessment and Boundaries of Impact

We have referred to the GRI 1 Foundation and GRI 3 Material Topics of the GRI Standards to evaluate the impact and scope of material topics on the economy, environment, and people and human rights. These impacts can be of both positive and negative effects on the company, both internally and externally.

We recognize that these impacts may change over time as the company's activities, business relationships, and the environment evolve. Therefore, we will continue to assess their environmental context and identify their impacts.

● Environment ● Social ● Governance

Ranking	Material Topics	Topics Description	Impact Assessment		Boundaries of Impact				Internal and external stakeholders affected by the impact/effect	Management Method
			Positive Impacts	Negative Impacts	Upstream supply chain	Headquarters	Regional Operations/ Subsidiary	Downstream products and services		
1 —	Energy, Carbon Emissions and Climate Action	Due to the impact of global climate change and extreme climate, more than hundred countries have declared the goal of net zero emissions, and have been implementing policies such as energy saving, carbon reduction, renewable energy, carbon tariffs, and many other climate action programs, affecting business operations and becoming a risk and opportunity for businesses to face in sustainable operation.	Reducing the environmental impact of business operations and promoting Acer's low-carbon transformation to strengthen competitiveness	Regulatory compliance and internalization of carbon costs, affecting operating expenses and product prices	●	●	●	●	● Industry Associations ● Government Agencies ● Advocacy Organizations	Chapter VI Climate Strategy and Transformation
2 ▲ 1	Innovative R&D and Design	Invest in innovative R&D capabilities, promote the acquisition and maintenance of intellectual property and patents, and develop solutions that respond to the development and sustainability needs of society, focusing on machine learning, data analytics, artificial intelligence- assisted medical solutions, and smart cities, in addition to computer and display technologies.	Strengthen the competitiveness of our products by considering R&D and design from the perspective of consumer needs	Expertise, skills or resource input may increase labor, cost requirements or generate waste	●	●	●	●	● Customers ● Suppliers ● Educational and Research Institutions ● Industry Associations	Chapter V Circular Economies and Innovation – Innovative Products and Services

Note: We have made a complete disclosure of management methods for material topics (items 1-10) and a partial disclosure of GRI indicators for minor topics.

▲ The importance ranking of the topics has increased compared to 2022   ▼ The importance ranking of the issues has decreased compared to 2022   — The importance ranking of the topics is the same as in 2022

Ranking	Material Topics	Topics Description	Impact Assessment		Boundaries of Impact				Internal and external stakeholders affected by the impact/effect	Management Method
			Positive Impacts	Negative Impacts	Upstream supply chain	Headquarters	Regional Operations/ Subsidiary	Downstream products and services		
3 ▼1	**Information Security and Privacy Protection**	We improve our information security management system, including the establishment of policies, notification, management, and prevention mechanisms, and incorporate information security into our corporate governance objectives; protect customer data in product design and services; and implement personal data protection policies and measures, as well as related complaint handling mechanisms.	Information Security: Ensure the confidentiality, integrity, availability and legality of information, and maintain customer trust Protecting Privacy: To prevent improper disclosure of information and to protect information, property and personal rights in the private domain from infringement	Information Security: Geopolitical influence and surge in cyber attacks affect good business reputation Protecting Privacy: Leads to the leakage of personal information, which in turn violates the rights and dignity of individuals in the private territory.	●	●	●	●	● Employees ● Customers ● Suppliers ● Investors ● Government Agencies	Chapter III Operations and Governance – Information Security and Privacy Protection
4 —	**Product Responsibility and Customer Safety**	Ensure the quality and safety of products and services, and the impact of raw material use on the environment and users	Improve product safety and quality of service and reduce the impact of raw materials on users and the environment	Possible additional management, testing, inspection and other items, resulting in higher costs in production, manpower, time, etc		●	●	●	● Customers ● Government Agencies ● Advocacy Organizations ● Investors	Chapter V Circular Economy and Innovation
5 ▲2	**Talent Attraction, Retention, and Development**	Composition of employees, hiring and termination, competitive compensation and benefits, investment in talent development and nurturing (e.g., industry-academia partnerships, internship programs)	Facilitate the expansion of the company's diversified business to enhance employee strength and employer brand value; build human capital and ensure the organization's competitive advantage	Reduce employee recognition, increase personnel costs, and affect business operations; the rapid evolution of lifestyle brand-related technologies and diversified product end-customer needs pose challenges to organizational talent cultivation		●	●		● Employees ● Community	Chapter VII Inclusive Workplace and Society – Attracting and Developing Talent
6 ▼1	**Circular Economy**	Through the implementation of product lifecycle management, our objective is to minimize the environmental impact of our products while maintaining a harmonious relationship between product management and environmental performance. Our aim is to offer products that are both eco-friendly and competitive in the business market. To accomplish this, we integrate materials like PCR plastics, OBP, and recycled metals into our products, thereby promoting a circular economy.	Create new business models, recycle materials and reduce resource consumption	When recycling substances or materials, additional costs, manpower and resources may be incurred during the recycling, manufacturing and transportation processes, and the carbon footprint may increase during the corresponding stages	●	●	●	●	● Customers ● Government Agencies ● Advocacy Organizations ● Investors ● Suppliers	Chapter V Circular Economies and Innovation
7 ▼1	**Corporate Governance and Code of Ethics/ Standards of Conduct**	Corporate governance and the Standards of Conduct serve as Acer's guidance and management mechanisms, including the setting of company operating targets, monitoring reaching of targets and operational performance, and protecting the legal rights of shareholders and the interests of other stakeholders	To strengthen the reputation of trust, integrity and honesty by laying the foundation of corporate management and operation, i.e., the code of honest management and business conduct, through concrete implementation	Neglecting long-term sustainability in the operation process and pursuing short-term profits may harm the interests of the company's shareholders and stakeholders, and put the company at legal risk	●	●	●	●	● Employees ● Investors ● Government Agencies	Chapter III Operations and Governance – Information Security and Privacy Protection

Note: We have made a complete disclosure of management methods for material topics (items 1-10) and a partial disclosure of GRI indicators for minor topics.

▲ The importance ranking of the topics has increased compared to 2022　　▼ The importance ranking of the issues has decreased compared to 2022　　— The importance ranking of the topics is the same as in 2022

| Environment | Social | Governance |

Ranking	Material Topics	Topics Description	Impact Assessment		Boundaries of Impact				Internal and external stakeholders affected by the impact/effect	Management Method
			Positive Impacts	Negative Impacts	Upstream supply chain	Headquarters	Regional Operations/ Subsidiary	Downstream products and services		
8 ▲ 2	Supplier Environmental and Social Management & Performance	Through the management mechanism of the supply chain, the environmental risks are reduced and the environmental performance of the whole supply chain is actively sought; the social and environmental responsibilities are shared with the supply chain based on respect for human rights	Ensure that the work environment, safety and health, and personnel are treated with respect and dignity	Risk of Environmental Impact and Human Rights Violations	●	●			• Suppliers • Community	Chapter IV Responsible Supply Chain
9 —	Water Resource Management	Water management planning, strategy, effectiveness and wastewater treatment, water reduction results and goals	Reduce the impact of business operations on the environment and promote the recycling of water resources	Operation model has no production process, the reduction effect is limited	●	●	●	●	• Employees • Community • Suppliers	Chapter III Operations and Governance – Information Security and Privacy Protection
10 ▼ 2	Human Rights, Equality, and Diversity	Gender equality, equal pay for equal work, employee diversity and equal opportunities, non-discrimination, freedom of association and collective bargaining, and the provision of diverse channels and frequency of communication to promote harmonious labor relations	Improve employee satisfaction, attract and retain talent, increase productivity, and drive the supply chain for social justice	Talent loss, innovation slowdown, brand image damage, legal risk	●	●	●		• Employees • Suppliers	Chapter VII Inclusive Workplace and Society – Human Rights Protection
11 —	Occupational Health and Safety	Provide a safe and healthy working environment for employees, strengthen the health management of employees, and maintain competitiveness for the company	Attract talents to enhance the competitiveness of the corporation	Meet stakeholder needs and expectations may Increase manpower and material investment costs	●	●	●		• Employees • Suppliers • Community	Chapter VII Inclusive Workplace and Society – Occupational Health and Safety
12 —	Policy and Public Issues Advocacy	Contribute to the development of public policy through participation in industry associations and societies by providing advice on public policy development	Stay informed about the latest developments in public policies related to the economy, environment, and human rights	Participating in various issue-related NGOs and initiatives may increase operating expenses and manpower costs	●	●	●	●	• Initiative Organization • Research Unit • Industry Associations • Government Agencies • Suppliers • Customers • Employees • Investors	Chapter II ESG Governance and Strategy - Materiality and Stakeholder Engagement
13 —	Biodiversity	Biodiversity is an important natural capital and companies need to understand the risks associated with their operations' impacts on biodiversity and should take mitigating actions	Gaining an understanding of how the impact of the company's operations on biodiversity can improve risk management and help minimize the impact on the natural environment	Failure to recognize the significance of biodiversity can have adverse effects on the environment and potentially harm the company's reputation	●	●	●	●	• Initiative Organization • Community • Customers • Suppliers	Chapter III Operations and Governance – Information Security and Privacy Protection
14 —	Digital Inclusion and Social Philanthropy	Companies use their core competencies to take action to address the social and environmental issues facing humanity to reduce social costs and indirectly reduce the company's business risks. Help everyone enjoy the convenience and opportunities technology brings, and promote digital inclusion	By leveraging core capabilities and technology, we can address social and environmental issues. This not only reduces societal costs but also mitigates business risks. Additionally, such actions promote coexistence between business and society, despite potential increases in operational expenses due to organizing events.	It may increase the company's operation expenses to organize various events		●	●	●	• Charity Groups • Community	Chapter VII Inclusive Workplace and Society – Digital Inclusion and Social Philanthropy

Note: We have made a complete disclosure of management methods for material topics (topics 1-10) and a partial disclosure of GRI indicators for minor topics.

▲ The importance ranking of the topics has increased compared to 2022　　▼ The importance ranking of the issues has decreased compared to 2022　　— The importance ranking of the topics is the same as in 2022

Results of Analysis of Material Topics - Matrix

Axis: Impact on ESG (vertical, Low to High), Impact on Operation (horizontal, Low to High)
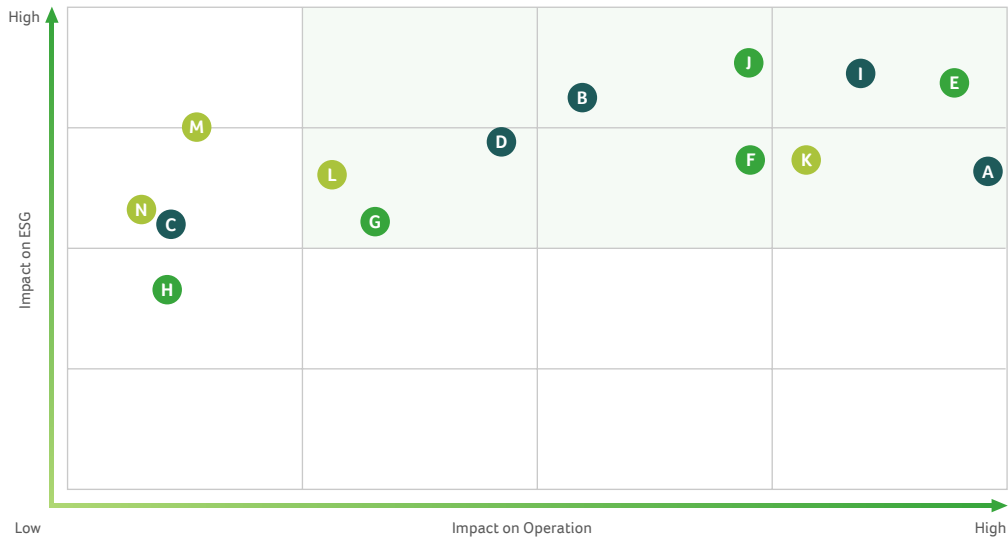
Legend (colors): ● Environment ● Society ● Governance

A Innovative R&D and Design	**H** Biodiversity
B Corporate Governance and Code of Ethics/Standards of Conduct	**I** Information Security and Privacy Protection
C Policy and Public Issues Advocacy	**J** Product Responsibility and Customer Safety
D Supplier Environmental and Social Management & Performance	**K** Talent Attraction, Retention, and Development
E Energy, Carbon Emissions and Climate Action	**L** Human Rights, Equality, and Diversity
F Circular Economy	**M** Occupational Health and Safety
G Water Resource Management	**N** Digital Inclusion and Social Philanthropy

Material Topics Responding to SDGs and Relevant Indicators

Material Topics	Responding to SDGs	Response to GRI Standards/SASB Indicators/Acer Indicators
Energy, Carbon Emissions and Climate Action	13 CLIMATE ACTION	• GRI 302-1~302-5 • GRI 305-1~305-5
Information Security and Privacy Protection	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	• GRI 418-1 • SASB TC-HW-230a.1 • Acer EC1
Innovative R&D and Design	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 12 RESPONSIBLE CONSUMPTION AND PRODUCTION	• Acer EC4~6
Product Responsibility and Customer Safety	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	• GRI 416-1 • Acer EN1
Circular Economy	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	• GRI 301-3 • SASB TC-HW-410a.1
Corporate Governance and Code of Ethics/Standards of Conduct	8 DECENT WORK AND ECONOMIC GROWTH	• GRI 2-9, 2-10, 2-11, 2-12, 2-15, 2-16, 2-17, 2-18, 2-23, 2-26, 2-27, 405-1, 416-2, 417-2, 417-3
Talent Attraction, Retention, and Development	8 DECENT WORK AND ECONOMIC GROWTH	• GRI 404-1~404-3 • GRI 405-2 • Acer SO4
Human Rights, Equality, and Diversity	5 GENDER EQUALITY	• GRI 402-1, 405-1~2, 406-1, 407-1~3 • SASB TC-HW-330a.1
Water Resource Management	6 CLEAN WATER AND SANITATION	• GRI 303
Supplier Environmental and Social Management & Performance	12 RESPONSIBLE CONSUMPTION AND PRODUCTION 16 PEACE, JUSTICE AND STRONG INSTITUTIONS	• GRI 2-6, 308, 408, 409, 414, 308-1, 308-2 • SASB: TC-HW-430a.1~2

Stakeholder Communication

Deepening corporate responsibility governance and stakeholder engagement is one of Acer's objectives in the ESG policies. Furthermore, Acer's brand core spirit highlights the significance of balancing interests and creating shared value with stakeholders, thereby fostering a mutually beneficial industry ecosystem. We actively engage in communication, consultation, dialogue, and collaboration to exchange ideas with stakeholders. To ensure the continuous improvement of communication outcomes, we have implemented communication and evaluation mechanisms and procedures for issue management. We assess the purpose and outcomes of stakeholder communication, effectively handle diverse stakeholder opinions, and achieve the desired communication outcome.

Advocacy Organizations

Advocacy organizations serve to motivate companies to implement social responsibility, and can help Acer strengthen its own ESG practices.

- Inclusive Workplace and Society
- Operations and Governance
- Climate Strategy and Transformation

Main Communication Channels and Frequency

- Acer Sustainability Website (occasional)
- Sustainable Report (annual)
- Questionnaires and Surveys (quarterly)
- Corporate Responsibility Mailbox (as needed)
- Complaints Mailbox (as needed)

Issues of Concern →	Our Responses
• Occupational Health and Safety • Talent Attraction Retention, and Development	We joined "TALENT, in Taiwan, the Taiwan Alliance for Talent Sustainability" to implement the "Organizational Communication" and "Physical and Mental Health" indicators.
Energy and Climate Change	• Joined CDP and Taiwan Climate Partnership to promote the low-carbon transformation of the industrial chain • Joined RE100 to promote a friendly renewable energy development environment • Launched the Earthion initiative to bring partners and suppliers together to maximize positive impact on the environment • Launched Earthion Mission: 21-Day Challenge to take carbon reduction action with employees and partners
Biodiversity	In 2022, Acer joined the Nature and Biodiversity Initiative launched by the Business Council for Sustainable Development. In2023, Acer became a member of Early Adopters of Taskforce on Nature-related Financial Disclosures (TNFD).

Stakeholder Communication

Material Topics：Supplier Environment and Social Management

Private Public-Private Alliance for Responsible Minerals Trade (PPA)

Acer continues to actively participate in the Public-Private Alliance for Responsible Minerals Trade (PPA), an advocacy organization that encompasses various sectors and stakeholders. The primary objective of PPA is to raise awareness about conflict minerals issues in the Democratic Republic of Congo and the African Great Lakes region, as well as propose solutions for the supply chain. In 2023, Acer entered into a five-year memorandum of understanding (MOU) for the upcoming phase from 2023 to 2027, aiming to expand the scope beyond 3TG and the Great Lakes region, while addressing concerns related to both large-scale and artisanal mining. In October 2023, Acer attended the annual physical meeting of PPA's multi-stakeholder members, engaging in face-to-face discussions with 28 participants to gain insights into the achievements of PPA in 2023. The meeting featured keynote speeches and panel discussions to familiarize the group with important issues, followed by group discussions among the members to prioritize future initiatives. The priorities for 2024 and beyond include focusing on progress and due diligence, clarifying common frameworks and facilitating information sharing, enhancing the impact of data, and addressing key barriers, such as increasing funding channels, promoting participation in responsible large-scale mining (LSM) as well as artisanal and small-scale mining (ASM), and further examining the impact of corruption on responsible procurement efforts. Acer firmly believes that collaborative efforts with the entire industry and building partnerships with all stakeholders are the most effective means to drive significant improvements in the social and environmental conditions associated with raw material extraction.

Employees

As the company has undergone its transformation, Acer's internal employee communication channels have helped build consensus and commitment among staff and get everyone on the same page regarding our transformational efforts.

Inclusive Workplace and Society

Climate Strategy and Transformation

Circular Economies and Innovation

Main Communication Channels and Frequency

- Acer Good News (occasional)
- Acer Daily News (daily)
- Chairman & CEO's message (occasional)
- Internal Website (My Acer/company intranet) (occasional)
- Company Website (Acer Group) (as needed)
- Labor-Management Meetings/Employee Representatives Organization (quarterly)
- Employee Welfare Committee (as needed)
- Email Bulletins (as needed)
- Employee Engagement Survey (annually)
- Education and Training (annual)
- Online Community (occasional)
- Health Management Center Nurse Hotline (as needed)

Issues of Concern → Our Responses

Issues of Concern	Our Responses
Occupational Health and Safety	We maintain occupational health and safety management performance. Acer Taiwan continues to pass ISO 45001 certification and build a safe and healthy working environment. We continue to build a positive and healthy workplace atmosphere and enrich Acer's life by providing a comprehensive welfare plan to enable employees to take care of both physical and mental health.
Product Responsibility and Customer Safety	We follow safety and hazardous substance related regulations during the product development and manufacturing stages to provide safe and environmentally friendly products to users.
Energy, Carbon Emission and Climate Change	• We continue to promote the "21 Days of Green" environmental campaign to motivate employees, corporate partners, and suppliers to reduce carbon footprint together. From 2022 to 2023, a total of 11,727 individuals participated in the Earth Mission. • We continue to work with non-profit organizations to raise environmental awareness in the community and among Acer employees to initiate action. • We continue to promote our global ESG program and encourage our employees to focus on environmental issues

Customers

Creating value for customers is one of Acer's core values. We start from a user-centric perspective and provide solutions and services that meet their needs perfectly.

Operations and Governance

Responsible Supply Chain

Main Communication Channels and Frequency

- Email and Telephone Contacts (as needed)
- Questionnaires and Surveys (annual)
- Acer Sustainability Website (as needed)
- Sustainability Report (annual)
- Corporate Responsibility Mailbox (cr@acer.com)(as needed)
- Acer Official Website - Support page
- Customer Service Line (as needed)
- Online Chat (as needed)
- Social Networking Software (as needed)

Issues of Concern → Our Responses

Issues of Concern	Our Responses
Corporate Governance and Code of Ethics/Standards of Conduct	• We continue to streamline the internal and external personnel reporting pipelines and implement a whistleblower protection system • Acer promotes the establishment of mutual integrity pledges for contracts with customers or suppliers
Supplier Environmental and Social Management & Performance	• We continue to require critical suppliers to commit to RE100 or to set carbon reduction targets based on the Science Based Targets (SBT) methodology • We continuously improve our manpower and operating environment • We continue to move towards the goal of 100% 3TG smelter conformant to/participate in OECD due diligence third party mechanism
Information Security and Privacy Protection	• We continue to strengthen employees' awareness of personal data and privacy through various kinds of publicity from time to time, and further enhance the depth and breadth of education and training on related issues • We have implemented a personal information management system to enhance the functions and orientation of personal information management, record keeping and inquiry

Suppliers

Acer considers our relationship with our suppliers a symbiotic one, and as such we will continue to work closely with them to establish a responsible supply chain.

Circular Economies and Innovation

Inclusive Workplace and Society

Operations and Governance

Main Communication Channels and Frequency

- Annual Supplier ESG Communication Meetings (annual)
- ESG Scorecard (annual)
- RBA On-site Audit (annual)
- Launch Second-tier Supply Chain RBA Management (annual)
- Education and Training (occasional)
- Supplier Self- Assessment Questionnaire (annual)
- Complaints Mailbox (24/7)

Issues of Concern →	Our Responses
Product Responsibility and Customer Safety	We follow safety and hazardous substance related regulations during the product development and manufacturing stages to provide safe and environmentally friendly products to users.
Occupational Health and Safety	Acer requires suppliers to adopt environmentally responsible manufacturing procedures and provide healthy and safe working conditions. For 2023 supplier's RBA Code of Conduct audit , the compliance in health and safety was 94%.
Corporate Governance and Code of Ethics/Standards of Conduct	• Suppliers are required to sign an integrity pledge. • We continuously and regularly disseminate policies related to the Standards of Conduct and conduct online training courses for our global employees to promote compliance awareness.

Investors/Consultants

Investors are among Acer'smost important stakeholders, and as such we should be responsible to our shareholders and protect their rights and interests.

Circular Economies and Innovation

Inclusive Workplace and Society

Main Communication Channels and Frequency

- Regular Shareholders' Meeting/Institutional Investors' Conference Call (annual)
- Issue Annual Reports, Quarterly Reports and Sustainability Reports on a regular basis
- Investor Mailbox (occasional)
- Investor Relations Webpage (monthly)
- Analyst Report (YouTube video link)
- Investors Summits (annual)
- Investor Questionnaires (annual)

Issues of Concern →	Our Responses
Circular Economies and Product Life Cycle	We responded to material topics of concern to investors, including circular economies and product life cycle, and the results were presented in ESG ratings for 2023.
Product Responsibility and Customer Safety	• We follow safety and hazardous substance related regulations during the product development and manufacturing stages to provide safe and environmentally friendly products to users. • The Aspire Vero 16 chassis is made from materials containing 60% PCR plastic, free from volatile organic compounds, paint, or additives. This not only reduces carbon emissions during the manufacturing process but also promotes sustainability. Additionally, it features an OceanGlass™ touchpad made from recycled plastic sourced from OBP. Furthermore, the packaging is 100% recyclable with EPEAT Gold certification.
Occupational Health and Safety	• Acer Taiwan continues to achieve ISO 45001 certification to maintain health and safety management performance. • We build a safe and healthy working environment, with no major occupational disasters in 2023.

Government Agencies

Gaining the trust, support, and cooperationof the government to help the company create a positive external environment and a foundation for further growth for Acer.

Circular Economies and Innovation

Digital Inclusion and Social Philanthropy

Main Communication Channels and Frequency

- Responding to Legal Advice casional)
- Policy Advice Meetings (occasional)
- Topic Meetings (occasional)

Issues of Concern →	Our Responses
Circular Economies and Product Life Cycle	• Around the world, Acer follows local government standards for various electronic product recycling programs and provides convenient recycling methods for consumers to improve the efficiency of waste recycling • Acer's products are designed to meet the legal and regulatory requirements of the regions where they are sold
Digital Inclusion and Social Philanthropy	Acer and Taiwan's Ministry of Digital Development collaborate to donate laptops and tablets to Ukraine for replacing obsolete equipment in school computer labs
Public Policy and Initiatives	We work with global NGOs and companies to improve the sustainability of the ICT industry, and we have long been involved in sustainability-related organizations as a member to discuss ESG-related issues in depth.

Charity Groups/Communities

The true value of business lies in how it can create value for society. As such, we apply our core competencies to social participation, working together to create more opportunities.

Climate Strategy and Transformation

Attracting and Developing Talent

Digital Inclusion and Social Philanthropy

Main Communication Channels and Frequency

- Acer Sustainability Website (as needed)
- Sustainable Report (annual)
- Acer Official Website (as needed)
- Acer Foundation Website (as needed)
- Volunteer Activities (regular times each year)
- Complaints Mailbox (as needed)

Issues of Concern →	Our Responses
Energy, Carbon Emission and Climate Change	We encourage our employees to take action to protect the environment and organize environmental related activities and invite the community to participate.
Talent Attraction Retention, and Development	We continue to strengthen our best employer brand image and offer competitive compensation/benefits to attract and retain top talent. Our commitment to excellence has been recognized by Forbes, as we have been awarded the title of Best Employer for four consecutive years.
Digital Inclusion and Social Philanthropy	We continue to host the Global ESG Project Awards, with two main topics: education and environment, with biodiversity as a subtopic to motivate Acer employees to make a social impact and respond to and assist the needs of local communities and stakeholders. In 2023, a total of 20 projects in this regard were shortlisted and won awards.

Media

The media plays an important role in information transfer and monitoring, shaping the public's understanding and awareness of Acer. Acer insists on communicating with the media with accuracy and in a timely manner.

About Acer **Circular Economies and Innovation**

Climate Strategy and Transformation

Educational and Research Institutions

Educational and research institutions provide companies with new ideas and perspectives, and industry-academia cooperation can help both stay on the pulse of industrial development, creating a win-win situation.

Circular Economies and Innovation

Inclusive Workplace and Society

Main Communication Channels and Frequency

- Press Conferences (occasional)
- Press Releases and Promotional Articles (as needed)
- Social and Digital Media (as needed)
- Corporate Websites (as needed)
- Marketing and Media Communication Events (regular)

Main Communication Channels and Frequency

- Industry-Academia Exchanges (occasional)
- Surveys and Interviews (annual)
- Conference Activities (occasional)
- Acer Sustainability Website (occasional)
- Sustainable Report (annual)

Issues of Concern → Our Responses

Issues of Concern	Our Responses
Energy, Carbon Emission and Climate Change	Acer held an exhibition titled, "Conscious Technology, Sustainable Future" to demonstrate our dedication to addressing climate change and exploring sustainable design and manufacturing technology for the future. The exhibition took place in December 2023 at Alserkal Avenue in Dubai, featuring a range of products and services that encompassed various concepts related to work, learning, moving, and living.
Innovative Product and Design	

Issues of Concern → Our Responses

Issues of Concern	Our Responses
Product Responsibility and Customer Safety	• We follow safety and hazardous substance related regulations during the product development and manufacturing stages to provide safe and environmentally friendly products to users. • In line with Vero product line, we use uncoated recycled materials for notebooks, desktops, displays, projectors and peripheral products.
Talent Attraction, Retention, and Development; Circular Economies	• We shared Acer's sustainability experience with professors and students from the University of Applied Science and Arts of Southern Switzerland and the National Taiwan University of Science and Technology. • We proactively collaborate with schools to organize corporate visits or through other channels to enhance employer brand image, company ESG practices, and provide participating students with a better understanding of industry trends and future directions.

Stakeholder Communication

Material Topics：Energy, Carbon Emissions and Climate Action

Acer shares its experience with interdisciplinary experts at Earth Solutions 2023.

CSO Grace Liu participated in Earth Solutions 2023, themed "'Accelerating Circularity and Innovation! The Numerous Possibilities of Net Zero." In her presentation, she shared that the European Parliament has passed legislation to impose carbon taxes on imported products. The Carbon Border Adjustment Mechanism (CBAM) will be introduced in 2026, and carbon taxes will be levied on imported steel, cement, and other products. Acer has proactively prepared for the implementation of carbon taxes and is committed to addressing climate change and achieving net zero. Acer began conducting carbon inventories in 2008, purchasing green power in Europe in 2011, building its own solar power plants in 2013, and purchasing and building green power for the entire group in 2015.

Stakeholders Communication

Material Topics：Energy, Carbon Emissions and Climate Action

We shared Acer's sustainability experience with students from Switzerland and Taiwan.

In August 2023, a group of 28 students and faculty members from the University of Applied Science and Arts of Southern Switzerland and 14 students and teachers from the National Taiwan University of Science and Technology, visited the headquarters of Acer. We introduced the students to the Acer Group and our products as well as various ESG initiatives. Additionally, we showed them around the experience center to give them a firsthand understanding of Acer's products. During the Q&A session, we learned about the keywords that made the strongest impression on students during Acer's introduction using Word Cloud. Students were particularly impressed by ESG, Sustainability, and Vero. We also gave students the opportunity to select three ESG topics that interested them the most. The results revealed that students were most interested in energy, carbon emissions, and climate change , innovative research and design, and supplier environmental and social management and performance. Lastly, we encouraged students to ask questions, and they had numerous inquiries about product recycling, greenhouse gases (RE100), application of PCR, and OBP in products. We provided detailed explanations for each question.

Industry Associations

Industry associations play an important role in industry consolidation, and can spur the development of Acer and the industry more broadly.

Circular Economies and Innovation

ESG Governance and Strategy   **Responsible Supply Chain**

Main Communication Channels and Frequency

- Participating in organizational conferences and fulfilling membership obligations (occasional)
- Participating in cooperative events and meetings (occasional)
- Email and telephone (as needed)

Issues of Concern →	Our Responses
Circular Economies and Product Life Cycle	Participating continuously in the U.S. IT Industry Environment & Sustainability Affiliate Group, working groups on green purchasing, product stewardship and energy efficiency issues.
Supply Chain Environment and Social Performance	Acer continues its involvement in RBA's various initiatives and working groups, such as the Responsible Minerals Initiative (RMI), Responsible Labor Initiative (RLI), Environmental Leadership Initiative (ELI), and its subgroups, including the RMI Smelter Engagement Team (SET), Due Diligence Practices Team, and Chemical Management Working Group.
Energy, Carbon Emission and Climate Change	Acer was invited by the Taiwan Climate Partnership to share our climate strategy, sustainable logistics strategy, and methods for working with logistics partners to achieve low-carbon transportation at the 28th Conference of the Parties to the UN Framework Convention on Climate Change.

Stakeholder Communication

Material Topics: Energy, Carbon Emissions and Climate Action

Participation in Taiwan Climate Partnership

The Taiwan Climate Partnership is a crucial organization for Taiwan's ICT industry in addressing climate change issues. The organization's mission is to assist Taiwan's supply chains in aligning with international standards for green energy and carbon reduction. It aims to harness the power of collaborative partnerships, engage in extensive exchanges with international organizations, stay connected with global climate trends, and facilitate low-carbon transition through systematic collaboration among its members to effectively solve problems. In 2023, as the industry developed, climate strategies and net-zero related issues further influenced the supply chains. The organization has expanded its membership to the ICT supply chain and the financial industry, with a total of 90 corporate members.

Acer, as one of the founding members of the Taiwan Climate Partnership, continued to support and participate in the organization's activities in 2023. This commitment included attending general assembly and board meetings, as well as participating in roundtable meetings, seminars, and international forums of the Net Zero City Expo that focused on policy, practical exchanges, key trends, and issues in international communication.

In addition, Acer was invited by the Taiwan Climate Partnership to share Acer's sustainable actions in high-tech and net-zero initiatives during the COP28 UN Climate Change Conference in Dubai. It also initiated technological carbon reduction actions at the Digital x Green exhibition hall. Working with logistics suppliers on the topic of "Transitioning Toward Sustainable Transportation," Acer shared its climate strategy, sustainable logistics strategy, and how to work with logistics partners to move towards low-carbon transportation through Online to Offline methods with the world.

Stakeholder Communication

Material Topics: Circular Economies and Product Life Cycle

Information Technology Industry Council, Environment & Sustainability Affiliate Group

In 2023, Acer continued its membership with the Information Technology Industry Council, Environment and Sustainability affiliate group. As a member, Acer has access to industry-leading staff expertise on regulatory compliance and product and corporate standards development and implementation. The organization's influence enables connections to key government officials, industry experts, intelligence, and industry benchmarking through involvement in working groups and face-to-face meetings. ITI Environment and Sustainability also provides access to compliance calendars, tools, and collective reporting services to improve compliance efficiency for members.

Acer continued to participate in three main working groups within the ITI Environment and Sustainability group that address green procurement, product stewardship, and energy efficiency, where members discuss emerging and existing tech policies and standards and provide industry expertise to guide the development and maintenance of these policies and standards. Key topics for the workgroups in 2023 include, Energy Star, EPEAT and TCO green procurement standard development, right-to-repair, PIP 3:1 and PFAS chemical reporting and restrictions, and the Basel Convention transboundary movement of wastes.

Acer also continued its participation in the Right-to-Repair task group, which was convened to get feedback from membership and to develop a strategic approach to the many proposed laws and stakeholder pressures to address product lifecycle, spare parts availability, independent repair, etc. of electronic products in the United States and the European Union. With the proliferation of new right-to-repair laws, beginning with the passing of the New York Digital Fair Repair Act, the group continues to discuss the best path forward to ensure reasonable and harmonized right-to-repair expectations for electronics manufacturers. The output from these discussions has been an instrumental factor in the development of Acer's self-repair programs.

Stakeholder Communication

Material Topics：Supplier Environment and Social Management

Responsible Business Alliance (RBA)

Acer continued its involvement in the Responsible Business Alliance (RBA), the largest multi-sector industry coalition dedicated to corporate social responsibility in global supply chains. Acer observes or participates in RBA's various initiatives and working groups, such as the Responsible Minerals Initiative (RMI), Responsible Labor Initiative (RLI), Environmental Leadership Initiative (ELI), and its various subgroups, including the RMI Smelter Engagement Team (SET), Due Diligence Practices Team, and Chemical Management Working Group. Acer also takes advantage of the many webinars and education sessions offered on these topics as well as attends the public policy updates provided monthly.

In 2023, Acer continued its involvement in the RMI Smelter Engagement Team, on the Global Level 1 Research team. The primary responsibilities of the group are to reach out to alleged smelters to determine if they are true smelters and to provide details for inclusion in the RMI's smelter database. This provides the necessary information to prepare the next SET team level for initial smelter outreach with the goal of gaining the smelter's participation in the Responsible Minerals Assurance Process (RMAP). In 2023, Acer attended training on engaging smelters/refiners, including training on the role of the single point of contact for smelters/refiners to guide them through the RMAP process.

Acer also participated in the Due Diligence Practices Team in 2023. The mission of the DDPT is to establish due diligence practices and guidance that incorporate RMI tools and processes to enable companies to conduct responsible minerals due diligence and reporting. Some key activities and outcomes of the DDPT included developing guidance on the EU battery regulation, developing guidance on how to use RMI tools for due diligence, providing feedback on responsible minerals reporting by members, and preparing the goals for 2024.

Every three years, the RBA goes through a Code of Conduct revision process to ensure that the code remains relevant and addresses salient issues. In 2023, Acer participated in the revision process to develop version 8.0 of the RBA Code of Conduct. The process includes drafting and submitting code language proposals, attending workshops, providing comment on code proposals and submitting a final vote. This process is a high priority for Acer and includes extensive internal review and discussion prior to delivering our vote to the RBA.

After several years of virtual and hybrid formats due to the effects of the Covid-19 pandemic, the RBA and RMI membership meetings and conferences returned to in-person format in 2023. This enabled members to once again interact and network in person to get the latest summary of the state of the RBA and updates on the progress of the RBA's many initiatives and working groups. In addition, breakout sessions were held that enabled discussions among industry peers and other stakeholders to share ideas on current and future supply chain issues.

Major Advocacy Initiatives and Participation

Acer works with global non-governmental organizations and businesses to discuss ESG-related issues and enhance the sustainability of the ICT industry. We work with stakeholders from various regions to create value and foster a win-win industry ecosystem. Instead of engaging in climate-related lobbying activities, we participate in sustainability issue-related organizations as a long-term member and leverage Acer's influence to encourage more companies to fulfill corporate responsibility actively. Regarding environmental issues, we support the goal of limiting the temperature increase to 1.5°C as outlined in the Paris Agreement. We are committed to achieving the net-zero goal by 2050. We work with like-minded stakeholders, organizations, and trade associations to ensure that we are working toward our common goals together.

In order to use the results of this communication to promote ongoing progress, we have also established a communications evaluation mechanism and procedure for managing issues of concern. These are aimed at properly managing the opinions of different stakeholders as collected and assessed through communication channels, and at helping us achieve the expected level of communicative performance. Our management process can be summarized as follows.

To ensure alignment with our stakeholders, organizations, and trade associations on the net-zero position, we adhere to the principles of due diligence. We have designated the ESG Office as the responsible department for collecting and analyzing information across all regions globally. Before engaging with any group, we assess their environmental position and periodically review their alignment with Acer's environmental goals and the Paris Agreement during collaboration. If any collaborating entity demonstrates inconsistencies with Acer's environmental position or sustainability activities, we will proactively communicate with them, provide feedback, and request adjustments or the implementation of improvement plans. In cases where there are persistent inconsistencies that cannot be resolved in the short term, the ESG Office will assess the possibility of corrective action, including a withdrawal mechanism.

During the biannual CSC meeting, which is chaired by the Chairman and CEO, all activities are reported to the CEO, COO, CLO, CFO, CHRO, CSO, and senior executives responsible for product development, risk management, and supply chain management. Subsequently, multiple interdepartmental and interregional activities related to climate change are efficiently managed and prioritized. These activities are also disclosed in the Sustainability Report and on the website.

Comprehensive Sustainable Development Issues

- Business Council for Sustainable Development of Taiwan
- Center for Corporate Sustainability
- CommonWealth Sustainability Conference

Human Rights

- Responsible Business Alliance (RBA)
- Public-Private Alliance for Responsible Minerals Trade (PPA)
- Responsible Minerals Initiative (RMI)

Environment and Climate

- CDP Supply Chain
- RE100
- Taiwan Climate Partnership
- Taiwan Nature Positive Initiative (TNPI)
- Information Technology Industry Council, Environment and Sustainability Affiliate Group

Sustainability Value Creation

Sustainable development refers to long-term development in the economic, social, and environmental aspects. In addition to financial benefits, a company's operations have a significant impact on the external environment and society. From the perspective of the corporate value chain, this impact can be divided into two aspects. Firstly, stakeholders are concerned about the positive and negative effects of the company's operations on the environment and society. Secondly, from a financial perspective, the focus is on how these effects or relationships will influence the company's operational performance, known as double materiality. This involves employees, advocacy organizations, customers, investors, suppliers, social charity groups/communities, and government agencies. Since 2018, Acer has been evaluating the external impacts of its operations on the economy,

environment, and society, and quantifying them in specific numbers and monetary values. Measuring the contribution of the entire value chain to the improvement to human life and well-being from an external perspective not only helps Acer communicate with stakeholders, but also helps us effectively manage and mitigate its negative impact on the environment and society while driving economic growth. The data provides a valuable reference for future sustainable and business decisions, thereby reducing environmental resource consumption and enhancing social wellbeing.

Acer employs methodologies, such as True Value, Value Balancing Alliance (VBA), and impact pathway to evaluate the environmental and social impacts resulting from the

input and output of operational activities throughout the upstream supply chain, company operations, and downstream products and services of the industrial value chain. We also take into account the effects on stakeholder well-being, as well as the monetary value generated to comprehensively assess Acer's sustainable value using a systematic approach.

In the economic aspect, the Gross Value Added (GVA) and Input-Output analysis methods are used to quantify the economic value generated by the operational processes for stakeholders. This encompasses operating income, employee remuneration, procurement expenses, public expenditure (taxes), depreciation, and amortization. In terms

of the environment, the concept of Environmental Profit and Loss Accounting (EP&L) is employed to assign monetary value to the inputs and outputs associated with greenhouse gases, renewable energy, water resources, and waste in the operational process, thereby converting them into social costs. As for society, the methodology of Valuing Digital Inclusion and cost studies pertaining to occupational hazards are consulted to estimate the social costs and benefits of occupational hazards and digital inclusion.

For the quantified results of sustainable value for 2023, please consult Acer's sustainability website.

External Impacts Derived from Acer's Value Chain

● Environment ● Social ● Economics

Inputs and Outputs		Effects on Externalities (Changes in Social Wellbeing)	Impact Caused	Impact Valuation and Metrics	Stakeholders	Impact area (s)	Type of Impact	Corresponding material and concerning topics
Upstream supply chain Inputs / Supply chain purchasing amount		Promoting the development of the industry chain to strengthen the industry economy	Promote socioeconomic development	Other: Indirect economic impact. Procurement enhancing the output value of the supply chain		●	+ ⊗ ⊙ ⊙	Supplier Environmental and Social Management & Performance
		Creating supply chain jobs and increasing wages	Increase Jobs and purchasing capacity	Other: Indirect economic impact. Procurement generating income for employees in the supply chain		●	+ ⊗ ⊙ ⊙	
		Greenhouse gas emissions contributing to global warming	Increase the carbon social cost	Increase the social cost: Environmental footprint derived from the supply chain		●	− ⊗ ∞ ⊕	
		Rise in atmospheric air pollution	Deterioration of human health, environmental, and ecological system quality	Increase the health cost: Environmental footprint derived from the supply chain		●	− ⊗ ⊙ ⊙	
		Increased pollutants in water bodies		Increase the health cost: Environmental footprint derived from the supply chain		●	− ⊗ ⊙ ⊙	
		Rise in air pollution resulting from the final disposal of waste		Increase the health cost: Environmental footprint derived from the supply chain		●	− ⊗ ⊙ ⊙	
		Increased greenhouse gas concentration. from the final disposal of waste	Increase the carbon social cost	Increase the social cost: Environmental footprint derived from the supply chain		●	− ⊗ ∞ ⊕	
		The work-related accident involving suppliers causing employees to suffer psychological impact as a result of their occupational injuries.	Decrease in quality of life	Quantified quality of life impacted: Social costs arising from occupational injuries		●	− ⊗ ⊙ ⊙	
Inputs	Amount of procurement from social enterprises	Promoting the development of the industry chain to strengthen the industry economy	Promote socioeconomic development	Other: Indirect economic impact. Procurement enhancing the output value of the supply chain		●	+ ⊗ ⊙ ⊙	

⊕ Positive ⊖ Negative ⊙ Direct ⊗ Indirect
∞ Long-term ⊙ Short-term ⊕ Global ⊙ Regional

● Environment　● Social　● Economics

Inputs and Outputs		Effects on Externalities (Changes in Social Wellbeing)	Impact Caused	Impact Valuation and Metrics	Stakeholders	Impact area (s)	Type of Impact	Corresponding material and concerning topics
Inputs	Public expenditure (taxation)	Supporting government infrastructure and social welfare	Promote socioeconomic development	Other: Indirect economic impact. Taxation enhancing public development		●	⊕ → ↻ ⌖	Financial performance
Inputs	Depreciation and amortization	Driving industrial technological development	Enhance Industrial technology	Other: Direct economic impact. Depreciation and amortization		●	⊕ → ↻ ⌖	Financial performance
Outputs	Operating income	Generating returns for investors	Enhance purchasing capacity	Other: Direct economic impact. Operating income		●	⊕ → ↻ ⌖	Financial performance
Inputs	Employee remuneration and benefits	Providing increased remuneration beyond the cost of living, enhancing happiness	Increased Jobs and purchasing capacity	Other: Indirect economic impact. Purchasing capacity boosts economic development		●	⊕ → ↻ ⌖	Talent attraction, retention, and development
Inputs	Non-renewables electricity Usage	The emission of greenhouse gases contributing to global warming	Increase the carbon social cost	Increase the social cost: Social costs of greenhouse gas emissions		●	⊖ → ∞ ⊕	Energy, carbon emissions and climate action
Outputs	Greenhouse gas missions			Increase the social cost: Social costs of greenhouse gas emissions		●	⊖ → ∞ ⊕	
Inputs	Renewables electricity Usage	Avoiding greenhouse gas emissions, slowing down global warming	Decrease the carbon social cost	Decrease the social cost: Social costs of greenhouse gas emissions		●	⊕ → ∞ ⊕	
Outputs	Greenhouse gas emissions			Decrease the social cost: Social costs of greenhouse gas emissions		●	⊕ → ∞ ⊕	
Inputs	Water resource consumption	Decline in water resources and its impact on human health	Decreasing stock of natural resource	Increase the social cost: Social costs associated with water resource consumption		●	⊖ → ↻ ⌖	Water resource management
Outputs	Wastewater	Increased pollutants in water bodies	Deterioration of human health, environmental, and ecological system ality	Increase the social cost: Social costs of wastewater discharge		●	⊖ → ↻ ⌖	
Outputs	Waste	Increase in air pollutants caused by waste incineration		Increase the social cost: Social costs of waste disposal		●	⊖ → ∞ ⌖	Waste management
		Increase in greenhouse gas concentration due to waste ineration	Increase the carbon social cost			●	⊖ → ∞ ⌖	
		Increase in greenhouse gases and odor caused by the landfilling of waste	Increase the social costs of carbon and community aesthetics/odor				⊖ → ∞ ⊕	
Outputs	Occupational accidents	Employees suffering psychological impact as a result of occupational injuries	Decrease in quality of life	Quantified quality of life impacted: Social costs arising from occupational injuries		●	⊖ → ↻ ⌖	Occupational health and safety
Inputs	Donation of notebooks/ devices	Beneficiaries benefiting from the donated devices after using them	Decrease in quality of life	Quantified quality of life impacted: Benefits of digital inclusion		●	⊕ → ∞ ⊕	Digital inclusion and social philanthropy
Outputs	Product sales quantity	Adverse impact of improper electronic waste disposal on the environment	Increase the social costs of pollutants	Increase the social cost: Social costs of improper disposal of pollutants from waste products		●	⊖ ⤨ ∞ ⊕	Circular economy and environmental-friendly products
Inputs	Products made from recycled materials	Reducing the environmental impacts caused by raw material extraction	Decrease the carbon social cost	Decrease the social cost: environmental footprint derived from products			⊕ ⤨ ∞ ⊕	
Inputs	Product energy consumption	Emissions of greenhouse gases from product energy consumption	Increase the carbon social cost	Increase the social cost: environmental footprint derived from products		●	⊖ ⤨ ∞ ⊕	
Inputs	Product energy-efficient design	Greenhouse gas emissions avoided from with energy-efficient products	Decrease the carbon social cost	Increase the social cost: environmental footprint derived from products			⊕ ⤨ ∞ ⊕	
Inputs	Research and development expenses	Supporting the development of industrial technologies to meet customer demands	Enhancing industrial technologies, leading to higher customer satisfaction	Access to product/service with positive impact provided: Enhancing customer satisfaction		●	⊕ ⤨ ∞ ⊕	Product responsibility and customer safety
Outputs	New patents and technologies							

Acer's operations (left vertical label)

Downstream products and services (left vertical label)

Legend:
⊕ Positive　⊖ Negative　→ Direct　⤨ Indirect
∞ Long-term　↻ Short-term　⊕ Global　⌖ Regional

03

OPERATIONS AND GOVERNANCE

Acer is committed to creating a sustainable future with stakeholders through strong corporate governance. We set and review operational goals, protect shareholder interests, and consider relevant parties' interests. Meanwhile, we analyze risk trends and implement relevant risk management strategies to build a risk-aware corporate culture through communication and training. We promote company-wide information security management systems to reduce the threat and impact of information security incidents. We also actively understand and respond to the needs of our customers, value the protection of customer data and privacy, and continue to introduce products and services that satisfy our customers. In addition, we take the environmental impact of our operations seriously and work with our staff and stakeholders to implement environmental protection actions.

25,920

A total of 25,920 attendees completed human rights training

29 %

The proportion of female directors

Corporate Governance and Code of Ethics / Standards of Conduct

Names of Material Topics

Corporate Governance/Behavior Standards

Policies and Commitments

The Company has established the corporate governance system based on an effective governance structure and the three core principles, namely, sustainable management, value creation and balance of interests. In addition to complying with laws and regulations, the Company's Articles of Incorporation, and relevant regulatory matters, the Company has set the following principles as the goal of strengthening corporate governance:

- Protect the rights and interests of shareholders.
- Strengthen the functions of the board of directors (including exerting the supervisory function of the audit committee).
- Respect the rights and interests of stakeholders.
- Improve information transparency and privacy protection.

In line with Acer Group's core values, the 'Code of Conduct for Integrity in Business Operations' has been developed to provide guidance to Acer Group's directors and employees. A supervisory mechanism has also been established to ensure the implementation of integrity in business operations. Additionally, Acer's investment companies, even those not under direct control, are encouraged to uphold this code as the highest standard of business ethics and to comply with legal regulations.

Action Plan

- Align integrity management and business conduct standards with performance appraisal to implement integrity management.

- Continue to promote and regularly conduct education and training related to integrity management and business code of conduct.
- Require all suppliers to comply with the Responsible Business Alliance (RBA) Code of Conduct.
- Continue to open channels for reporting internal and external personnel, and implement a whistleblower protection system.

Tracking Mechanism

- Implement the 'Board Performance Evaluation Measures' and publish the results of the annual director performance evaluation on the company website.
- An internal audit office, which is an independent unit under the Board of Directors, to prepare annual audit plans and reports regularly to the Audit Committee and the Board of Directors to ensure that the company and its employees operate with integrity, adheres to the Code of Conduct.

Stakeholder Engagement and Effectiveness

In 2023, we did not find any bribery, corruption, or violations related to business partners that would require the termination of contracts.

Management Process

- Company Governance Blueprint
- Reporting and Complaint Mechanism and Incident Notification Processing Procedure

Medium- and Long- Term Goals

- Continue to facilitate reporting channels for internal and external personnel and strengthen the whistleblower protection system
- Assess and introduce independent third-party units to issue verification opinion statements as the basis for corporate governance

Goals 2024

- Implement the Taiwan Intellectual Property Management System (TIPS), ISO 56005, or a comparable standard for intellectual property management
- Increase the disclosure of the company's governance performance to enhance the transparency of corporate governance operations
- Improve the company's tax policies to enhance the comprehensiveness and transparency of tax operations

Goals 2023

- New vendors are required to sign an integrity pledge, and we will continue to promote the establishment of integrity pledges from the supplier side to the customer side to strengthen the regulatory compliance system
- We will strengthen our policies on integrity and business conduct, anti-bribery and anti-corruption, and continue to conduct regular training programs for our global employees
- We will continue to increase the proportion of female directors

Achievement Status 2023

- Regarding contracts with customers or suppliers, we are dedicated to consistently implementing clauses that promote mutual integrity. Additionally, we require suppliers to sign integrity commitment letters. By 2023, all new suppliers will be required to comply with this signing requirement
- We continuously and regularly promote policies related to the SBC, and conduct global online training courses to promote employee awareness of compliance with regulations. By 2023, we have trained 4,079 employees worldwide.
- The number of female directors increased from one to two, and the proportion of female directors increased to 28.5%
- Revise the "Report and Complaint Handling Mechanism for Stakeholders" to strengthen reporting procedures and enhance whistleblower protection

Corporate Governance Structure

Board of Directors and Committee

Board of Directors

Guide the company's strategy, oversee management levels, and be responsible for company and shareholders' meetings

Acer prioritizes operational transparency, emphasizes shareholder rights, and recognizes the importance of a strong and efficient board of directors in corporate governance. To further enhance corporate governance and comply with regulatory authorities' efforts to promote it, Acer has developed its own 'Corporate Governance Practices Guidelines' based on the 'Corporate Governance Best Practice Principles for Listed and OTC Companies' and the 'OECD Principles of Corporate Governance'. In terms of day-to-day operations, including economic, environmental, and social matters, Acer follows the board of directors' resolutions, unless specific matters require otherwise as mandated by law.

To ensure that the business operations align with the majority of the board's discussions and to keep investors informed about the exercise of the board's powers, the attendance of the board meetings is disclosed in the company's annual report. The company has established a dedicated unit for corporate governance to handle related matters and has designated senior executives for supervision. The board of directors meets at least once every quarter, following the 'Board Meeting Rules,' to review the company's operational performance, discuss significant investment agendas, future development strategies, and examine important ESG strategy issues and key events, including legal, economic, environmental, and social impacts, risks and opportunities, and cybersecurity issues. In 2023, quarterly reports on the progress of the group's greenhouse gas inventory and verification will be submitted to the board of directors.

Committee

Acer's board of directors has established four committees: the Audit Committee, the Compensation Committee, the Investment Review Committee, and the Risk Management Committee. These committees operate in accordance with their respective organizational regulations, namely the Audit Committee Organization Regulations, the Compensation Committee Organization Regulations, the Investment Review Committee Organization Regulations, and the Risk Management Committee Organization Regulations. Their purpose is to mutually supervise and assist the board of directors, further strengthening the financial, compensation performance, investment, establishment, merger, and other decision-making and risk management capabilities of related businesses, while enhancing the capacity of corporate governance.

Audit Committee

Comprised of directors who are all independent

Supervision of the company's financial statements, appointment and independence of the auditing accountant, effective implementation of the company's internal control system, compliance with relevant laws and regulations, and management of existing or potential risks.

Remuneration Committee

Composition of 100% independent directors

Formulate and regularly review the policies, systems, standards and structures for performance evaluation and remuneration of directors and managers, and regularly evaluate and set remuneration of the aforementioned personnel.

Investment Review Committee

Review new investment, joint venture, M&A, and strategic investment plans in advance, then submit proposals to the Board of Directors for approval; may execute the Board of Directors' resolutions on investment and other authorized matters.

Risk Management Committee

Review and determine risk management policies, procedures, and frameworks, and regularly assess their relevance and effectiveness. Oversee risk management mechanisms to ensure they effectively mitigate the risks encountered by the company.

Nomination and Election of Directors

Acer's directors must possess the qualifications required by relevant regulations and adhere to extremely high professional standards. They are selected through a candidate nomination system and elected by shareholders' vote at the general meeting. These directors have held important positions in well-known enterprises, law firms, or related industries, and have extensive experience in business, finance, accounting, healthcare, biotechnology, education, law, and corporate affairs. They also come from different nationalities, cultures, genders, and age groups to enhance the diversity of the board of directors. Their main responsibilities include supervising the company's business decisions, implementing corporate governance, and improving operational quality.

Board Diversity and Independence

On June 6, 2023, our company conducted a new board of directors election. The current Acer Board of Directors consists of seven directors, each serving a three-year term as mandated by law (from June 6, 2023, to June 5, 2026). During this term, over two-thirds of the directors do not hold executive positions in the company, with only one director also serving as an executive. This includes four independent directors, accounting for three-fourths of the board, surpassing the requirement of more than half and ensuring the current board of directors' independence. In this board of directors, there is one person aged between 40 and 50, one person aged between 50 and 59, and five people aged 60 and above.

Acer has revised the rules of the board of directors in accordance with the conflict of interest rules established by the regulatory authorities. Directors who have a personal interest in the agenda items or represent a legal entity with a vested interest must disclose the relevant details of their interests during the board meeting. If there is a risk of harm to the company's interests, they are prohibited from participating in the discussion and voting. They should also excuse themselves from the meeting during the discussion and voting, and they are not allowed to act as proxies for other directors in exercising their voting rights. Furthermore, if independent directors have objections or reservations regarding the board's decisions and have documented or written statements, these should be included in the meeting minutes and announced on the designated information disclosure website of the regulatory authorities within two days from the date of the board meeting.

Performance Evaluation of the Board of Directors

Acer completed its board performance evaluation in December 2023, covering board composition, participation in operations,

decision-making quality, internal control, and director education. Directors provided suggestions for future projects to enhance board performance. The company also evaluated directors' involvement in economic, social, and environmental issues as part of its sustainability policy, including regular communication, reporting, and risk assessment.

All seven directors attended various professional development courses in 2023 to maintain their professional skills. Courses included 'Introduction and Benchmark Case Analysis of TCFD', 'Climate Governance and Strategies, and the Carbon Reduction Trend in the Financial Industry', 'Global Future Risks and Opportunities for Sustainable Transformation', 'Securities Regulations and Corporate Governance', 'Global Economic and Financial Situation and Future Analysis', and 'Practical Trends in ESG Sustainability and New Knowledge of Regulatory Compliance'. The average annual training hours for directors is 8.4 hours.

Remuneration Policy for Directors and Senior Management

Acer's remuneration policy for directors and senior executives is designed to align with corporate governance principles, ensuring that their compensation reflects market standards, contributions, and responsibilities, while considering individual performance, company performance achievements, and risk control. This policy embodies the company's values and commitment to sustainable business as its ultimate goal.

Recipients

According to Acer's "Remuneration Principles to Directors," directors who also serve as executives are excluded from director remuneration to avoid duplicating payments and rationalize the allocation of company rewards, ensuring Acer's long-term development.

Encouraging diversity

Acer's "Remuneration Principles to Directors" also stipulate that directors are entitled to fixed remuneration. Besides acknowledging their roles and participation in meetings, this provision encourages directors to provide opinions based on their professional expertise without affecting their fixed remuneration. This allows the Acer Board of Directors to embrace diverse perspectives and promote the company's sustainable development.

Maximum director remuneration limit

In profitable years, after paying taxes, offsetting losses, and setting aside relevant reserves in accordance with the law, Acer's bylaws establish a cap on director remuneration, not exceeding 0.8% of the net profit. This measure prevents excessive director remuneration and strengthens the company's ongoing development.

Linking to ESG Goals

The compensation policies of the highest governing body and senior executive are closely aligned with the company's ESG goals. For examples, in terms of innovative R&D and design, Acer has demonstrated its commitment to ESG strategies in recent years by introducing green products such as the Vero eco-friendly laptop, made from recycled plastic, the Acerpure Pro Vero air purifier, which reduces carbon emissions by 20%, and the energy-saving ebii bicycle. These products not only reflect the dedication of Acer to environmental protection and sustainability, but also have a direct impact on the compensation of all levels of executives. Another example of material ESG topics such as "carbon emissions, climate action, " or "information security and privacy protection " are also supervised by senior managers in related policy formulation, target execution and risk management. The targets/metrics of the above material topics are not only directly linked to executive compensation at all levels, but also affects variable compensation for the highest governance body.

Demonstrating Sustainability Commitment

We believe that extending the term of compensation contracts for the highest governing body and senior management can align the long-term interests of management and shareholders. As per the resolution of the 14th agenda of the fourth board meeting on November 3, 2021, regarding the long-term incentive plan for executives (including executives at the B01 level and above), the plan will last for three years, with the annual total amount of individual stocks calculated as one-third of the stock quota. This clearly demonstrates the commitment of senior management to the long-term performance of the company.

Standards of Integrity Management & Business Conduct

Standards of Integrity Management & Business Conduct

'Standards of Integrity Management & Business Conduct (SBC)' represents the highest standard of business ethics that Acer's management, employees, and business partners collectively adhere to. The content of this code aligns with the principles of integrity and respect for human rights advocated by government agencies and international treaties. It also incorporates key issues highlighted by ESG in recent years, guidelines for social media interaction, and cases of industry violations. The code was developed collaboratively by various departments, including legal, human resources, and auditing, and includes the "Procedures for Handling Incident Notification" to provide guidance on addressing violations and preventing their recurrence. This code serves as the fundamental standard of conduct for interactions between employees and customers, business partners, shareholders, and communities. It is based on Acer's core values of passion, user-centricity, innovation, teamwork, balanced interests, and integrity, and serves as a guiding framework for decision-making and actions. The code provides comprehensive regulations on fair competition, environmental responsibility, intellectual property rights, conflicts of interest, prohibition of improper payments, gifts and entertainment, political donations and activities, and more.

Zero-tolerance towards corruption

Acer strictly requires all units to comply with the 'Acer Anti-Bribery and Anti-Corruption Policy' and proactively conducts bribery risk assessments. Acer has also written to suppliers and customers to declare its anti-corruption stance, requesting that no improper benefits such as gifts, entertainment, or money be provided to Acer employees. A clean commitment letter is signed accordingly. Furthermore, to safeguard the rights and interests of stakeholders, promote communication with stakeholders, and strengthen corporate governance, anyone who discovers Acer employees involved in fraud, corruption, any illegal activities, or violations of corporate governance activities can directly report and file complaints through the dedicated mailbox (whistleblower. acer@acer.com). In 2023, we did not find any bribery, corruption, or violations related to business partners that would require the termination of contracts. Board members have also received anti-corruption training during their tenure, with a 100% participation rate.

Anti-Trust

Acer Group has developed and published the 'Antitrust and Fair Competition Principles' on its website. Additionally, the company has produced an internal training video on 'Antitrust and Fair Competition' and conducts annual employee training sessions. These measures are implemented to mitigate any potential legal risks and negative consequences resulting from employees breaching antitrust and fair competition laws. It is worth noting that in 2023, there were no legal disputes related to unfair competition.

Preventing Insider Trading

Acer has implemented the 'Prevention of Insider Trading Management Measures' and made it publicly available on the company's website. These measures require directors, supervisors, managers, employees, professional consultants, and anyone who receives information, whether directly or indirectly, to adhere to strict confidentiality obligations in order to protect the company's best interests. Additionally, they must comply with Article 157-1 of the Securities Trading Act and other relevant regulations, which prohibit insider trading. The company provides training on these measures and the applicable laws at least once a year for current directors, managers, and employees. Newly appointed directors and managers receive education and promotion within 3 months of assuming their positions, while new employees receive training and promotion during their pre-employment orientation.

Compliance with laws and regulations

Legal Compliance Status in 2023

0 cases   Acer did not encounter any of the listed events in 2023[1]

- Incidents of non-compliance concerning the health and safety impacts of products and services
- Incidents of non-compliance concerning product and service information and labeling
- Incidents of non-compliance concerning marketing communications
- Receipt of significant fines due to breach of regulations regarding the provision or use of products or services
- Receipt of any fines regarding environmental damage, nor any related disputes
- Receipt of any significant fines or non-monetary sanctions for breaches of the law
- Litigation involving anti-competitive, anti-trust, or monopolistic behaviors

Note [1] ： In reference to the Financial Supervisory Commission's 'Guidelines for Determining Sustainable Economic Activities,' the criteria for determining significance are as follows:

- Individuals who cause significant damage or have a significant impact on our company
- A single event resulting in accumulated fines exceeding NT$1,000,000
- If the relevant authorities order the suspension, closure, cessation, termination, or revocation of pollution-related permits

Effective Implementation of Education and Training

（ including SBC, Anti-Corruption, Anti-Trust, Regulatory Compliance ） [2]

Unit: Attendance

Work Location	Standards of Integrity Management & Business Conduct	Anti-Corruption	Antitrust	Labor Rights	Preventing Insider Trading [3]	Intellectual property risk [4]
Taiwan	1,520	1,575	1,462	10,124	1,211	1,568
PanAsia Pacific	1,285	1,325	1,198	6,994	-	-
EMEA	762	749	630	6,045	-	-
Pan America	512	473	474	2,757	-	-
Total	4,079	4,122	3,764	25,920	1,211	1,568

Note [2] ： The number of trainees does not include subsidiaries that are already listed on the stock exchange. The number of training participants varies depending on the employees' job levels, course requirements, and promotional benefits in each region.

Note [3] ： The undisclosed figure indicates that the operational headquarters will conduct this training in 2024

Note [4] ： The region with undisclosed figures indicates that the program is still under development

Evaluation and Review

The Code of Conduct for Integrity in Business Operations was announced on the Acer public website upon revision and regularly communicated to global employees via email. Additionally, annual education and training sessions are conducted for the company's management and employees to ensure a thorough understanding of the company's policies.

Internal Audit

Acer has an internal audit office, which is an independent unit under the Board of Directors, to ensure that the Company and its employees are operating with integrity, adheres to the Code of Ethical Conduct, and is in compliance with laws and regulations. Its operations cover the following:

Internal Audit

The internal audit office conducts audits in accordance with the annual audit plan approved by the board of directors and performs project audits as necessary. The audit targets include the Company and its global subsidiaries, and their scope covers financial, business, and other corporate operations and management functions. Audit results and subsequent improvement plans are reported to the Board of Directors and management periodically in order to prevent fraud and drive for growth.

Risk Assessment

Internal audit conducts an annual risk assessment using a multi-factor risk coefficient. This coefficient measures various factors, including both financial and non-financial aspects, and covers key operational locations worldwide. The assessment of financial aspects involves analyzing trends in revenue, expenses, and profits. The assessment of non-financial aspects includes evaluating control points in important operational cycles such as procurement and sales, system changes, changes in the management team, opinions of internal and external experts, operational procedures, and operational locations mentioned in whistleblower reports over the years, as well as the global corruption perception index. Internal audit assigns risk scores to each risk coefficient and selects high-risk operational locations for internal audits based on the measurement results.

Internal Control Self-Assessment

Acer's unit and subsidiaries review their business practices in accordance with the law and company policies and regulations through the annual Control Self-Assessment mechanism. They are also subject to review by internal auditing units.

Reporting and Protection

Acer has established the 'Stakeholder Grievance Mechanism' and the 'Anti-Bribery and Corruption Policy', set up a multiple reporting and grievance mechanism, listened to voices from both internal and external sources through open channels, and protected the rights and interests of stakeholders and strengthened corporate governance. The internal audit office serves as the liaison window for complaint reporting and handling within Acer. (For more information, please refer to: Stakeholder Grievance Mechanism)

Upon receiving notification of any violation of the Code of Conduct or laws, the appropriate authorities will promptly conduct an investigation to verify the authenticity of the incident. If the evidence is conclusive and a violation has indeed occurred, Acer will take immediate action, requiring the responsible employee to cease such behavior. If necessary, legal action will be taken to protect Acer's rights and reputation. Once the incident is confirmed, Acer will convene the relevant departments, including HR, Legal, and Audit, to review the applicable procedures and discuss feasible corrective measures to enhance the company's internal control system.

Reporting and Complaints Mechanism

Channels for Reporting and Complaints

- Reporting and Complaints
  (whistleblower.acer@acer.com)
- Complaints of workplace sexual harassment or bullying (2645.7085@acer.com)
- Employee Engagement Reflections
  (acer.corporate.compliance@acer.com)
- Written/email/oral reports or complaints

Expected User(s)

Acer's directors, officers, and employees (collectively, Acer personnel), customers, suppliers, investors, and communities

Occasions for Use

When an Acer employee is found to be involved in fraud, corruption, violation of Acer's Standards of Integrity Management & Business Conduct, any wrongdoing or violation of corporate governance, or when threatened with sexual harassment or bullying in the workplace

Promotion of Channels for Reporting and Complaints

- A dedicated email address as set up on the company website
- Internal network (My Acer) announcements
- Occasional announcements about report/ complaints mechanisms
- Anti-corruption statements and reporting channels for complaints are amended to the contract with the vendor
- Annual integrity letters signed by partners
- New staff training and education/Supplier conferences

Procedures for Handling Reports and Complaints

STEP 1

After receiving a report and complaint, our company forms an investigation team comprising the internal audit supervisor, legal affairs, and human resources departments. The team conducts a thorough and confidential investigation into the content of the report and complaint.

STEP 2

The internal audit unit also regularly conducts investigations to determine if any reports or complaints have been filed by subsidiary companies. The purpose of these investigations is to understand the content of the reports and the outcomes of the investigations.

STEP 3

All reported cases, whether named or anonymous, are handled and recorded properly. The progress of the investigation is promptly communicated to the complainants, and appropriate corrective measures are taken based on the investigation results to prevent the recurrence of similar cases.

STEP 4

Adequate protective measures should be implemented to safeguard whistleblowers or investigators from any form of retaliation.

STEP 5

The internal audit compiles and reports on the handling of complaint cases every quarter. The report is then submitted to the Audit Committee and the Board of Directors.

Results of Handling of Reports and Complaints

Acer Corporation received a total of 9 reports and complaints in the fiscal year 2023, out of which 3 were related to violations of the Code of Conduct for Integrity in Business Operations. After conducting an investigation, 2 cases were found to be substantiated. Please see the table below for more information on the cases and the actions taken.

Investigation Results	2020		2021		2022		2023	
	Substantiated	Unsubstantiated	Substantiated	Unsubstantiated	Substantiated	Unsubstantiated	Substantiated	Unsubstantiated
Total Number of Reports Received	12	2	12	6	9	7	4	5
Related to violation of the Standards of Integrity Management & Business Conduct	6	1	4	4	4	3	2	1
Anti-competitive behavior, antitrust and monopoly practices, and market manipulation	0	0	0	0	1	0	0	0
Conflicts of interest	3	0	3	1	1	1	0	0
Staff Working Rules	0	0	0	1	0	0	0	0
Discrimination, Harassment, and Bullying	0	0	0	0	0	0	1	0
Corruption and Bribery	3	1	1	2	2	2	1	1
Leakage of customer privacy data	0	0	0	0	0	0	0	0
Related to money laundering and insider trading	0	0	0	0	0	0	0	0
Unrelated to violation of the Standards of Integrity Management & Business Conduct	6	1	8	2	5	4	2	4

Important Case Categories	Case Overview	Result of Handling
Violation of the Standards of Integrity Management & Business Conduct	Three outsourced employees attempted to create fraudulent receipts in order to request payment from the accounting department and embezzle funds.	Upon reviewing the payment request data, the management unit identified indications of fraud and consequently declined to make the payment. Following an investigation and verification, the outsourced employee involved was terminated.
	Multiple complainants have reported that an employee of our company has been sending inappropriate messages through Facebook, thereby harassing them.	The individual being complained about has exceeded the scope of their job responsibilities. Their actions have violated relevant laws, labor contracts, and company regulations, resulting in their immediate termination.
Other	The consumer feedback indicates that the after-sales service unit was unable to efficiently complete the repair, causing inconvenience.	The after-sales service unit has reached an agreement with the consumer and handled the matter properly.
	Our distributor's collaborating partner has complained to us that the distributor has not paid the full amount.	After mediating between the two parties, our company has successfully facilitated a consensus, resulting in the complainant receiving the outstanding payment.

Risk Management

Acer's corporate philosophy is based on the ultimate goal of "sustainable development." We believe that rigorous and pragmatic risk management not only reflects Acer's persistent commitment to our customers, employees, supply chain partners and investors, but also to our long-term commitment to ensuring sound business performance and compliance of corporate social responsibility. It is also a concrete act of ensuring sound business performance and fulfilling corporate social responsibility. The relationship between sustainable corporate development and risk management is intricate. Only by continuously identifying risks and assessing the short-term dynamic changes and long-term trends of risks and implementing relevant risk response plans, and by establishing a corporate culture that takes account of both the effective use of opportunities and the balance of risks through frank internal communication and training programs, can we ensure our hard-earned business results and achieve our goal of sustainability.
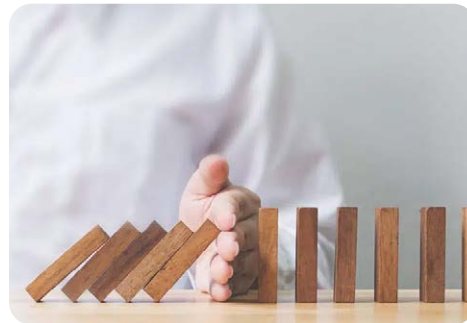
Risk Management Organization

Acer Risk Management Organization Structure

To proactively identify and manage internal and external operational risks, and effectively control these risks through appropriate assessment and handling procedures, Acer has established the Risk Management Committee (RMC) to assist the Board of Directors in risk governance.

The Risk Management Committee is a functional committee established by the Board of Directors in accordance with Article 13 of the Company's Articles of Incorporation and reports directly to the Board of Directors. Pursuant to the organization rules of Acer's Risk Management Committee, its members, as determined by the Board of Directors, consist of three or more directors, with a majority being independent directors. There is one convener and chair of the committee, who is elected by either the Board of Directors or the committee. Under the committee, there is the Risk Management Executive Committee (RMEC) and the Risk Management Working Group (RMWG), which are responsible for organizing committee meetings and handling the planning, preparation, and execution of matters related to the organization rules.

The Risk Management Committee is responsible for overseeing the overall risk management of Acer Group. It executes the risk management decisions of the Board of Directors, coordinates and promotes cross-organizational risk control programs, supervises and manages the improvement mechanisms for overall risk control within Acer Group, and reviews and integrates various risk control reports. The committee submits reports to the Board of Directors annually, at least once a year, and provides timely updates on the implementation of risk management and necessary recommendations. The Board of Directors serves as the highest decision-making body for risk management, approving major decisions related to risk management based on business strategies and environmental changes.

Acer Risk Management Organization Chart

Internal Audit

Chief Audit Executive serves as an observer

Risk Management

An independent director serves as the convener and the chair of the committee, which serves as the highest authority responsible for risk management in the Company

ESG Project(e.g. TCFD)

Report — Supervision — Supervision — Guidance — Report

Information Security Governance Committee

- CEO and General Manager
- Chief Information Security Officer at HQ
- Corporate Presidents of Subsidiary Companies

The Risk Management Executive Committee (RMEC)

Composed of the heads of various Business Units/ Functional Organizations at HQ, with the Chief Audit Executive serving as an observer

Corporate Sustainability Committee (CSC)

The committee is chaired by the Chairman and CEO. Its members include the Chief Operating Officer, Chief Legal Officer, Chief Financial Officer, Chief Human Resources Officer, and Chief Sustainability Officer, among other senior executives.

Guidance — Report — Information Security Risk/ Event — Guidance — Report — Report — Guidance

Information Security Risk Investigation Team

Information Security Incident Response Team

Risk Management Working Group (RMWG)

Composed of representatives from department-level heads of each Business Unit/ Functional Organization.

Responsibilities of the Acer Risk Management Organization

Board of Directors/ Risk Management Committee

- Considers whole operation strategy and environment, promote and practice whole risk management policy to ensure its effectiveness.
- Reviews and resolves on the risk management policies, procedures, and framework, and regularly assesses their applicability and effectiveness of implementation.
- Approves risk appetite (risk tolerance) and resolves on or guide the allocation of resources proposed by the Executive Committee and the Working Group.
- Oversees whether the risk management mechanism is able to effectively address the risks encountered by the Company and seamlessly integrates them into the daily operational processes.

- Approves the priority order and risk levels for risk management.
- Conducts a thorough review of the risk management implementation, offers essential improvement suggestions, and provides regular reports to the Board of Directors (at least once a year).
- Implements the decisions on risk management made by the Board of Directors.

Risk Management Executive Committee

- Comprises of the top executives from different business units/functional organizations at the headquarters.
- Regularly reports to the Risk Management Committee and Board of Directors.
- Provides a summary of the risk environment, risk management priorities, assessment results, and relevant response measures.

- Drafts the priority order and risk levels for risk management.
- Supervises the continuous improvement of the operation of the Risk Management Work Group.
- Resolves on or guides the crisis management-related operational procedures and supervises drills.

Risk Management Working Group

- Comprises of the director representatives of various business groups/functional organizations at the headquarters.
- Identifies risks and analyzes as well as assesses the severity and probability of potential risk scenarios and their operational impact.
- Develops and implements risk response measures based on risk scenarios (including preventive and mitigating actions).

- Continues to enhance the risk management practices and ensure their effectiveness.
- Compiles the Enterprise Risk Management Report and submits it to the Risk Management Executive Committee.
- Establishes crisis management-related operational procedures and implements drills.

Internal Audit

As an independent unit under the Board of Directors of our company, we develop an annual audit plan in accordance with this policy, procedures, and various risk management systems. We conduct independent audits to assess the effectiveness of risk management activities and provide recommendations for improvement. We regularly report the audit results to the Board of Directors to ensure the proper management of critical operational risks and the effective operation of internal control systems.

The "Three Lines of Defense" Framework for the Risk Management Organization

The First Line	The Second Line	The Third Line
Operations	**Management**	**Audit**
Self-audit and process improvement - Individual business units	Guidance on procedures and legal compliance – Risk Management Executive Committee & Risk Management Working Group	Management of audit– Internal and external audit units

Director level

History of the Acer Risk Management Organization

In late 2012	2018	2022
The Company formed the Risk Management Working Group (RMWG). The working group comprises departments such as Legal, Finance, Human Resources, Supply Chain Management, Corporate Communications, Marketing, Quality and Service, IT and Cybersecurity, Environmental, Health and Safety (EHS), Asset Management, various Product Business Groups, and the Office of Sustainable Development. Through regular meetings, the Risk Management Working Group encourages each member to identify, assess, and discuss potential operational risks and emerging risks in the fields of economy, environment, and society.	The Company has reorganized the Global Corporate Social Responsibility Committee (GCSRC) into the Corporate Sustainability Committee (CSC), with the Risk Management Working Group becoming a unit under the Corporate Sustainability Committee. We believe that this reorganization will not only strengthen our current risk management efforts, but also gradually establish a corporate culture with risk management awareness through discussions and participation of department heads and business unit managers.	Acer formally established the Risk Management Committee (RMC) and finalized the development of Acer's risk management policies. The establishment of the Risk Management Committee and the approval of the risk management policies were resolved by the Audit Committee in March and were subsequently submitted to the Board of Directors for approval.

Risk Management Procedures

Risk Management Policies

To achieve our vision of sustainable development and establish a corporate culture that prioritizes risk awareness, the Company not only adheres to organizational management systems and operational procedures at all levels to implement relevant risk management measures, but also strives for continuous improvement in our risk management practices through the active involvement of senior executives. We rely on international standards such as the ISO31000:2018 Risk Management System and the Enterprise Risk Management - Integrated Framework (COSO ERM 2017), as recommended by the Committee of Sponsoring Organizations of the Treadway Commission (COSO), to guide our efforts. In line with this commitment, the Company has developed risk management policies, which was approved by the Board of Directors and implemented on March 16, 2022.
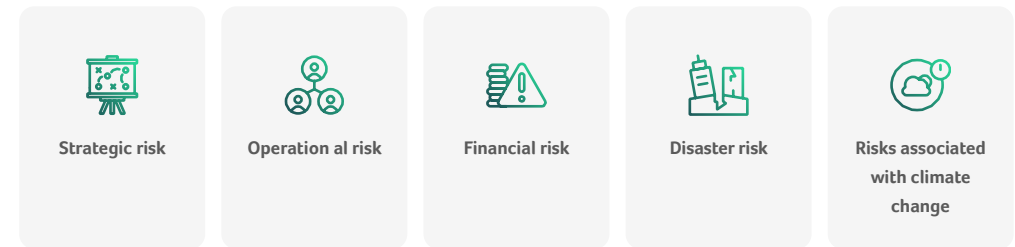
Risk Management Goals

The objective of the Company's risk management is to identify and control the risks faced by the Company within the risk appetite (that is, risk tolerance) level through a comprehensive risk management system that is integrated into our operational activities and daily management practices. Our principles are to effectively utilize opportunities and minimize risks while maintaining a balance in order to achieve the following goals:

- Achieving operational goals
- Improving management effectiveness
- Providing reliable information
- Allocating resources effectively

Scope of Risk Management

The Company's scope of risk management encompasses major risk aspects of strategic risks, operational risks, financial risks, disaster risks, information risks, climate change-related risks, and other emerging risks. We strictly adhere to the provisions of relevant laws and regulations and follow a cyclical process of identifying, analyzing, evaluating, responding to, monitoring, and reviewing risks in order to effectively manage them. We are committed to continuously enhancing our risk management practices through ongoing learning and experience.

Strategic risk	Operation al risk	Financial risk	Disaster risk	Risks associated with climate change

Risk Management Procedures

STEP 1 Risk identification

Risk identification utilizes risk management tools and is informed by past experiences, information, and assessments of internal and external risk factors, as well as stakeholder concerns. By conducting a thorough analysis and discussion from both a bottom-up and top-down approaches, potential risk events that could impede the Company's objectives or result in losses or negative impacts are identified.

STEP 2 Risk analysis

To conduct risk analysis, it is important to establish appropriate quantitative or qualitative measurement standards based on the Company's risk characteristics. The Risk Management Working Group should have a thorough understanding of the nature and characteristics of identified risk events. This analysis should consider factors such as the effectiveness of existing control measures, past experiences, and cases within the industry. By analyzing the probability and impact of risk events, the risk value can be calculated.

STEP 3 Risk assessment

The purpose of risk assessment is to provide businesses with a foundation for making decisions. By comparing the results of risk analysis with risk appetite, priority can be designated to the management of risk events and serve as a guide for selecting subsequent response measures.

The Risk Management Working Group should develop and execute risk response plans based on the results of the risk analysis, in alignment with the approved risk appetite set by the Risk Management Committee. The results of the pertinent risk analysis and assessment should be accurately documented and submitted to the Risk Management Committee for approval.

STEP 4 Risk responses

The purpose of risk assessment is to provide businesses with a foundation for making decisions. By comparing the results of risk analysis with risk appetite, priority can be designated to the management of risk events and serve as a guide for selecting subsequent response measures.

The Risk Management Working Group should develop and execute risk response plans based on the results of the risk analysis, in alignment with the approved risk appetite set by the Risk Management Committee.

The results of the pertinent risk analysis and assessment should be accurately documented and submitted to the Risk Management Committee for approval.

STEP 5 Risk monitoring and review

The risk monitoring and review mechanism should thoroughly examine whether the risk management process and relevant risk strategies are being continuously and effectively implemented. The Company should also ensure that risk management is connected to the key processes within the organization to effectively supervise and enhance its implementation.

Risk Management Operations

Risk Identification and Management Effectiveness for 2023

Acer actively manages risks across various areas in a cost-effective manner, including strategies, as the scope of risk management covers the aspects of strategies, operations, finance, disaster and climate change. Regular general assessments are conducted for both internal and external business environments. The external business environment assessments also incorporate external international risk reports and reports and research results from the insurance sector and risk management consultants so as to ensure the completeness of risk perception. These assessments form the basis for establishing a risk radar. Following the preceding procedure, Acer's risk radar identified a total of 45 risks, comprising 18 internal risks and 27 external risks in 2023. Subsequently, risk prioritization and the definition of risk appetite were carried out to strike a balance between corporate growth and efficient resource allocation. The results of risk prioritization led to the creation of a risk map and the risk appetite summary, which were submitted to and approved by the Board of Directors/Risk Management Committee on March 14, 2024.

The risk management organization utilizes risk map, risk impact scenario analysis/risk assessment table, and other risk management tools to assess the potential threats posed by various risks to the Company's future operations. This assessment is based on the likelihood of risk occurrence and the severity of potential losses. Risk levels are designated to determine the priority and resource allocation for subsequent risk control measures. Sensitivity analysis and stress test are also adopted to quantitatively analyze the risks and examine the degree of correlation among the risk factors. The risk map for the year of 2023 includes six risk items which are at the risk level of medium-high or above, namely geopolitical/geoeconomic risks, cyber risks, inventory management risks, inflation (including green inflation) risks, emerging technology/transition risks, and climate change/carbon reduction risks (please refer to the Risk Map for 2023 for details).

2023 Acer Risk Map

Risks are ranked based on their severity/likelihood. The more severe a risk is, the further to the right it is placed on the risk scale. Likewise, the higher the likelihood of a risk, the higher it is placed on the risk scale.
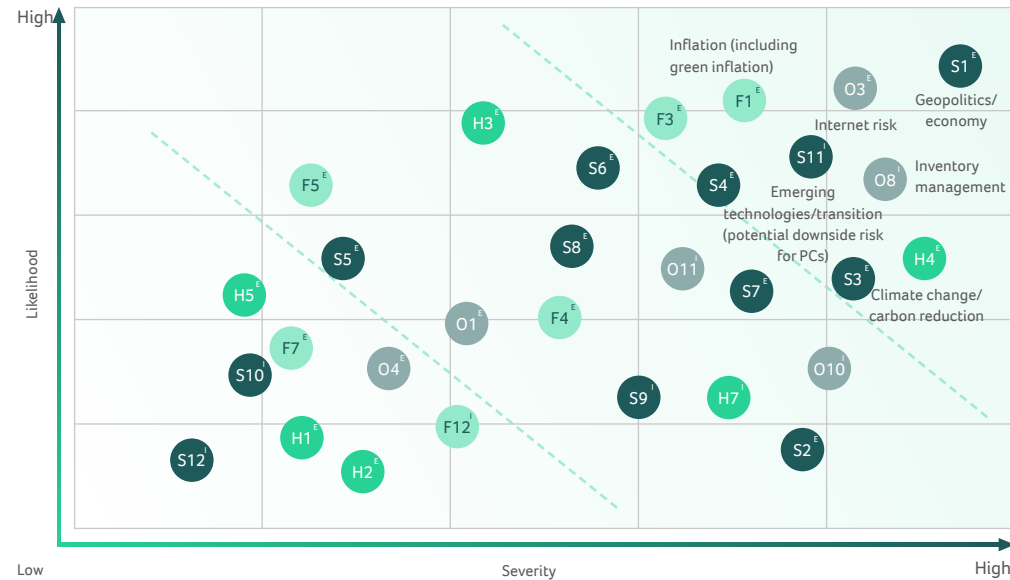
Note:
- The process of identifying/analyzing risks is initiated in the fourth quarter of each year and completed in the first quarter of the following year.
- The risk map presents the results of risk ranking and risk level scoring based on the 2023 risk radar chart.
- Materiality analysis is a crucial component of the Enterprise Risk Management (ERM) integration process. Therefore, ESG-related risks, compliance requirements, human rights issues and other factors have been integrated into the procedures for identifying, analyzing, assessing, and implementing response measures for risks.
- Risk Item Codes: (S) - Strategic Risk, (O) - Operational Risk, (F) - Financial Risk, (H) - Disaster Risk. The numbers represent the serial number in the risk register database, and are not related to the risk level.

Acer's Risk Management Operations In 2023

The Risk Management Working Group consolidates the results of the aforementioned risk analysis and assessment and regularly reports the relevant execution progress and outcomes to the Risk Management Executive Committee after formulating the subsequent risk control plans. In 2023, the Risk Management Working Group collaborated with a total of 15 departments/units. To realize practical and close integration of the implementation of Enterprise Risk Management (ERM) mechanisms with the daily operational procedures of each department/unit as well as the Company's business objectives, each department/unit first consolidates 41 key performance indicators (KPIs) and then identifies 88 risk scenarios that may impact the aforementioned KPIs. For the identified and analyzed/assessed risk items, relevant department personnel are assigned to formulate subsequent risk management strategies and related risk mitigation plans, including common risk management responses such as loss prevention, avoidance, separation and duplication, transfer, and retention. Adequate resource allocation, prioritization of implementation, and subsequent progress tracking methods are assessed in advance. Meanwhile, incident response plans and crisis management mechanisms are developed to minimize the potential negative impact of various risks on business objectives and enhance the overall risk resilience of the Company. The aforementioned risk management strategies and related risk control plans are periodically reviewed for effectiveness and improvement opportunities during the Working Group meetings, as they following the PDCA cycle: Plan, Do, Check, Action. Finally, material risk information and the operational status of enterprise risk management are regularly (i.e., quarterly) reported to the Risk Management Executive Committee and the Risk Management Committee.

Acer's Risk Appetite Summary

Acer's Risk Appetite Summary

Risk Appetite Level (RAL)	Low risk appetite (1)	Medium-low risk appetite (2)	Medium risk appetite (3)	Medium-high risk appetite (4)	High risk appetite (5)
Type of risk	Primary business activities				
Strategic risk	Brand/reputation Intellectual property		Innovation, research and development Investment and mergers and acquisitions (M&A)		
Financial Risk	Cash flow	Tax risk Credit risk			
Operational Risk	Information security Product quality		Talent		
Disaster risk	Personal Safety and Health Major compliance		ESG		

Example

Strategic risk: Mainly includes innovation, research and development, investment and M&A, brand reputation and protection of intellectual property

- "Innovation, research and development" falls in the scope of medium risk appetite. Acer is committed to pursuing innovation and will actively embrace creative and pioneering approaches to drive innovation and enable the effective utilization of innovative opportunities. Meanwhile, Acer is open to accepting a certain level of higher risk, although these risks are generally deemed controllable.

- "Investment and M&A" falls in the scope of medium-high risk appetite. In order to implement our operational strategies, we will pursue not only organic growth but also investment and M&A methods. We are prepared to consider various potential approaches, such as due diligence, to engage in investment/M&A by seeking to balance a high probability of successful transactions with high returns and associated transaction risks. This holds true even if the actions themselves may involve a high level of residual risk.

- "Brand/reputation" falls in the scope of low risk appetite. When striving to achieve key results or implement measures, it is crucial to avoid risks and uncertainties; or, the activities carried out only involve those that are deemed to have minimal inherent risks. While seizing opportunities, the Company should maintain constant vigilance regarding risks and enhance brand protection. Measures should be taken to safeguard brand assets and prevent brand infringement and counterfeiting. In the event of a brand crisis, the Company should establish a contingency plan to promptly and effectively address such an incident and minimize harm to the brand image swiftly and effectively.

Connections between Risk Management Procedures and Internal Control and Internal Audit Systems

In addition to reporting to the highest governing body of the Company's risk management, namely the Board of Directors/ Risk Management Committee, the internal audit officer also attends the quarterly Risk Management Executive Committee meetings in an observer role. The personnel of each department/unit regularly identify and record all major risks and their corresponding control measures, and review the effectiveness of the controls in the annual internal control self-assessments.

In 2024, the Company plans to hire a third-party international risk management consultant to validate and ensure the effectiveness of our risk management system/procedures. This verification will be conducted in accordance with the ISO31000:2018 Risk Management System and the Enterprise Risk Management - Integrated Framework (COSO ERM 2017) developed by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Upon completion, the aforementioned third-party consultant will provide an ERM compliance certification.

Execution unit	Risk management activities		Year/ Month											
			1	2	3	4	5	6	7	8	9	10	11	12
Risk Management Executive Committee	• Reviewing the results of the risk map	• Establishing key risk indicators (KRIs)	●											
Risk Management Executive Committee and Risk Management Working Group	Group reports on risk identification and risk management action plan				●									
Risk Management Working Group	Enterprise Risk Management (ERM) Project - Formulation of the key risk indicators							●						
Risk Management Executive Committee	• Report on adjustments of ERM organization • Results of the implementation on the committee's decisions in the previous meeting were documented in its meeting minutes	• Report on the protection of global information security form risks • Progress report on the Task Force on Climate-related Financial Disclosures (TCFD) Project							●					
Risk Management Committee	• Progress report on the implementation of decisions of Risk Management Executive Committee • Report on the protection of global information security form risks	• Carbon disclosure, TCFD, stakeholder engagement report									●			
Risk Management Executive Committee	• Progress report on the Task Force on Climate-related Financial Disclosures (TCFD) Project	• Draft the results of the annual risk assessment (Risk Radar Chart) and Risk Map										●		
Risk Management Committee	• Risk Management Executive Committee executes reports on progress of implementation • Progress report on the Task Force on Climate-related Financial Disclosures (TCFD) Project	• Approve the results of the annual risk assessment (Risk Radar Chart) and Risk Map												●

Emerging Risks

Emerging Risks	Risk Description	Potential Impact	Responsive Measures
Geopolitics/economy Risk Level-High Likelihood - high Severity - high Risk appetite – Geopolitics/economy includes major compliance, information security and other aspects, the overall risk appetite is low based on Acer RAS	The current global geopolitical and geoeconomic risks are primarily evident in the following areas: • Intensification of strategic competition between China and the United States. As the world's two largest economies, the competition between China and the United States in the fields of economy, technology, and military is becoming increasingly intense. The direction of China-US relations will significantly impact the global geopolitical landscape. • Continued war between Russia and Ukraine. The Russia-Ukraine war is the largest-scale military conflict in Europe since World War II. The ongoing war not only severely impacts the global economy but also exacerbates turbulence in global geopolitics and geoeconomics. • Israel-Hamas conflict and the Red Sea crisis. The Israel-Hamas conflict and the Red Sea crisis are major geopolitical risks in the Middle East region. Escalation of the Israel-Hamas conflict could trigger a large-scale war in the region, while the Red Sea crisis could threaten global energy security. • Global supply chain restructuring. The global supply chain is undergoing reconstruction due to the impact of COVID-19 and the Russia-Ukraine war. The regionalization, diversification, and fragmentation of the supply chain will have far-reaching implications for the global economic landscape.	• Increase in production/procurement costs: Geopolitical/geoeconomic risks may result in price increases in strategic resources and higher trade costs, thereby raising the production costs of technology products. • Potential disruptions in the supply chain that affect the availability of technology products. The Russo-Ukrainian war has caused global energy prices to rise, which also impacts the supply of global technology products. The global supply chain is becoming more complex, making it more vulnerable to the impact of geopolitical/geoeconomic risks. For instance, the supply chain of global technology products involves multiple countries and regions; if a country or region experiences political turmoil or natural disasters, it can lead to disruptions in the supply chain that affect the availability of technology products. • Impediment to technological innovation: Geopolitical/geoeconomic risks can hinder technological cooperation and brain drain, thereby impeding technological innovation. • Exacerbation of market volatility: Geopolitical/geoeconomic risks can cause a decline in investor confidence and increased market volatility, thereby impacting the financing and development of technology companies.	In the aspect of the supply chain: • Disperse ODM production bases to India, Southeast Asia, and other countries/regions that meet the assessed conditions. • Reduce dependency on critical components. • Continuously monitor the market and provide real-time alerts. • Maintain a safe inventory level. In the aspect of financial market/finance: • Estimate cash flow and optimize operational fund allocation. • Prepare at least two additional banks, in addition to the main correspondent bank, as backups. • Maintain a safe level of liquid assets and cash. • Conduct foreign exchange hedging operations. • Establish standards for foreign exchange hedging principles, tools, and level of authorities. • Adjust transaction currencies to currencies with lower volatility and hedging costs.
Emerging Technologies/ Transition (e.g., AI) Risk level – medium-high Likelihood – medium-high Severity - high Risk appetite- the overall risk appetite is low based on Acer RAS	Emerging technology development/transition refers to the adoption of emerging technologies by companies to improve existing businesses or develop new ones. However, emerging technology development/transition, such as AI, may bring the following risks: • Security risks: AI systems may be hacked or maliciously used, resulting in data leaks, system paralysis, and other damages. For example, hackers can attack the AI system's database and steal sensitive data, or exploit vulnerabilities in the AI system to launch DDoS attacks, causing system paralysis. AI technology may also be used for military or terrorist activities, posing security threats. For example, AI technology can be used to develop autonomous weapons, making wars even more deadly, or AI technology can be used to create fake news or false propaganda. • Reliability risks: AI systems may experience errors or failures, leading to decision-making mistakes or unexpected accidents. For example, autonomous vehicles may cause traffic accidents due to system failures, or medical diagnosis systems may delay patient treatment due to incorrect diagnoses. • Bias risks: AI systems may have biases, resulting in discrimination or unfair treatment towards specific groups. For example, AI systems used for recruitment may have biases against women or ethnic minorities, or AI systems used for credit rating may have biases against low-income individuals. • Privacy risks: AI systems may infringe on personal privacy. For example, facial recognition systems can collect and analyze individuals' facial data for tracking or monitoring purposes, or voice assistants can collect and analyze individuals' voice data for targeted advertising.	• Technical aspect: Emerging technologies may still be immature, with technical defects or instability. • Market aspect: The market for emerging technologies may not have formed yet, with uncertainties in demand or intense competition. • Management aspect: Companies may lack the experience and capability to manage emerging technologies, leading to project failures or cost overruns. • Legal and regulatory aspect: Emerging technologies may face uncertainties in laws and regulations, resulting in legal disputes or regulatory penalties for companies. • Brand aspect: Consumers demand compensation arising from product liability and personal data-related responsibilities, as well as subsequent negative impacts on brand image, may be severe.	• Regularly visit customers/distributors. • Monitor the activities of competing companies. • Track technological developments. • Conduct experimental analysis to assess the feasibility of new technology and review data on technical completion and stability. • Stay updated on regulatory changes by legislative authorities. • Seek professional advice from external experts.

Emerging Risks	Risk Description	Potential Impact	Responsive Measures
Green Inflation Risk level – medium-high Likelihood – high; Severity – medium-high Risk appetite- the overall risk appetite is medium-low based on Acer RAS	Green inflation refers to the increase in prices caused by factors such as rising production costs and disruptions in the supply chain during the process of promoting green transformation. The potential risks of green inflation include the following: • Intensifying inflationary pressures:Green inflation will intensify existing inflationary pressures, leading to price increases and reducing people's purchasing power. For example, the implementation of carbon pricing will raise production costs for businesses, resulting in higher product prices. Similarly, the development of green energy requires significant investment, which can also drive up energy prices. • Impact on economic recovery:Green inflation will increase the cost burden on businesses, affecting economic recovery. For instance, businesses need to invest funds in green transformation, which can lower their profitability. Additionally, the implementation of green policies can increase compliance costs for businesses, impacting their competitiveness. • Exacerbating social inequality:Green inflation may worsen social inequality, with low-income groups experiencing greater impacts. For example, low-income groups may find it more difficult to afford the costs of green products and services. Furthermore, the implementation of green policies may lead to an increase in the unemployment rate among low-income groups.	Inflation refers to the phenomenon of a continuous increase in the overall price level. It has several impacts on the operations of companies in the technology industry, which are mainly manifested in the following aspects: • Increased production costs: Inflation leads to price increases in raw materials, labor, energy, and other production factors, thereby increasing the production costs of technology products. For example, semiconductor manufacturing requires a large amount of raw materials and energy. If the prices of these raw materials and energy increase, it will result in an increase in the production costs of semiconductor chips. • Impact on demand: Inflation leads to a decrease in consumer purchasing power, thereby affecting the demand for technology products. • Impact on profitability: Inflation leads to an increase in production costs and a decrease in demand for companies in the technology industry, thereby affecting their profitability.	• Real-time production and sales reports and alerts. • Improving component interoperability. • Enhancing the management of special components.
Key Talent Risk Risk level – medium Likelihood – medium Severity – medium-high Risk appetite- the overall	The scarcity of key talent can hinder industrial development and impact economic growth. For instance, in the technology industry, the lack of software engineers, data scientists, and other key talent can impede technological innovation and industry upgrading. Similarly, in the manufacturing industry, the absence of highly skilled labor can affect production efficiency and competitiveness. Moreover, in the high-tech sector, the long-term trend of talent shortage and declining birth rates often results in significant increases in compensation for highly skilled professionals, while the wages for low-skilled labor tend to stagnate, leading to widening income disparities.	• Insufficient research and development manpower is affecting product innovation and competitiveness. • Rising production costs are impacting profitability. • Declining operational efficiency is affecting enterprise value (such as decreased productivity as well as inferior customer service quality).	• Expand the channels or opportunities for talent acquisition, such as Acer Group's annual campus recruitment event starting in every March. • Continuously optimize the talent recruitment process. • Evaluate the salary structures for relevant positions to ensure competitiveness in the industry. • Assess the feasibility of offering sign-on bonus, additional benefits, or incentive measures. • Enhance collaboration with globally recognized recruitment channels to ensure the recruitment of top talent. • Highlight Acer Group's ESG sustainable business philosophy and its diverse business engine.
Strategic Resource Competition: Minerals, Energy, Food, and Water ChainRisk level – medium Likelihood – medium- high Severity – medium Risk appetite – the overall risk appetite is medium based on Acer RAS	The competition for strategic resources refers to conflicts and disputes among countries over the control of resources that are of significant importance to national security and economic development, including minerals, energy, food, and water. The potential risks of this competition include the following: • Triggering regional conflicts:The competition for strategic resources may lead to regional conflicts and even wars. For example, in the Middle East, the competition for oil resources has been a major cause of multiple wars. Similarly, in Africa, the competition for water resources has resulted in numerous armed conflicts. • Exacerbating global inequality:The competition for strategic resources can worsen global inequality, widening the gap between wealthy and poor countries. Wealthy countries can leverage their economic and military advantages to control more strategic resources, while poor countries may face resource scarcity. • Damaging the global ecological environment:The excessive exploitation and utilization of strategic resources can harm the global ecological environment, leading to issues such as climate change and resource depletion. For instance, mining activities can cause environmental pollution, the development of energy resources can increase greenhouse gas emissions, and the excessive consumption of food and water can deplete resources.	The increase in production costs and the rise in prices of strategic resources will lead to higher production costs for companies in the technology industry, which will affect their profitability. The interruption of the supply of strategic resources in the supply chain will result in production disruptions for these companies, impacting their operational efficiency.	• Diversify suppliers. • Enhance supply chain resilience. • Research/adopt alternative technologies.

Information Security

Material Topics

Information Security

Policies/ Commitments

To ensure sustainable operations, we maintain the Information Security Management System (ISMS) and adhere to the guidelines set by the National Institute of Standards and Technology (NIST). We continuously improve our management practices through the Plan-Do-Check-Act (PDCA) cycle and ensure the implementation of information security measures in our daily work. Furthermore, we consistently meet the requirements of ISO 27001.

Action Plan

To enhance the security awareness of all employees and to improve the compliance and information security structure to meet the needs of customers, we continue to expand the scope of ISMS (Information Security Management System) implementation and gradually introduce the international information security maturity assessment.

Tracking Mechanism

- Through regular bi-weekly security meetings and annual management review meetings, we consistently monitor and improve our work. The operational performance is reported to the Board of Directors on an annual basis through the Risk Management Executive Committee.
- The Group Information Security Governance Committee reports to senior management on a quarterly basis and presents its findings to the Board of Directors through the Risk Management Executive Committee.

Medium- and Long- Term Goals

We continue to promote information security and customer privacy protection measures to ensure the security of Acer's and our customers' information privacy.

Goals 2024

- By 2024, aim to achieve a 100% completion rate for cybersecurity training among colleagues in the IT department worldwide
- In compliance with the release of the new version of ISO27001:2022, update the necessary documents of the Information Security Management System (ISMS) to ensure compliance with the requirements
- A review of ISO27001 verification is to be conducted every six months in 2024
- Hold 24 bi-weekly 24 bi-weekly meetings in 2024 to ensure that the organization's information security adheres to the PDCA cycle

- Establish the information security governance committee in 2024 to address and mitigate the information security risk faced by the Group
- Expand the scope of the company's information security risk control from IT systems to IT products
- To meet information security governance requirements and enhance the effectiveness of information security risk audits through an independent cybersecurity organization
- Continued execution of the Global Re-architect and ISMS (ISO27001) project

Goals 2023

- HQ IT continue to pass the revisits of ISO27001 certification
- Comply with the latest version of ISO27001 and revise the ISMS documents to achieve standard applicability and requirements
- Continuously strengthen and standardize information security policies and processes and implement controls using automated tools to reduce risk

- Develop automation of cloud information security framework
- Develop zero-trust network framework
- Strengthen information security incident response framework and backup effectiveness to enhance post-disaster recovery efficiency

Achievement Status 2023

- Achieved a maturity level of A (90 points) in information security
- Acer Corp. Global IT successfully completed the ISO27001 verification review in March and September 2023
- Complied with the latest version of ISO27001 and revised the 12 volumes of ISMS documents to achieve the new standard applicability and requirements
- Control measures were implemented to mitigate risks through team sharing and account inventory briefings, using automated tools

- The ISMS-2-KI0000-14 Cloud Operations Management Specification was issued in January 2023
- The organization has implemented a zero-trust framework by implementing MFA measures
- Established a Mechanism for Automating Cloud Resource Compliance
- Introduced to Endpoint OS Automation Patching Mechanism

Information Security Policy

To pursue sustainable business operations and protect customer trust, Acer started to promote a companywide information security management system in 2019 and has established an information security policy as a basis for information security management to ensure the security of Acer's information assets and the continuity of information services, and to reduce the threat and impact of information security incidents.

This policy covers Acer's information assets, information systems and infrastructure, and applies to all officers and employees of Acer, including contractors, consultants, temporary employees, interns and any other third parties who work for Acer, referred to as employees.

This policy framework complies with the EU General Data Protection Regulation (GDPR), the Taiwan Personal Data Protection Act and other relevant laws and regulations, and the requirements of the competent authorities to ensure the collection, processing or use of personal data. We also comply with the U.S. Defend Trade Secrets Act (DTSA) and the Taiwan Trade Secrets Act and other laws and regulations related to copyright, trademark and patent protection. The policy is re-examined at least once a year to ensure the viability and effectiveness of information security maintenance by checking compliance with the legal requirements of the latest technological and business developments.

- Ensure that Acer's information assets are protected from any external interference, disruption, attack or any other destructive or negative intent.
- Ensure that Acer complies with its relevant legal obligations.
- Ensure the continuity of Acer's IT services.

Information Security Risk Management Framework

Acer Corporation established the Risk Management Executive Committee in 2022, with the Chief Information Security Officer (CISO) serving as one of its members. The CISO is responsible for developing and implementing information security and protection policies, as well as managing risks, for the company, including the security of its IT systems and product information.

To further enhance the group's information security risk management, Acer Corporation established the 'Group Information Security Governance Committee' in 2023. The committee is coordinated by the Acer Information and Network Security Center and reports directly to the Chairman of the Board. Its members include the head of Acer's IT product line and the general managers of subsidiary companies within the group. The committee also forms working groups responsible for developing group information security and protection policies, as well as conducting risk assessments. The Group's information security governance effectiveness, information security-related issues and directions are reported to the board of directors through the "Risk Management Executive Committee" on a quarterly basis.

Please refer to : Acer Risk Management Organizational Structure Chart' for information regarding the Acer Group's information security organizational chart

Information Security Governance

Information Security Management Strategy

As a global brand, Acer considers maintaining information security immensely important, especially with regard to earning and keeping the trust of those investing in the brand, customers, and other interested stakeholders. We continue to work to improve global information security organization and policy, and to coordinate work on the various aspects of information security management systems, to ensure that the Group's information assets comply with relevant laws, regulations, and standards. We also strive to set out the security control measures necessary to protect the Group's information systems and services.
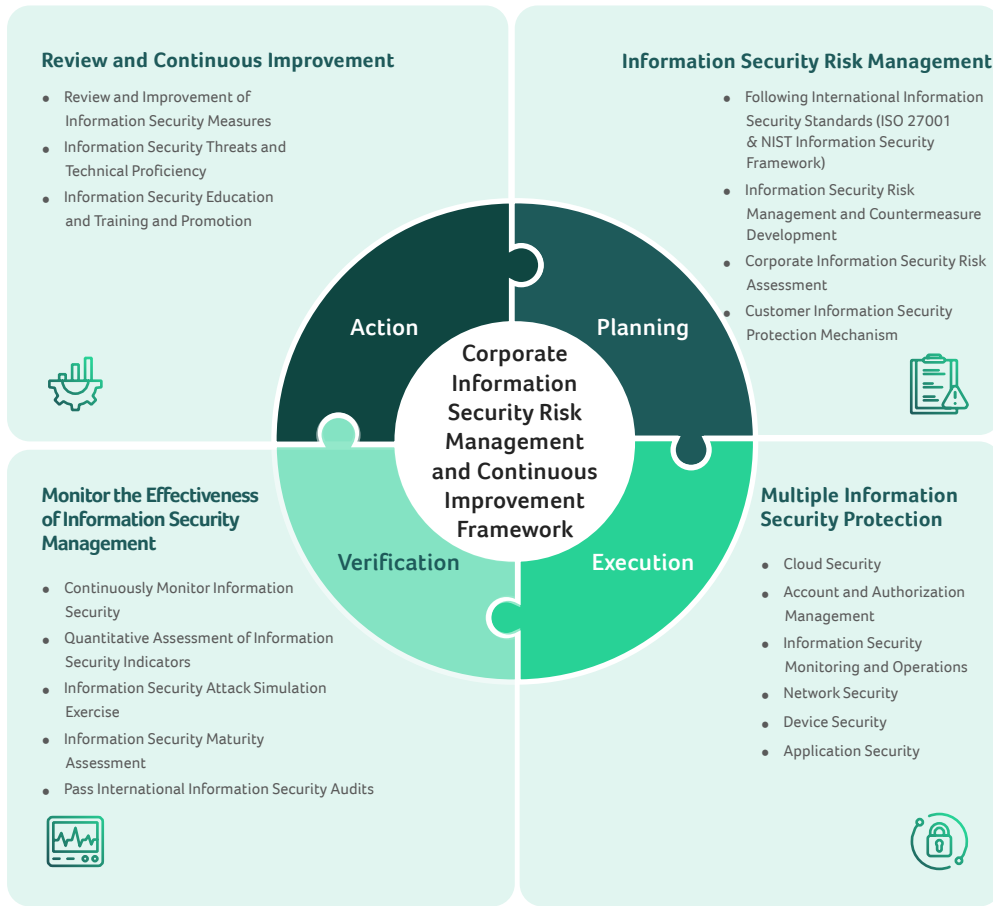
We have established a global information security management organization, and in accordance with the organizational structure, powers, and responsibilities, jointly worked to maintain the system's sound operation, achieving our goal of stronger information security management. The head of ISMS is the Head of the Global IT and assigns a co-convenor. The head of each division is a member of the information security management organization and assigns representatives to establish the Information Security Management Team, the Information Security Establishment Team and the Information Security Incident Response Team. The information security internal audit team is staffed by the auditing office, and the support team draws from Human Resources, General Affairs, Marketing, Legal Affairs and Finance Departments.

Starting from October 2021, Acer has launched the Global Re-architect project, which is expected to take 2 years to re-examine information security and infrastructure across the globe. Acer Taiwan Headquarters completed the ISO27001 review and re-validation in 2022 to ensure that Acer's ISO27001:2013 remains effective and continues to protect the confidentiality, integrity, and availability of information assets by planning, establishing, implementing, and monitoring mechanisms. Acer underwent third-party verification by BSI in March and September 2023 to ensure the ongoing effectiveness of Acer's ISO27001:2013 certification. Acer HQ assisted in implementing an information security management system for EMEA IT and supported the successful ISO27001 certification of key core systems in July 2023.

2023 Information Security Management Enhancement Highlights

- Continuously maintain the ISO 27001 Information Security Management System by implementing the PDCA continuous improvement management philosophy. Conduct the ISO27001:2022 Workshop to ensure that colleagues are aware of the new standards and upgrade control measures accordingly, thereby reducing information security risks.
- Revise the Information Security Policy and Management Guidelines, and consistently publish comprehensive global Cyber Security policies to ensure that organizational security practices are in line with the new ISO27001:2022 standard.
- Expand ISO 27001 management standards and certification to other overseas subsidiaries in order to enhance global cybersecurity defense capabilities, strengthen the foundation of overall security management to improve company image, and achieve sustainable business goals.
- Continuously conduct information security scenario drills to improve employees' capacity to respond to security incidents and the company's resilience to attacks.
- Implement an endpoint OS automation patching solution to enhance endpoint security.

Review and Continuous Improvement

- Review and Improvement of Information Security Measures
- Information Security Threats and Technical Proficiency
- Information Security Education and Training and Promotion

Information Security Risk Management

- Following International Information Security Standards (ISO 27001 & NIST Information Security Framework)
- Information Security Risk Management and Countermeasure Development
- Corporate Information Security Risk Assessment
- Customer Information Security Protection Mechanism

Monitor the Effectiveness of Information Security Management

- Continuously Monitor Information Security
- Quantitative Assessment of Information Security Indicators
- Information Security Attack Simulation Exercise
- Information Security Maturity Assessment
- Pass International Information Security Audits

Multiple Information Security Protection

- Cloud Security
- Account and Authorization Management
- Information Security Monitoring and Operations
- Network Security
- Device Security
- Application Security

Action   **Planning**

Corporate Information Security Risk Management and Continuous Improvement Framework

Verification   **Execution**

Information Security Training

Acer Corporation has implemented personnel education and training programs to strengthen information protection mechanisms and information security management. In the second quarter of 2023, all IT personnel in the global IT department successfully completed security education and training. Furthermore, comprehensive security education and training sessions were conducted for all employees across all departments worldwide, addressing important topics such as passwords, phishing, remote work, ransomware, and business email attacks.
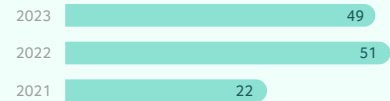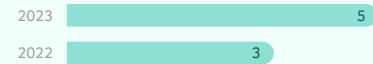
Specific Execution Results

2023 Corporate Information Security Measures Drive Implementation Results

Policy

49 ISMS — Headquarters Adds/Revises 49 ISMS Information Security Management Directions and Regulations

Year	Value
2023	49
2022	51
2021	22

5 CSF — Headquarters Adds/Revises 5 CSF Information Security Regulations

| Year	Value
2023	5
2022	3

Certification

- The headquarters successfully completed the initial verification of ISO/IEC 27001:2013 in 2019
- The headquarters successfully completed the re-verification of ISO/IEC 27001:2013 in 2022
- Headquarters was re-certified for ISO/IEC 27001:2013 in 2023
- EMEA IT completed the initial verification for ISO/IEC 27001:2013 in 2023

Promotion

1 promotional short film — Produce a promotional video and conduct 20 informational seminars to convey essential regulations and precautions regarding information security

437 persons — A total of 437 new employees completed the information security briefing during the new employee orientation

Year	Value
2023	437
2022	532
2021	637
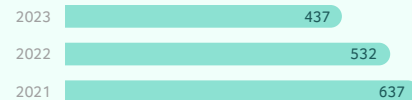
10 — A total of 10 Information Security announcements were made to convey important regulations and precautions regarding information security
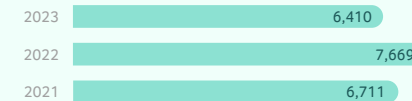
Year	Value
2023	10
2022	17
2021	22
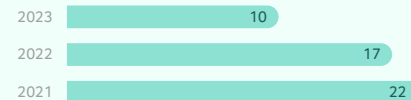
Risk Control

5,642 persons — 5,642 employees have completed the annual online information security education and training course

Year	Value
2023	5,642
2022	6,711
2021	6,219
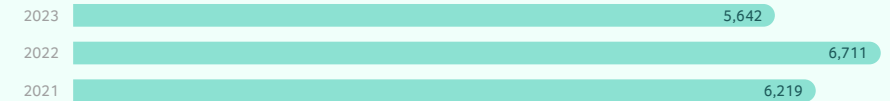
2 — Conducted 2 email social engineering drills, involving over 6,000 participant

Year	Value
2023	6,410
2022	7,669
2021	6,711

6 — Conducted 6 penetration tests, examining more than 90 targets

Year	Value
2023	93
2022	95
2021	311
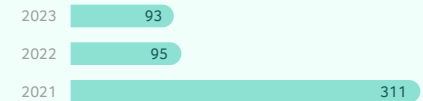
2 — Conducted 2 web vulnerability scans, checking a total of 283 websites

Year	Value
2023	283
2022	120
2021	218
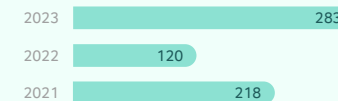
4 — Conducted 4 OS vulnerability scans, examining over 10,000 vulnerabilities

Year	Value
2023	10,458
2022	7,198
2021	3,911
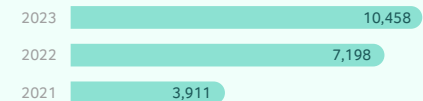
2024 Information Security Management Enhancement Highlights

- By 2024, aim to achieve a 100% completion rate for cybersecurity training among colleagues in the IT department worldwide
- In compliance with the release of the new version of ISO27001:2022, update the necessary documents of the Information Security Management System (ISMS) to ensure compliance with the requirements
- A review of ISO27001 verification is to be conducted every six months in 2024
- 24 bi-weekly ISMS meetings are held in 2024 to ensure that the organization's information security adheres to the PDCA cycle
- In 2024, the Group established the Information Security Governance Committee in order to address and mitigate the information security risks faced by the Group
- Expand the scope of the company's information security risk control from IT systems to IT product
- To meet information security governance requirements and enhance the effectiveness of information security risk audits through an independent cybersecurity organization
- Continued execution of the Global Re-architect and ISMS (ISO27001) project
- Strengthen information security control policies, processes and frameworks, and establish standards to identify information security maturity
- Strengthen network firewall and network control to prevent malware from spreading horizontally across the network through network architecture micro-segmentation
- Introduce a multi-level control mechanism for privileged accounts to prevent leakage of privileges
- Introduce endpoint management mechanism to manage, protect and deploy enterprise resources and applications
- Perform regular information security drills and continuously optimize the mechanism
- Build cloud information security automation control framework
- Enhance backup effectiveness and provide a recovery solution that can be rebuilt quickly

Management of Information Security Effectiveness

The company continues to address information security risks by conducting third-party assessments and implementing necessary corrections to ensure compliance with industry standards for information security protection mechanisms.
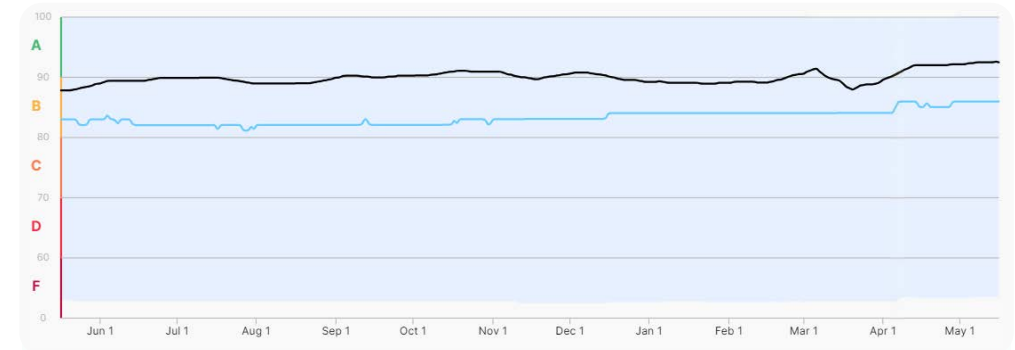
- The industry average is represented by the blue curve, with a score of approximately 82, indicating a maturity level of B.
- Acer, represented by the black curve, has consistently shown an upward trend, except for the cybersecurity incident in the first quarter. Since June 2023, Acer has consistently outperformed the industry average, with a score of 90 and a maturity rating of A.

Evaluation Mechanism

- Conduct annual ISO27001 third-party certification audits, and arrange regular internal and external ISMS audits, regularly implement information security drills, stress tests, and data recovery drills during non-audit periods
- Regularly conduct: personal data inventory and risk assessment and handling of personal data for equipment security control
- Occasionally conduct: Training of personal data processing managers, implementation of data security test drills, and supervision of outsourced vendors to comply with personal data protection regulations

Protecting Privacy

Names of Material Topics

Information Security and Privacy Protection

Policies and Commitments

Formulated global "Acer Group Personal Information Protection Management Policy" and "Personal Information Management Principles", and implement and audit them.

Action Plan

Acer places significant emphasis on protecting customer data, handling complaints, and preventing information security incidents. We prioritize and strengthen the security of cross-border and regional data transmission, as well as the protection of software and hardware. Furthermore, we consistently enhance the awareness and behavior of our group members and employees regarding information security.
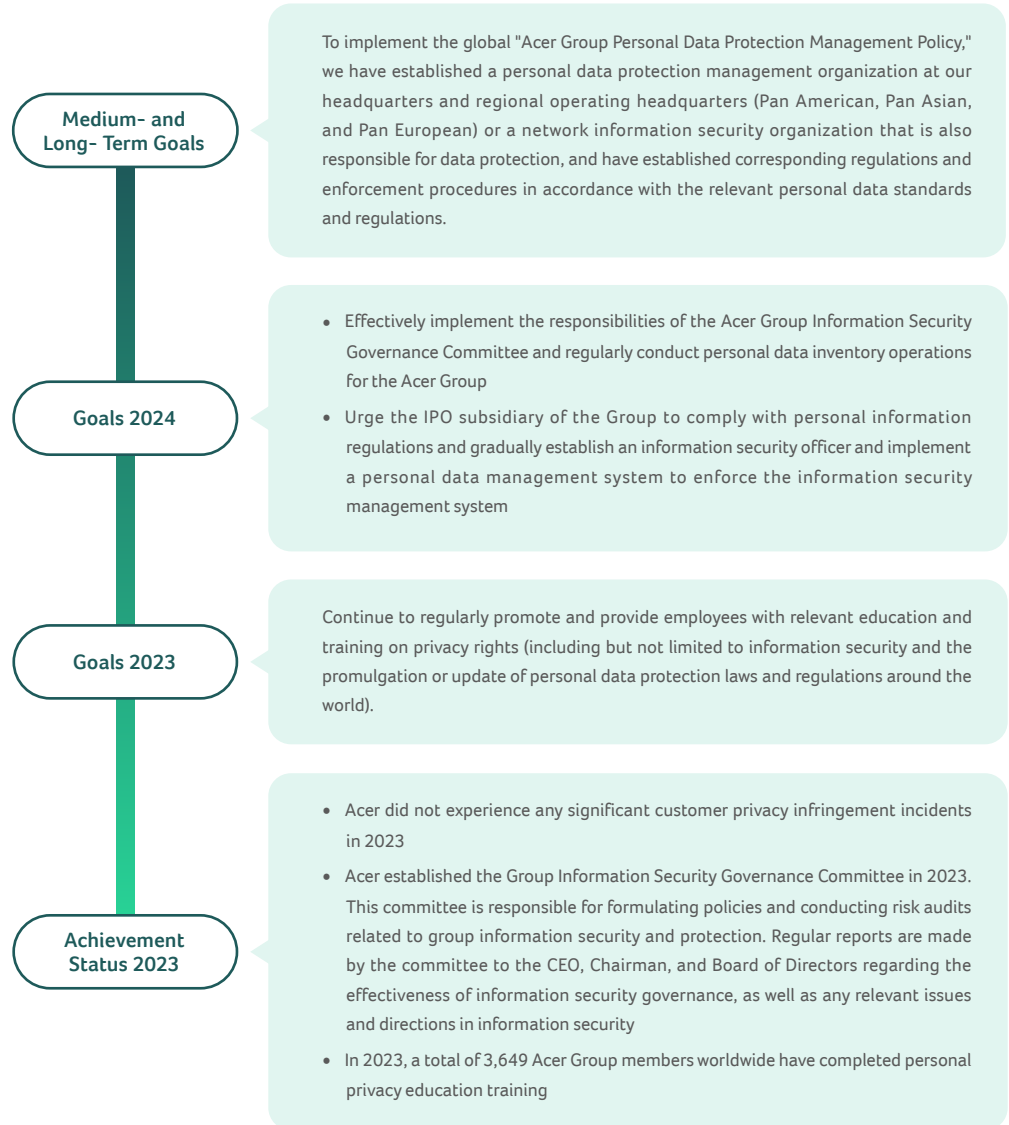
Tracking Mechanism

- Carrying out regular personal data inventories and risk assessments
- Occasional training of personal data processing managers and security control of equipment for handling personal data on a regular basis
- Implement information security test drills occasionally
- Monitor the compliance of outsourced vendors with personal data protection regulations occasionally
- Regularly update privacy statements or policies to safeguard customer privacy rights

Stakeholder Engagement and Effectiveness

- As for our employees: In regard to the implementation of employee education and training, we have consistently conducted global training sessions on personal information for employees, with a total of 3,649 individuals completing the program
- As for our customers: We prioritize the security of their personal information. Prior to accepting equipment repairs, we inform customers about the applicable regulations and precautions

Medium- and Long- Term Goals

To implement the global "Acer Group Personal Data Protection Management Policy," we have established a personal data protection management organization at our headquarters and regional operating headquarters (Pan American, Pan Asian, and Pan European) or a network information security organization that is also responsible for data protection, and have established corresponding regulations and enforcement procedures in accordance with the relevant personal data standards and regulations.

Goals 2024

- Effectively implement the responsibilities of the Acer Group Information Security Governance Committee and regularly conduct personal data inventory operations for the Acer Group
- Urge the IPO subsidiary of the Group to comply with personal information regulations and gradually establish an information security officer and implement a personal data management system to enforce the information security management system

Goals 2023

Continue to regularly promote and provide employees with relevant education and training on privacy rights (including but not limited to information security and the promulgation or update of personal data protection laws and regulations around the world).

Achievement Status 2023

- Acer did not experience any significant customer privacy infringement incidents in 2023
- Acer established the Group Information Security Governance Committee in 2023. This committee is responsible for formulating policies and conducting risk audits related to group information security and protection. Regular reports are made by the committee to the CEO, Chairman, and Board of Directors regarding the effectiveness of information security governance, as well as any relevant issues and directions in information security
- In 2023, a total of 3,649 Acer Group members worldwide have completed personal privacy education training

Privacy Protection Measures

All Acer employees are required to carefully protect confidential or proprietary information provided by stakeholders, and our products make use of data security technology

Facing the risk of network system cracking or intrusion and the rapid changes in technology, Acer not only reviews the need for customer information requests and strengthens information security measures in parallel with Acer's privacy protection practices, but also continues to apply for information security insurance in order to further protect the privacy of stakeholders.

Personal information protection and privacy-related issues are incorporated into the orientation training for new employees

The importance of personal information protection is promoted and reminded through physical or electronic posters in office areas on a regular basis. The Legal Department and each business unit set up and discuss privacy statements or policies on the websites they operate in order to raise the importance and protection of customers' privacy rights among company members, and conduct education and training courses in response to the implementation and revision of personal data protection regulations around the world.

The collection, processing and use of personal information shall be in accordance with the purposes set forth in the internal personal information registration form and to the extent necessary for the performance of business

After the stakeholder has indicated that he or she no longer wishes to receive marketing messages from Acer, then he or she shall not be engaged in any marketing activities in any way and shall dispose of the personal information appropriately (e.g., by deleting the personal information from the server or moving it to a system other than the one used to send the marketing communications). In other words, Acer prohibits the secondary use of personal information and monitors and manages the use of personal information.

Establish a Group Information Security Governance Committee that is responsible for formulating group information security and protection policies and conducting risk audits

To enhance the group's information security risk management, Acer established the Group Information Security Governance Committee in 2023. The committee is coordinated by the Acer Information and Network Security Center and reports directly to the Chairman of the Board. Its members include the head of Acer's IT product line and the general managers of subsidiary companies within the group. At the same time, the committee also forms working groups responsible for developing group information security and protection policies, as well as conducting risk assessments. Quarterly reports are submitted to the Chairman and General Manager, and an annual report is presented to the Board of Directors on the effectiveness of group information security governance, as well as security-related issues and directions.

Implementation of internal controls and human rights education & training

- Training on personal data protection and privacy-related issues is provided to new recruits at the time of their employment.
- The collection, processing, and use of personal information must be undertaken in accordance with the company's Principles for the Management of Personal Data, approved by units supervisor, and then sent to the Legal Department and the Information Technology Unit for review.
- Continuously conduct information security scenario drills to improve employees' capacity to respond to security incidents and the company's resilience to attacks.
- In 2023, the Legal Department developed a dedicated course on personal data privacy protection to enhance participants' understanding. This course was accompanied by global employee education and training on personal data. A total of 3,649 individuals successfully completed the training.

Global Employee Personal Training (Unit: Person)

- Taiwan Region: 1,575 individuals
- Pan-Asia Region: 1,325 individuals
- Pan-European Region: 749 individuals

Note：The privacy regulations concerning personal information in the Pan-American region vary significantly from those at headquarters, necessitating the development of a separate plan.

Sound mechanism for handling stakeholder issues

A proper protection mechanism is in place for personal information involving stakeholders. If there is a suspected security problem or incident involving stakeholder information, the notification mechanism will be activated immediately in accordance with the relevant regulations to ensure that the risk to stakeholders is minimized when it occurs.

Continuously review the information security regulations and undergo re-validation by third-party organizations.

Acer headquarters has added and revised the key points, specifications, and 5 information security frameworks (Cybersecurity Framework) of 51 information security management systems in 2023 to maintain and enhance Acer's information security defense level. Additionally, Acer's ISO 27001:2013 information security management system has also successfully undergone annual re-verification by a third-party verification company in 2023, ensuring the ongoing effectiveness of the security management system.

Other concrete actions for protection of privacy

- With respect to the business cooperation between third parties and our customers, this company's customers must also comply with laws on the handling of personal data on the protection of personal information, and that this be clearly laid out in the contract.
- We hold irregular personal information protection related courses for our employees to raise their awareness of personal information protection and to reduce the incidence of any related problems.
- Complaints Regarding Infringement of Customer Privacy or Loss of Customer Information: None

Explanation of the 2023 Cybersecurity Incident

In March 2023, unauthorized individuals accessed our company's server due to the improper safeguarding of account passwords by our cooperating partners. However, there was no intrusion or damage to our server, and no personal or customer data was compromised. Consequently, our company's operations remained largely unaffected. To prevent similar incidents in the future, we have implemented various measures, including conducting a comprehensive inventory of cooperating partners' account lists, enhancing the authentication mechanism for their accounts, bolstering the security of our data exchange platform, and providing education and regular training to our cooperating partners.

2023 Implementation Status

Regulatory compliance

The collection, use and management of personal information are required to comply with local personal information protection laws and regulations, and the basic principle is that the subject of personal information should have the right to know, access, correct and delete their personal information.

Product Security

Acer is committed to the highest standards of safety in the design of its products and services. To fully protect our customers and their data, we encourage security researchers, academic institutions and other members of the security community to provide any information about potential security vulnerabilities. We work with those who raise major security vulnerabilities to ensure that all relevant reports are handled.

We collaborate with partners, industry professionals, and the security community to address vulnerability issues. When we receive notifications about suspicious vulnerabilities, we conduct thorough investigations. Once confirmed, we work with the reporters to fix and remediate the issues, and coordinate the public release of relevant information.

Security vulnerabilities are typically reported by independent hardware vendors such as Intel, AMD, NV, or Microsoft operating systems (OS) and applications (Apps). Acer provides consumers with methods to fix these vulnerabilities by offering various corresponding solutions on the community.acer.com website. For instance, a vulnerability in the Baseboard Management Controller (BMC) has been discovered by researchers, which could potentially allow hackers to infiltrate servers and execute code attacks. Acer collaborates closely with vendors to mitigate risks by implementing best security practices, limiting permissions, and updating BMC and CMC firmware to address the BMC firmware vulnerabilities affecting certain products.

Acer only uses the latest software versions available on the website for verification of vulnerability reproducibility. In 2023, we were made aware of thirty vulnerabilities related to Acer websites or software through this website, nine of which confirmed and fixed immediately. In addition, we have also published information and solutions on our website based on Intel's Security Vulnerability Announcement.

Acer is committed to ensuring that our products are protected against attacks throughout the supply chain lifecycle, from design, parts procurement and manufacturing to transportation, service and recycling. Acer strives to create the safest designs for users, including but not limited to the following measures:

Hardware Design

- TPM2.0 (Trusted Platform Module, TPM): An international standard for secure cryptographic processors that reduces the risk of hackers trying to capture passwords and encryption keys for sensitive data.
- Kensington locks: It physically protects data by making machines difficult to steal.
- Security screw: Some desktops are equipped with security screws to prevent users from easily opening the case and stealing the internal parts.
- System Health Indicator: Some desktops are equipped with an indicator. When the computer detects an abnormality, the Acer System Health Indicator will immediately notify the user by flashing the red light on the power button to remind the user to perform proper system checks. If the user cannot access the system, they can also enter the system indicator status in the Acer Control Center and BIOS.
- Intel vPro®: Some desktop and notebook CPUs include Intel vPro® technology (including the Acer Chromebox CXI5 and mini-desktops that will expand the ChromeOS product line in 2023). Hardware Shield information security ensures security, application and data protection, and advanced threat detection under the operating system, creating multiple layers of protection for today's hybrid work environments and providing a level of stability that IT staff can rely on.
- Intrusion Alert: Certain desktop computers are equipped with an intrusion warning system in the chassis. If the chassis has been opened previously, the BIOS will display a warning during the next boot, reminding the user to exercise caution regarding potential unauthorized access.

Software

- Acer ProShield Plus: some business computing products adopted Acer ProShield Plus, which provides personal secure storage areas in addition to file encryption and destruction capabilities. Users can set up alerts to record invalid logins, and the system will also send email alerts. Once access is disabled, the user will be regarded as an intruder and their image recorded by camera and logged in the security report. Users can set the protection status for each browser (Edge, Chrome, Firefox) and once Windows Hello authentication fails, the user's data (bookmarks, accounts, passwords) will be locked.
- Acer Office Manager (AOM): Through the AOM system, an office without dedicated IT staff can effectively and directly control and maintain the computers of various users across the company, as well as to monitor devices and platforms throughout the enterprise ecosystem.
- Anti-virus software: Equipped with McAfee or Norton anti-virus software to detect potential hazards and remove them.
- USB Device Filter: Some commercial desktops are equipped with a USB device filter. Different corporate ITs can set company-wide USB restrictions for their own company attributes: only data can be read, or only a mouse or a keyboard is allowed, or no restrictions at all.
- Other related software: AcerSens / PredatorSense / NitroSense / TravelmateSense, Acer control center and Acer care center continuous protection of customer data enable users to connect to the Acer support infrastructure, accommodating all their support needs including a full range of services, inspections, and updates to ensure equipment is up-to-date and running smoothly.

Firmware

- Hard drive password and OPAL: Setting a hard drive password prevents unauthorized access to the user's hard drive, and OPAL provides more stringent hard drive protection.

Customer Service

Acer's success depends on the trust our customers have in us. We strive to provide the highest quality in all of our operations. From product design through production to after-sales service, we continually strive for innovation and improvement, all while also complying with domestic and foreign legal requirements for performance and customer safety.

Acer's vision is to become a "leading brand company in sustainable management through innovation and attentive service and customer care, continuously improving the efficiency and quality of our services." We firmly believe in the pursuit of quality in everything we do, and that this approach will ensure we remain competitive. To ensure our customers are satisfied, we actively strive to understand their needs and to develop better, easier to use products and services that meet, or even surpass, expectations. In this way, we create greater value for our customers.

Multiple Service Channels

Acer is devoted to helping customers understand the features of our products and services, and to using a variety of methods to understand what our customers need. Our customers should feel free to contact us at any time and provide comments and suggestions through the following channels:

Online Downloads and Support	International Travelers Warranty Service Centers Service Centers
Online Support	Acer Service Centers
SMS chat support	Acer Answers
Telephone Service Support Center/Tech Support	Authorized Service Centers and Professional Repair Companies
Acer Care Web Master (customer complaints handling process and mechanisms)	Acer Community (an open platform for customers to help each other and share product-related information)
Acer Support Video allows customers to easily grasp DIY product upgrade methods or learn about new system features and usage through concise videos.	The Acer TikTok channel has released 61 short videos, which receive nearly 100,000 views per month. Additionally, they have published 100 YouTube videos, with 50 of them being translated into Spanish and Portuguese. This translation effort aims to facilitate understanding of the video content for customers who speak different languages.

We have set up maintenance centers around the world, and cooperate with authorized service centers where required. The network is made up of Acer-operated service centers and authorized maintenance centers. The five main characteristics of this service model are:

- Mixed Mode: Combining our own venues with partnered telephone service and maintenance centers
- Acer's "One Company, One System" IT System: Providing service units with seamless, real-time linkage
- Parts and Logistics: Our parts center and regional service centers, managed by a single system, along with parts centers in all corners of the globe, are ready to respond to customers' maintenance service needs
- Multiple Brands: Consistently meeting customers' needs across different brands around the world
- E-service Application: News, sales & service, Q&A, service locations, case status, warranty information, customer service centers, home delivery

Enhancing Service Quality

Improving Customer Service

Acer Taiwan continues to offer "One-Year Extended Warranty Card " in 2023 at distributors such as TsannKuen, Mitsui, CReTE and Acer eStore, allowing customers to purchase products with a one-year extended warranty according to their needs and continue to provide customized installation services for customers who purchase Acer products, so that if customers need to upgrade their services after purchasing Acer products, Acer's maintenance centers or authorized maintenance centers can provide related consultation and installation services.

Acer USA

Acer USA provides a Customer Live Chat in more than 10 Central and South American countries in English, French, Portuguese and Spanish to handle customer calls from Central and South American countries other than the U.S. and Canada, and to handle customer questions online in a more real-time manner to reduce the hassle of sending products to repair centers. "WhatsApp" has been introduced in Central and South American countries, allowing customers to contact Acer's customer service window directly through the app on their cell phones. The customer service lines in Brazil still cooperate with the same partners that Acer has been working with for the past seven years.

In addition, Acer USA will offer extended warranty and on-site repair services in Colombia and Mexico in 2023. This will enhance Acer's service channels in the commercial market and provide Acer's customers with access to a wider range of services.

Self-Testing System

The Acer Care Center is a software suite for optimizing Acer notebooks and desktops, helping users keep their devices in top condition. ACC can also link users to Acer's support team to get them the assistance they need. ACC provides comprehensive service, including checks and updates, ensuring users can keep their devices up-to-date and running smoothly. The system can offer a dedicated page for each product by model and country through the product support page function, and customers can link to the pages to download product manuals and drivers, reducing the time spent by customers searching for product support services.

My System

Providing detailed hardware and software information, giving users an easy way to get information on system components including the operating system, CPU, graphics system, memory, and more.

Detailed Computer Checks

Using PC Checkup, users can get diagnostics and status reports for their hard drives, batteries, and networks. By providing them with the information they need, this helps them get an insight into whether their devices are running properly and how to unleash those devices' full potential.

Tune-Up

Using a disk cleaner, disk defragmenter, startup manager, and junk removal tools, Acer Care Center helps users keep devices in peak condition. These four services help users improve performance. Acer Care Center also provides Smart Tune-up functionality that enables the system to automatically optimize performance.

System Updates

Acer Care Center makes it easy for users to get the latest system updates. With the push of a button, they can download and install any available updates. Acer Care Center also offers updates to Acer products drivers, as well as keeping detailed logs of versions and update dates.

Support Information

Using Acer Care Center, users can find the closest service center, access the Acer community, look through FAQs, and connect Acer support pages. Users can also view their serial numbers and product ID numbers, which can be used to get more information on their devices from the Acer website.

Recovery Management

Using Acer Care Center, users can backup or restore system settings and networking drivers to protect against the effects of system failures. The recovery management function assists users in reinstalling Windows 10 and can also help restore system settings.

Acer Community: Online Communications, Prompt Responses

The Acer Community website offers customers an online communication channel to address product issues. Prompt and accurate responses to customer inquiries are provided by Acer Community members. As of 2023, the Acer Community has amassed a total of 573,284 members and continues to grow. In 2023, there were 20,967 new question discussions, 80,467 posts and comments, and 4,894 solutions provided. The website received a total of 8,987,852 visits and 16,602,604 page views in 2023.

In addition, in 2023, our ACE team will add one super user, bringing the total number of super users to 42. The website supports multiple languages, including English, Spanish, German, Portuguese and French, providing channels that span borders.

In addition, Acer Support has accumulated 77,300 subscribers on Youtube, and the Acer Support team occasionally releases in-depth videos that explain problems with Acer products, providing users with a quicker, more intuitive way to understand the products they are purchasing.

The Acer Product Evaluation Program (APEP) is a product testing program that allows expert members of the Acer Community to test out the latest products. Their feedback can then help us improve our products and be more innovative. Relevant departments, including the management team, marketing, and UX, evaluate and discuss user feedback and lay out plans for improvements.

User Spotlight

Since 2021, AnhEZ28 has been a valuable contributor to our English community, accumulating an impressive 9.4k points and actively participating in over 2k discussions. We extend our sincere thanks to AnhEZ28 for their dedication and valuable insights that have significantly enriched our community.

AnhEZ28

Acer In-House Training System: Improving Customer Service Problem Solving Capabilities

To provide consultation and assistance to customer service staff worldwide, Acer uses an online learning system (Acer E-Academy) to train frontline customer service staff and operations staff on new product expertise, FAQs, customer response skills and standard procedures, and includes online post-course evaluations. In order to improve the user interface and upgrade the coverage, Acer Europe introduced the eLearning portal to provide professional training to internal staff on maintenance techniques and troubleshooting. So far, different training courses have been added, and more are coming. Through this system, we are able to provide staff with the latest product knowledge, helping them more effectively deal with customer inquiries through a set of standard methods and through a virtual journey, even without seeing the actual product.

Global Customer Relationship Management System

A strong foundation for customer service activities is a good system. To enhance the quality of customer service, we have developed Acer's Customer Service System (CSS). This system manages global direct service centers, authorized service centers, professional repair companies, telephone service support centers, spare parts planning and warehouse management, as well as customer interactions conducted through the internet. It also helps improve repair progress and quality. Currently, the system is being used in Europe, the Middle East, Africa, Asia Pacific, the Americas, and Central and South America. Additionally, there is a dedicated customer relationship management system for the Greater China and Taiwan regions, which provides better service quality to global customers.

In addition, we have also improved the functions of the customer relationship management system, providing customers with a mobile application through which they can make inquiries and can track service requirements. Technical service engineers can also work online. In order to improve maintenance quality and reduce maintenance time, all regional service centers also make use of the Acer Diagnostics Suite(ADS). With the introduction of the ADS into maintenance centers, the system returns test results to the CSS to provide the basis for repair work, thereby improving diagnostic accuracy and improving the rate of second repairs.

The new Global Customer Relationship Management System (Version 8) makes use of the latest technology to strengthen and integrate processes across regions. In 2023, Asia Pacific continues to use the new Global Customer Relationship Management System (Version 8) for corporate customers, improving the service and support provided to them and providing service for products beyond just computers.

To improve security, all global CRM application versions have been upgraded to OS / SQL 2012 to support Acer's service business needs in global regions.

Customer Satisfaction Survey

We carry out Acer Customer Satisfaction Surveys in each country individually. As such, methods can vary. However, headquarters still regularly collects the results of our surveys and reviews them for trends and insights. Current survey methods include telephone, online, face-to-face interviews, and telephone interviews with corporate customers. In addition, we also continue to ask customers about their purchasing experience on the Acer Store website and adding survey channels to enhance our services in 2023.

To improve customer satisfaction, we conduct regular (weekly or monthly) reviews of authorized service centers; if a problem is found or an incident occurs, the center will also provide a corresponding corrective plan. Currently, the majority of both internal maintenance centers and partner authorized service centers, have successfully obtained relevant ISO certifications, such as ISO 9001 and ISO 14001.

We have analyzed the results of the questionnaire survey to determine the global satisfaction rate. In 2023, the percentage of positive customer evaluations was 93.96%. Although the average customer satisfaction survey results have slightly decreased compared to last year, they still fall within the normal fluctuation range.

## Specific Management Methods for Customer Privacy Protection

To ensure the customers' privacy rights are protected, Acer will inform the customer of the following precautions and confirm their acceptance of the following before the customer agrees to send the product for repair (details may vary from country to country depending on local regulations)

- The call center informs customers that all calls will be recorded and logged in the maintenance record after repair delivery is confirmed
- Remind customers to back up all data on their computers
- Explain the risk of loss and damage to personal data and computer settings during the repair process
- Require the customer to sign an authorization form that sets out customer privacy and maintenance terms and conditions

We have set the following goals for customer service improvement in 2024:

- Continued implementation of a fan management system integrating sales and computer health clinics. Implement a bidding system for companies and schools, carrying out computer health clinics and establishing strong customer relationships.
- In 2024, a set of PWA-run application software will provide real-time product-related information for customers' purchased products, so that customers can be the first to grasp BIOS, driver, battery health status, and product-related information, as well as to provide the nearest service center information for customers' location, so that customers can contact Acer's customer service center more quickly when they need product service.
- The United States conducted an in-depth analysis of the 2023 customer satisfaction survey. Through this analysis, they identified several issues with frontline service personnel, including avoiding customer interactions, hanging up on calls, and experiencing internet disconnections, whether voluntary or involuntary. Immediate action was taken to transfer service personnel exhibiting inappropriate behavior from the Call Center position. Furthermore, service personnel who faced unstable internet connections while working from home were relocated to the Call Center office to prevent issues caused by the instability of their internet connections.
- The evaluation format used by our Call Center supervisor has been revised to a comprehensive set of indicators. This change enables the entire team to gain a better understanding of the impact of each attribute and the comments provided by customers at the end of the survey.
- Improve service center information systems so that the customer service staff can better understand customers' records and reduce the time needed for service, boosting customer satisfaction. Europe has begun using the Unified Agent Desktop tool, making it easier for staff in the service center to get information on client machines and provide thorough service.
- Continue to observe and reduce customers' second repair rates to boost consumer satisfaction and loyalty.

Global Customer Satisfaction

Year	Satisfaction
2020	92.35%
2021	94.60%
2022	94.64%
2023	93.96%
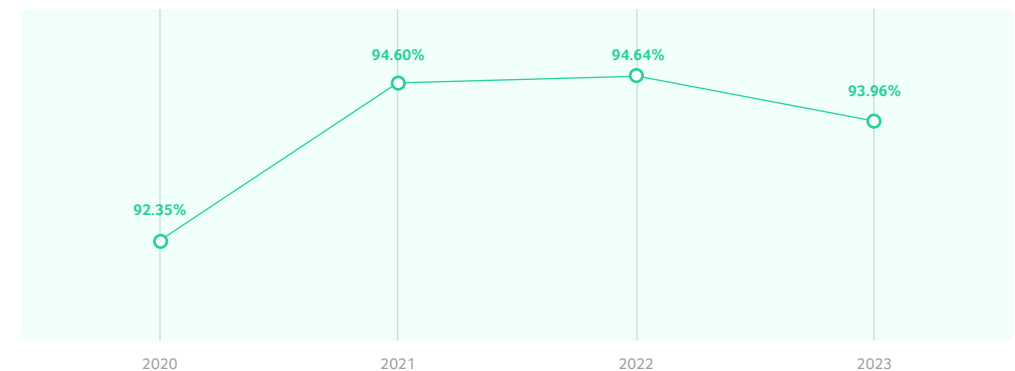
World-Recognized Customer Service
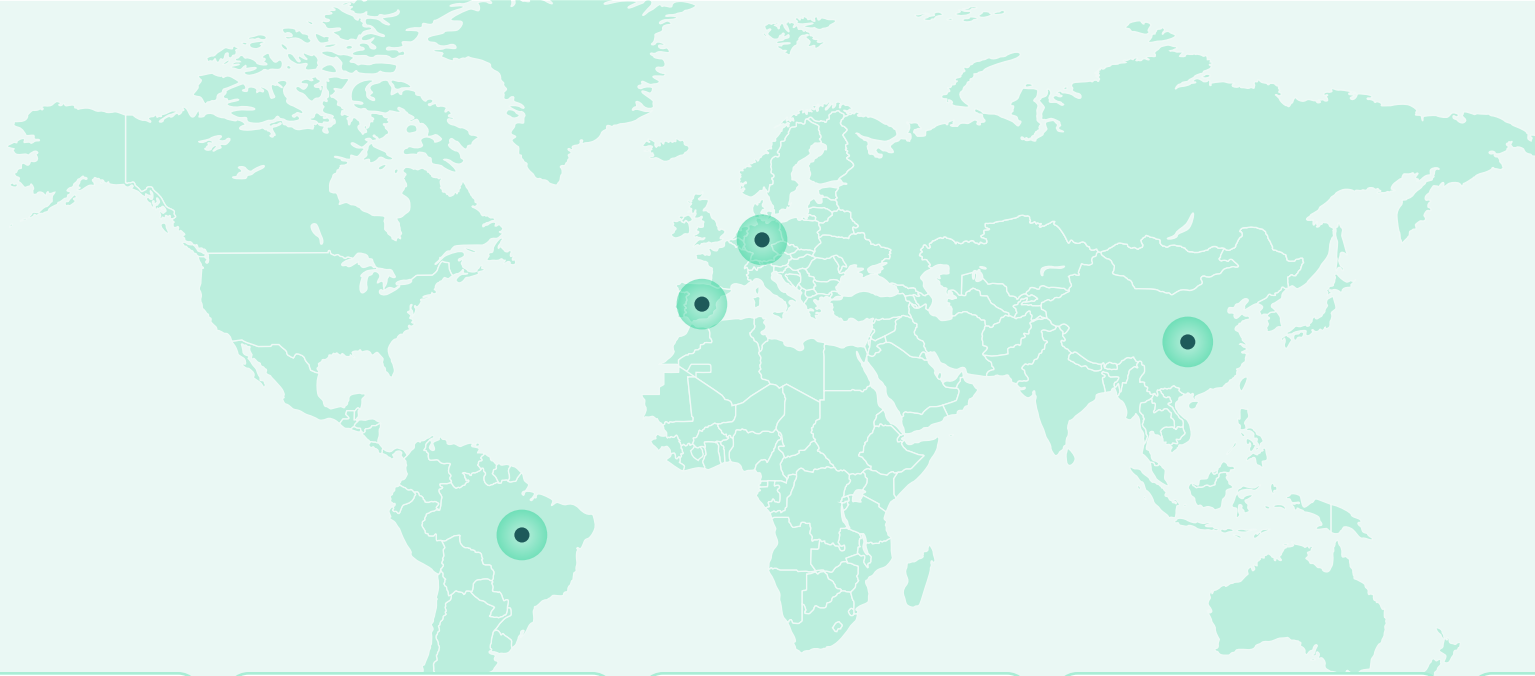
Acer China

Acer China has been awarded the Service Brand of the Year for the 17th time by Computer News.

Acer Germany Service Center

Acer Germany Service Center's laptop repair service has been rated as the test winner by Stiftung Warentest. Stiftung Warentest reviewed a total of 7 laptop repair service providers, and Acer ranked first with a total score of 2.1. The impressive repair success rate and lowest cost of Acer were noteworthy.

For more information

Acer Germany

Acer Germany has been honored by the German Institute for Service Quality.

For more information

Acer Spain

Acer has won the Customer Service Award for the fifth consecutive year in Spain. This victory marks their fifth consecutive win since 2019, making them the recipient of the Customer Service Award of the year 2023.

For more information

Acer Brazil

Brazil has been awarded the Best Customer Service Award for six consecutive years, acknowledging Acer as one of the leading companies in customer support in Brazil.

Operations and Environment

In order to address the issue of environmental sustainability, it is essential to not only enhance office facilities but also integrate it into the daily activities and lives of colleagues. This will help minimize resource consumption and waste generation.

Acer is continuing to promote the Earth Mission campaign in 2023 and is inviting colleagues to join the challenge. The campaign includes activities such as energy conservation, water conservation, reducing transportation fuel consumption, and waste reduction. The goal is to cultivate sustainable habits and contribute to a sustainable lifestyle.
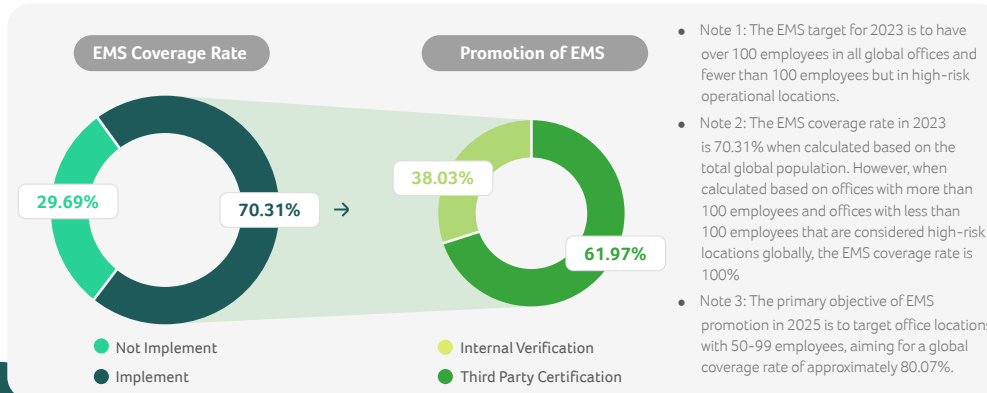
Environmental Policy and Management

Acer actively pursues balanced economic, environmental and social development. We are committed to environmental protection because we understand that all of our products, services and activities may impact the communities and environment in which we operate. To fulfill our corporate social responsibility, we request our employees to understand their roles and responsibilities, and we also request our suppliers, service providers, contractors, outsourcers, logistics providers, merged and acquired companies and value chain partners to reduce their environmental impact through their lifecycle , and to comply with Acer's environmental, health and safety policies to fulfill our commitment to environmental protection.

Acer's environmental safety and health policy was revised in 2023 and reviewed, approved, and supervised by the board of directors of Acer. To achieve the sustainable goal of environmental protection and implement policies, the target for implementing the Environmental Management System (EMS) by 2025 is as follows: global workplaces with more than 100 employees and workplaces with less than 100 employees but classified as high-risk operations. To expand the coverage of EMS, offices with 50-99 employees will be included in the EMS scope starting from 2025.

To ensure the efficient functioning of our management system, we have established a task force to implement various operations based on the PDCA management model. Annually, we employ third-party certification or internal management mechanisms to verify the effectiveness of our management. Additionally, we actively encourage offices with fewer than 100 employees to engage in certification.

Coverage of Global Environmental Management System (EMS)

EMS Coverage Rate

29.69%   70.31% →

Promotion of EMS

38.03%   61.97%

- Not Implement
- Implement
- Internal Verification
- Third Party Certification

- Note 1: The EMS target for 2023 is to have over 100 employees in all global offices and fewer than 100 employees but in high-risk operational locations.
- Note 2: The EMS coverage rate in 2023 is 70.31% when calculated based on the total global population. However, when calculated based on offices with more than 100 employees and offices with less than 100 employees that are considered high-risk locations globally, the EMS coverage rate is 100%
- Note 3: The primary objective of EMS promotion in 2025 is to target office locations with 50-99 employees, aiming for a global coverage rate of approximately 80.07%.

Waste Management

Acer does not have any manufacturing plants and the main source of waste is general household waste. To reduce waste production, we follow the practices of Reduce, Reuse, Recycle.

In daily life, we encourage our employees to reduce the use of disposable plastic, tableware, and paper cups, and to strengthen waste reuse through the implementation of various resource recycling and regular business waste recycling management methods.

For the disposal of waste, we uphold the laws and regulations and comply with the company's environmental management policy. General household wastes is delivered to the local incineration plant by the building in cooperation with manufacturers or local cleaning teams; resource recovery items are sorted and delivered to recycling manufacturers or local resource recovery vehicles; business waste such as waste batteries, waste lamps, waste machine cases, hardware waste, etc. are collected and delivered to qualified contracted manufacturers for disposal to ensure that the process of transportation and disposal does not damage the environment and ecology. To effectively manage our goals, we utilize IT systems to collect global waste data and track changing trends. We conduct quarterly reviews to identify and clarify the reasons for any abnormalities. Additionally, we assess the status of goal achievement annually.

In order to further minimize the generation of waste, we have established a worldwide waste disposal objective for the year 2022.

- Short-term goal: Reduce by 1% compared to the baseline year in 2023.
- Mid-term to long-term goal: Reduce by 10% compared to the baseline year in 2030.

According to Acer's global waste statistics for the past five years, the total recycling and reuse volume has been increasing and the total waste disposal volume has been decreasing. In 2023, the total waste disposal volume has decreased by 7.86% compared to 2022, meeting the short-term goal.

Acer Global Wastes Statistics

Unit: mt

- Total waste recycled and reused
- Total waste disposed

	2019	2020	2021	2022	2023
Total waste recycled and reused	1,135.60	1,373.02	1,562.19	1,685.19	1,489.94
Total waste disposed	531.01	430.68	385.43	427.31	393.74

Energy Usage Management

The major energy consumption for Acer is office electricity, of which air conditioning, lighting, and data center use are the primary ones. For effective management, we use systematic data collection to understand the usage situation and grasp the trend of change, and encourage each office area to carry out energy-saving measures such as optimizing power consumption equipment and strengthening power consumption management, as well as using renewable electricity and producing renewable electricity in the hope of reducing office power consumption every year.

The Xizhi headquarters conducts an annual review of the ISO 50001 energy management system and sets reduction targets each year. Given that Acer Taiwan accounts for approximately 60% of global electricity consumption annually, with the Xizhi headquarters, Longtan eDC, and Aspire Park accounting for approximately 79% of electricity consumption in Taiwan, we have established long-term goals for the three office areas in 2022 to enhance electricity consumption management. Performance tracking will be carried out on an annual basis.

- Acer Xizhi Headquarters: The total electricity consumption in 2030 needs to be reduced by 10% compared to 2021.
- Longtan eDC: Decrease by 1% annually.
- Aspire Park: The total electricity consumption in 2030 needs to be reduced by 5% compared to 2023.

The main energy-saving measures for 2023 include the completion of chilled water unit and water dispenser replacements at Acer Xizhi Headquarters, the replacement of the cooling water pump at the Aspire Resort, and the installation of timer controls for toilets and roof exhaust fans on each floor at the Aspire Research Complex. Additionally, the Longtan eDC plans to enhance energy resource management and intends to implement the ISO 50001 energy management system in the third quarter of 2024.

Acer Taiwan's 2023 Main Energy Saving Measures

Goals	Type	Energy Saving Measures	Office Area Implemented	New Measure(s)	Ongoing	Benefits (annual)
Renewable Electricity Usage	Production of Renewable Electricity	Solar Power Generation	Acer Taiwan Longxian Solar Power Station		●	Generation of approximately 3,270,000kWh of power
			Acer Taiwan Aspire Park Aspire Resort		●	Generation of approximately 22,000 kWh of power
			Acer Taiwan Aspire Park Aspire Research Complex		●	Generation of approximately 111,000 kWh of power
			Acer eDC Longtan Offices		●	Generation of approximately 56,000 kWh of power
Optimized Electrical Equipment	Air Conditioning System	Updated Air Conditioning Equipment	Acer Taiwan Xizhi HQ	●		Saving of approximately 261 kWh of power
			Acer eDC Longtan Offices	●		Under construction, expected to be operational by 2024
			WebLink Kaohsiung Warehouse	●		Saving of approximately 1,500 kWh of power
		Replace the cooling water pump for the air onditioning system	Aspire Dormitories	●		Saving of approximately 83,000 kWh of power
		Add dual control valve for ice water	Aspire Dormitories and Yashe	●		The project is currently in progress and is expected to be completed by 2024
		Automatic Shutdown Setting for Air Conditioning in Guest Rooms	Yashe	●		
		Improved Cooling Tower Air Flow	Acer eDC Longtan Offices		●	Saving of approximately 322,000 kWh of power
		Improvement of Cooling Water Tower Heat Dissipation	WebLink Taipei Headquarters	●		Saving of approximately 41,000 kWh of power
	Lighting Fixtures	Changed to energy-saving lamps	Acer Taiwan Xizhi HQ	●		Saving of approximately 92,000 kWh of power
		Changed to energy-saving lamps during new office renovation	Acer Information Nangang Office Area	●		
			Exhibition at Go Hsinchu Branch	●		
	Ventilation Equipment	Timer control for toilet and roof ventilation devices on each floor	Acer Taiwan Aspire Park			Saving of approximately 254,000 kWh of power
	Water Dispensing Equipment	Replace Energy-efficient Certified Water Dispenser	Acer Taiwan Xizhi HQ	●		Saving of approximately 11,000 kWh of power
	Warehouse Equipment	Automatic Door Interlock Control in the Pier Area Reduces Air Conditioning Leakage	Acer Taiwan Aspire Park			
Strengthened power usage management	Employed electricity monitoring	Using Energy Management Systems	Acer Taiwan Xizhi HQ		●	
			Acer Taiwan Aspire Park Aspire sort		●	
			Acer Taiwan AspirePark Dormitories		●	
			Acer Taiwan Aspire Park Aspire research Complex		●	
			Acer Taiwan Aspire Park Zhizun Building		●	
			Acer eDC Longtan Offices		●	
	Using UPSs	Shutdown settings	Acer eDC Longtan Offices		●	Saving of approximately 4,270,000 kWh of power
	Lighting	Using automated shut-off system	Acer Taiwan Xizhi HQ		●	

Note: Disclosure of electricity consumption optimization and the benefits of stronger electricity consumption management employs estimations to calculate savings before and after improvements.

Water resource management

Names of Material Topics

Water resource management

Policies and Commitments

Although there is no significant use of water resources, we still set annual reduction targets and continue to explore various reduction possibilities.

Tracking Mechanism

- Introduction of the ISO 14001 environmental management system, which promotes the participation of all employees and ensures system effectiveness through internal and external audits.
- We have also implemented an IT system for managing global water usage data and trends, allowing us to review the achievement of objectives.

Stakeholder Engagement and Effectiveness

The 2023 Materiality Survey shows that Water Resource Management is a major stakeholder topics of concern for the past 2 consecutive years. To address this topic, in addition to ongoing water management, setting goals, actions and monitoring, we have actively promoted the Global Project Humanity and enhanced the functionality of the Earth Mission App, working in collaboration with our employees and business partners to reduce water consumption.

Management Process

Set target → Water management → Tracking and checking → Nonconformity and corrective action
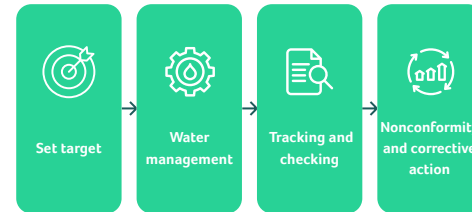
Action Plan

- Water Resource Recycling and Reuse
- Improving Water Use Equipment
- Strengthening Water Management

Medium- and Long- Term Goals	• Total water consumption in 2030 needs to be reduced by 7% compared to 2023
Goals 2024	• Total water consumption reduced by 1% compared to 2023
Goals 2023	• Total water consumption reduced by 1% compared to 2022
Achievement Status 2023	• Total water consumption reduced by 12.82% compared to 2022

With Acer's global business model primarily focused around product sales and customer service, with no involvement in production activities, there is not really any large-scale water use.

Given that water resource management is a significant concern for stakeholders on an annual basis, we are actively investigating different avenues for water conservation within our workplace. Concurrently, we have established an annual objective of decreasing overall water consumption by 1% in comparison to the previous year. Our ultimate aim is to achieve a 10% reduction in total water consumption between 2018 and 2025.

The decline in Acer's global total water intake in 2022 has surpassed the medium- to long-term target. The analysis indicates that the decrease in water consumption from 2021 to 2022 is attributed to the implementation of work-from-home (WFH) policies in numerous offices worldwide as a consequence of the pandemic. Consequently, the medium- to long-term target has been revised to a 7% reduction in total water intake by 2030 compared to 2023.

To effectively manage our goals, we utilize IT systems to collect global waste data and track changing trends. We conduct quarterly reviews to identify and clarify the reasons for any abnormalities. Additionally, we assess the status of goal achievement annually. At the same time, we encourage each office district to implement water conservation measures such as water recycling, improving water facilities, and strengthening water management.

Acer's Xizhi headquarters plans to replace 20 reverse osmosis water dispensers with environmentally certified models in 2023. This change is expected to save approximately 2,000 m^3 of water per year. In 2024, an additional 15 dispensers will be replaced due to the significant water-saving effect.

The Aspire Resort in Longtan has long been committed to water saving measures. To reduce the use of massive water resources in the swimming pool and paddling pool, we implement wastewater ollection and treatment, and reuse it through filtration facilities and ozone disinfection process. At present, the water consumption is mainly the replenished dissipated water after the natural overflow, and the statistics of 2023 overflow replenished dissipated water was about 3,278 m^3, which was about 10% of the total water consumption of the resort. In order to comply with standards, we use an automated system to monitor and treat the pool water. Our coaches also manually test and compare the water every 2 hours to ensure it meets the government's periodic inspections.
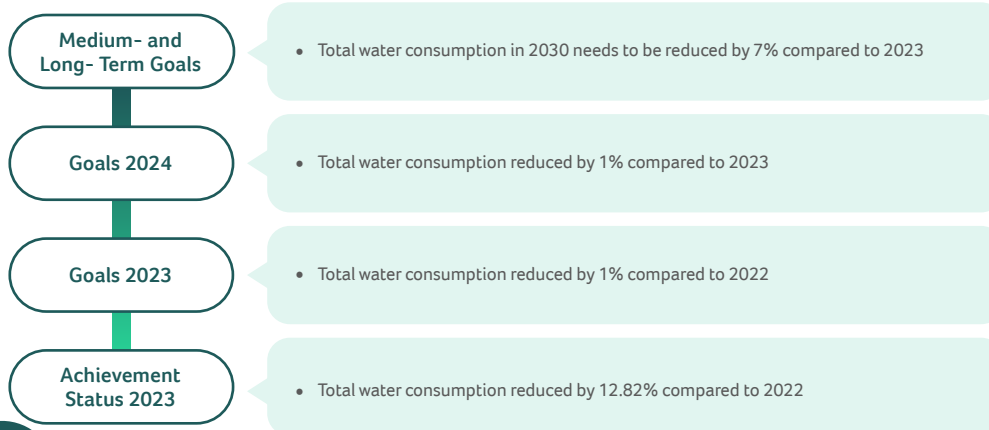
Acer Taiwan's 2023 Main Water Saving Measures

| Goals	Water Saving Measures	Office Area Implemented	Benefits (annual)
Collection and Reuse of Water Resources	Using reclaimed water for irrigation of greenery	Acer Taiwan Aspire Park	Recovery of approximately 24 m³ of water
	Swimming pools and paddling pools implement wastewater diversion collection and treatment, and reuse through filtration facilities and ozone sterilization process	Acer Taiwan Aspire Park Aspire Resort	Replenishing of approximately 3,278 m³ of dissipated water
	Recycling and reusing air conditioner condensate and dehumidifier drainage water	Acer Taiwan Aspire Park Aspire Resort	Recovery of approximately 471 m³ of water
	Rainwater reuse and recycling	Acer eDC Longtan Offices	Recovery of approximately 3,538 m³ of water
	Recycling and reusing dehumidifier drainage water	Weblink HY Life Zhonghe, Taoyuan Store	
Improving Water Using Facilities	Replacement of Reverse Osmosis Water Dispenser	Acer Taiwan Xizhi HQ	Save 2,000 m³ of water
	Using water pre-tank filtration system to reduce water consumption from frequent cleaning	Acer Taiwan Aspire Park Aspire Resort	
	Replacement of sensor faucets with water-saving labels in public areas	Acer Taiwan Aspire Park Aspire Resort	
Strengthened Water Usage Management	Regularly inspecting water-using facilities	Acer Taiwan Offices	
	Promotion of water conservation	Acer Taiwan Offices	

Note: Disclosure of reducing water consumption employs estimations to calculate savings before and after improvements.

Water Consumption

Office air conditioning cooling tower water, office environment cleaning, and daily domestic use by employees and visitors are our primary water requirements. The water is mainly sourced from the municipal supply, with a small portion coming from well water, which has a negligible impact on the overall water source.

In 2023, Acer's total global water consumption was 141,795.95 m³ including approximately 12,542 m³ of well water, which represents a decrease of 12.82% compared to the previous year. The company's water consumption has been declining consistently over the past five years.

Global Water Consumption

Unit：m³

190,048 (2019)
173,805 (2020)
164,324 (2021)
162,655 (2022)
141,796 (2023)
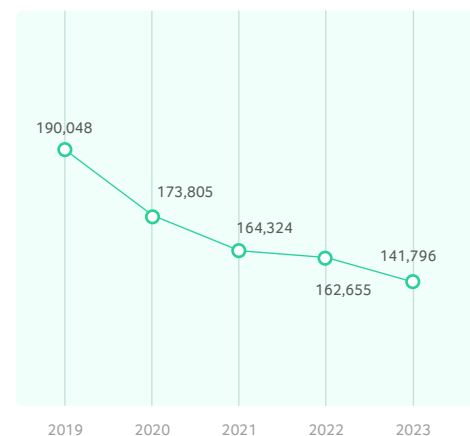
Biodiversity

Names of Material Topics

Biodiversity

Policies and Commitments

Acer Biodiversity Commitment

Action Plan

The main action plans for 2023 are as follows:

- Understanding international trends and requirements for biodiversity.
- Conducting biodiversity assessments at Acer's various locations.

Tracking Mechanism
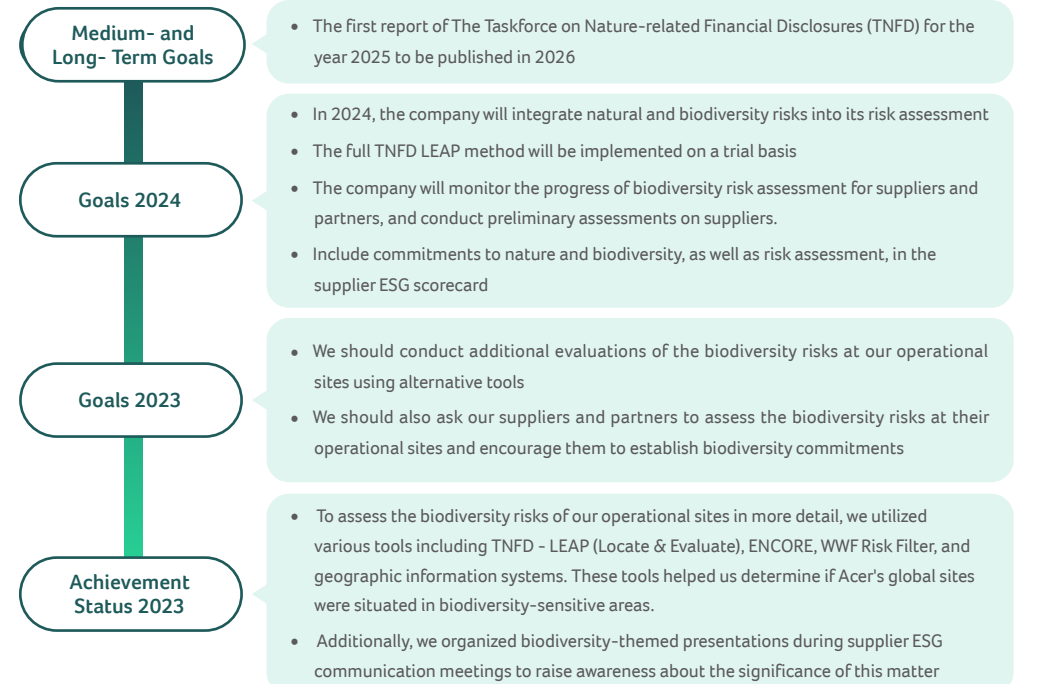
Track effectiveness through semi-annual meetings of the Corporate Sustainability Committee

Management Process

"Biodiversity Commitment" is reviewed, approved, and overseen by the Acer Board of Directors. The ESG Office is responsible for addressing nature and biodiversity issues, coordinating with relevant departments for communication and implementation, and the outcomes are verified by the Corporate Sustainability Committee.

Stakeholder Engagement and Effectiveness

Join the Taiwan Nature Positive Initiative launched by the Business Council for Sustainable Development to learn more about biodiversity risk-related issues.

Medium- and Long- Term Goals
- The first report of The Taskforce on Nature-related Financial Disclosures (TNFD) for the year 2025 to be published in 2026

Goals 2024
- In 2024, the company will integrate natural and biodiversity risks into its risk assessment
- The full TNFD LEAP method will be implemented on a trial basis
- The company will monitor the progress of biodiversity risk assessment for suppliers and partners, and conduct preliminary assessments on suppliers.
- Include commitments to nature and biodiversity, as well as risk assessment, in the supplier ESG scorecard

Goals 2023
- We should conduct additional evaluations of the biodiversity risks at our operational sites using alternative tools
- We should also ask our suppliers and partners to assess the biodiversity risks at their operational sites and encourage them to establish biodiversity commitments

Achievement Status 2023
- To assess the biodiversity risks of our operational sites in more detail, we utilized various tools including TNFD - LEAP (Locate & Evaluate), ENCORE, WWF Risk Filter, and geographic information systems. These tools helped us determine if Acer's global sites were situated in biodiversity-sensitive areas.
- Additionally, we organized biodiversity-themed presentations during supplier ESG communication meetings to raise awareness about the significance of this matter

Biodiversity is the foundation of all life and is crucial for maintaining the quality, quantity, and resilience of ecosystems. It is also essential for the health and stability of natural capital. Since the adoption of the Post-2020 Global Biodiversity Framework by the United Nations Convention on Biological Diversity (COP15) in 2022, several related guidelines and updates have been released. These include the Science-based Target for Nature (SBTN) technical guidance, the Taskforce on Nature-related Financial Disclosure (TNFD), the LEAP assessment methodology, and the significant update of GRI 101: Biodiversity Indicators. These developments highlight the growing global concern for biodiversity. Acer recognizes this international trend and has approved a Biodiversity Commitment by the Acer Board of Directors. The progress of actions is reviewed and monitored every six months by the Corporate Sustainability Committee, chaired by the Chairman. We plan to publish the TNFD report for the fiscal year 2025 in 2026. The actions initiated since 2022 are explained below.

In our own operation

In light of the publication of the TNFD LEAP methodology, we have reassessed our global operations using LEAP. Through the use of a geographic information system, we have overlaid the World Database on Protected Areas (WDPA) and the National Land Ecological Green Network map data to determine if Acer's global locations are situated in areas of high biodiversity importance. Additionally, we have utilized ENCORE to gain insights into industry dependencies and impacts, and employed the World Wildlife Fund for Nature's Biodiversity Risk Filter to assess the risks associated with our primary ODMs.

We are continuing to include biodiversity as a sub-theme within the environmental theme in the global 'ESG Project Awards'. This helps to raise awareness of biodiversity among Acer employees. In 2023, several operational sites worldwide will launch local initiatives, proposing a total of 9 projects related to biodiversity. These projects can be broadly categorized into terrestrial ecosystems and aquatic ecosystems.

Terrestrial Ecosystem: Promoting Climate Adaptation and Ecological Conservation through Afforestation

Trees have the ability to absorb carbon dioxide, mitigate climate change, provide habitats and food for organisms, and help prevent soil erosion. Acer has partnered with professional tree planting organizations at its global operations sites, and by 2023, it will have planted over 80,000 trees in appropriate locations. Since 2020, it has already planted over 290,000 trees worldwide. This initiative not only contributes to global carbon reduction, ecological conservation, and biodiversity, but also supports the livelihoods of local farmers.

In Europe, we have launched the 'Green Deals' initiative in collaboration with One Tree Planted. Through the Acer official online store , a total of 2,606 trees were planted in Ghana and the Amazon rainforest in 2023 for orders placed. Acer for Education, the Acer education website, has also partnered with Treedom, enabling schools to register and plant a tree in their name on the website.
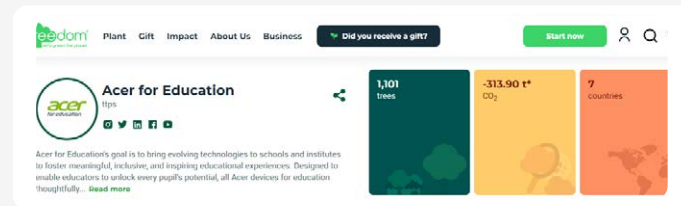
In addition, each subsidiary also conducts its own tree planting activities. For instance, Acer UK has been partnering with Ecologi since 2021 to plant trees and contribute to projects focused on rainforest conservation. As of December 2023, they have successfully planted over 82,000 trees, primarily in Kenya and Madagascar.

In 2022, France experienced devastating wildfires that destroyed more than 66,000 hectares of forest (Statista). In response, Acer France collaborated with Ecotree to restore the fire-damaged Ruaudin forest by planting 66,000 trees. Since 2012, Acer Philippines has been partnering with the Green Legacy Foundation to plant trees and has organized annual tree-planting activities. To date, they have planted over 36,000 trees. Additionally, Acer Czech Republic conducted a small-scale tree-planting initiative and planted 100 trees in a protected area.

Acer's office in Irvine, California, issued a call for volunteers to participate in the Sow & Grow volunteer event organized by the Newport Bay Conservancy at the Back Bay Science Center. Acer volunteers provided assistance in harvesting, grinding, and separating seeds of native wetland plants, as well as transplanting seedlings, processing compost, cleaning flower pots, and maintaining the nursery space. In total, they harvested 1 pound of seeds, which amounts to tens of thousands of seeds, for the future restoration of the Newport Bay marshes and wetlands.

Aquatic Ecosystem: Enhancing Biodiversity Conservation and Research with Technology

Technology products can contribute to ecological conservation and biodiversity research, including ecosystem monitoring, data analysis, and prediction. Therefore, Acer not only encourages employees to volunteer in activities such as tree planting and beach cleaning to enhance their conservation awareness, but also supports conservation organizations in ecological research through product design.

The ocean is an important ecosystem and a treasure trove of biodiversity on Earth. It is closely linked to climate regulation, resource development, transportation, and fishing. However, the global pollution of marine microplastics caused by plastic waste entering the ocean also leads to the degradation of the marine environment and impacts the marine ecosystem. Acer, in alignment with Sustainable Development Goal 14 – Life Below Water, is utilizing recycled plastic from ocean waste in the Aspire Vero laptop series and Acer Vero Ocean Collection bag series to transform marine waste into environmentally friendly products. These products are showcased in various promotional activities organized by the Ocean Waste Recycling Alliance and have received the United Action for Ocean Protection Award from the Ocean Commission in 2023.

The southern resident orcas, which are found in the southwestern part of Canada and the northwestern part of the United States, are currently on the verge of extinction, with only about 70 individuals remaining. The noise created by large ship traffic underwater has further hindered the already limited hunting abilities of these whales, particularly in their search for salmon. In 2022, Acer donated computer-related products to support Quiet Sound, a project that employs different technologies to locate the orcas and notify the crew of their presence. This allows ships to reduce speed or alter their course.

In 2023, on the other side of the Pacific, the Acer Foundation supported the Hualien Formosa Association in conducting the 'Visit the Pacific Sperm Whale π Project'. The foundation provided sponsorship for the necessary hardware and software to establish the Taiwan Eastern Pacific Kuroshio Current Zone. This zone aims to document the ecological records of Pacific sperm whales, as well as other cetaceans, through the collection of images, tracks, underwater recordings, and graphic and written works.

"#SayangBumi" is an initiative launched by Acer Indonesia in 2023. Acer has called on the public to clean up three beaches in Indonesia and plant 200 mangrove saplings in coastal protected areas. The aim is to promote the importance of reducing waste entering the ocean and protecting coastal ecosystems through beach cleaning and tree planting, while also providing environmental education.

In terms of supplier management

In order to enhance suppliers' and partners' understanding of the importance of biodiversity issues, Acer specifically invited the Corporate Sustainability Development Association to deliver a keynote speech on Biodiversity and Nature-related Financial Disclosure (TNFD) at the 2023 Supplier ESG Communication Meeting. The speech aimed to share global biodiversity trends and highlight the significance of TNFD for businesses. It also provided an opportunity for suppliers to address any questions or concerns they may have. Additionally, Acer requested suppliers and partners to assess the biodiversity risks associated with their operational sites and encouraged them to establish forest conservation commitments. This requirement will be included in the evaluation of the 2024 Supplier Corporate Social Responsibility Scorecard. Furthermore, it was emphasized that necessary measures should be taken when operating in areas near key biodiversity sites, such as avoidance, reduction, mitigation, or offsetting, to minimize negative impacts and collectively reduce the supply chain's impact on biodiversity.

In terms of partnerships

Acer participates in the Taiwan Nature Positive Initiative launched by the Business Council for Sustainable Development to gain a deeper understanding of international biodiversity trends and the expectations of stakeholders.

04

RESPONSIBLE SUPPLY CHAINS

Our suppliers are the most important partners. Beyond the economic value that our supply chain brings, we are also focused on social and environmental impact, building on a foundation of respect for human rights and working diligently toward a sustainable supply chain. Through the Acer Responsible Supply-Chain Management (ARSM) mechanism, we jointly shoulder our responsibilities toward society and the environment alongside our supply chain, expanding out from our first- and second-tier suppliers to the third tier and gradually working toward the realization of sustainability goals.

210,000 people — Number of direct supplier employees audited in 2023

455,685 people — Number of direct employees participated in the training

CDP Supplier Engagement Leaderboard

RESPONSIBLE SUPPLY CHAINS

Names of Material Topics

Supply Chain Environmental and Social Management & Performance

Policies/ Commitments

We also focus on social and environmental impact, building on a foundation of respect for human rights and working diligently toward a sustainable supply chain.
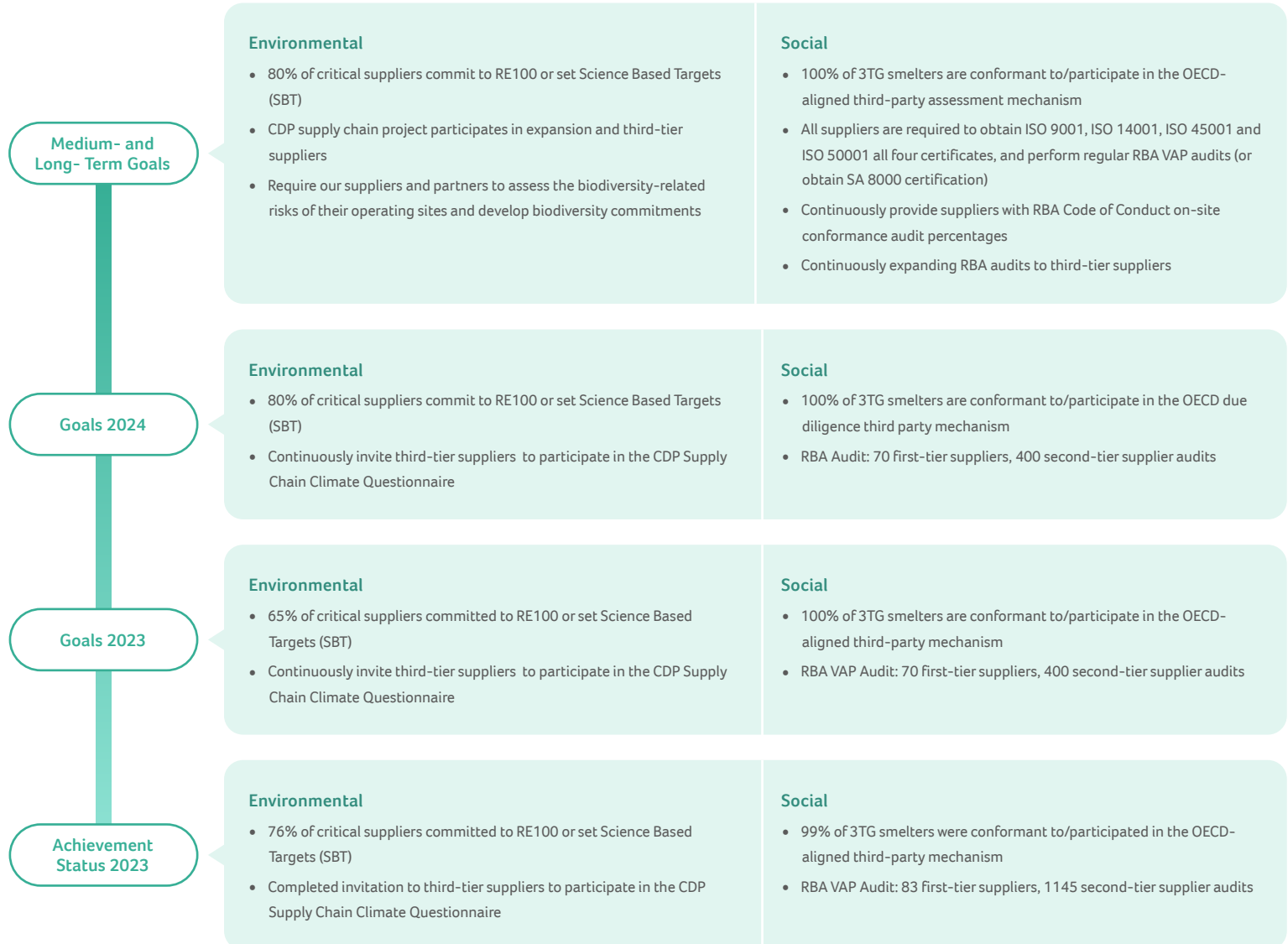
Action Plan

Through the Acer Responsible Supply Chain Management (ARSM) mechanism, we jointly shoulder our responsibilities toward society and the environment alongside our supply chain to achieve sustainable goals.

Tracking Mechanism

Supply Chain Task Force (Corporate Sustainability Committee)

Stakeholder Engagement and Effectiveness

- RBA Code of Conduct and VAP audits
- Supplier Response Rate: ESG Scorecard, Conflict Minerals Report
- Customer Questionnaire Response Rate

Medium- and Long- Term Goals

Environmental

- 80% of critical suppliers commit to RE100 or set Science Based Targets (SBT)
- CDP supply chain project participates in expansion and third-tier suppliers
- Require our suppliers and partners to assess the biodiversity-related risks of their operating sites and develop biodiversity commitments

Social

- 100% of 3TG smelters are conformant to/participate in the OECD-aligned third-party assessment mechanism
- All suppliers are required to obtain ISO 9001, ISO 14001, ISO 45001 and ISO 50001 all four certificates, and perform regular RBA VAP audits (or obtain SA 8000 certification)
- Continuously provide suppliers with RBA Code of Conduct on-site conformance audit percentages
- Continuously expanding RBA audits to third-tier suppliers

Goals 2024

Environmental

- 80% of critical suppliers commit to RE100 or set Science Based Targets (SBT)
- Continuously invite third-tier suppliers to participate in the CDP Supply Chain Climate Questionnaire

Social

- 100% of 3TG smelters are conformant to/participate in the OECD due diligence third party mechanism
- RBA Audit: 70 first-tier suppliers, 400 second-tier supplier audits

Goals 2023

Environmental

- 65% of critical suppliers committed to RE100 or set Science Based Targets (SBT)
- Continuously invite third-tier suppliers to participate in the CDP Supply Chain Climate Questionnaire

Social

- 100% of 3TG smelters are conformant to/participate in the OECD-aligned third-party mechanism
- RBA VAP Audit: 70 first-tier suppliers, 400 second-tier supplier audits

Achievement Status 2023

Environmental

- 76% of critical suppliers committed to RE100 or set Science Based Targets (SBT)
- Completed invitation to third-tier suppliers to participate in the CDP Supply Chain Climate Questionnaire

Social

- 99% of 3TG smelters were conformant to/participated in the OECD-aligned third-party mechanism
- RBA VAP Audit: 83 first-tier suppliers, 1145 second-tier supplier audits

Acer's Supply Chain

Acer is working together with our suppliers to provide customers with valuable products and services. Our first-tier suppliers include: ODM/OEMs, key components, assigned suppliers, logistics, and services. Manufacturing suppliers are situated in Taiwan, China, Malaysia, Thailand, the Philippines, Vietnam, Singapore, Japan, Korea, India, Brazil, and Hungary, with the primary production base in China.

We define key suppliers based on procurement amount, substitutability, strategic importance, and technological leadership. We support a balance between local procurement and supply chain diversification, reducing overall supply chain carbon emissions and creating local employment opportunities, while also reducing overall supply chain risk.

Percentage of Critical and Non-Critical Suppliers

Unit：%

18%

100%

82%
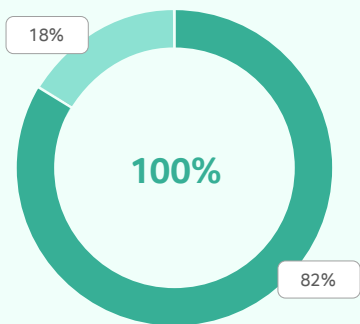
- ● Critical Vendor Purchase Value Percentage
- ○ Non-Critical Vendor Purchase Value Percentage

Supply Chain Management Mechanisms

Acer Responsible Supply Chain Management (ARSM)

Acer has been a member of the Responsible Business Alliance (RBA) since 2008, and actively participates in actions and discussions around supply chain social and environmental responsibility to better understand international trends in corporate responsibility implementing and share in the practical experience of its members.

With the implementation of the Acer Responsible Supply Chain Management (ARSM), all Acer manufacturers and service providers are required to comply with both the RBA Code and local regulations, with no regional differences. We also carry out annual on-site RBA Code of Conduct supplier audits, gaining a deeper understanding of each location's working environment and the human rights conditions of the staff. We encourage and require suppliers to take corporate responsibility and manage the social and environmental responsibilities within their supply chains. We advocate for RBA Code of Conduct adherence, thus improving the working environment in the electronics supply chain worldwide. In recent years, the issue of Nature and Biodiversity has also been significantly emphasized. Therefore, we also request suppliers to begin assessing the biodiversity risks of their operational sites and encourage them to formulate biodiversity commitments.

To ensure effective implementation, the supply chain ESG management and plans are jointly developed and executed by the procurement department and the ESG office, and they are supervised by the Corporate Sustainability Committee and the Board of Directors.

With the ARSM system, we not only set out the social and environmental responsibilities of our first-tier suppliers, but also roll this out to second- and third-tier suppliers in phases. The goal of this is to further expand the reach of our social responsibility and influence.

Acer requires first-tier suppliers to implement risk assessment and management of second-tier suppliers based on the RBA Code of Conduct. For higher-risk suppliers, we also carry out on-site audits and tracking of improvements. We have also integrated performance in these into our Supplier ESG scorecard assessments, realizing and expanding the environmental and social responsibility of our supply chain. We have selected some ODMs for expansion of the scope of responsible supply chain management to third-tier suppliers, and we formally rolled this into routine management activities in 2021.
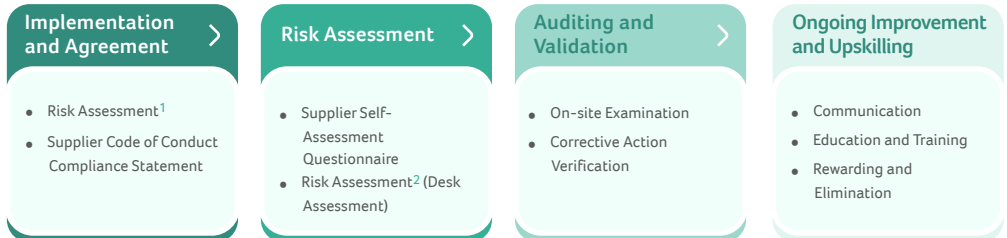
Supplier Social and Environmental Management Processes

We have adopted the RBA Code of Conduct and, with reference to the RBA Supplier Engagement Process, make use of a range of supplier social and environmental management approaches, engaging with suppliers through multiple channels and working with them to improve their capabilities. The implementation of such management approaches also entails assessment, validation, and ongoing improvement thereof. Through management measures at every stage, Acer and our suppliers are able to work together effectively to establish a sustainable supply chain with a focus on environmental and social issues. New suppliers pass a social and environmental responsibility risk assessment and sign an RBA Code of Conduct compliance statement before they become official suppliers.

Acer Responsible Supply Chain Management

I ：2008~
II ：2016~
III ：2021~

Acer's Tier 3 suppliers

Acer's Tier 2 suppliers

Acer's Tier 1 suppliers

III II I   acer   I II III

Implementation and Agreement ›

- Risk Assessment[1]
- Supplier Code of Conduct Compliance Statement

Risk Assessment ›

- Supplier Self-Assessment Questionnaire
- Risk Assessment[2] (Desk Assessment)

Auditing and Validation ›

- On-site Examination
- Corrective Action Verification

Ongoing Improvement and Upskilling

- Communication
- Education and Training
- Rewarding and Elimination

Note[1] ：
- Risk management 1: initially screen supplier risks based on country risk, industry risk, product risk, and importance to filtered suppliers.
- Risk Assessment 2 (Desk Assessment): Consider based on the supplier's self-assessment, results of previous audits, the risk level of the factory location, and the supplier's business relationship with Acer, and the concerns of stakeholders. It is carried out through desk assessment, supplemented by remote audits conducted via phone or video conferencing.

Supplier Screening Mechanism and Grading Management Measures

Supplier Screening and Evaluation

In accordance with Acer's supplier social and environmental management process, supplier screening and evaluation are carried out. The first-tier supplier screening includes an assessment of country/region, industry, and product risks. The supplier evaluation encompasses operations, governance, social, and environmental aspects, utilizing the RBA self-assessment questionnaire (SAQ) as the scoring method. The second-tier supplier risks are evaluated by the first-tier suppliers, taking into account screening criteria such as material attributes, procurement amount, and ESG risks, among other factors.

Supplier Screening	Risk and Evaluation Criteria	Relevant Issues
Aspects of suppliers screening	Country-specific risk	Regulatory environment, labor conditions, resources, and geographical environment
	Sector-specific risk	Sector-specific processes, workplace environment, and safety
	Commodity-specific risk	Low-carbon manufacturing, energy efficiency, supply chain management, and responsible mining
Methodology for suppliers screening	Business relevance	Market leadership, key technologies, quality, and diverse production bases
	Governance	ESG information disclosure, anti-corruption and integrity, information security, stakeholder communication, and supply chain management policies
	Social	Human rights, ethics, health and safety, labor practices, responsible mining, labor hours management, and training
	Environmental	Greenhouse gas reduction targets, carbon management performance, greenhouse gas emissions and allocation, energy and renewable energy use, carbon footprint, hazardous substance control, environmental regulatory compliance, waste management, and biodiversity

Evaluation of significant suppliers

Supplier Category	Total number of significant suppliers	Number of suppliers assessed with substantial actual / potential negative impact	Percentage of Total Procurement Expenditure
First-tier supplier This refers to the supplier of critical importance to Acer's business operations and sustainable development, as well as the inclusion of suppliers with high ESG risks among the significant suppliers. For first-tier critical suppliers, we conduct annual ESG scorecard assessments and regular on-site audits. We also track and review their improvement actions to address any deficiencies.	25	3	82%
Non-first-tier supplier This refers to the non-first-tier supplier of critical importance to first-tier supplier's business operations and sustainable development, as well as the inclusion of non-first-tier suppliers with high ESG risks among the significant non-first-tier suppliers. For second-tier suppliers, we require first-tier suppliers to conduct regular on-site audits and review their corrective actions, which Acer monitors and tracks.	129	24	–
Total number of suppliers	154	27	–

All significant suppliers are required to conduct on-site audits and take corrective action plan (CAP) for any finding issues (see Supply Chain Audit and Improvement section). After reviewing the audit results, suppliers with significant potential negative impacts are selected and invited to participate in supplier capability improvement activities. (see the Improving Supplier Capabilities section.)
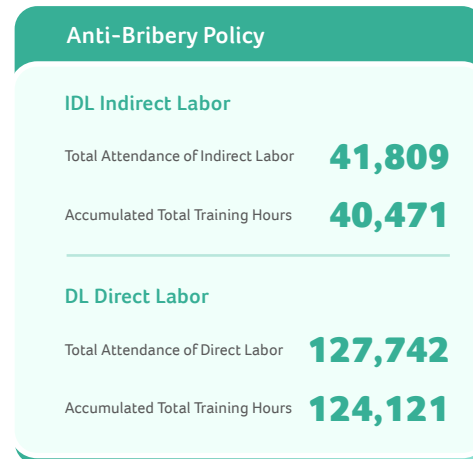
Supplier Rewarding and Elimination Mechanisms

Acer has established a supplier rewarding and elimination mechanisms to encourage suppliers to accelerate and move toward the sustainable development. Through quarterly assessments, measures by six dimensions which including supplier core competence and ESG, we identify suppliers which outperform in sustainable development and provide them with higher ratios in procurement along with priority to join new product development collaboration. We eliminate underperforming suppliers in order to refine and joint improvement in the supply chain.

Incentive Mechanism

- Evaluation dimensions: quality, innovation/technology, speed/responsiveness, delivery, cost, risk, and ESG.
- Evaluation levels and scores: Classified into five levels based on ratings of each dimension, A (>=90 points), B (89-80 points), C (79-70 points), D (69-60 points), and E (<60 points).
- Frequency: Quarterly
- Rewards: Suppliers that have received an A or higher for three consecutive quarters will be given a higher procurement ratio and priority in adopting of new products.

Elimination/Exit Mechanism

For suppliers rated as D or below, in addition to reducing their procurement ratio as appropriate, they are also required to develop improvement plans and implement regular review mechanisms. The elimination mechanism is as follows:

- Suppliers ranked as D or below for two consecutive quarters will be required to undergo a reevaluation of supplier selection and management.
- The suppliers ranked as E for three consecutive quarters, will be disqualified and revoked their future collaborations with Acer after assessment and discussion of evaluation meeting.

Improving Supplier Capabilities

Vocational Education and Training

In 2023, we continuously promote on-the-job training for suppliers and their employees, targeting ODMs and key component suppliers for ESG education and training. The topics of training are set to implement the RBA Code of Conduct (including: labor rights, environment, safety and health, ethics, etc.) and anti-bribery policy. The training is conducted for the related indirect and direct employees in the plant. After the Supplier's initial training plan is developed and sent to Acer for content review, the supplier's training team conducts on-the-job employee training. In 2023, a total of 455,685 people participated in the training, with a total of 500,376 hours. Looking ahead, we will continue to promote on-the-job education and training to enhance the establishment of ESG-related knowledge among suppliers, and further expand the number of suppliers and practitioners impacted.

RBA Code of Conduct

IDL Indirect Labor

Total Attendance of Indirect Labor	**44,385**
Accumulated Total Training Hours	**49,855**

DL Direct Labor

Total Attendance of Direct Labor	**241,749**
Accumulated Total Training Hours	**285,929**

Anti-Bribery Policy

IDL Indirect Labor

Total Attendance of Indirect Labor	**41,809**
Accumulated Total Training Hours	**40,471**

DL Direct Labor

Total Attendance of Direct Labor	**127,742**
Accumulated Total Training Hours	**124,121**

Supplier ESG Communication Meetings

We continue to communicate with our suppliers and enhance their ability to address sustainability issues, and encourage them to incorporate sustainability into their corporate management agenda. In accordance with Acer's sustainability strategy, we hold various supplier sustainability seminars and annual Supplier ESG communication meetings to provide the latest ESG development trends, analyze the main focus of the Supplier chain on various issues and the actions to be actively taken, as well as provide opportunities for two-way communication between suppliers and Acer executives to strengthen mutual cooperation and provide the supplier chain with the ability to enhance environmental and social responsibility. We held annual Supplier ESG Communication Meeting in December 2023, totaling 143 suppliers participated. Acer's Chief Operating Officer, Jerry Kao, pointed out that the ESG program has achieved initial results for the entire supply chain, but it still needs to work together and continue to achieve the goals of RE100 by 2023 and net-zero carbon emissions by 2025. In addition, Acer has launched the Acer Earthion (Earth + Mission) project, which covers six areas: energy, product design, packaging design, production, logistics, and recycling, in order to build an overall internalized goal that will lead the supply chain to proactively work toward a common goal, with the goal of achieving a win-win-win situation for both the environment and supply and demand.

RBA Code of Conduct Training

We continuously monitor and update changes to the RBA Code of Conduct and provide timely communication to suppliers, along with explanations of the content and consultation services for implementing improvement plans. In addition, when there is a significant change in the Code of Conduct, we provide education and training to our internal staff and suppliers in order to quickly and effectively introduce and build the organizational standards and capabilities required by the new issues. Following the release of the RBA 8th version of the Code of Conduct, we promptly participated in the first webinar hosted by the RBA in January 2024. Subsequently, we plan to develop new training courses on operational guidelines and gather relevant personnel to participate in these training activities.

Online Training Courses

In addition to developing our own courses, we actively collaborate with third-party professional organizations to offer online courses. Our goal is to enhance and effectively disseminate specialized knowledge on relevant issues to suppliers.

In 2023, we conducted a total of 16 online webinars, accumulating 32 hours of teaching time.

Cumulative Total Number of Classesa And Hours

	Course Categories	Cumulative Total Number of Classes	Cumulative Total Hours
Environment	Greenhouse gas, carbon management, carbon disclosure, sustainable materials, product-restricted substances management, chemical management, green product regulations, fluoride regulations	16	32.0
Human rights and health	Fire safety, mechanical safety protection, child labor and underage workers, forced labor, wage and hour management, due diligence, and deficiency improvement		

CDP Seminar

Acer has long sponsored the CDP Taiwan Seminar, not only providing Acer's supply chain with more international information and management trends related to climate change but also hoping that more enterprises will join the ranks of climate management. In 2023, we continuously invited suppliers to attend the CDP conference and seminar. In addition to the analysis of the strengths and weaknesses of the previous year's questionnaire results and the provision of good response cases, the CDP presentation helped suppliers to better understand the content of their responses to the CDP questionnaire, including issues related to the transformation plan and the use of the CDP website and online response system (ORS), so that suppliers can understand the significance of climate information disclosure. CDP questionnaires and data analysis can also be used to help enterprises plan their course of action and improve the quality of information disclosure.

Supply Chain Social Management

Labor Rights

At the core of Acer's responsible supply chain management is the idea of putting people first. As such, we strive to protect the rights and health of labor and provide safe workplaces. We have established a complete system of supply chain labor rights management, including conducting risk assessments, on-site audit, and education and training for suppliers, as well as conducting supply-chain-focused human rights training for Acer employees in positions relating to supplier management. To ensure that the human rights of those throughout our entire supply chain are protected and that they are treated appropriately, we also adhere to the California Transparency in Supply Chains Act of 2010, UK Modern Slavery Act 2015, AU Modern Slavery Act 2018 and Canada Fighting Against Forced Labour and Child Labour in Supply Chains Act (S-211) 2023.

Supply Chain Labor Rights Management Processes

	Supplier Risk Assessments	Items include: Results of supplier self-assessment, level of risk regarding plant location, business relationship between two parties, and past audit results. We also strive to take into consideration the concerns of stakeholders.
	Suppliers Audits	After risk assessment, a list of suppliers for on-site audits is proposed. The RBA's Validated Audit Process (VAP) to be undertaken by the 3rd party verification agency to conduct audits on social and environmental responsibilities, identifying deficiencies in supplier practices, to continually improving the supply chain.
	Supplier Declaration	Manufacturing suppliers are requested to sign a Declaration of Compliance with RBA Code of Conduct. In addition to providing social and environmental-related information, it is also necessary to ensure that their own operations and those of their suppliers comply with Acer's human rights standards and policies, with workers being respected and treated with dignity.
	Internal Professional Training	Acer requires all employees to comply with the Acer Group Standards of Business Conduct (SBC), which stipulates that all suppliers must comply with regulations and prohibit child labor and forced labor. Violators may face disciplinary action or termination, and new employees are required to undergo appropriate training. Procurement personnel are also obligated to participate in training on environmental and social human rights for supply chain management.
	Supplier Training	We organize annual ESG communication meetings and educate suppliers on international trends and the importance of environmental and social responsibility through training and education. Through the integration and cooperation of supply chain resources, we are committed to improving labor rights issues.

Child Labor and Forced Labor

With regard to high-risk violations of human rights such as child and forced labor, we have drafted our Slavery and Human Trafficking Policy and Measures for Remedying Child Labor and Forced Labor. These provide complete definitions and remedial measures. As soon as any violations occur, our supply chain is required to follow these measures and policies to ensure that workers are afforded their basic human rights and appropriate treatment. Our ultimate goal is to ensure that our supply chain is free from slavery or human trafficking. For the status of supply chain forced labor inspections, please see the Important Issues and Tracking of Improvements in this section.

Student Workers and Interns

Student workers and interns comprise a high-risk group in terms of human rights in the electronics supply chain. Acer prohibits any form of forced labor in our supply chain, including forced labor involving students or interns. Taking our cue from the RBA's Guidelines for Good Management of Interns (Student Workers) management framework, we have established our own five-stage "Management Steps for Student Workers and Interns" to be followed with students and interns in our supply chain. Student workers may not exceed 20% of total direct employees.

Stage One

Screen vocational school partners
- Confirm that the school possesses the necessary qualifications to operate
- Create cooperative agreements and arrangements with the school that adhere to regulations

Stage Two

Take on student interns
- Confirm that the school complies with regulations regarding providing students
- Accept interns while ensuring the prevention of child labor and excluding first-grade students

Stage Three

New interns trained and helped to adapt
- New interns trained and helped to adapt

Stage Four

During Internship
- Implement legally compliant intern management

Stage Five

End of Internship
- At the end of internship, evaluations are carried out

Supplier Working Hours Policy

Excessive working hours are one of the most common labor issues in the supply chain. Prolonged working hours negatively impact employee health and safety, work-life balance, productivity, and morale. As a member of the Responsible Business Alliance, Acer requires suppliers to comply with the RBA Code of Conduct and the Acer Supplier Working Hours Policy Through supply chain working hours policies, we communicate and cooperate with our suppliers to reduce excessive working hours in the supply chain and improve the health and morale of workers. For the status of supply chain working hours, please see the Important Issues and Tracking of Improvements in this section.

Health and Safety - Chemical Substances Management in Supply Chain Processes

We adhere to the RBA Code of Conduct, requiring suppliers to implement effective chemical management systems, comply with local regulations, and effectively classify, store, use, and dispose of chemicals. Additionally, we ensure that appropriate protective equipment and training are provided to workers. Since 2019, we have prohibited or restricted the use of chemicals such as toluene, benzene, beryllium dust, chlorinated organic solvents, hexane, N-methyl-2-pyrrolidone (NMP), and ozone-depleting substances in our processes. These chemicals can have adverse effects on the external ecological environment or the health of workers, and they are included as key items in our annual on-site audits. In 2021, we revised our chemical control list in line with the RBA standards, requiring suppliers to comply with the updated chemical list starting in 2022. Chemicals such as bromopropane, methylene chloride, methanol, perchloroethylene, and trichloroethylene were included in the revised list. We will continue to monitor industry regulations closely, assess the possibility of expanding the list of regulated substances, and strive to reduce risks faced by workers and the environment.

Responsible Sourcing of Minerals

Responsible minerals sourcing continues to be a major focus for Acer. We believe that it is our responsibility to respect the human rights of others and to address adverse human rights impacts that exist where we do business and within our area of influence. As a program that began with a focus on tantalum, tin, tungsten and gold (3TG) in the Democratic Republic of the Congo (DRC), Acer's Responsible Minerals Sourcing program has expanded to a program capable of addressing any minerals identified by Acer that involve social and environmental risks.

In 2023, Acer's responsible minerals sourcing program continued to include 3TG, cobalt, and mica as prioritized minerals in its responsible sourcing strategy. These determinations are based on the necessity of these minerals to the functionality of Acer products, the mineral sourcing from Conflict-Affected and High-Risk Areas (CAHRAs), as well as expectations of government and non-government organizations to conduct due diligence on minerals supply chains. Acer will continue to reassess its priority minerals each year.. In 2023, Acer issued its annual consolidated responsible minerals report, outlining the steps taken to conduct due diligence on all of its priority minerals.

2023 Due Diligence Results

Tantalum, Tin, Tungsten and Gold: As a result of our responsible minerals due diligence measures and the collection of supply chain information for the current 2023 data cycle, we were able to identify 235 unique smelters of 3TG in our supply chain. The quantity of conformant and participating (RMAP-committed) smelters was 233, which is equivalent to 99% of the identified smelters in our supply chain. A summary of our progress year-over-year can be found to the right.

Two smelters contributed to the reduction of Acer's conformant and participating smelters to 99% in 2023. One had its certification expire this year, but through ongoing communication, it is expected to rejoin the certification mechanism in 2024. The other, a new addition to Acer's supply chain in 2023, is currently in discussions to potentially participate in the certification mechanism in the future.

	2019	2020	2021	2022	2023
Conformant	235	238	238	227	228
Participating Smelters	5	11	24	17	5
Smelters Requiring Outreach	2	0	0	0	2
Total	242	249	262	244	235
Percentage of Conformant Smelters	97%	96%	91%	93%	97%
Percentage of Conformant or Participating Smelters (DRC conflict free)	99%	100%	100%	100%	99%

Cobalt and Mica: As part of its responsible minerals program, cobalt and mica continue to be an additional focus for Acer due to the child labor associated with cobalt mining, the environmental and social impacts of mining and processing mica, and the necessity of these minerals to the functionality of Acer batteries, hard drives and external coatings. As a result of its due diligence measures in 2023, Acer was able to identify 69 unique cobalt refiners in our supply chain. The RMAP status improved to 45 RMAP-conformant, 6 participating and 18 that will require outreach. For mica, Acer was able to identify 5 unique mica processors, of which 4 are participating and 1 requires outreach.

Other Activities

Acer also continued using the Risk Readiness Assessment (RRA) tool, jointly developed by the Responsible Minerals Initiative (RMI) and the Copper MarkVersion 3.0 was published on October 19th 2023, and went into effect on January 1st 2024. The RRA now consists of 33 criteria organized into the three pillars of Environmental, Social & Governance, and are applicable to any company in the supply chain, regardless of their types of operations. This includes mining, metal processing, downstream manufacturing, and recycling and the criteria are mineral agnostic. The tool allows Acer to compare suppliers', smelters' and mines' performance against the criteria, improving our ability to assess and manage ESG risk in our minerals supply chain. At the same time, it allows Acer to engage with suppliers further up the supply chain, which has been a challenge, and also allows the smelter to connect with and have visibility of the downstream companies that use the materials that they place on the market. This helps to define the ESG expectations and emphasize the value of the RMI assessments available. At the time of the writing of this report, Acer has received RRAs from 105 processor facilities.

Acer continues to follow the OECD Due Diligence Guidance as the basis for its conflict minerals management program and seeks to implement program elements that strengthen Acer's conformance to those guidelines. We also continue to conduct smelter outreach and communicate smelter details and the results of our efforts to the Responsible Minerals Initiative (RMI) Smelter Engagement Team (SET), as we believe the smelter/refinery identification and disposition are critical components of our due diligence procedure and of maintaining RMAP smelter data. Acer is a member of the SET team and conducts research on global alleged smelters to help determine if they meet the definition of smelters and if they are eligible for the RMAP program. In 2023, Acer attended training on engaging smelters/refiners, including training on the role of the single point of contact for smelters/refiners to guide them through the RMAP process.

We continue to hold meetings with suppliers to assess progress on the issue of conflict minerals, to explain Acer's commitments and supplier requirements, and to ensure they have a thorough understanding of this issue. We will also continue to publish the results of our surveys, and to work with government, industry, and civil-sector groups to resolve supply chain challenges and to support the use of legal, conflict-free minerals.

Public-Private Alliance for Responsible Minerals Trade

Acer continued its involvement in the PPA, a multi-sector and multi-stakeholder advocacy group that aims to publicize the issue of conflict minerals in the Democratic Republic of the Congo and the African Great Lakes Region and propose supply chain solutions. In 2023, Acer committed to the next phase memorandum of understanding (MOU) that runs through 2027 and seeks to expand the scope beyond 3TG and the Great Lakes Region while addressing both large-scale and artisanal mining. In October of 2023, Acer attended the annual multi-stakeholder membership meeting, which returned to the in-person format. A total of 28 members met in-person to learn about and discuss the outcomes of the PPA's work in 2023. The meeting also featured presentations and panel discussions to inform the group of salient issues and then the membership broke out into small groups to discuss future priorities. High level priorities for 2024 and beyond included, articulating a shared framework and accompanying messaging for progress and the spirit of due diligence, enhancing data for impact, and addressing other key barriers such as increasing access to finance, fostering constructive large-scale mining (LSM) and artisanal and small-scale mining (ASM) engagement and further scoping on the role of corruption in preventing responsible sourcing.

Acer continues to believe that working together as an industry and in partnership with all stakeholders is the most efficient way to enable success at driving meaningful improvement in the social and environmental conditions associated with raw materials extraction.

Supply Chain Environmental Management

Acer's zero-carbon commitment represents not only Acer's determination to promote zero-carbon emission, but also its vow to collaborate with the supply chain to take positive actions to achieve low-carbon transformation. We are committed to reducing value chain carbon emissions by 35% by 2030 compared to the 2020 base year through supplier climate initiatives, supplier climate capacity building, and supply chain greenhouse gas management strategies.

Earthion Initiative

In 2021, we brought together our employees and supply chain partners to expand the reach of sustainability efforts by launching the Earthion initiative, with the goal bringing everyone together to create a better future and achieve our ambitious goal of a clean planet. 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, renewable energy use, low-carbon emission logistics, packaging materials and design, and product recycling & reuse, combining the efforts of our suppliers and partners to accelerate the development of green designs and processes and completely minimize our environmental impact.

Climate Capacity Construction

We offer information and training on the latest trends and developments in social and environmental responsibility, helping suppliers better confront the challenge of sustainable development. We continue to invite suppliers to participate in annual supplier ESG communication meetings, CDP project briefings, and major training programs on social and environmental responsibility. This helps them get access to the latest information on global trends, while also presenting opportunities for suppliers to engage in multilateral communication with Acer senior management or relevant industry experts. We invite major suppliers to take part in annual ESG Communication Meetings, where we share the latest global trends in corporate sustainability, human rights issues, and mitigation measures, along with Acer's requirements of and goals for supply chain ESG management performance.

In 2023, our communication efforts were focused on preparing data related to EPEAT Climate+ and the 10th generation of TCO Certified standards, as well as product carbon footprint. This emphasis aimed to minimize carbon footprints at every stage, from manufacturing and packaging to disposal and recycling. It was in line with our commitment to achieve carbon neutrality for the Aspire Vero series notebooks and echoed Acer's product design vision of "Conscious Technology ", which prioritizes sustainability for the future.

Supply Chain Greenhouse Gas Management

Since 2008, Acer has joined the CDP (Carbon Disclosure Project) supply chain, and has been using the ESG scorecard to further review suppliers' overall carbon management, carbon reduction achievements, and renewable energy usage. We manage the environmental impact of the supply chain and incorporate suppliers' scores into the procurement evaluation. The results of the suppliers' scores are also incorporated into the procurement evaluation, so as to encourage the whole supply chain to enhance its ability to cope with climate change. Starting from 2019, second-tier suppliers were invited to join the CDP Supply Chain. In 2022, Acer formally started inviting third-stage suppliers to participate in the climate questionnaire to identify suppliers' climate risks and opportunities through their responses to the questionnaire. In 2023, the number of Acer suppliers responding to the CDP questionnaire increased by nearly 30% compared to 2022, and Acer obtained the highest-rating Supplier Engagement Leaderboard in CDP Supplier Engagement Rating.

In the supply chain response, 76% of our critical suppliers have compaitted to RE100 or science-based carbon reduction targets (SBTs), which are on track to meet our targets. 95% of our first tier suppliers have incorporated climate issues at board level, and 62% have a transformation plan aligned with the 1.5°C Carbon Reduction Path scenario. 85% who have reported on their carbon reduction actions, and 80% who have reported on their use of renewable electricity. For Tier 2 and Tier 3 suppliers, 75% reported climate issues. 30% have a transformation plan aligned with the 1.5°C Carbon Reduction Pathway scenario, 67% report on their carbon reduction actions, and 48% report on their renewable electricity use. We will continue to communicate and implement low carbon initiatives with our first and second tier suppliers, and collaborate with our ODM suppliers to further influence third tier suppliers, and jointly drive upstream suppliers to deepen the growth potential of carbon management in the industrial chain.

76 % Our critical suppliers have committed to RE100 or science-based carbon reduction targets (SBTs)

95 % Our first tier suppliers have incorporated climate issues at board level

Percentage Achieved by Supplier

	2020	2021	2022	2023
Supplier CDP Average Level	C	C	C-	C
First-tier Suppliers CDP Average Level	-	-	B-	B-
Critical suppliers committed to RE100 or science-based carbon reduction targets (SBTs)	45%	55%	60%	76%

Supply Chain Audit and Improvement

Acer uses supplier self-assessment questionnaire (SAQ) and risk assessment results of the ESG scorecard as the basis for performing on-site audits and assessments. We examine the country risk, manufacturing processes, and products of each supplier, along with results of previous audits, as well as taking into account the concerns of stakeholders when setting out our annual audit plan.

The overall performance of suppliers on the ESG scorecard in 2023 continued to improve and increase, with 72% of suppliers achieving an "excellent" standard and 28% at the "medium" level. We also use quarterly business reviews and other communication methods to demand that underperforming suppliers implement appropriate actions to improve their ESG performance. This mechanism will continue in the future, and according to internal and external issues and past performance, we will make any necessary adjustments to weighting or items to be assessed.

Supplier Self-Assessment Questionnaire (SAQ)

Suppliers conduct their self-assessment using the RBA's online SAQ. The questionnaire is completed by suppliers in the first quarter of each new year to provide Acer with an initial assessment of risks and current status.

The SAQ includes the following assessment items:

Company Self-Assessment

- Labor and ethics: Responsibilities of management, procedures of management, systems of management, and execution
- Health and safety: Responsibilities of management, procedures of management, systems of management, and execution

Factory Self-Assessment

- Labor: Risk factor assessment, control, and management system
- Health and safety: Risk factor assessment, control, and management system
- Environment: Risk factor assessment, control, and management system
- Ethics: Risk factor assessment, control, and management system

Supplier ESG scorecard

We implement a Supplier ESG Scorecard to evaluate suppliers' ESG practices and performance. The evaluation results are provided to suppliers, allowing them to benchmark their ESG performance against industry peers to enhance internal motivation. Additionally, this score is included in the Quarterly Business Review (QBR) for key product lines and critical components, and is presented to Acer and Supplier senior executives to create a driving force in the business relationship. Assessment items for corporate ESG scorecard are as follows:

Corporate Sustainability Management

- Corporate Governance
- Stakeholder Communication
- Supply Chain Management

Environment, Energy, and Climate Change Management

- Carbon emission reduction plan and commitment (Net Zero, SBT, or RE100)
- CDP climate change questionnaire rating and supply chain list
- GHG emission inventory, certification and reduction
- Green electricity or renewable energy
- Product carbon footprint
- Environmental issues
- Nature & Biodiversity

Labor, Ethics, Health, and Safety Management

- Management Systems Certifications
- Conflict Minerals Management
- RBA Code of Conduct Audit Scores
- Audit and Improvement of Second and Third-Tier Raw Material Suppliers
- Staff training

2023 Audit Results Analysis

Acer's suppliers must respect labor rights, adopt environmentally responsible manufacturing processes, and provide safe working conditions. We implement the latest version of the RBA Code of Conduct, which encompasses five key areas: labor, health and safety, environment, ethics, and management systems. Acer requires suppliers to conduct regular RBA on-site audits (or obtain SA8000 certification) by third party to ensure compliance with the RBA Code of Conduct and identify deficiencies in the suppliers' execution in the above five areas. Additionally, suppliers are required to implement improvements within a specified timeframe to continuously enhance the social and environmental responsibility of Acer's supply chain. For suppliers with non-conformance priority finding or challenges in implementing improvement plans, discussions and progress tracking will be conducted via telephone or video conferencing to ensure the timeliness and effectiveness of improvement measures.

In addition to all significant suppliers, we expand scope to fulfill our management responsibilities for supply chain by including ODM and key component suppliers in the regular RBA VAP audit by third party, and conducting random sampling audit as needed. In 2023, we completed 83 audits of first-tier supplier manufacturing factories, all of which were carried out through on-site audits for non-conformance items and audits for 4 new suppliers. No suppliers were disqualified for failing to meet Acer's social and environmental management requirements. The number of direct employees of audited suppliers in 2023 exceeded 210,000, with 3,394 direct employees interviewed, of which over 80% underwent the RBA VAP. The audit completion rate for audits conducted within a two-year validity period was 92.2%.

Total Implementation Rate of On-site Audits

92.2 %

For the three suppliers whose total scores in the 2023 RBA audit were below 120 (out of a possible 200), indicating higher risk, we convened online meetings to discuss improvement plans and review progress. These meetings aimed to provide immediate and effective solutions through feasible discussions and technical advice. Once suppliers demonstrated tangible improvement, third parties completed the RBA closure audits for them. All three suppliers underwent on-site audits, resulting in a total audit coverage rate of 100%.

**Percentage of Audits of Higher Risk First-Tier Suppliers**
VAP Audits Performed by a Third Party

100 %

According to the aforementioned details, from 2008 to 2023, Acer has conducted a total of 1069 audits on first-tier suppliers. Furthermore, to effectively enhance the implementation of the supply chain, since 2017, Acer has required first-tier suppliers to conduct risk assessments on their important material suppliers at the next tier before audits. Summarizing the assessments, 6% were classified as high-risk and 23% as moderate-risk. Following this policy, audit activities continued in 2023, with a total of 1145 audits conducted on second-tier factories. Since 2021, Acer has further deepened supply chain execution by extending audit activities to third-tier suppliers, achieving 693 audits in 2023.

Looking ahead to 2024, we plan to complete 70 on-site audits of first-tier supplier manufacturing factories, covering 140,000 direct employees and conducting interviews with 2,500 employees. Meanwhile, we have set annual RBA on-site audit compliance targets as follows: labor 87%, health and safety 87%, environment 95%, ethics 95%, and management systems 95%. We will also continue to drive audit activities for second and third-tier suppliers, actively enhancing improvements in labor practices and working environments, and deepening the long-term positive impact on the entire supply chain.

Supplier Audit Categories and Number of Audits, 2019-2023
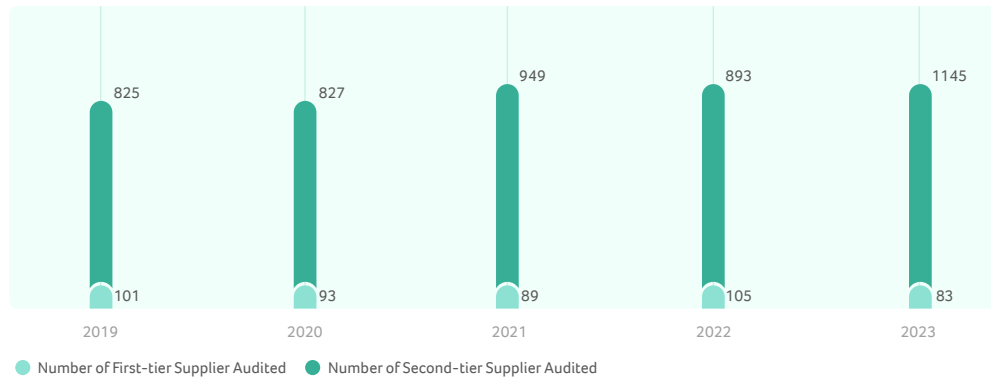
Cumulative Total Audits, 2019-2023
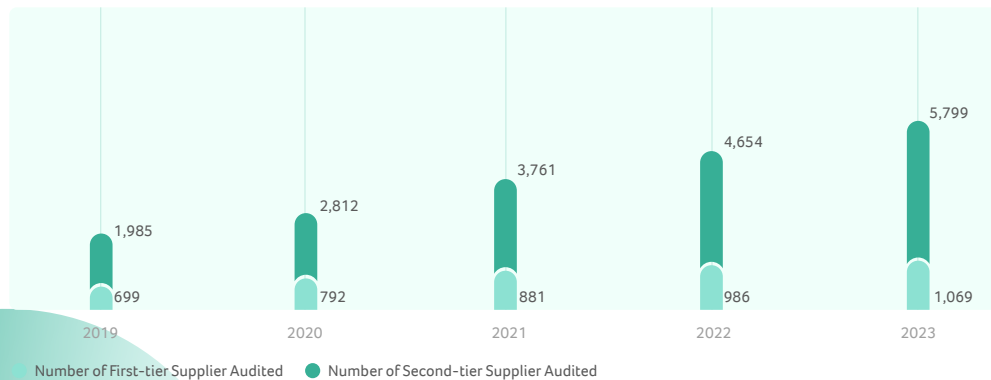
Manufacturing Supplier Direct Employees and Cumulative Direct Employees Audited, 2019-2023
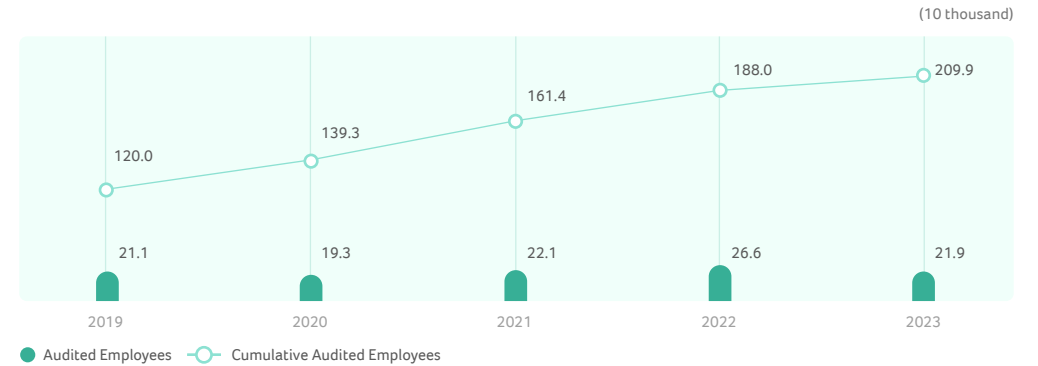
Manufacturing Supplier Employees and Cumulative Direct Employees Interviewed and Audited, 2019-2023
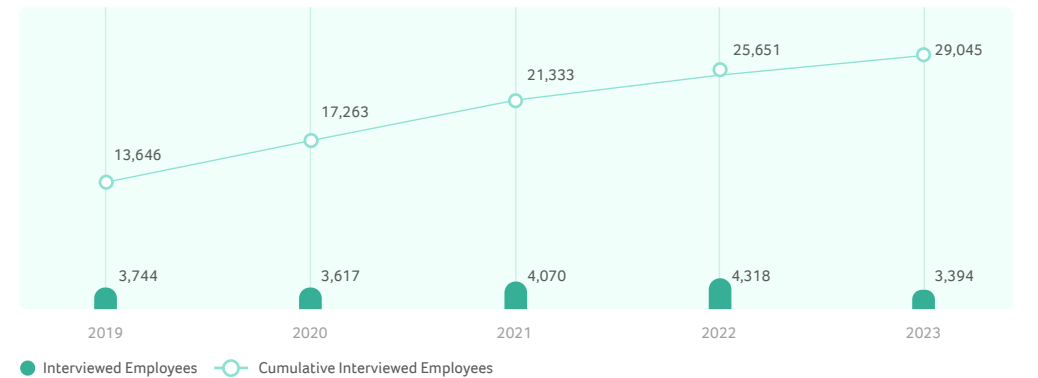
2023 Audit Results Analysis

From on-site audit results, we see that the greatest proportion of non-compliance occurred in labor issues, followed (in order) by health & safety, environmental, management system, and ethics.

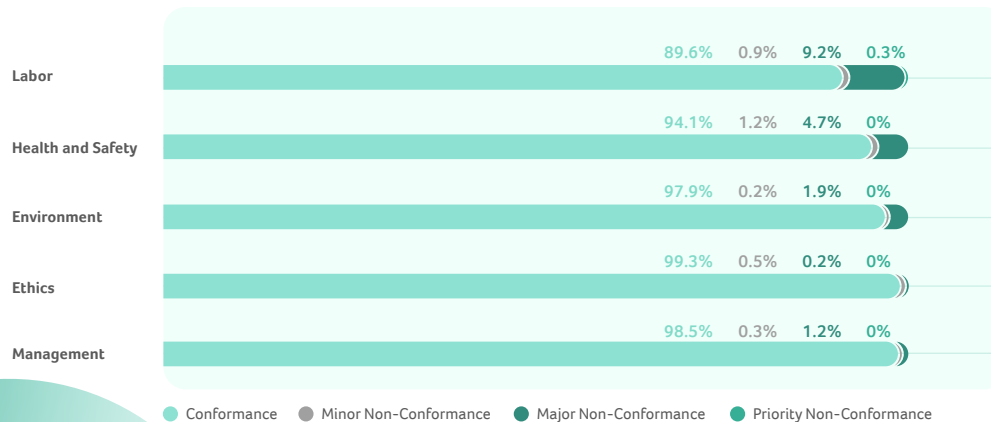### Distribution of Non-Compliance Found in Audits

Unit: %

- Labor — 60%
- Health and Safety — 29%
- Environment — 5%
- Ethics — 1%
- Management — 5%

100%
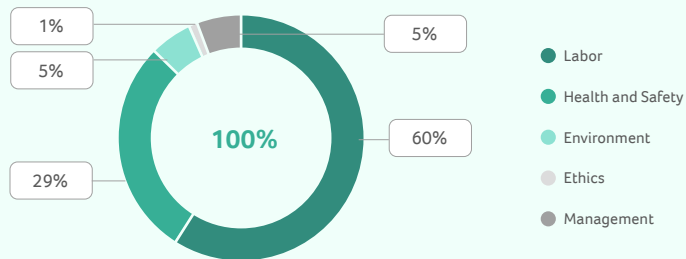
Significant Deficiencies (defined as Priority Non-Conformances) and Other Deficiencies (by Category)

	Labor	Health and Safety	Environment	Ethics	Management
Significant Deficiencies	0.4%	0%	0%	0%	0%
Other Deficiencies	10.0%	5.9%	2.1%	0.7%	1.4%

RBA Code of Conduct Conformance

Unit: %

	Conformance	Minor Non-Conformance	Major Non-Conformance	Priority Non-Conformance
Labor	89.6%	0.9%	9.2%	0.3%
Health and Safety	94.1%	1.2%	4.7%	0%
Environment	97.9%	0.2%	1.9%	0%
Ethics	99.3%	0.5%	0.2%	0%
Management	98.5%	0.3%	1.2%	0%

- Conformance
- Minor Non-Conformance
- Major Non-Conformance
- Priority Non-Conformance

Note: Data covers all vendors subject to audits by Acer management, third parties, and VAP, a total of 74.

Important Issues and Tracking of Improvements in 2023

The main labor rights deficiencies primarily pertain to working hours and benefits issues. Other deficiencies include the handling and storage of construction-related license reports, as well as shortcomings in the implementation of potential hazard control and chemical management.

The main issue with working hours is primarily due to overtime. The problem of overtime in the manufacturing industry is complex, involving factors such as production efficiency, employee well-being, and compliance with local regulations. To address this issue, it is necessary to analyze labor demand, optimize production processes, provide employee skill training, improve communication and coordination, and identify the causes of overtime. The main strategies for improvement focus on implementing flexible scheduling systems, providing efficiency incentives, investing in equipment and technology, and implementing monitoring and evaluation. In summary, solving this problem requires a sound consideration of the aforementioned factors and the implementation of a comprehensive improvement plan to ensure both production efficiency and the rights and well-being of employees.

Regarding labor wages and benefits, the main issue often revolves around outdated knowledge and information. Despite significant improvements in 2023 driven by Acer's strong communication and oversight, there are still instances where new employees are unaware of the benefits of social insurance or where employers fail to promptly recognize their updated statutory obligations. Continuous efforts are needed to enhance advocacy and education, explaining to both employers and employees the importance and advantages of social insurance. Providing relevant online training and document sharing can help them understand the legal standards they should adhere to.

In terms of environmental safety and health deficiencies, the main issues revolve around the acceptance of new construction and changes in factory facilities, as well as lapses in chemical management. Concerning factory facilities, incomplete communication or collaboration leads to incomplete transmission of information regarding new construction projects. Additionally, incomplete communication between regulatory agencies and internal departments of suppliers also leads to delays in acceptance approvals. Suppliers are required to establish internal management procedures to ensure that all changes are appropriately approved and to monitor and confirm that all changes are regularly reviewed. Regarding chemical management, incomplete or outdated chemical lists lead to management oversights. In addition to setting up regular inspections and updating control data, it is also necessary to provide employees with the necessary training promptly to ensure they understand and implement safety measures related to chemical use, thus minimizing potential hazards of occupational accidents. Apart from advocating for suppliers to include this as a priority, there was a special focus on this aspect of audits in 2023.

Acer issues Corrective Action Request (CAR) to higher-risk suppliers found to have non-compliance during audits. Upon receiving the report, suppliers are required to submit a written CAR within 30 days. Acer's audit management personnel conduct a written review, and continuous improvement tracking is carried out monthly. Improvement results are confirmed during the following year's on-site audits. For suppliers with higher audit risk results, Acer adjusts and manages procurement strategies accordingly. In the 2023, tracking statistics were conducted for the VAP audit scores of suppliers still engaged in ongoing transactions. A total of 135 deficiencies were identified among suppliers with scores below 160 or with priority non-conformance issues. As of December 31, 2023, improvement measures have been implemented for all 135 deficiencies and continuous tracking has been achieved. This includes addressing 5 priority non-conformance issues, all of which have been addressed with a 100% implementation rate for corrective measures. Additionally, corrective action rates have been provided for other non-compliance issues, with a 100% implementation rate as well.

Percentage of Priority Non-Conformance with Corrective Measures Implemented	Other Non-Conformances with Corrective Measures Implemented
100 %	**100** %

Important Issues and Corrective Actions for On-site Audits

Labor

Main Issue →	Corrective Action

- Workweek exceeded 60 hours; Workers were not allowed at least one day off in seven days

  A3.1 and A3.2 Working Hours

- Provide cross-skill training to enhance manpower flexibility
- Improve productivity by enhancing pre-employment training
- Pre-arrange the personnel duty roster in advance based on production capacity forecasts
- Develop and implement the attendance overtime management system, integrating it with access card control
- Continuously increase the automation ratio to reduce reliance on manual labor

- Correctly calculate payroll deductions or submit them to the government in lieu of deductions
- Controversy surrounding the calculation for deducting wages due to absenteeism

  A4.3 and A4.4 Wages and Benefits

- Include inventory items in internal audits and regularly review compliance with social insurance regulations
- Promote the meaning and importance of social insurance payments during the onboarding of new employees
- Adjust payment basis in a timely manner and in strict accordance with local regulations
- Personnel attendance is calculated based on hours

Health and Safety

Main Issue →	Corrective Action

- Difficulty in opening emergency escape doors
- Maintenance and inspection of fire safety facilities
- Signage for the emergency assembly point is unclear
- Expired operating permits for equipment suppliers or certificates for firefighting equipment personnel

  B2.1, B2.3, and B2.4 Emergency Preparedness

- Safety door design review is added with easy opening as a check item
- Routine fire inspection scope includes factory buildings located on the periphery and in controlled areas
- Address the oversight in writing and labeling emergency response measures by planning and arranging relevant courses for guidance
- Qualification certificates are managed within the system and automatically send advance warning notifications to relevant personnel

- Failure to update and retain the completion acceptance or inspection reports for production buildings in a timely manner

  B1.1 Occupational Safety

- Implement an electronic system for storing electronic files of inspections and acceptance reports related to buildings
- Cease the use of buildings for which completion inspection or testing cannot be obtained

Labor Management System

Main Issue →	Corrective Action

- Failure to distribute pre-employment medical examination fees
- Excessive proportion of dispatched workers
- Overtime work control

  A.M.2.2 Labor Management Control Process

- Medical examination fees for dispatched workers are uniformly issued directly by the employing unit
- Employment strategy adjustment: The recruitment of non-permanent workers is solely intended for short-term and minimal supplementation during periods of production and sales imbalances
- The phenomenon of overtime work has been decreasing year by year. However, there is still a need to continue strengthening automation, improving production and sales balance, and reducing employee turnover

Health and Safety Management Systems

Main Issue →	Corrective Action

- Chemical management oversight
- Oversight in the acceptance inspection of newly constructed factories.
- Modifications and expansion of the factory building do not align with the originally issued license

  B.M.2.2 Health and Safety Management Control Process

- The communication and checklist items for chemicals are not updated on time. It is necessary to enhance training and regularly update documents to stay informed about the latest safety measures concerning chemicals
- Centralize and integrate the management of factory design changes and submission procedures, while also enhancing the supervision and control of change application processes

05

CIRCULAR ECONOMIES AND INNOVATION

Acer is committed to reducing the environmental impact of its products during the product life cycle by integrating the concept of circular economy. Acer gives the best effort to reduce the products' environmental impact, and actively adopts low-carbon circular strategies such as innovative design, extending product life cycle, and effective use of materials in pursuit of a balance between product management and environmental protection. We are also committed to developing products that are beneficial to both the environment and people through obtaining patents to protect the Company's R&D achievements and strengthening its core competitiveness.

From 2020 to 2023, more than 40 million computers and monitors use post-consumer recycled plastics

3rd

Ranking of issued patents by domestic applicants

Acer's Model of Circular Economies

Circular economies differ from the traditional linear economy model in shifting to a cradle-to-cradle circular model that produces no waste. We can accomplish the goals of circular economies through several possible business models, including product sharing, device as a service, repair and refurbishment, remanufacturing, by-products and industrial symbiosis, replacement of raw materials with renewable materials, and resource regeneration and recovery.

With the new business model of leasing and sharing economy, the services purchasing (rental) is replacing the purchase of hardware equipment such as the DaaS (device as a service) launched by Acer in the pan-European region. DaaS is a complete smart IT solution with a simplified consumers contract, including hardware, accessories and software solutions for monthly or quarterly payment. Companies using DaaS can rapidly scale their equipment up or down to meet changing demands. Companies can access the latest technology and equipment without having to make large investments. This not only provides the optimal use of resources, but reduces the company's expenditure on IT equipment.

Through product maintenance and refurbishment, the product life cycle is extended as much as possible. For example, HSN, a subsidiary of Acer, provides global support, multi-brand testing, and manufacturer authorized repair and maintenance, from pre-purchase consultation, product function setting, warranty, maintenance, to product recycling at the end of the service life. HSN provides services in every step of the product life cycle, reduce the burden on enterprises and consumers, and improve product performance and reduce environmental impact. Acer's service center in Taiwan provides quick computer health diagnosis services or computer hardware upgrade promotion during certain periods of time such as the Chinese New Year or the Back to School season where consumers are advised to utilize hardware upgrades to extend product life cycles and reduce electronic waste.

At the end of the product life cycle, in addition to complying with local regulations for product recycling, Acer has implemented voluntary recycling programs, such as the Acer's Takeback Program in Taiwan. Through 23 service centers and the distribution network across Taiwan, Acer provides regular 3C recycling services for notebooks, mobile phones, tablets, batteries, etc. In addition, Acer actively uses post-consumer recycled plastics and ocean bound plastics in its designs to not only reduce the plastic waste that is difficult to process or may cause environmental pollution when electronic products are discarded, but to promote the development of a circular economy.
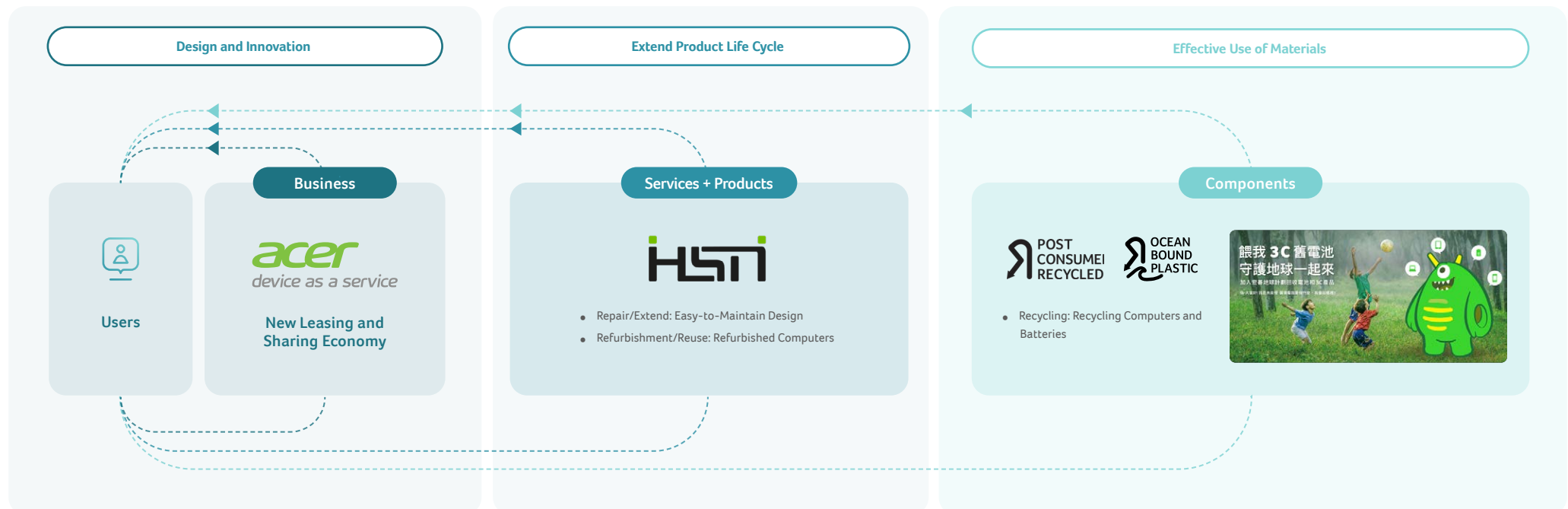
Design and Innovation

Business

Users

New Leasing and Sharing Economy

Extend Product Life Cycle

Services + Products

- Repair/Extend: Easy-to-Maintain Design
- Refurbishment/Reuse: Refurbished Computers

Effective Use of Materials

Components

POST CONSUMER RECYCLED

OCEAN BOUND PLASTIC

餵我 3C 舊電池
守護地球一起來

加入節碳總額計劃回收電池和3C 商品
加入我的! 超級來台時 超級總額線計劃拒絕重排3C 商品

- Recycling: Recycling Computers and Batteries

Product Life Cycle

Names of Material Topics

Circular Economies and Product Life Cycle

Policies and Commitments

Through product life cycle management, Acer is able to both manage our products and reduce their potential impact on the environment. We actively strive to find a balance between product management and environmental performance to provide more environmentally and commercially competitive products.
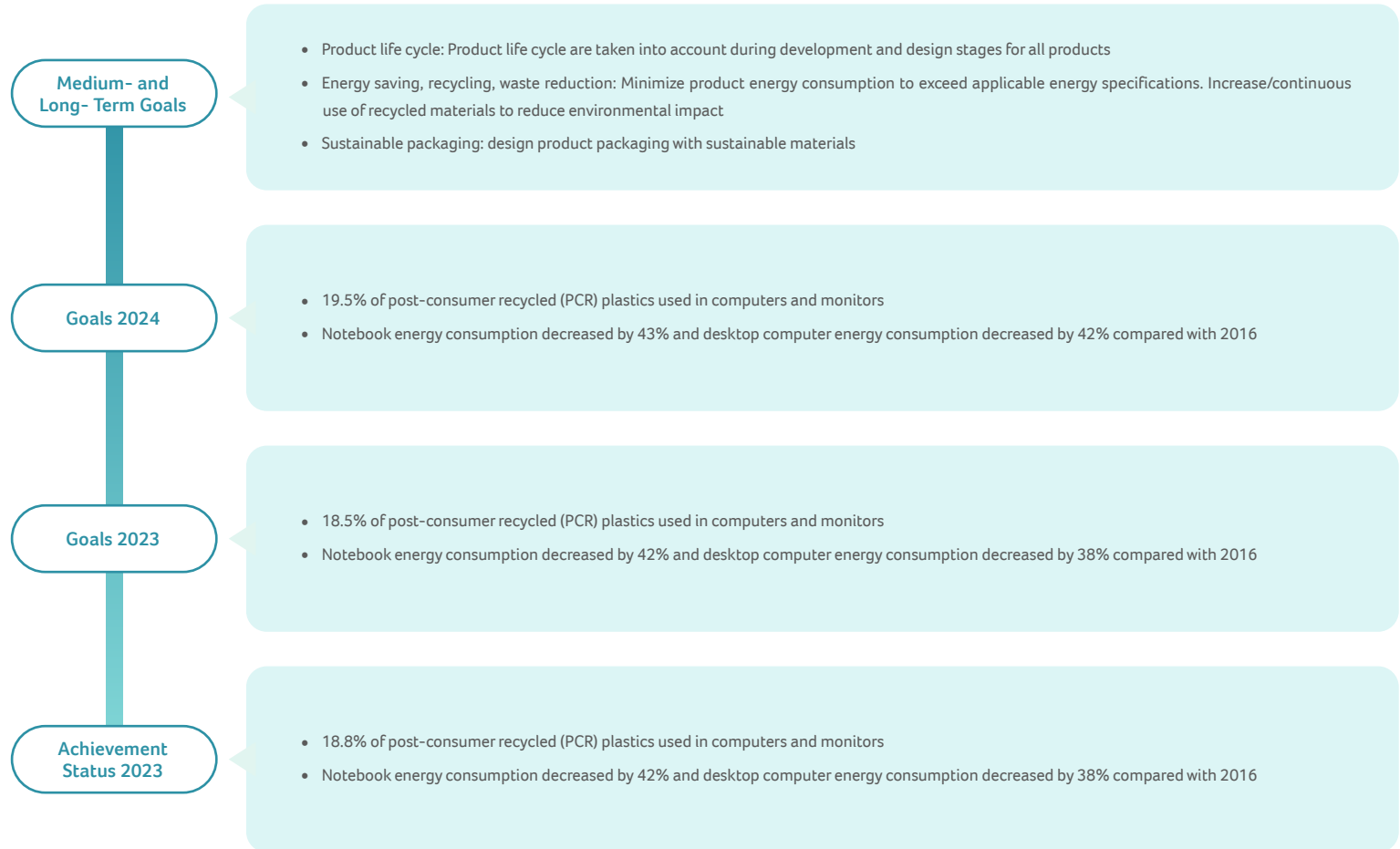
Action Plan

Acer minimizes the environmental impact of our products and reduces emission and waste by implementing the concept of circular economy, including improving energy efficiency, using recycled materials, and designing products and packaging with recycling in mind.

Tracking Mechanism

Regular review by Corporate Sustainability Committee's Innovation and Product Lifecycle working group and report to the Corporate Sustainability Committee every six months.

Stakeholder Engagement and Effectiveness

Publish product carbon footprint report and earn US ENERGY STAR certification.

Medium- and Long- Term Goals

- Product life cycle: Product life cycle are taken into account during development and design stages for all products
- Energy saving, recycling, waste reduction: Minimize product energy consumption to exceed applicable energy specifications. Increase/continuous use of recycled materials to reduce environmental impact
- Sustainable packaging: design product packaging with sustainable materials

Goals 2024

- 19.5% of post-consumer recycled (PCR) plastics used in computers and monitors
- Notebook energy consumption decreased by 43% and desktop computer energy consumption decreased by 42% compared with 2016

Goals 2023

- 18.5% of post-consumer recycled (PCR) plastics used in computers and monitors
- Notebook energy consumption decreased by 42% and desktop computer energy consumption decreased by 38% compared with 2016

Achievement Status 2023

- 18.8% of post-consumer recycled (PCR) plastics used in computers and monitors
- Notebook energy consumption decreased by 42% and desktop computer energy consumption decreased by 38% compared with 2016

Names of Material Topics

Product Responsibility and Customer Safety

Policies and Commitments

Providing customers with safe products, developing our creative capabilities, and introducing new solutions are all ways in which we can protect our customers' health and safety.

Action Plan

We follow safety and hazardous substance related regulations during the product development and manufacturing stages to provide safe and environmentally friendly products to users.

Medium- and Long- Term Goals
- Transparency and Monitoring: Trace the source of materials and hazardous substances to effectively control the risk of possible harm to the human
- Responsible manufacturing: Monitoring of hazardous substances/materials, phasing out the use of environmentally sensitive substances gradually

Goals 2024
- The materials and products are is designed with consideration of customer health

Goals 2023
- The material for the educational product line is designed with consideration of customer health

Achievement Status 2023
- Continued to introduce antibacterial-friendly product series, resulting in a remarkable 102% increase in shipments compared to 2022

Tracking Mechanism

Regular review by Corporate Sustainability Committee's Innovation and Product Lifecycle working group and report to the Corporate Sustainability Committee every six months.

Stakeholder Engagement and Effectiveness

Launch Vero products

Product Life Cycle

Acer is committed to reducing the environmental impact of its products during the product life cycle by integrating the concept of circular economy.

During the product design and development phase

We have chosen materials with low impact on the environment, such as post-consumer recycled plastics used in computers and monitors. We have also expanded their use to various product lines in the Vero series, including projectors, computer peripherals, and suitcases. Additionally, we have adopted OBP (Ocean Bound Plastic) in the touchpads of notebook computers and Acer Vero Ocean Series apparels. In terms of chemical management, we have established lists of banned, restricted, and disclosure chemicals to reduce the use of hazardous substances. To improve product energy efficiency, we base our designs on the U.S. ENERGY STAR requirements, while considering product durability and repairability to extend the product lifecycle. For our flagship gaming desktop, the PREDATOR ORION X, we have adopted a fully modular design and a new hybrid architecture to reduce the size while maintaining performance. For monitors, we have adopted a mold-sharing approach by using the same front and back frames for specific models, with only new stands developed to minimize the resources and costs associated with new developments.

During the manufacturing phase of our products

We collaborate with suppliers to enhance resource utilization efficiency, reduce carbon emissions, and ensure proper waste management. Since 2019, we have been adhering to the RBA Industry Focus Process Chemical List to monitor the chemicals used in the production process. These chemicals include toluene, benzene, beryllium dust, chlorinated organic solvents, n-hexane, N-Methyl-2-pyrrolidone, and ozone-depleting substances. Monitoring of these chemicals has become a key item in our annual on-site audits. In 2021, we further revised the RBA Industry Focus Process Chemical List and required suppliers to comply with the updated version starting from 2022. The revised list now includes bromopropane, methylene chloride, methanol, tetrachloroethylene, and trichloroethylene. We will continue to monitor industry regulations, assess the possibility of expanding the list of controlled substances to mitigate risks to workers and the environment, and strengthen communication and verification during on-site audits. Acer places great importance on the efficient use and reuse of energy and resources during the manufacturing phase. Through effective supply chain management, we strive to enhance process resource efficiency, minimize energy consumption and greenhouse gas emissions, and implement effective waste management practices.

In the product transportation phase

We work closely with our logistics partners to formulate a sustainable logistics strategy, with a focus on transitioning to low-carbon transportation.

In the product use phase

We have set a target to achieve a 45% reduction in the average energy consumption of personal computers by 2025, compared to 2016.

In the product disposal phase

We offer various recycling channels to ensure proper recycling and disposal by qualified recycling and processing partners. For more information, please refer to Product Recycling.

Chemical substance management

To comply with regulatory requirements and customer standards, Acer integrates environmental and safety related regulations in the product development stage, and through a rigorous review process, ensures that all production stages of the supply chain meet environmental and safety-related requirements.

To protect the health and safety of users and reduce potential environmental risks, Acer strives for prudent management of chemicals in the products. In accordance with the Declarable Substance List of IEC 62474, Acer has categorized the chemical substances into three categories: "banned substances", "restricted substances" and "disclosure substances", and formulated the "Guidance of Restricted Substances in Products", which is reviewed every year and revised as needed. In addition to the requirements of the RoHS directive, REACH and POPs persistent organic pollutant regulations arealso included, requiring suppliers to comply and confirm their compliance before mass production.

Post-consumer recycled plastics and ocean bound plastic

Acer not only supports the concept of resource recycling, but also actively uses post-consumer recycled (PCR) Plastics in its products.

The Company determines the types and ratios to be used during product planning and carefully selects vendors; For products using post-consumer recycled plastics, we ensure that the raw material formulation is as close as possible to the physical properties of the virgin plastic. When necessary, we add strength and reliability design to the product design process to ensure product quality. Users can not only enjoy the same quality of products as virgin plastic, but also support the reuse of resources together with Acer to strengthen the concept of circular economy.

In 2023, 18.8% of post-consumer recycled plastic were used in our computer and monitor products. Over the period of 2020 to 2023, we have incorporated post-consumer recycled plastics into more than 40 million units of our computer and monitor products.

In addition, we place significant emphasis on addressing the problem of marine plastic debris. We make use of recycled ocean-bound plastic (OBP) and convert it into recyclable materials. The OBP is used in Ocean Glass touch panels for notebook computers and Acer Vero Ocean Series apparels. By adopting post-consumer recycled plastic and OBP, our objective is to minimize the improper disposal of plastic waste and raise consumer awareness of environmental protection.

Use of environmentally friendly packaging materials with streamlined design

Acer's packaging design principle begins with considering the life cycle of product packaging materials. Our aim is to continuously improve the environmental impact at every stage, from R&D and material selection, manufacturing, transportation, use to waste management. Through our green packaging policy, we strive to simplify packaging, standardize packaging dimensions, and gradually reduce the use of plastic packaging or replace it with recycled plastic to reduce packaging volume and weight to reduce energy and resources consumption in transportation stage. Additionally, we are constantly exploring ways to reuse or recycle packaging materials after removing the protective packaging of products, maximizing their utility and extending their life cycle.

Based on supplier information, Acer estimates that in 2023, a total of 14,942 tonnes of paper packaging materials (including cartons and paper cushion materials) were shipped along with the notebooks, desktop computers, and monitors.

Notebook computers

Based on our reduction design of plastic packaging, the handles on the outer carton of non-gaming series products had been removed for several years. However, considering the weights of gaming series products, we keep the handles for consumers. In 2023, we successfully phased in paper handles in the new gaming series to replace plastic and approximately 40% of gaming series of notebook computer products are equipped with paper handles. We also plan to implement this solution to more projects in 2024. Additionally, we actively partnered with suppliers to eliminate the use of plastic bags for power cords to further reduce the use of plastic packaging.

Desktop computers

We continue to transition from traditional polystyrene or EPE materials to 100% recycled EPE or paper cushions. In 2023, we have approximately 46% of products shipped with paper cushions. And we not only use paper cushions but also 100% recycled PE bags in our Vero products. In 2024, we plan to remove plastic packaging or phase in paper packaging to replace the use of plastics in some projects.

Monitors

We continue to adopt paper cushion for more projects in 2023, resulting in the use of growing threefold compared to 2022.

ebii E-bike

The packaging design of the ebii E-bike echoes the product's core themes of simplicity, intelligence, and environmental sustainability. It aims to solve the pain points with bike packaging, which is often focused on protecting the product during transport and results in complicated unboxing and assembly processes. After unfastening the buckle on the outer box, the opening on the side can be easily lifted with one hand to remove the bike. With a few simple steps, the cardboard structure can then be reused into a bicycle stand, simultaneously extending its lifecycle while also reducing waste.

Predator Gaming Headset

The packaging design to reduce paper usage, box weight, and volume by 48%, 20%, and 5%, respectively without sacrificing device protection. The triangular structure ensures strength without extra plastic, while serving as a practical way to store the headphones, to reuse the packaging after unboxing and enhance the user experience.

Product Distribution

Acer continues to promote the reduction of carbon emissions and plastics in logistics, transportation, and packaging operations. We are committed to enhancing transportation efficiency by changing the shipping mode and improving supply chain management, which includes reducing the volume and weight of product packaging. Additionally, we adopt new energy sources to decrease energy consumption during transportation, thereby further reducing carbon emissions and lowering transportation costs. Although logistics transportation only accounts for about 4% of the total carbon emissions in the product life cycle, we do not cease our efforts to seek new energy sources for carbon reduction. We value and are eager to explore opportunities to decrease carbon emissions.

Reduction of carbon emissions through adoption of new energy sources

Acer primarily transports its products to customers by sea, either directly or indirectly. Since 2022, we have piloted the use of Sustainable Marine Fuel (SMF). In 2023, we enhanced our partnership with logistics providers, KUEHNE+NAGEL and Expeditors, to significantly decrease 481 tones of carbon emissions from using SMF by 12 times compared to 2022, resulting in an almost 4% reduction in global maritime transportation emissions. Acer's logistics carbon reduction targets are in line with the greenhouse gas emission strategies of the International Maritime Organization (IMO). We aim to contribute 5-10% of the international maritime energy by 2030 by adopting zero or near-zero greenhouse gas emission technologies, fuels, or energy sources. This is one of the reasons that we are actively embracing SMF.

Furthermore, starting in 2023, Acer began promoting the transportation of notebook computers using electric vehicles in Chongqing, with an initial focus on commercial models. By 2023, 52% of commercial notebook computers were already being delivered locally in Chongqing using electric vehicles. This successful case is expected to pave the way for future expansion to more cities, with the adoption of suitable electric vehicles.

Minimizing carbon emissions through logistics consolidation

Following the completion of notebook computer production in China, we closely collaborate with our logistics suppliers to continuously enhance the land transportation. We have successfully implemented logistics consolidation to transport 87% of the products to the port, resulting in a reduction of 779 truck trips. This has further decreased carbon emissions during the transportation process by 593 tons, surpassing the performance achieved in 2022. Not only has it cut transportation costs but it also fulfilled the objective of reducing carbon emissions.

Elimination of yellow packing tape

Commencing in 2022, we initiated a gradual elimination of yellow packing tape, starting with our monitor products. Following an evaluation of its effectiveness in 2023, we plan to extend this policy to our entire product lines by 2024. As a result, we will reduce our tape usage by over 10,000 kilometers annually, which is equivalent to a quarter of the Earth's circumference.

Moving forward, Acer will maintain its commitment to three key policies aimed at reducing carbon emissions and plastic waste in logistics, transportation, and packaging, first implemented in 2022.

Implementing new energy solutions for logistics and transportation

Enhancing order consolidation efficiency through order management control tower

Streamlining logistics packaging operations while prioritizing cargo safety

We choose reputable logistics service providers and adopt the constantly evolving and updated transportation technology in the industry for Acer's product transportation operations.

Product recycling

The Acer Group continues to be committed to working for sustainable lifestyles and a sustainable environment. To this end, we pursue the recycling of limited resources and good mechanisms for recycling waste in hopes of creating new value for our products. We actively support a variety of measures promoting recycling around the world, along with Individual Producer Responsibility (IPR), and are committed to working with stakeholders including governments, consumers, and channels/retailers to shoulder the responsibility for recycling and managing electronic waste. Around the world, Acer follows local government standards for various electronic product recycling programs and provides convenient recycling methods for consumers to improve the efficiency of waste recycling in the hope of contributing to resource sustainability.

In 2023, Acer recycled a total of 14,995 tonnes of electronic products, with the recycling rate of 15.9% in Asia, Americas and Europe regions.

	2019	2020	2021	2022	2023
Recycling volume (tonne)	11,011	11,817	11,227	14,012	14,995

Taiwan

In compliance with environmental regulations announced by the Ministry of Environment, we take responsibility for the recycling of discarded items, including computers and monitors. We also offer a brand-agnostic consumer electronics recycling service through our service centers across Taiwan. In collaboration with professional recyclers, we sort and refine lithium batteries to be reused as raw materials for new products, thereby reducing the extraction of upstream raw materials. In 2023, including the recycling efforts of our partners, we recycled a total of 1.5 tons of waste batteries and approximately 2,700 consumer electronic products of various brands. The profits from these activities were donated to the Taipei Orphan Welfare Foundation, amounting to a total of NT$ 150,000.

Japan

Acer continues to work with Japan's PC3R Promotion Association computer recycling organization, enabling consumers to register items for recycling online or by email and then send them in by mail. The Association also organizes for the reuse of any products collected that can still produce cyclical value. In Japan, Acer has set up PC Recycling Centers in hopes of encouraging customers to recycle long-used products and upgrade to newer products still in their usable lives. At the same time, this project also ensures that customers' information security is protected.

Australia

Electronic waste is managed by the National Television and Computer Recycling Scheme (NTCRS) under the Australian federal government, which manages the recycling of televisions, computers, printers, computer parts and peripheral products. The objectives of NTCRS are to reduce waste that ends up in landfill, increase recycling rates and provide convenient access to recycling services for households and small businesses throughout Australia. Acer collaborates with NTCRS-approved Ecycle Solutions recyclers to recycle e-waste.

European

Acer adheres to requirements related to products, batteries, and packaging, including the Waste Electrical and Electronic Equipment Directive (WEEE Directive), the New Battery Regulation, and packaging material regulations for recycling. Consumers can find information about local recycling channels on Acer's local country websites.

Pan-America

Acer continued to operate its regulatory and voluntary end-of-life electronics recycling channels in Pan America to ensure consumers have convenient and environmentally responsible options for recycling their end-of-life products.

Product recycling

Acer's Tech Trade-up program continued to operate in 2023. The program incentivizes Acer's customers for returning aging devices during IT refresh cycles, to protect the data integrity. Acer also provides value back to its customers or transfers that value into savings for new products. In turn, Acer reuses or properly recycles the old products to extend their life and prevent their valuable resources from entering the waste stream. Acer is a participating member in the recycling program, Green Eletron, established by industry members and the Brazilian Electrical and Electronics Industry Association (ABINEE). On behalf of its customers, Green Eletron contracts and coordinates collection, transportation and environmentally appropriate final disposal services for discarded electronics. The program has over 7,000 collection points for batteries and electronic products nationally.

Battery recycling

Due to the demand for cobalt in the manufacture of lithium-ion batteries and also the child labor associated with the mining of raw cobalt, in 2023, Acer continued to support the recycling of the lithium-ion batteries contained in mobile electronic products via its Call2Recycle program license and its own internal process. In addition to the Call2Recycle program support, Acer collected approximately 2,700 kilograms of spent batteries through its customer service program in 2023 for responsible recycling, which represents a 200% increase over the previous year.

Packaging material recycling

In 2023, after Acer's participation in the rule development process for the new producer responsibility recycling program for packaging in Ontario, Canada, the program was successfully launched. In addition, a similar program in New Brunswick began implementation in late 2023. Acer continues to be involved as additional provinces transition to or begin new EPR programs for packaging and paper products in 2024 and beyond. In the United States, Acer began discussions with producer responsibility organizations to address the phase-in of new EPR programs for packaging that will begin development in 2024.

Recycling Advocacy

Acer continued its seat on the Board of Directors for the Washington Materials Management and Financing Authority (WMMFA). The mission of the WMMFA is to provide responsible end of life recycling for the citizens of Washington State in compliance with state law and Department of Ecology direction, and in the most cost-effective manner for our members. The board of directors is comprised of 11 seats and is responsible for managing the business and affairs of the WMMFA as it executes the state recycling plans for its 250+ registered manufacturer members.

Responsible Recycling

Worldwide, Acer Group is working to strengthen the environmental sustainability aspect of social responsibility through responsible recycling models. Acer America continues to require that all controllable recycling schemes ensure appropriate disposal and management of end-of-life electronics devices, components and materials, as well as safeguarding customer data through the implementation of data destruction procedures. Acer requires that all contracted suppliers and second tier suppliers comply with Acer waste disposal standards for the management of end-of-life products and still has a strict requirement for its recycling vendors to maintain either the Responsible Recycling (R2) or eStewards standards certifications. Acer also continued its recycling vendor auditing program to verify vendor practices and to ensure downstream processors are held accountable as well. For more information on Acer America's recycling program, please visit Acer America's recycling website.

Communication and disclosure of product environmental performance

In order to achieve product sustainability, it is necessary to examine the environmental impact and performance of each stage of product development and use it as a reference for improving future sustainable products. Acer, in its product design, not only complies with the legal requirements of product sales in various regions but also enhances product energy efficiency, reduces the use of hazardous substances, promotes recyclability, and extends product lifespan. These factors serve as indicators for optimizing product design. Ultimately, we communicate and disclose the environmental performance of our products to consumers through various environmental labels. Ultimately, we communicate and disclose the environmental performance of our products to consumers through various types of environmental labels, product life cycle assessments and product carbon footprint results.

Chemical substance management

In 2023, all of our products contained substances on the IEC 62474 Declarable Substances List. This is because the RoHS Directive and REACH regulations of the European Union permit the use of specific chemical substances without alternative solutions currently. We remain committed to a precautionary approach and work closely with our suppliers to evaluate any chemical substances that are suspected of causing harm or having an impact on the environment. We also investigate the feasibility of using alternative substances that are both safe and suitable. For further details, please see Chemical Substance Management.

Product energy efficiency

Product energy efficiency has been a key design indicator for us. We base our product design on the U.S. ENERGY STAR standard and will continue to offer consumers more products with low energy consumption. In addition to expanding the coverage of the Modern Standby power management mode, we are also incorporating additional display power saving technology to further reduce the energy consumption of our products. In 2023, 60.77% of our computers and monitors are U.S. ENERGY STAR certified. The average energy consumption of notebook computers decreased by 42% compared to 2016, and the average energy consumption of desktop computers decreased by 38% compared to 2016. This progress brings us closer to our goal of reducing the average energy consumption of personal computers[1] by 45% by 2025.

Note[1]：Average energy consumption=total power consumption/total shipment

EPEAT and TCO Certified

EPEAT and TCO Certified are currently the most recognized environmental labels. In addition to requirements for product chemical substances and energy consumption, they encompass aspects, such as the use of recycled materials, product repair, extended product lifecycle, and provision of product recycling channels. Furthermore, they address the social and environmental responsibilities of brand owners and their suppliers, including labor rights, occupational health and safety, and responsible mineral procurement. In 2023, 11.22% of our products are EPEAT registered, and 15.02% of our products are TCO Certified.

Life cycle assessment and product carbon footprint

In response to the global low-carbon trend, Acer, as a leading brand, is dedicated to offering consumers more sustainable and eco-friendly products, enhancing product competitiveness, and meeting customer demands. Since 2019, Acer has been producing product life cycle assessment reports and carbon footprint reports for flagship products. Gradually, we have developed them for more notebook computers, desktop computers, and monitors in 2023. By analyzing detailed data on product carbon footprints, Acer aims to identify the carbon hotspots of its products and provide feedback to its upstream supply chain. The goal is to reduce carbon footprints and promote carbon reduction actions throughout the supply chain.

In 2023, Acer completed product life cycle assessments or product carbon footprint reports for all commercial notebook computers (including Chromebooks), commercial desktop computers, and representative monitor products. Additionally, we have obtained a verification statement from a third-party organization for the comprehensive cradle-to-grave carbon footprint calculation of the Aspire Vero AV15-53P notebook computer. The system boundary of the Aspire Vero AV15-53P product carbon footprint includes five stages: raw materials, manufacturing, transportation and distribution, use, and disposal. The carbon footprint calculation result for each AV15-53P notebook computer is 148.53 kgCO2e. Through this product carbon footprint analysis, Acer not only gains a deeper understanding of the carbon emissions hotspots of the product but also assesses the suppliers' ability to provide primary data on product carbon footprints. This information will serve as the basis for proposing measures to reduce product carbon footprints, improve the quality of product carbon footprint data, and establish suppliers' carbon management and reduction capabilities.

Stage	Carbon emissions (kgCO$_2$e/piece)	Percentage (%)
Raw materials	117.365	79.0
Manufacturing	0.110	0.1
Transportation and distribution	4.611	3.1
Use	26.195	17.6
Disposal	0.251	0.2
Total	148.53	100.0

Category	Percentage of revenue
Products containing IEC 62474 Declarable Substances	100
Products applying for the EPEAT registration	11.22
Products obtained the ENERGY STAR certification	60.77
Products applying for TCO Certified	15.02

Note[1]: The above products include notebook, desktop computers, monitor products

Note[2]: EPEAT is calculated by taking the revenue of each registered model as the numerator, the revenue of ENERGY STAR and TCO as the numerator, and total revenue of each badge that can be applied for in 2023 as the denominator

Innovative Products and Services

Names of Material Topics

Innovative R&D and Design

Action Plan

- Committing to R&D, patent acquisition, and other core competitiveness, and providing targeted product and service models
- Providing open-source solutions to promote shared social innovation

Policies and Commitments

Innovation is one of Acer's core values, and through innovative research and development we create differentiation, establish superiority, and are able to implement full-scale innovation with value.

Tracking Mechanism

Regular review by Corporate Sustainability Committee's Innovation and Product Lifecycle working group and report to the Corporate Sustainability Committee every six months

Medium- and Long- Term Goals

- Customer Center: Listen to customers and keep up with the demands of the market
- Diverse Innovation: Combine product features and transformative technologies to achieve greater diversity of innovation
- Solution Orientation: Provide innovative solutions across software, hardware, services, and processes
- Demand Creation: Incorporate new technologies into products to meet new market requirements

Goals 2024

- Achieve silent, comfortable, and optimized operating experience
- Adopt efficient dynamic noise reduction for teleconferencing driven by AI technology

Goals 2023

Be committed to creating greater profits and enhancing customer service through innovation with value:

- Mass production verification of user behavior optimized battery management
- Development of more stable/durable/lightweight material

Achievement Status 2023

- Completed mass production verification of user behavior optimized battery management
- Developed more stable, durable, and lightweight materials; discontinued due to cost considerations in mass product stage.
- Completed the project on integration of high-efficiency anti-vibration speaker into notebook computers

Innovative Design Thinking

Acer's product design is focused around a people-centric spirit and approach which asks the following fundamental questions:

People-centric Spirit

- Who is our target user?
- What is this device to be used for?
- Why do people need it?
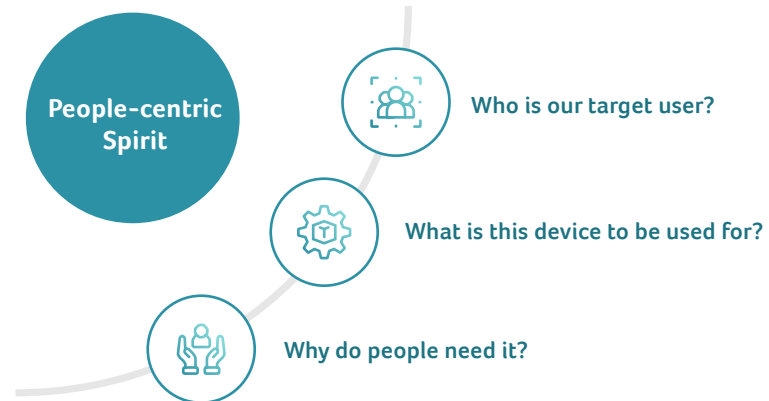
We are dedicated to understanding the needs and behaviors of users and are eager to solve human problems through technology. At the same time, though, we must bear in mind both technological and commercial feasibility. Acer's innovative R&D process is built around learning through testing and cooperation across fields which brings together outstanding talent with backgrounds in products, UI, graphic design, and engineering to maximize the value of Acer's products and bring users the best possible experience from concept development and prototyping through to final testing.

Continuous innovation is a core value for Acer, as through it, we can gain a competitive edge. Our patent strategy is to invest resources in continuous innovative R&D, building a patent network and demonstrating the benefits of our patents while also establishing a set of strict patent measures to protect our R&D achievements.

Acer's Patent Protection Measures

- Regular patent education and training
- Occasional patent seminars
- Establish an ePatent system to manage patent case information electronically
- Electronically-managed R&D logs
- Encourage employees to innovate and create
- Establish a patent evaluation process to control patent quality

Benefits of Patent Strategy

- Encouraging innovation
- Demonstration of technical drive
- Product competitiveness
- Exclusion of competition
- Legal defense
- Increasing patent bargaining power
- Income from royalties and disposition

Total number of patents issued by countries around the world	Ranking of patent applications by domestic applicants	Ranking of issued patents by domestic applicants
7,625	4th	3rd

To safeguard the outcomes of our research and innovation, Acer is actively pursuing patent protection on a global scale. As of December 2023, Acer has secured a total of 7,625 valid issued patents in various countries around the world, with at least 3,400 patents issued in Taiwan and more than 1,400 patents issued in the United States. In 2023, Acer ranked fourth among domestic aplicants in the number of applications for three types of patents, (invention, utility model, and design patents.) Moreover, Acer ranked third among domestic applicants in the number of announcements and certifications of the three patents, achieving a testament to our remarkable performance. For further details, please consult the Intellectual Property Office of the Ministry of Economic Affairs' 2023 Patent Top 100 Ranking.

Regarding patent education and training for Acer employees, a total of 211 people were trained in 2023, including 144 people trained in online courses and 67 people trained in in-person classes, with the objective of consistently enhancing employees' awareness of intellectual property rights.

Issued Patents in 2023

Region	2023	2022	2021	Comparison of growth rates between 2023 and 2022
Taiwan	474	414	411	14.5% ▲
China	201	166	192	21.1% ▲
Pan-America	126	151	150	16.6% ▼
Pan-European (including UK)	42	73	56	42.5% ▼
Total	843	804	809	4.9% ▲

Note: In 2023, the 474 issued patents in Taiwan include 27 joint patents owned by Acer and other companies jointly, of which 14 joint patents that Acer is not the first co-applicant.

Important Innovative Technology in 2023

AI Smart Charging according to user behavior

For users maintaining a regular habit of using computers for daily life and work, there will also be a certain behavioral pattern. For instance, a fixed behavioral pattern may involve shutting down and charging the computer at 11 PM, and then turning it on for use at 7 AM in the morning. Acer's battery management system will optimize the charging algorithm for different user behavior patterns, thereby delaying battery aging and increasing battery life.

The AI Smart Charging feature can be enabled on Acer notebook computers using the built-in program, Acer Sense. By learning the user's behavior through AI, different charging strategies are applied to optimize the battery life for each user. The system aims to delay the battery from reaching full charge when the power supply is available, keeping it in a low voltage storage state to slow down the aging process. The entire charging process is completed before disconnecting the power supply, ensuring that each user has access to the full 100% battery capacity. Both the learning and charging processes are fully automated and tailored to each user.

Based on the results of testing in our internal laboratory environment, enabling the AI Smart Charging setting improves battery health by over 25% after 500 charge-discharge cycles. Additionally, it reduces the battery's prolonged exposure to high charge levels within the same charging time, thereby extending the battery's lifespan.

With regard to this solution, we successfully completed the development and verification of the functional prototype in 2022. In 2023, we implemented five representative models for production evaluation confirmation. Furthermore, in the first half of 2024, we will include two additional models for quality evaluation confirmation. We anticipated to further expand the implementation to include more models in the second half of 2024.

Efficient anti-vibration speaker and module design

In recent years, working from home, remote meetings, and remote teaching have become the new normal due to the impact of the Covid-19 pandemic. The use of video conferencing has played a crucial role in mobile devices and notebook computers. During video conferences, users commonly use headphones (wired or wireless) and the speaker system of notebook computers as output devices.

Given the frequent and probabilistic long-term use of headphones during remote work and distance learning at home, it is crucial for us to consider how to reduce or avoid hearing damage to users in our product development and design. Mobile devices, primarily notebook computers, are key to remote work and distance learning at home. Therefore, the performance of the notebook computer speaker system is of utmost importance. However, the trend of lightweight and slim notebook computer designs significantly affects the quality and volume of the speaker system, resulting in an inability to provide good audio performance (high loudness, low distortion, faithful sound reproduction, etc.) during video calls or leisure activities, such as listening to music or playing video games. The maximum audio performance of almost all notebook computer audio characteristics will be compromised in order to address issues of resonance noise and audio distortion.

By incorporating high-efficiency anti-vibration speakers and their modules into notebook computers, vibrations of speaker modules can be prevented from being transmitted to other components, thereby avoiding resonance noise and optimizing audio performance. This design has already been adopted in two models of gaming notebook computers in 2022 and 2023, and we plan to adopt it in two additional models in 2024.

Innovations for the Environment and Society: Conscious Technology

As a human-centric company, our mission is clear – driving the development and innovation of "Conscious Technology" with humans at heart and the planet in mind.

Learning: Accelerating Net-Zero Education

Less Waste

Designed with sustainability in mind, our Acer for Education products strive to minimize their environmental impact and produce less waste.

Learn More

Eco-Conscious Devices

The Vero Notebook boasts green packaging, OceanGlass™ touchpads, and more PCR plastic without sacrificing on performance or features.

Learn More

Digital School

Our devices incorporate smart classroom solutions and empower schools to digitally transform to a more sustainable and improved digital learning set up.

Learn More

Moving: Propelling Renewable Mobility

E-Mobility

E-scooters offer eco-friendly travel options; AI-driven e-bike adapts to riding conditions and preferences for the optimal riding experience. MRT safety upgrade plan uses AI to create safe and convenient transportation; electric bicycle power systems provide carbon-reducing energy options.

Learn More

Smart Parking

Our smart parking meter integrates EV charging to allow effortless navigation around the city in more climate-friendly vehicles.

Learn More

Working: Facilitating Tech-as-a-Service

Eco-friendly Computers

Acer for Business focuses on innovating responsibly and sustainably, designing products like our line of Vero PCs and devices.

Bike-Desk

Acer eKinekt uses kinetic energy to power the all-in-one bike-desk, enabling a more active and sustainable lifestyle.

Learn More

Sharing Efforts

Our Acer Device-as-a-Service encourages recycling and reusing of used devices, for a more sustainable future.

Learn More

Lifecycle Management

Acer offers global support, including authorized repairs and eco-friendly product lifecycle management.

Learn More

Living: Empowering Energy-Efficient Homes and Smart Medical

Smart Medical

AI-assisted software speeds up the diagnosis of patients with diabetic retinopathy; AI-assisted screening software for bone mineral density (BMD) abnormalities.

Learn More

'Pure' Lifestyle

Air purifiers with air quality sensors detect suspended particles and filter out harmful substances to improve air quality; Ozone antibacterial sanitizer produces ozonated water for cleaning items.

Learn More

Smart Water System

Through our smart rainfall and flood water storage system, we ensure water is retained and saved until it's needed.

Energy Saving

Acer designs solutions for uninterrupted power supplies and the ability to save excess green energy.

Conscious Technology for a Brighter Tomorrow

Subsidiaries	Product	Description	SDGs
acer	Vero Products Made with Recycled Materials	In 2023, Acer continued to launch its full line of Vero products, continuing its original direction of eco-friendly design and selection of recycled materials, but updating the specifications to the latest generation of performance. The Vero series is positioned as Acer's sustainable product, with most of the design remaining the same from generation to generation to minimize waste of non-essential resources and reduce inventory for future repairs. However, environmental solutions are improved year after year, and specifications related to the user experience must be adapted to meet the latest demands. For example, the latest generation of the Aspire Vero has increased the proportion of recycled plastic in the chassis to 60%, passed a number of military specification tests to prove its durability, and minimized the environmental impact of every Aspire Vero by obtaining carbon offsets in addition to minimizing the product's carbon footprint; and the packaging has been enhanced by adding FSC recycling certification to give more credibility to the source of the recycled pulp, which is a key feature of the Vero. In terms of product specifications, the Intel Core Ultra with built-in Neural Processing Unit (NPU) is the first to be introduced in response to the application of Artificial Intelligence (AI), which provides higher performance and lower energy consumption in AI usage. The screen size has also been upgraded to a 16" 16:10 ratio, all in response to predictable usage behavior, with the goal of making the product more responsive to the user's needs and prolonging the product's lifespan. **Learn More**	12 RESPONSIBLE CONSUMPTION AND PRODUCTION
acer Medical	AI-assisted screening software for bone mineral density (BMD) abnormalities	Acer Medical's VeriOsteo OP (AI-assisted screening software for bone mineral density (BMD) abnormalities), the first intelligent medical device in Taiwan to analyze bone density abnormalities with chest X-ray images, was approved by the Food and Drug Administration (TFDA) of the Ministry of Health and Welfare in the end of 2023. In 2024, Acer Medical, together with the Public Health Bureau of the Tainan City Government, introduced VeriOsteo OP into the mobile hospital project, which combines the existing chest X-ray round-trip screening service to help medical staff determine whether the bone density of the examinee is abnormal, so as to assist in referral or further medical treatment. It is expected that 30,000 people will be screened in 2024. The introduction of VeriOsteo OP can effectively help to screen out high-risk patients, thus realizing "early detection and early treatment", and VeriOsteo OP will become a new screening tool for preventive medicine. **Learn More**	3 GOOD HEALTH AND WELL-BEING
HSN	After-sales services	HSN provides multi-brand inspection with multi-country support and the authorization of original manufacturer. HSN provides after-sales service for consumer electronics, including computers, smartphones, workstations, and appliances. HSN has been authorized by more than 40 international brands to provide consumer inspection, repair, maintenance, and upgrade services. HSN provides a full range of services based on customer demands, from pre-purchase consultation, product function setting, warranty, maintenance, to product recycling at the end of the service life. HSN provides services in every step of the product life cycle, reduce the burden on enterprises and consumers, and improve product performance and reduce environmental impact. **Learn More**	12 RESPONSIBLE CONSUMPTION AND PRODUCTION
acer Gadget	Predator eNomad-R	The Predator eNomad-R e-bike offers outdoor adventurers and off-road enthusiasts a sustainable transportation option. Its superior performance and durability enable nature enthusiasts to delve into the wilderness without increasing their carbon footprint, allowing for a profound appreciation of the natural world's majesty and beauty. The launch of Predator eNomad-R demonstrates Acer and Acer Gadget Inc.'s commitment to environmental protection and the freedom to explore, advocating for an eco-friendly and healthy approach to adventure.	11 SUSTAINABLE CITIES AND COMMUNITIES 13 CLIMATE ACTION
	Portable Power Station	Acer Gadget Inc. has introduced a range of portable power stations specifically designed for the home market - 600W /1800W / 3000W Portable Power Station, addressing the need for energy storage and green energy conversion. These products can store electricity from renewable sources such as solar panels, offering stable and reliable power solutions for households. In power outages or emergencies, they ensure energy self-sufficiency for homes, reducing dependency on external power grids and further advancing the transition to green energy, showcasing Acer and Acer Gadget Inc.'s commitment to enhancing life quality and environmental conservation.	7 AFFORDABLE AND CLEAN ENERGY 13 CLIMATE ACTION

Subsidiaries	Product	Description	SDGs
acer Mobile Power System	MPS mobile power system of electric assisted bicycles	Acer MPS mobile power system of electric assisted bicycles has an important impact on social and environmental sustainability. The power integration system not only improves the riding efficiency of the increasingly popular electrically assisted bicycle, but also brings multiple benefits to society. First of all, the development of this technology promotes green mobility and reduces the need for traditional transportation equipment, making it easier for people to cope with long distances or rough terrain. This convenience has led to more people choosing eco-friendly ways to get around, reducing their reliance on traditional means of transportation, which in turn has reduced traffic congestion and air pollution. Secondly, the advancement of the powertrain of electrically assisted bicycles also provides users with longer battery life and reduced high-carbon energy consumption. This helps to reduce the need for traditional energy sources, driving a shift towards more sustainable energy sources and reducing the negative impact on the environment. Finally, the promotion of this innovative technology will also work together to stimulate the long-term development of Taiwan's bicycle industry and promote the stable growth of industrial employment opportunities. The innovation and development of powertrains for electrically assisted bicycles has brought positive effects on social and environmental sustainability in many ways, from convenient mobility to energy conservation and environmental protection, all of which have made a valuable contribution to building a more sustainable future. **Learn More**	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 11 SUSTAINABLE CITIES AND COMMUNITIES
acerpure	Air Purifiers	Acerpure, a subsidiary of Acer, is dedicated to developing high-efficiency, intelligent home appliances, including the 2-in-1 Air Purifier, which combines purification and circulation functions, utilizing intelligent sensing and high-specification HEPA filters to filter air pollutants and deliver clean air to all corners of the home. It will be followed by a water purifier and cordless vacuum cleaner product line, offering a full range of pure living from air quality, drinking water health to home cleaning. In 2023, Acerpure launched the Vero eco-friendly, high-efficiency air purifier, which uses 35% post-consumer recycled plastic for its casing, transforming waste into beautiful and functional products that are dedicated to the sustainability of the planet. Acerpure products have won many international awards, including iF Design Award, Good Design and Taiwan Excellence Award, and have been recognized for their design, quality and energy-saving certifications, and have been introduced to many global markets, such as Japan, Malaysia, Philippines, Thailand, France and Switzerland, among other global markets. **Learn More**	3 GOOD HEALTH AND WELL-BEING 11 SUSTAINABLE CITIES AND COMMUNITIES
	Acer Air Monitor Pro	Acer Air Quality Improvement Solution is a collaboration between Acer and its subsidiary Acerpure. The solution starts with a detector that detects a variety of air quality indicators (PM2.5, PM10, CO, O_3, TVOC, etc.), and then reveals them through an air quality dashboard that supports a variety of devices (computers, mobile phones, and tablet PCs) so that users can understand indoor air quality in real time. After identifying the pollution problems and improving the air quality, the collected data is then used for one-stop platform data management and data analysis through AI prediction module and cloud information communication technology. The solution provides software, hardware and services from detection, disclosure, improvement to monitoring to solve indoor air quality problems in a single step, and has been deployed in more than 4,500 sites including campuses, commercial space and hospitals since 2019 to provide users with a healthy respiratory environment, and assisted the Sunshine Center in obtaining the world's first international WELL Healthy Building Certification in 2022. In 2023, we continue to assist campuses, commercial, healthcare, and many other sectors with their needs to achieve the Taipei City Indoor Air Quality Certification Gold Label. By understanding and improving indoor air quality immediately, we can help minimize the health risks of indoor air pollution, and our solutions across all sectors can help build sustainable cities and environments with good air quality. **Learn More**	3 GOOD HEALTH AND WELL-BEING 11 SUSTAINABLE CITIES AND COMMUNITIES
AOPEN	AOPEN Edge IPC & AI IPC	In today's rapidly changing world, global concerns about climate change and environmental protection are increasing. At AOPEN, we're committed to environmental conservation. Our high-efficiency, low-energy industrial control systems support digital transformation for eco-friendliness. In 2024, we 'll introduce compact, powerful Edge and AI IPC products, reducing energy consumption while meeting diverse needs. Equipped with remote monitoring, our IPCs swiftly address issues, powered by NVidia AI Edge and Intel AI IPC platforms, enhancing energy efficiency 24/7. AOPEN prioritizes green, low-energy consumption, and sustainable development across industries.	13 CLIMATE ACTION

Subsidiaries	Product	Description	SDGs
acer ITS	Smart Parking EV Charger	Acer ITS's Smart Parking Management System has the largest market share in Taiwan, with commercial sites in Tainan City, Taipei City, New Taipei City, and Zhunan Town. In recent years, in response to the trend of electric vehicle development, and in response to the Acer Group's goal of ESG sustainability, the company has pioneered the integration of charging piles into its on-street parking billing equipment, and has already successfully deployed more than 24 piles in Tainan City. The smart on-street parking charging stations have the following features: • Paperless billing: Intelligent billing eliminates the need for paper parking tickets and supports on-site multi-payment, eliminating the need for billers to write paper tickets at the roadside, which not only greatly reduces paper waste, but also reduces the amount of plastic used in paper parking tickets (the plastic is a special material that is waterproof and durable). • Reduce Traffic Congestion and Circling: Helps owners of parking apps quickly locate and navigate to charging compartments, reducing circling traffic and congestion on the road, as well as reducing carbon emissions. • On-Street Parking "Stop & Charge": Taiwan's first on-street parking "Stop & Charge" for EVs, which can expand the scope of charging stations in cities and reduce the anxiety of EV owners' journeys through the differential rates and EV priority mechanism. • Helping to promote the replacement of gasoline vehicles with electric vehicles: Using differential rates and electric vehicle charging incentives to promote the fact that electric vehicles are more carbon-neutral, cheaper and more convenient than gasoline vehicles, and to assist the government in promoting charging spaces and carbon reduction. **Learn More**	11 SUSTAINABLE CITIES AND COMMUNITIES / 13 CLIMATE ACTION
SMART FREQUENCY	Acer Power Bar A1 Portable Energy Storage	With advanced AI power management technology, Smart Frequency Technology Inc. has successfully integrated secure and stable Lithium Iron Phosphate (LFP) battery cells, avoiding the use of lithium ternary batteries which contain nickel, cobalt, manganese, and other heavy metal ions that pose pollution risks, or lead-acid batteries with harmful substances like lead and sulfuric acid. Developed and manufactured in Taiwan, the sleek design and reliable Acer Power Bar series for household has been created. This product not only offers high capacity and power but also finds versatile applications in various scenarios including home emergency backup power, outdoor activities, field photography/projection, picnics, etc. Become a small power supply center for various equipment, reducing the inconvenience during power outages. The Acer Power Bar can be combined with solar renewable energy sources, advocating green energy principles and alleviating pressure on finite natural resources. Its design features automatic monitoring, environmental protection concepts, and fire-resistant materials, which not only enhance energy storage efficiency but also reduce the occurrence of fires and maintenance costs, thus enhancing the competitiveness of the energy storage industry and contributing to the planet's well-being. Using the Acer Power Bar diminishes reliance on traditional generators and can even serve as a substitute, decreasing harmful emissions (e.g., nitrogen oxides, carbon dioxide, particulate matter) generated during the combustion of gasoline/diesel, which negatively impact air quality. As well as reducing noise and vibration generated during generator operation, thus contributing to efforts to combat global warming. **Learn More**	7 AFFORDABLE AND CLEAN ENERGY / 13 CLIMATE ACTION
AOPEN	Acer EnP technology's new process introduction and automation design services for lithium battery modules	Acer EnP technology's new process introduction and automation design services for lithium battery modules have brought significant benefits to help customers improve product efficiency and mass production feasibility. First, by improving the performance and life cycle of our customers' lithium batteries through new process assistance, we will facilitate more stable and efficient applications of lithium batteries, such as electric vehicles and renewable energy storage systems, thereby reducing the demand for finite natural resources. The automated integrated design not only improves production efficiency, but also reduces labor costs and promotes the competitiveness of the development of the lithium battery industry, which also reduces energy waste in the manufacturing process, contributes to green manufacturing, and reduces adverse impacts on the environment. In addition, the introduction of new manufacturing processes and automated integration design of lithium battery modules also help to improve the safety and stability of batteries. This technological advancement reduces the risk of accidents and makes a wide range of lithium-ion battery products more reliable, which is essential for applications such as electric vehicle implements. In general, the innovative and automated integrated design of lithium battery module manufacturing process can not only improve energy efficiency and promote industrial competitiveness, but also contribute to the creation of environmental sustainability. **Learn More**	7 AFFORDABLE AND CLEAN ENERGY / 13 CLIMATE ACTION

06

CLIMATE STRATEGY AND TRANSFORMATION

While climate issues have driven the transformation of the global low-carbon economy and business models, Acer shoulders the mission of being a leader and promises to achieve net zero emissions by 2050 and increase the share of renewables in energy consumption to 100% by 2035. It also looks to integrate existing and new business groups to formulate low-carbon sustainable business strategies, create ESG value and ultimately improve corporate competitiveness.

Net Zero Commitment

TCFD Report

CDP Leadership (A-)

Energy, Carbon Emissions and Climate Action

Names of Material Topics

Energy, Carbon Emissions and Climate Action

Policies and Commitments

- Introduce the Recommended Framework for Task Force on Climate-Related Financial Disclosures (TCFD)
- Net zero emissions by 2050
- Realizing 100% renewable electricity usage by 2035
- Carbon neutrality realized in the Aspire Vero laptop line[1]

Note [1]:Acer's carbon neutrality commitment includes the Aspire Vero 16 (AV16-51P) and the Aspire Vero Laptop Line launched after the Vero 16 debuted in January 2024.

Action Plan

Outlining 9 strategies under 3 major pillars of business operation, product and service, and value chain, implement energy consumption reduction plan and use of renewable energy at the operation, and conduct carbon negative research; continue to improve product energy efficiency and the usage of recycled materials for product, and launch a number of smart and green energy products; accelerate the supply chain development on green design and innovative process through continuous advocacy and collaboration to strengthen green manufacturing and logistics, and achieve low-carbon circular economy.

Tracking Mechanism

- Report climate-related issues to the Risk Management Committee or Corporate Sustainability Committee or directly report to the Board of Directors every quarter
- Set science-based targets and annual renewable electricity targets and assess performance by using the ISO 14064 greenhouse gas verification mechanism
- Commit to achieving carbon neutrality for the Aspire Vero laptop line and review the implementation through a third-party verification mechanism

Management Goals

Please refer to "Governance" aspect of "Climate-Related Financial Disclosures (TCFD)" in this report

Stakeholder Engagement and Effectiveness

- Joined CDP and Taiwan Climate Partnership to promote the low-carbon transformation of the industrial chain
- Joined RE100 to promote a friendly renewable energy development
- Launched the Earthion initiative to bring partners and suppliers together to maximize positive impact on the environment
- Launched Earthion Mission: 21-Day Challenge to take carbon reduction action with employees and partners

Medium- and Long- Term Goals

- Net Zero emissions across the value chain by 2050
- Operation carbon neutrality by 2040
- 100% renewable electricity usage by 2035
- In 2030, operation carbon emissions (Scope 1, 2) will be reduced by 50% compared to the base year of 2019; value chain carbon emissions (Scope 3) will be reduced by 35% compared to the base year of 2020 (SBT)

Goals 2024

- 50% of electricity consumed from renewable sources
- 21%: Scope 1, 2 carbon emission reduction compared with the base year of 2019
- 10%: Scope 3 carbon emission reduction compared with the base year of 2020

Goals 2023

- 50% of electricity consumed from renewable sources
- 16.8%: Scope 1, 2 carbon emission reduction compared with the base year of 2019
- 7.5%: Scope 3 carbon emission reduction compared with the base year of 2020

Achievement Status 2023

- 48% of electricity consumed from renewable sources (target achieved)
- 23.3%: Scope 1, 2 carbon emission reduction compared with the base year of 2019 (target achieved)
- 28.8%: Scope 3 carbon emission reduction compared with the base year of 2020 (target achieved)

Blueprint for Low-carbon Transition and Climate Strategy

To achieve net zero emission in 2050, Acer announced the key strategies including 9 strategies for 3 major dimensions in 2023. We are committed to comprehensively reducing our carbon footprint with 3 dimensions of business operation, product service, and low-carbon supply chain.

Business operations

In our business operations, we have adopted the Task Force on Climate-related Financial Disclosures (TCFD) recommendations and implemented an internal carbon pricing mechanism to effectively manage climate risks and opportunities. We have set Science Based Targets (SBT) to align with the 1.5°C carbon reduction pathway of the Paris Agreement. Additionally, we have implemented various carbon reduction measures, signed long-term corporate power purchase agreements (CPPA), and conducted research on carbon offsetting, including carbon credit development, carbon capture, and reuse.

Low-carbon supply chain

Since the "Project Humanity" in 2017, Acer has been implementing environmentally friendly actions and laying the foundation for a net-zero carbon emission strategy with global employees for a low-carbon supply chain. In 2021, we launched the "Earthion" project to promote carbon reduction action to like-minded suppliers and work closely with suppliers and partners in projects such as energy, product design, packaging design, manufacturing, logistics, and recycling. For more information, please refer to Chapter 4 on environmental management

Smart and green energy applications

In the realm of smart and green energy applications, we integrate the concept of circular economy and consider the product lifecycle to reduce environmental impact in research and design. We seek a balance between product management and environmental performance. We have introduced the eco-friendly Vero product line, which starts from raw materials and progressively incorporates sustainable materials, such as post-consumer recycled plastic (PCR) and OBP to reduce the carbon footprint of our raw materials. We are also committed to calculating the carbon footprint of and achieving carbon neutrality for this series of notebook computers according to international standards. Additionally, we have launched the Climate Lab initiative, which aims to collaborate on envisioning an innovative ecosystem for sustainable products and services. With sustainability as the core concept, we will promote research and innovation in Conscious Technology.

For more information, please refer to Chapter 5 on product lifecycle and innovative products and services.

Net Zero Emission by 2050
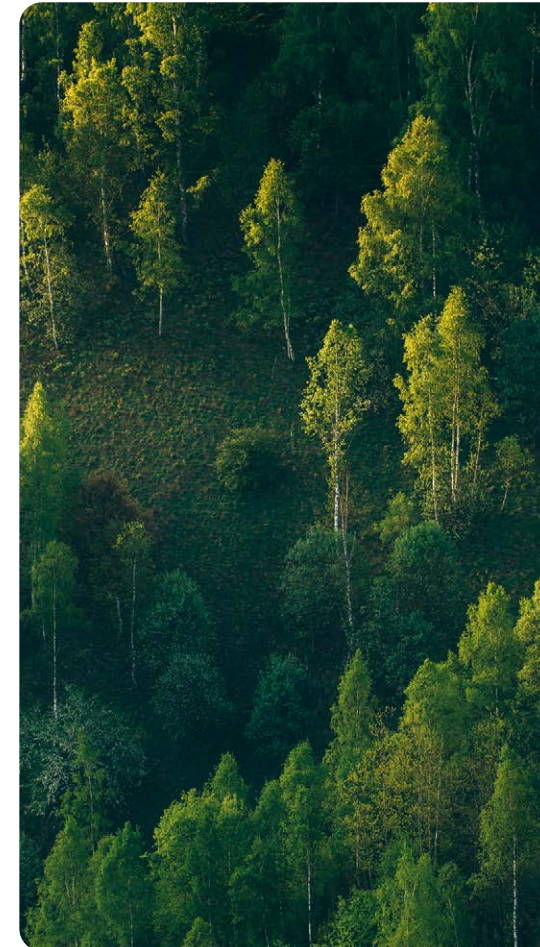
Acer's Net Zero Emissions Strategy

Operations

Minimize Energy consumption

Set energy-saving targets, use high-energy efficient equipment, choose electrification, and low (or carbon neutral) fuels

Use Renewable Energy

Install renewable-energy generation facilities, sign power purchase agreement (PPA), purchase renewable energy certificates

Carbon Removal and Offset

Purchase and develop carbon credit, research on carbon capture,utilization, and storage (CCUS)

Products and Services

Low-Carbon Products and Services

Boost product energy efficiency, reduce the carbon footprint of products and services

Choose Sustainable Materials

Use post-consumer recycled (PCR) plastics and ocean-bound plastics (OBP) in products

Smart, Circular and Renewable Applications

AI, IoT, circular, renewable energy storage and creation

Value Chain

Commit to Carbon Reduction Targets

CDP, science-based targets (SBTi), RE100

Green Manufacturing and Logistics

Save energy, use low (or carbon neutral) fuels, optimize processes

Realize a Low Carbon and Circular Economy

Material circularity, DaaS (device as service) business

Acer's Milestone in Response to Climate Change

2008
- Initiated greenhouse gas inventory in global operating bases
- Joined CDP Supply Chain Project

2011
- Started purchasing green electricity

2012
- Implemented third-party verification of global carbon emissions

2013
- Incorporated supplier energy and climate management into supply chain management through supplier ESG scorecards

2015
- Achieved a 40% of electricity consumed from renewable sources

2024
- Carbon reduction target validated by the Science Based Target initiative (SBT)
- Debuted carbon-neutral laptop with the Aspire Vero 16

2023
- Commitment of net zero emissions by 2050
- Signed a long-term renewable energy corporate power purchase agreement (CPPA)
- Developed a low-carbon booth at COMPUTEX
- Released the first TCFD Report
- Commit to achieving carbon neutrality for the Aspire Vero laptop line
- Rated a leadership level A- from the CDP climate change for 3 consecutive years
- Launched the Climate Lab initiative to foster research and innovation in the field of Conscious Technology

2022
- Commit to set Science Based Targets (SBTs)
- Introduction of internal carbon pricing mechanism
- Launched Earthion Mission: 21-Day Challenge

2021
- Launched the Earthion Initiative
- Joined the RE100 Initiative

2020
- Introduced the Task Force on Climate-Related Financial Disclosures (TCFD) framework into management procedures

Climate Risks and Opportunities and 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 In 2023, we released our first TCFD Report. We believe by adopting the TCFD recommendations, we have strengthened our efforts in climate governance and enabled us to identify and respond to climate risks and opportunities and gain a deeper understanding of the impact of our operations and products on the climate. We have thus formulated relevant strategies and adaptation measures accordingly to reduce climate risks and enhance our resilience against climate change. We have also actively embraced the global

trends of a green, low-carbon economy and business model transformation driven by climate change. We continuously improve energy efficiency, utilize renewable energy, integrate existing and new business groups, develop low-carbon and sustainable strategies, and propose specific products and solutions to create ESG value and enhance our competitiveness. This section provides our effort on climate risks and opportunities management in a brief based on the core elements of TCFD disclosures, including governance, strategy, risk management, metrics, and targets. For more details, please refer to our CDP Climate Change Questionnaire or Acer's TCFD Report.

| Governance | Strategy | Risk Management | Metrics and Targets |

Governance

Board Oversight

The Board of Directors/Risk Management Committee are the highest authorities responsible for the Company's risk management which promotes and implements the Company's overall risk management policy in accordance with the overall operating strategy and business environment to ensure effective risk management.

Management's evaluation and management

Acer incorporates climate change-related risks into its risk management policy and procedures. This is approved and directed by the Acer Risk Management Executive Committee, which oversees the risk environment, risk management priorities, assessment results, and countermeasures. The committee also supervises the continuous improvement to risk management to enhance performance. Comprised of top officers from various business units and functional organizations at the headquarters, with the chief internal auditor serving as an observer, the committee manages various risk dimensions, including strategic risk, operational risk, financial risk, disaster risk, and climate change. The committee reports to the Board of Directors/Risk Management Committee at least once a year. On the implementation side, the Risk Management Executive Committee has established the Risk Management Working Group (RMWG) as the responsible unit for implementing the TCFD climate risk assessment framework. The task force conducts climate risk identification, assessment of climate scenarios and operational impacts, and develops climate risk prevention and mitigation actions based on the assessment. It reports to the Risk Management Executive Committee.

Strategy

Climate-related risks and opportunities in the short, medium and long term

Acer evaluates different risks based on their impact level, potential vulnerability, and probability of occurrence, and combines them to determine a climate risk rating. The highest 20% of risks, totaling three, are classified as high risks. These include the risks of sustainable demand and increasing regulations under transition risk, increasing costs related to greenhouse gas emissions, and the standards and impact on existing products and services.

When it comes to identifying climate opportunities, the potential opportunities lie in developing and/or increasing low-carbon products and services, as well as using low-carbon energy. Low-carbon products and services can not only meet the recent environmental and carbon footprint requirements of various national policies and regulations, but may also mitigate future carbon tax increases under carbon tariffs or other ESG related taxes. The willingness to buy environmentally friendly products may also help us acquire orders and increase business revenue while increasing brand value, bringing multiple benefits.
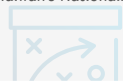
The impact of climate issues on the Company's business model, strategy, and finance

The Acer Risk Management Working Group incorporates the potential impacts of climate change into the overall operational considerations, assessing the probability and extent of risks. It evaluates the potential effects and impacts on the responsible business units when climate-related transition risks and physical risks occur, based on the principle of materiality. The task force then formulates climate risk prevention and mitigation actions to address identified material climate issues with specific action plans.

To effectively manage climate risks and achieve our 2050 net-zero carbon emissions target, we have identified and prioritized high-risk areas, moderate-risk areas, and opportunities based on climate risk assessments. We have also released key strategies for achieving net-zero, consisting of three main areas and nine specific strategies. Our focus is on reducing carbon footprints comprehensively through three strategic approaches: business operations, product services, and low-carbon supply chains. We have developed concrete action plans to address the identified climate-related issues.

Scenario analysis

Acer's climate scenarios make reference to climate scenarios published by international organizations, including RCP 2.6 from the Intergovernmental Panel on Climate Change (IPCC), RCP 8.5, NZE 2050 by International Energy Agency (IEA), and Taiwan's Nationally Determined Contributions (NDCs Taiwan).

Risk Management

Process for identifying and assessing climate-related risks

Acer follows a process for identifying and assessing climate-related risks by referring to relevant climate change information, TCFD recommendations, and reports and information from other domestic and international organizations. Taking into account its own business characteristics, Acer identifies short-term, medium-term, and long-term climate change risks and lists the corresponding risk factors. The risk management task force then invites various business units to evaluate the potential effects and impacts of climate-related transition risks and physical risks on each business unit's business when such risks occur based on the principle of materiality using a matrix table. To capitalize on the opportunities from climate change, Acer also organizes climate-related identification workshops. Senior managers/subsidiaries evaluate and rank 14 categories of opportunities in five major aspects (service, market, resource efficiency, energy source, and resilience) as recommended by TCFD from the perspective of their business responsibility based on the aspects of impact (materiality) of each opportunity, potential business opportunities, potential financial impact, and the period during which such an opportunity occurs, using a matrix with the X-axis as the period in which an opportunity occurs and the Y-axis for potential impact/materiality. They further discuss Acer's corresponding climate strategies and action plans to formulate future development actions, thereby expanding the group's business and implementing daily management of climate issues.

Process for managing climate-related risks

To improve the mechanisms for management of risks and opportunities related to climate change, Acer has established climate related risk management procedures in accordance with the TCFD guidelines. The management process consists of four steps: (1) completing a climate risk inventory, (2) ordering by risk materiality, (3) results and reporting, and (4) response strategies and external disclosure.

1 Completing a climate risk inventory → **2** Ordering by risk materiality → **3** Results and reporting → **4** Response strategies and external disclosure

Integration of climate risk identification and management processes

Acer incorporates climate risk identification and assessment into the enterprise risk management (ERM) process, through the three lines of defense of the risk management organization, self-assessment and process improvement of each business unit, procedural guidance and legal compliance of each support department, and the audit management procedures of internal audit unit. We integrate the ERM implementation with the daily operating procedures of each department/unit and the Company's business targets, and integrate the ESG and climate factors into the decision-making process. Through the PDCA cycle, we conduct regular reviews on the effectiveness of the risk management plan and the improvement possibility during the working group meeting for continuous adjustment/improvement.

Metrics and Targets

Consistency of assessment metrics, company strategies, and risk management

In response to the impact of climate change, the laws and policy actions taken by governments around the world on sustainability, greenhouse gas emissions, and existing products and service requirements have become Acer's biggest potential risk. To this end, we were committed in 2023 to achieve the net-zero goal by 2050, set SBTs and product energy consumption targets, and a green product target of using post-consumer recycled plastics in core products, and released nine key net-zero strategies in three major aspects. We are committed to comprehensively reducing carbon footprint and emissions and mitigating our risks from carbon emissions in the three major strategic aspects of business operations, product services, and low-carbon supply chain.

Risk of greenhouse gas emissions

As the trend toward carbon pricing (such as carbon taxes and fees) becomes clearer, the European Union's Carbon Border Adjustment Mechanism (CBAM) was implemented on a trial basis in October 2023 and will be officially implemented in 2026. Taiwan's Climate Change Response Act is expected to impose carbon fees in 2024. Greenhouse gas emissions exceeding the core quota will incur greenhouse gas emissions costs, and may cause suppliers to pass on these costs and adjust pricing, affecting product competitiveness.

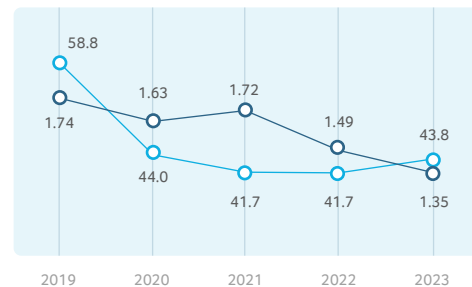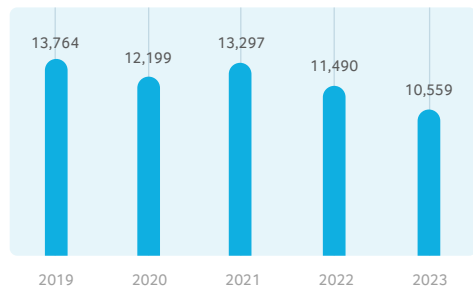### Carbon management objectives and related performance

Since 2011, we have conducted annual GHG inventories in accordance with the GHG Protocol and in line with the Group's consolidated financial reporting boundaries. We also commissioned a third-party verification agency certified by Taiwan's Environmental Protection Administration to undertake greenhouse gas emission verification for both direct and indirect categories, i.e., Scope 1, Scope 2, and Scope 3, and acquired the ISO 14064-1: 2018 Greenhouse Gas Verification Statement.

In 2023, we were committed to achieving the net zero goal by 2050. We established SBTs for reducing carbon emissions and took various measures to achieve this goal. Additionally, we signed long-term CPPA, invested in sustainable energy sources, and conducted research on carbon offsetting, including carbon credits development, carbon capture, and reuse. Through the continuous increase in our use of renewable energy and the reduction of carbon emissions, we will fulfill our commitment.

Greenhouse Gas Emissions

Since 2011, we have conducted annual GHG inventories in accordance with the GHG Protocol and in line with the Group's consolidated financial reporting boundaries. We also commissioned a third-party verification agency certified by Taiwan's Environmental Protection Administration to undertake greenhouse gas emission verification for both direct and indirect categories, i.e., Scope 1, Scope 2, and Scope 3, and acquired the ISO 14064-1: 2018 Greenhouse Gas Verification Statement.

In 2023, the verified carbon emissions from operation (Scope 1, 2) were 10,559 tonnes, a reduction of 8.1% compared to the previous year and a decrease of 23.3% compared to the baseline year of 2019. Among them, Scope 1 emissions were 2,339 tonnes, a decrease of 33.9% compared with the baseline year of 2019, resulting from the carbon reduction actions such as the significant reduction in the use of natural gas for heating in our European and American operations sites and the electrification of gasoline and diesel vehicles. Scope 2 emissions were 8,220 tonnes (market-based), a reduction of 6.4% compared to the previous year and a decrease of 19.6% compared to the baseline year of 2019. The decrease can be attributed to a dual effect of reduced electricity consumption and increased use of renewable energy. The operational carbon intensity, which measures carbon emissions per unit of revenue, was 43.8, a decrease of 25.5% from 2019. Additionally, the per capita emissions were about 1.35 metric tons, a decrease of about 22.2% compared to 2019.

Acer Group Annual Greenhouse Gas Emissions

Unit: Tonnes CO_2e

Unit: CO2eTonnes/billion NTD; CO_2eTonnes per capita

In Scope 3, we follow the principles of GHG Protocol Scope 3 and identify significant indirect emission sources of the company based on identification factors such as quantitative significance, impact, data availability and accuracy, and include other significant indirect emission sources into the scope of the inventory based on the results of the identification. In addition, we have considered that new work patterns such as telecommuting or hybrid office work may have a substantial impact on the emissions from employee commuting, so we have included employee commuting in the calculation from 2023 onwards, in order to further improve the scope of the inventory of carbon emissions in the value chain.

In total, Acer's verified value chain carbon emissions (Scope3) in 2023 will be 5,794,135 metric tons, a reduction of 13.4% from the previous year and 28.8% from the 2020 baseline year, mainly due to the low-carbon and reduced-carbon design of our products (please refer to "Product Lifecycle Cycle" Section of this report) as well as a reduction in the number of PC products shipped. For the year 2023, our primary sources of emissions are in the supply chain, including Scope 3, Category 1, Raw Materials Purchases, Category 3, Fuel and Energy Related Activities, and Category 4, Transportation Stage, which account for 83.9% of our total emissions. The products and services sector accounted for 15.7% of total emissions, with the use of products in Scope 3 Category 11 being the largest, and leased assets being the second largest source of emissions in the products and services sector, ahead of product waste treatment.

2023 Acer Carbon Emission

Unit: MT CO_2e
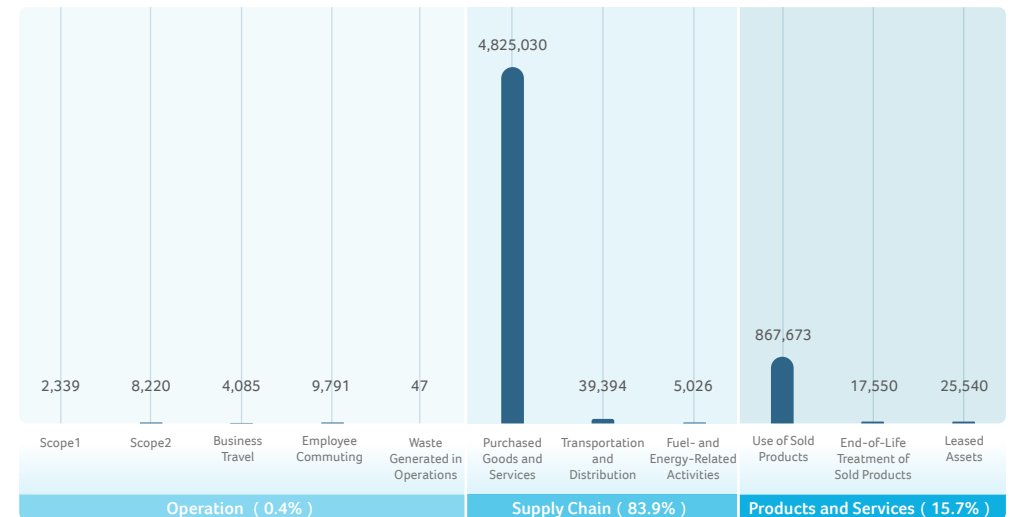
Acer Carbon Emissions 2020-2023

	2020	2021	2022	2023
Emissions from Operating Activity (Tonnes CO_2e)	13,077	14,395	13,783	24,483
Emissions from Supply Chain (Tonnes CO_2e)	6,550,901	7,108,184	5,550,554	4,869,449
Emissions From Products & Services (Tonnes CO_2e)	1,586,765	1,663,821	1,141,345	910,762
Annual Total Emissions (Tonnes CO_2e)	8,150,743	8,786,400	6,705,684	5,804,694
Scope 3 Emissions (Tonnes CO_2e)	8,138,544	8,773,103	6,694,195	5,794,135
Emissions compared to the base year of 2020 (%)	-	+7.8%	-17.7%	-28.8%

Our Climate Actions

Acer is committed to achieving the net-zero goal by 2050. We have released the key strategies for achieving net zero and have launched nine strategies in three major dimensions. We are dedicated to comprehensively reducing our carbon footprint through three strategies: corporate operations, products and services, and a low-carbon supply chain. For more information on the implementation of our net-zero strategies in 2023, reduction of energy consumption in business operations, and tree planting actions to create a circular ecosystem, please refer to Operations and Environment 、 for our products and services, Product Life Cycle, and the low-carbon supply chain, Environmental Management. Other climate actions will be specified in this chapter.

Renewables electricity Usage

Acer is committed to achieving 100% global operations using renewable energy by 2035. We are increasing the proportion of renewable energy used by the group through a strategy of self-built solar power systems and the purchase of renewable energy. In 2023, the renewable energy used for self-consumption at our global locations reached 327,000 kWh, an increase of 24% compared with the previous year and accounting for 1.1% of the total annual electricity consumption of the entire group. The long-term CPPA between our locations in Taiwan and renewable energy suppliers officially took effect in the second quarter, with 3,250,000 kWh of wind power supplied, accounting for 18% of the electricity consumption at Acer's Taiwan locations. Additionally, we have purchased renewable energy certificates, including International Renewable Energy Certificates (I-RECs) and Guarantees of Origin (GOs), from the local locations where Acer operates worldwide in accordance with the RE100 technical criteria. Acer's self-built power plants generated 3,610,000 kWh of renewable electricity, which was sold back to the local grid. The renewable energy used for operations, including RECs, reached 14,740,000 kWh, accounting for 61% of the operations related to the ICT product operations and 48% of the total group-wide electricity consumption. This achievement fulfills our goal of achieving 45% renewable energy usage this year.

Business Group & Company	Electricity Usage（kWh）	Renewable electricity（kWh）	Percentage of renewable energy
Notebook, Desktop, and Monitor Related Business Group ICT product operations include power used by Acer Inc. headquarters, EMEA/Asia Pacific/Pan America, and data centers	19,656,739	11,992,485	61%
Other Business Group non-ICT product operations or subsidiaries	11,262,474	2,750,355	24%
Total	**30,919,213**	**14,742,840**	**48%**

Implementation of Internal Employee Training and Cultural Practices

Acer values the impact of climate issues and promotes internal education and advocacy programs, such as Project Humanity. We focus on ESG-related issues and continuously raise employees' climate awareness. We have integrated goals, such as net-zero and RE100, into our corporate culture and actively practice them to strengthen our competitiveness in sustainable development. In 2023, we collaborated with an external team to provide ISO 14064 internal audit training for our employees and subsidiaries. Approximately 70 employees, both in-person and online participants, took part in this course to learn about domestic and international greenhouse gas management regulations and trends, as well as the information collection and calculation methods used in internal audits. This training has enhanced the accuracy and reliability of Acer's greenhouse gas emission data.

Introduction of internal carbon pricing mechanism

In order to implement carbon reduction and respond to the international carbon border tax (such as EU's Carbon Border Adjustment Mechanism, CBAM) and carbon fee mechanism under the trend of carbon pricing, Acer introduced an internal carbon pricing mechanism to ensure various departments and operating bases to actively carry out more carbon reduction action. The mechanism also acts as the evaluation basis for the Company's introduction of innovative low-carbon solutions such as nature-based solutions, hydrogen energy technology, carbon negative technology and other projects, and we expect that through the internal carbon pricing mechanism, it can accelerate the upgrading to high-efficiency equipment and electrifying official vehicles in operating bases. This will enable the Company to invest in the renewable energy industry and smart energy management systems, facilitating Acer's low-carbon transition and preparing the Company for climate-related disclosures in accordance with international financial reporting standards (IFRS S2).

Increase in investments in sustainable energy

Acer actively promotes low-carbon transition as part of its sustainable development strategy. In addition to self-built solar power generation systems, Acer invests in long-term strategic investments and energy-saving equipment to develop business in the renewable energy industry, smart energy management systems, and energy storage facilities. This includes a partnership with GreenHarvest, a solar and energy management company, in 2022 to acquire a smart energy management system BOT project of the Shalun Smart Green Energy Science City. Together, we established a chartered company called Chih He Chin Tan Co., Ltd. with a capital of NT$120 million to develop solar power generation equipment, energy storage equipment, smart grids, and energy management centers. This initiative will promote energy generation, storage, conservation, and the integration of smart systems for energy transition. In 2023, Acer invested no more than NT$1.85 billion in Haoru Electric, an energy storage system development company, and subscribed for approximately 11% of the equity in C-LiFe Technologies, Inc., a lithium-iron-phosphate battery manufacturer, with NT$330 million. This has further strengthened Acer's presence in the upstream and downstream sectors of the energy storage industry, enabling us to offer total solutions from manufacturing to application and from the front-end to the back-end. These efforts will contribute to our energy transition and fulfill our commitment to achieve the net-zero goal.

Development of a low-carbon booth

Acer is committed to promoting sustainable development in response to "Sustainable MICE, Taking Strides Towards Net Zero Sharing Event" launched by the MEET TAIWAN initiative by the Ministry of Economic Affairs. Acer created a sustainable exhibition area at the 2023 COMPUTEX at the Nangang International Exhibition Center, using the 3R strategy (reduce, reuse, and recycle). The initiative included (1) lightweight booth decoration materials, (2) extensive use of reusable decorations, such as LED walls and system structures, (3) reduction in the use of disposable promotional materials, (4) recycling booth canvases into canvas bags and other products after the exhibition, and (5) neutralizing the electricity consumption of the exhibition area. According to the statistics from the Industrial Technology Research Institute, taking these actions will reduce the carbon emissions of the exhibition area by 54% compared to traditional wooden decorations. This demonstrated our commitment to sustainable development through actions.

Sustainable booth at 2023 COMPUTEX

Reduce the carbon emissions of the exhibition area by 54% compared to traditional wooden decorations

3R strategy — Reduce, Reuse, Recycle

- Lightweight booth decoration materials
- Extensive use of reusable decorations, such as LED walls and system structures
- Reduction in the use of disposable promotional materials
- Recycling booth canvases into canvas bags and other products after the exhibition
- Neutralizing the electricity consumption of the exhibition area

Calling on the public to actively promote low-carbon sustainability together

During COMPUTEX, Acer collaborated with several handicraft brands on the Chianti Avenue to offer the Green Challenge Handicraft Workshop. These brands included inBlooom, Daobien, CULTURE, and Trasholove. The workshop allowed the public to personally transform recycled materials and waste into practical items, fostering green lifestyle habits through hands-on experience. To encourage public participation, Acer partnered with the Taiwan External Trade Development Council to promote the Acer Earth Mission application. Through games and simple tasks, exhibitors and participants were invited to set their own sustainability targets and develop ESG habits for 21 consecutive days. During the exhibition, the application was downloaded 3,000 times by people from 68 countries. After the exhibition, COMPUTEX doubled the number of people who downloaded the Earth Mission app during the event and partnered with One Tree Planted to plant 6,000 trees in the Amazon rainforest to protect the Earth with action.

07
INCLUSIVE WORKPLACE AND SOCIETY

Employees are Acer's most important asset, and we are committed to ensuring they are fairly treated and respected, and to creating a safe and healthy working environment. By putting our core competencies to society, we strive to use our resources and influence to serve as a stable force for progress.

Selected as one of the best employers in the world by Forbes 2022

Selected as one of Global Women Friendly Companies by Forbes 2022

In 2023, no major workplace disasters or accidents (Note: not including traffic accidents)

Human Rights Protection

Names of Material Topics

Human Rights, Diversity, and Equality of Opportunity

Policies and Commitments

Please refer to the section of Human Rights Protection in this chapter

Action Plan

- Internal promotion of human rights and equality awareness
- Strengthen human rights protection and equality-related training
- Implement human rights and equality policies in the process of compensation, promotion, development, and advancement
- Allow employees to safely and anonymously report any human rights violations and misconduct

Tracking Mechanism

- Acer's Grievance Mechanism (e.g. whistleblower mailbox)
- Result of the promotion of training and public mechanism
- Supervision and reflection mechanism of the union and labor-management meetings
- Oversight mechanism of government agencies

Stakeholder Engagement and Effectiveness

Employees

- Through the union, labor-management meetings, an appointment with Jason (face-to-face communication with the chairman), mutual discussion on important human rights issues, such as salary, benefits, and working environment
- Provide training on human rights, diversity and inclusion, and workplace equality-related topics to promote employees' understanding of diversity and equal opportunities

Suppliers

- Advocate important human rights issues and practices, such as living wages, no child labor, no forced labor at suppliers' conferences
- Continuously monitor human rights-related activities in the supply chain to ensure that suppliers are dedicated to promoting diversity and equal opportunities

Shareholders

- To communicate the operational and profitability status and report on the Company's ESG efforts at the shareholders' meeting
- Strengthen the Acer Vero green product line by integrating environmental demands into products (such as paint-free surfaces, touchscreens made from ocean plastic, 100% recyclable screws and packaging, etc.), with social responsibility as the starting point, to create the highest value for global shareholders

The Community

- Demonstrate humanistic care for the community through occasional community activities, such as caring for the elderly who live alone, caring for disadvantaged children, etc
- Through the Project Humanity initiatives, we have been coordinating a range of activities, including beach clean-ups, eco-friendly farming, and computer donations to rural areas

Medium- and Long- Term Goals

- Enhance human rights-related training and raise awareness of equality and multiculturalism among Acer employees.
- Establish a diversified corporate culture and achieve parity in all measures (e.g., recruitment, promotion and compensation) based on employees' contribution.
- Aim to be a leading global diversified company, providing equal opportunities and diversity for our employees.

Goals 2024

- Regarding human rights, diversity, and equal opportunities, education and advocacy are fundamental tasks for changing employee perceptions. In 2024, we will continue to strengthen these efforts. The training targets for 2024 are: 12 hours at headquarters, 9 hours at EMEA headquarters, 12 hours at PanAsia Pacific headquarters, and 12 hours at Pan- American headquarters.

Goals 2023

- With a focus on human rights-related training, the training targets for 2023 are: 10 hours at headquarters, 7 hours at EMEA Operations, 9 hours at PanAsia Pacific Operations, 7 hours at Pan- American Operations, and 8 hours at China Operations.

Achievement Status 2023

- All human rights training has been implemented, achieving the training targets for 2023: 11.4 hours at headquarters, 8.5 hours at EMEA Operations, 10.7 hours at PanAsia Pacific Operations, and 11.8 hours at Pan- American Operations.

Human Rights Policy

Acer believes that every member of our staff deserves to be treated fairly and with dignity. We strive to protect the human rights and basic freedoms of our staff, providing equality of opportunity, protection of personal privacy, channels for the free and safe communication of opinions, and a safe, healthy working environment. We have established the Acer Group Human Rights Policy, which applies to all Acer Group companies and organizations and protects employees, suppliers and customers whose human rights may be at risk through Acer's efforts to implement human rights protection. We also expect our partners to meet the standards of this policy in order to uphold human rights. In addition, the Acer Standards of Integrity and Business Conduct refer to the United Nations Declaration on Human Rights, the International Labor Organization (ILO) Declaration of Fundamental Principles and Rights at Work, and the United Nations Guiding Principles on Business and Human Rights, and require all associates, board members, beneficiaries, policy-relevant promoters, affiliates, vendors, channel partners, contractors, and others who do business with Acer to comply with them.

Assessment of Potential Human Rights Issues

Assessing potential human rights issues is part of Acer's risk management. We do a systematic periodic review of the risk mapping of potential issues. The human rights issues are assessed, and discussed by members of the Risk Management Working Group. The responsible units then formulate, implement, and manage mitigation actions for issues so identified. The subjects mainly affected by human rights issues are: Acer employees and supplier employees. The human rights risk assessment conducted in early 2024 identified the following human rights risks for 2023: forced labor, freedom of association, equal pay, discrimination, child labor, and other issues.

Process for Human Rights Due Diligence

STEP 1 — Identify the Issue
Ensure that Acer considers all relevant aspects of human rights in its business operations, especially at various stages involving labor, supply chains, products, or services.

STEP 2 — Identify the Impact
Regularly review the impacts of various issues and assess actual/potential risks.

STEP 3 — Prevention and Mitigation
Preventive and mitigation measures are formulated based on actual and potential risks, taking into account training, communication, and systems. The coverage includes Acer's four major global operational headquarters, product marketing outlets, and presence in retail locations spanning 160 countries, achieving a coverage rate of 100%.

STEP 4 — Tracking and Remediation
If there is a violation of human rights policies and regulations, remedial and corrective measures shall be taken to ensure that such violations do not occur in the future.

Potential Impacts and Risks Relating to Human Rights with Mitigation Actions

Topic / Actual or Potential Impact	Preventive or Mitigation Measures	Tracking or Remediation Mechanisms
Child Labor		

Suppliers and their Employees

Topic / Actual or Potential Impact
- Risk of violation: Employment of child labor is illegal and the company is subject to legal sanctions.
- Reputational impact: Employing child labor affects the company's reputation, not only through social criticism, but also through the possibility of a general boycott of the product.
- Physical and psychological damage: The risks of employment of child laborers can lead to physical or psychological trauma.
- Risk of legal action: If a child worker has an accident while working, the Company must face litigation and pay a high amount of compensation.

Preventive or Mitigation Measures

Training
Acer's suppliers mainly include classifications such as ODM factories and key components suppliers. The headquarters provides human rights training to suppliers and procurement staff during the annual supplier's conference.

Communication
During the supplier's conference, it is important to clearly communicate to the suppliers the prohibition of employing child labor. The communication should emphasize the seriousness of this issue by citing relevant statistical data and case studies. At the same time, introduce international standards prohibiting child labor, such as the United Nations Convention on the Rights of the Child, while also emphasizing the company's integrity and ethical standards for employee behavior, clearly stating the commitment to prohibiting child labor.

System
Clearly outline commitments and requirements to prohibit the use of child labor in supplier contracts. It is important that suppliers have a clear understanding of and agree to the company's policies, and explicitly state the consequences of policy violations in contracts. Additionally, on-site visits to suppliers should be carried out to verify their compliance with the company's policies.

Tracking or Remediation Mechanisms

System Adjustment
- Aperiodic on-site inspections: Conducted by the company at irregular intervals, these inspections ensure that suppliers also adhere to the same child labor prohibition policy.
- Implementing supply chain transparency: Require the entire supply chain to enhance transparency, tracking the origins and production processes of products.
- Establishing a reporting mechanism: Through a reporting mechanism (whistleblower mailbox), suppliers, employees, and other relevant individuals can anonymously report any activities involving child labor.

System Adjustment
- Require suppliers to rigorously review relevant documentation before, during, and after employee onboarding to ensure that the working age complies with local regulations.
- Once discovered, the child laborer must be immediately removed from the job position and returned to their family. Wages must continue to be paid until the child laborer reaches the legal working age. Acer conducts unannounced audits within 6 months to confirm whether the supplier still poses a risk of employing child labor.

Penalty
- License revocation: Suppliers who have repeatedly or severely violated regulations will have their business cooperation qualifications revoked.
- Legal responsibility: Hold non-compliant suppliers accountable for legal responsibilities and proactively report to government authorities.
- Public condemnation: Publicly exposing suppliers who do not comply with regulations, implementing disciplinary measures and condemnation, which can negatively impact their reputation.

Topic / Actual or Potential Impact	Preventive or Mitigation Measures	Tracking or Remediation Mechanisms

Forced Labor

Employees / Suppliers

- Human Rights Risk: Forced labor can cause employees to suffer physical and mental abuse, resulting in serious physical and mental health problems.
- Talent Risk: Forced labor can lead to a loss of talent, requiring the company to invest more in rehiring and training employees.
- Legal risks: Forced labor is sufficient to expose Acer to legal sanctions, including fines, litigation, and damage to brand reputation.
- Health risks: Forced labor can lead to serious injury or even death, which not only deprives the company of talent, but also causes psychological trauma to their family.

Training

Conduct workplace misconduct prevention training at the headquarters and actively educate supervisors about the risks of forced labor. Additionally, mandate the PanAsia Pacific, EMEA, and Pan America Regional Operations to enhance the education of new employees.

Communication

- Improve communication with employees, and ensure that all work is voluntary.
- The RBA Code of Conduct prohibits any form of forced labor in the supply chain, while communicating its importance with suppliers.

System

- Request all global office locations, including Pan America, EMEA, and PanAsia Pacific operations, to hire temporary workers, dispatch workers, and outsource personnel in accordance with local laws.
- Require compliance with integrity and ethical standards for employee behavior, and conduct regular audits to assess supplier compliance.
- Require supervisors to strictly comply with the working hours regulations of the labor standard laws of each country and strictly enforce the daily clocking system to prevent exceeding the legal working hours.

System Adjustment

- Supply chain regulation: Require suppliers to provide labor conditions that meet standards and conduct regular inspections according to these standards.
- Compliance checks: Conduct regular internal audits to ensure all operations comply with relevant laws and standards, particularly those concerning labor rights regulations.
- Transparency and reporting mechanism: Allow employees to anonymously report any instances of forced labor through a secure whistle-blowing mechanism.

Remediation

Provide training on labor rights to empower employees to respond to labor violations effectively.

Penalty

In response to offenders, various disciplinary actions may be taken depending on the severity, including warnings, dismissal, legal prosecution; if it involves the supply chain, non-compliant suppliers or partners may be excluded from the supply chain.

Freedom of Association

Employees

- Speech suppression: Interfering with employee participation in the decision-making process in a way that harms the common interests of the company and its employees.
- Reduction of operational transparency: When the freedom of association is restricted, the power of oversight organizations may decrease, and the transparency of their operations may also diminish.
- Disrupting cohesion: When freedom of association is denied, it can prevent the formation of common interests and values among employees.

Training

Implementation of human rights protection and education training.

Communication

- Organize quarterly labor-management meetings to improve communication with employees.
- The union members of the EMEA operations (e.g., France, Germany, Italy, Netherlands, Spain, etc.), and other countries, as well as the PanAsian Pacific operations (China region), hold regular meetings to promptly communicate employee feedback to senior management.

System

Conduct global Employee Engagement Surveys at the operations of PanAsia Pacific, Pan America, and EMEA, then analyze the results from multiple perspectives, and take necessary actions to improve (e.g. strengthen employee development through diverse online learning activities)

System Adjustment

Open communication channels: Utilize open and diverse communication platforms to allow employees to freely share their ideas. This includes labor-management meetings, scheduled meetings with Chairman Jason, and Jason's personal visits to the EMEA and PanAsia Pacific regions to listen to local colleagues' opinions, effectively tracking the status of feedback expression.

Remediation

Open workspace: Create an open working environment that facilitates easier interaction and idea sharing among employees.

Penalty

The company will impose appropriate punishment and sanctions on any employee found to engage in actions that violate freedom of association. Depending on the severity of the behavior, disciplinary action, or even termination, may be implemented.

Topic / Actual or Potential Impact	Preventive or Mitigation Measures	Tracking or Remediation Mechanisms

Employees

Equal Compensation

Topic / Actual or Potential Impact	Preventive or Mitigation Measures	Tracking or Remediation Mechanisms
• Low employee morale: When employees feel they are not being paid fairly for their work, it can lead to dissatisfaction and decreased motivation. • Increased turnover: When employees feel they are not being fairly compensated, they may start looking for other job opportunities, resulting in a high turnover rate for the company. • A culture of distrust: A lack of fair pay creates resentment among employees, which ultimately affects the overall atmosphere and culture of the company. • Violation of the law: Unequal compensation can lead to legal litigation, which in turn can have a negative impact on the company's brand reputation.	**Training** Equal Opportunity Training: Emphasize the importance of equal rights for all colleagues and help employees understand the significance of pay equality during training on integrity, honesty, and employee behavior standards. **Communication** The Standards of Integrity Management & Business Conduct emphasizes fairness, which means treating all employees with respect and fairness. **System** • Regularly evaluate the gender pay gap and actively train women for potential leadership positions. • Salary is given only with reference to the rank structure and performance appraisal results.	**System Adjustment** • Conduct compensation surveys: Conduct regular internal and external compensation surveys, including headquarters, PanAsia Pacific, Pan America, and EME Aregional operations, as well as offices in various countries, to ensure that compensation levels across offices worldwide are market-aligned. This helps ensure that the company avoids creating compensation inequality based on factors such as gender, race, sexual orientation, and others. • Gender pay equity review: Conduct a comprehensive global statistical analysis of gender pay equity to ensure that male and female employees receive equitable compensation for equivalent positions. If inequality is identified **Remediation** • Equal opportunity for promotion: Ensure promotion opportunities are fair and free from discrimination related to gender, race, etc. Compensation and promotion opportunities should be determined by ability and performance. • Promoting Diversity: Continuously maintain a work environment that encourages diversity and inclusivity to reduce the risk of pay inequality. **Penalty** Offer a grievance channel and enforce penalties: Provide a secure, confidential, and non-retaliatory grievance channel for employees to report instances of compensation inequality. Departments or management that are found to have situations of unequal compensation will be subject to penalties and disciplinary actions.

Discrimination

| Topic / Actual or Potential Impact	Preventive or Mitigation Measures	Tracking or Remediation Mechanisms
• Decline in job satisfaction: Indulging in workplace discrimination can lead to lower overall satisfaction and morale. • Decline in productivity: A discriminatory work environment can reduce employee productivity and efficiency. • Decline in competitiveness: Workplace discrimination leads to a less diverse and inclusive workplace. • Legal consequences: Discrimination may result in legal litigation and damage to the company's reputation and financial condition.	**Training** Training and education provision: We prioritize diversity by providing ESG and Business Conduct Standards training to employees at both the headquarters and regional operations. This training enhances their respect and understanding of various cultures and backgrounds. Furthermore, the Pan America operations has enhanced its efforts to address workplace misconduct by organizing Kantola Anti-Harassment Training. **Communication** • The company's timely and proactive response to discrimination issues demonstrates its serious attitude towards these problems. • Diversity and inclusivity initiative • Listening and responding: Supervisors should be reminded to promote open communication, actively listen to employees' opinions and feedback, and promptly address any potential discrimination issues. **System** • Respond promptly to any complaints of undue discrimination • Implementation of Workplace Sexual Harassment Prevention Measures, Complaints, and Disciplinary Actions • Clarifying Complaints Channels, Operating Procedures and Disciplinary Regulations • Promoting diversity in recruitment: We take measures to ensure a fair recruitment process and actively seek and attract talent from diverse cultures and backgrounds; a diverse team contributes to the creation of a more creative and flexible work environment.	**System Adjustment** • Global employees can use the whistleblower mailbox to anonymously report discriminatory behavior, thereby reducing the concerns and risks that reporters may encounter. • Implement proactive diversity recruitment measures and track background analysis data of new hires to ensure internal company demographics reflect societal diversity. • Regularly review the company's anti-discrimination policies and procedures to ensure their effectiveness and adaptability. **Remediation** • Offer support to the victims while implementing suitable disciplinary actions to address perpetrators of discrimination. • Ensure that employees are aware of their ability to seek assistance when needed and provide the necessary support. • Offer resources, including counseling services and support, to employees who have experienced discrimination. • Establish a support system: Implement a support system that empowers employees to report instances of discriminatory behavior and ensures that the company takes appropriate action in response to such reports. **Penalty** Punishments for workplace discrimination violations include disciplinary actions, and in severe cases, termination of employment.

Human Rights Training

In 2023, we continued to provide training on human rights protection issues for employees worldwide, offering education and training courses on issues such as business standards of conduct, anti-corruption, privacy, safe and healthy working environments, and sexual harassment prevention to create a friendly work environment built around equality, tolerance, and respect. The content of training related to human rights protection is adapted to the needs of different local laws and regulations to ensure that colleagues can fully comply with local laws and regulations in the execution of their work. The scope of executive education and training includes employees from all over the world, including Acer headquarters, PanAsian Pacific operations, EMEA operations, Pan American operations, a total of four regions.

2023 Human Rights Protection Training Participation and Hours

Region	Total number of attendees	Course Hours	Number of People	2023 Average Hours of Training Per Person
Taiwan	10,124	21,876	1,921	11.39
EMEA	6,045	17,492	2,051	8.53
PanAsia Pacific	6,994	18,916	1,774	10.66
Pan America	2,757	7,176	609	11.78
Total	25,920	65,459	6,355	10.30

Number of hours of human rights protection training from 2020 to 2023

hours

- 2020: 4.38
- 2021: 10
- 2022: 8.83
- 2023: 10.3
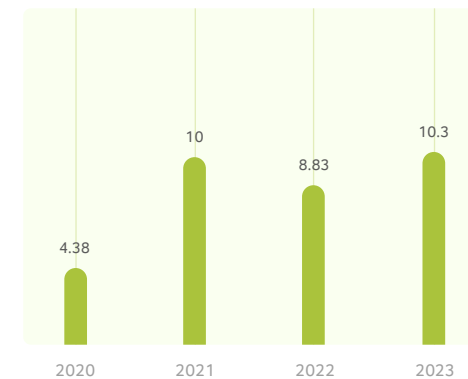
Work Locations	2023 Training Targets
Taiwan	Provide comprehensive training on various human rights issues for headquarters and all regional operations, including gender equality, workplace discrimination, disability rights, freedom of speech, assembly and association, health and safety, and privacy rights.
EMEA	In addition to providing general human rights training, special emphasis is placed on raising awareness of workplace operational safety. This includes training on handling hazardous materials and preparing emergency personnel.
PanAsia Pacific	Strengthening the awareness of human rights-related issues such as information security awareness, anti-corruption, and personal data protection.
Pan America	Focus on promoting awareness of workplace harassment and appropriate handling measures.

2023 Achievement Status

All human rights training has been effectively implemented, such as strengthening information security awareness training, ESG, business conduct guidelines, anti-corruption, and personal data protection training, with a completion rate of at least 85% in all regions.

Anti-discrimination and Harassment

Acer values equal opportunity for its employees and does not tolerate any harassment in the workplace. To maintain gender equality and dignity at work, and to provide a channel for employees to complain about unlawful workplace abuse, so that employees are not subjected to verbal, physical, psychological, sexual harassment and gender discrimination in the workplace, we have established prevention and control measures, complaint and disciplinary measures, and specified complaint channels, operational procedures and disciplinary regulations.

The relevant anti-discrimination policies are expressly set out in the Standards of Integrity Management & Business Conduct and include:

- Equal opportunity: Respect for employees and the creation of a diverse culture, committed to maintaining a non-discriminatory work environment, and give employees dignity and respect; to provide equal employment opportunities for employees and job seekers, without discrimination on the basis of race, color, age and other factors.
- Harassment-free work environment: No harassment will be tolerated in the work environment. Harassment includes actions, words, written expressions or objects that create an intimidating, malicious, or offensive work environment.

Procedures for Notification of Discrimination and Harassment

Notification
All information regarding an event should be communicated to the department head if the event does not involve a director or top management, or it shall be communicated to the independent directors or supervisors if a director or top management is involved.

Verification
The responsible department and department head should verify the facts immediately.

Non-compliance handling
If it is determined that the notified party has indeed violated laws, regulations or Acer Group policies and ethical management rules, the offender shall be immediately requested to cease such conduct and be dealt with appropriately.

Corrective measures
For confirmed incidents, Acer Group shall assign the relevant departments to review the internal control system and related procedures, propose corrective measures, and prevent recurrence.

Diverse Communications Channels

Acer values the opinions and rights of its employees and is dedicated to providing a transparent and accessible communication platform to foster a harmonious relationship between labor and management. In Taiwan, labor-management meetings (Employee Representatives Organization), are conducted each quarter to facilitate effective communication between both parties regarding employee rights and needs. All global operating locations also have labor unions. Currently, the countries and regions with labor unions are primarily Italy, France, Germany, the Netherlands, Spain, and China (Shanghai). In 2023, the percentage of total employees covered by collective agreements is 11.50%, mainly distributed in Europe and China. Each affiliated company holds Employee Representatives Organization meeting four times a year to collect proposals from their respective companies, such as work rules, friendly environment of each company, work procedures, business discussions, etc. However, for group-level issues, such as optimizing group systems, improving workflow, livelihood services, hardware and other related proposals, they will be forwarded to the parent company (Acer) for discussion and resolution, and will be replied to the related companies.

Through various diverse communication channels described below, employees can reflect their opinions, suggestions, or grievances to the relevant authorities, and the respective authorities handle, understand, care, track, and close the cases accordingly.

Acer Employee Diverse Communication Channels

Employee / **Community** / **Exchange of Support**

In-person Meeting
- Occupational Welfare Committee
- Volunteering Sharing Sessions
- Club Cadre Exchange Meeting

Announcement
- Employee Welfare and Committee Welfare Measures
- Promotion of Volunteer Activities
- Club Information and Enrollment Details

Physical Meeting
- An Appointment with Jason
- Chairman & CEO's Message
- Labor-Management Meetings (Employee Representative Meetings)

Announcements
- Letter from the chairman and general manager
- Acer Daily News
- Acer Good News

Online Community
- Acer Family FB / APP
- Acer Volunteers FB
- Acer Fitness Center FB / APP

Caring Consultation Portal
- Human Resources Business Partner (HRBP) Communication Channel
- Health Management Center Nurse Hotline
- Employee Assistance Program

Video Messages / Electronic Bulletin Board
- New Year's Address by the Chairman of the Board
- Corporate Culture Advocacy

Employee Engagement Reflections
- Employee satisfaction survey
- Stakeholder Reporting and Grievance Channels
- Workplace Sexual Harassment Prevention
- Dedicated Mailbox/Hotline for Reporting of Wrongful Actions in the Course of Duties

Company / **Employee Communication**

Face-to-Face Communication

- An Appointment with Jason
- Chairman & CEO's Message
- Labor-Management Meetings (Employee Representative Meetings)
- Occupational Welfare Committee
- Volunteer Exchange and Sharing Session
- Club Exchange Communication Meetings
- Provision of Employee Assistance Program and Care Interviews
- HRBP provides smooth communication channels and offers necessary assistance from the organizational side.

Hold ESM meetings on a regular basis

The Chairman holds regular quarterly ESM meetings, which are attended by senior executives at the level of General Manager and above. After participating in the meeting, these executives are required to align the company's strategy with the business operations of their respective units, develop policies and practices, and effectively communicate them to their subordinates.

Regular Labor-Management Consultation System

The Chairman and Global CEO holds quarterly labor management meetings (Employee Representatives Organization), in which the company's first-level executives communicate directly with selected employee representatives in each office to respond to employee issues and suggestions and make rulings, and assign staff from relevant departments to solve problems and follow up to improve the company's operational and management efficiency.

Schedule occasional meetings with Chairman Jason

This is an opportunity for colleagues to meet face-to-face with the Chairman of the Board of Directors to make suggestions and communicate with him about the company's policies, development direction and management.

Exit interview with departing employees

The HRBP conducts exit interviews for all departing colleagues within its jurisdiction to gain an understanding of the reasons behind their departure. This process provides valuable insights for organizational improvement and optimization.

Internal communication organization

Through employee-driven initiatives such as the welfare committee, volunteer sharing sessions, club exchange meetings, etc., we aim to gauge employees' engagement and sense of belonging to the company culture. This serves as a barometer for evaluating the company's response measures.

Strengthening company risk management through employee assistance programs

Through annual analysis of employee assistance program reports, we gain insights into the issues colleagues seek help for. Addressing organizational management, workplace interpersonal communication, family dynamics, health, finances, etc., signals for assistance allow the company to propose relevant assistance measures and programs, thus strengthening company risk management.

Employee Engagement Reflections

- Employee Satisfaction Survey
- Channels for Stakeholder Complaints
- Workplace Sexual Harassment Prevention Measures and Complaints Mailbox/Hotline
- Dedicated Mailbox/Hotline for Reporting of Wrongful Actions in the Course of Duties
- Nursing Hotline

Logistics reserved service hotline

Each of our company's logistics support units is equipped with a dedicated phone line, which serves as a single point of contact to assist employees in promptly and effectively resolving work-related or employee rights issues.

Regular employee engagement surveys

Employee engagement surveys are conducted regularly every year to understand the organizational climate and to conduct in-depth interviews and develop improvement plans for major issues.

The hotline and mailbox for reporting and preventing illegal actions and harassment in the workplace

We maintain gender equality and dignity at work, and provide a channel for employees to complain about unlawful workplace abuse. We have established prevention and control measures, complaint and disciplinary measures, and specified complaint channels, operational procedures and disciplinary regulations so that employees are not subjected to verbal, physical, psychological, sexual harassment and gender discrimination in the workplace.

Channels for Stakeholder Complaints harassment in the workplace

In order to protect the rights of stakeholders, promote communication with stakeholders, and strengthen corporate governance, when an Acer employee is found to have violated Acer's Standards of Integrity Management & Business Conduct or corporate governance activities, or conducted any wrongdoing, he or she may report the matter through the stakeholder reporting and grievance channels and have the matter handled by a dedicated supervisor.

Announcements

- ESM Video Distribution
- Acer Daily News
- Acer Good News
- MyAcer Internal Website
- Small Gift of Care
- Employee Welfare Committee App
- Staff Fitness Center App/Social Media Page/Line@
- Acer Family Social Media Page
- Acer Volunteers Social Media Page

The chairman of the board records videos every quarter to announce important operational information about the company

Through these videos, the chairman of the board communicates important company development strategies and visions, as well as past quarter's operational performance and future outlook, to global colleagues. This ensures that all colleagues understand the company's future prospects, enabling supervisors and colleagues to align their goals and grow together with Acer.

Sending press releases proactively from relevant groups

Acer Daily News and Acer Good News are a quick way for employees to get a daily summary of news about the Group and a weekly summary of good news about the Group, which helps them to understand the overall business development of the company and to gather a sense of identity and honor among the employees in the Group.

Caring for diagnosed colleagues

The chairman of the board cares for the employees who have confirmed the diagnosis. For the employees who have reported the diagnosis, the chairman of the board will send the chicken soup with a small care card signed by the chairman the next day, wishing the employees to recover soon and resume the normal rhythm of life and work. (This care measure was discontinued in April 2023, as the pandemic subsided.)

Fostering a culture of corporate care through the utilization of an app and social media platforms

On important festivals, we organize online activities or posts to convey warm care and unite the emotions of our employees through our internal employee app and community.

Labor-Management Meetings (Employee Representative Meetings)

Effective two-way communications can further cement the unity and sense of identity among staff. At the same time, it helps further develop an organizational culture wherein the staff are respected and cared for, thus creating a win-win situation for both the Company and its staff. Acer is committed to the principles of human rights, diversity, and equality of opportunity and rigorous in our compliance with legal requirements, including organizing regular labor-management meetings to establish smooth communication between employer and employees.

Each affiliated company holds Employee Representatives Organization meeting four times a year to collect proposals from their respective companies, such as work rules, friendly environment of each company, work procedures, business discussions, etc. However, for group-level issues, such as optimizing group systems, improving workflow, livelihood services, hardware and other related proposals, they will be forwarded to the parent company (Acer) for discussion and resolution, and will be replied to the related companies.

The following are the important proposals, as expressed by Taiwanese employees during the labor-management meetings (Employee Representative Organization) in 2023, to enhance the company's working environment and employee wellbeing:

| Aspect(s)	Colleague's Proposal	Response and Resolution from the Employee Representative Organization
Equipment	Enhance safety measures for walking in the lobby of the office building during rainy days	During rainy days, the company mandates the committee to place mats at the entrance of the building and regularly wipe the wet floor to prevent accidents.
	Ergonomic equipment assessment of office desks and chairs	If colleagues require special desk and chair heights, they can contact the General Affairs Department to request adjustments. Colleagues may also request computer monitor risers, external keyboards, and mice.
System Process	Optimizing the repair system process of the Global Service Desk	System optimization includes establishing quick links on MyAcer, simplifying input fields in the service request form, and adding the Acer logo.
	Personalized computer device virus scanning schedule	The virus scanning schedule function of the antivirus software is uniformly set to every Friday at 12:05.
Policies	Maternity incentives and childcare benefits	The company has implemented the "Acer Baby - Employee Parenting Assistance and Workplace Adjustment Program," to support female employees during pregnancy and childbirth, offering various forms of assistance, including the option to work remotely.
	Types of paid leave and work-life balance	The company provides a four-day "Leisure Leave" to colleagues who have already used their annual leave, in order to promote vacation planning.
Communication	Integration of prenatal and postnatal communication information	The "MyAcer" section provides comprehensive information on maternal health care, maternity leave and postpartum leave regulations, as well as Acer Baby.
Benefits	Increase massage hours	We have plans to hire two visually impaired massage therapists in Q2 2024 in order to offer additional appointment slots.

Employee Engagement Surveys

Our Global Human Resources Department conducted a 2023 Employee Engagement Surveys from January to February 2024 to understand the organizational climate and to conduct in-depth communications and interviews to address key issues and develop improvement plans.

The global employee engagement surveys covers six dimensions. In 2024, Employee Engagement Surveys reached a response rate of 73%, a decrease of 7% from last year. In addition, 77% of our global workforce are actively engaged with the company, a decrease of 1.2% from last year, and we plan to reach our goal of 80% global employee recognition by 2025.

For the fourth consecutive year, Acer has been recognized by Forbes as one of the "World's Best Employers." And in 2023, Acer was recognized as one of the "World's Best Women-Friendly Companies." This honor is a testament to the collective efforts of the team. In addition, through our commitment to Environmental, Social and Corporate Governance (ESG) initiatives, we are committed to making a further positive social and environmental impact.

The company has also introduced a new training program for supervisors in response to employees' desire for more encouragement in their job development with HRBP tracking supervisors' advancement status.

Note: From 2020 to 2022, the figure means "coverage rate of the issued questionnaires," which was 100%. In 2023, the figure means "the response rate of the questionnaires," which was 73% (the response rate in 2022 was 80%).

- ○ Percentage of actively engaged employees
- ○ Percentage of response (Note)
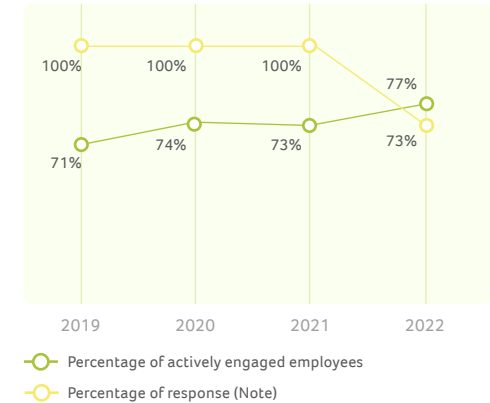
Living Wage

Acer values the opinions and rights of its employees and is dedicated to providing a transparent and accessible communication platform to foster a harmonious relationship between labor and management. In Taiwan, labor-management meetings (Employee Representatives Organization), are conducted each quarter to facilitate effective communication between both parties regarding employee rights and needs. All global operating locations also have labor unions. Currently, the countries and regions with labor unions are primarily Italy, France, Germany, the Netherlands, Spain, and China (Shanghai). In 2023, the percentage of total employees covered by collective agreements is 11.50%, mainly distributed in Europe and China. Each affiliated company holds Employee Representatives Organization meeting four times a year to collect proposals from their respective companies, such as work rules, friendly environment of each company, work procedures, business discussions, etc. However, for group-level issues, such as optimizing group systems, improving workflow, livelihood services, hardware and other related proposals, they will be forwarded to the parent company (Acer) for discussion and resolution, and will be replied to the related companies.

Acer Commitment → Adoption of Methodology

- **Employees** : Although 100% of Acer employees are currently paid above the local living wage standard, we conduct annual reviews to ensure that everyone is paid above the living wage standard
- **Suppliers** : We are committed that at least 75% of our Tier 1 suppliers pay the wage at the local living wage level by 2025, and at least 80% of them by 2030. To fulfill our commitment to closing the gap, suppliers pay the wage below the living wage have been asked to submit action improvement plans and achieve their targets within the required commitment time frame. Acer conducts an annual stock-take of all suppliers in the first quarter of each year to keep track of progress. We are committed to maintaining our business relationships even though the supplier may drive up the cost of services.
- **Contractors** : We are committed to ensuring that at least 70% of our contractors will pay the wage at the local standard living wage level by 2025, and at least 80% by 2030. To fulfill our commitment to closing the gap, we have asked contractors with below-standard living wages to submit action improvement plans and achieve their goals within the required timeframe. Acer conducts annual reviews of all contractors in the first quarter of each year to keep track of progress. We are committed to maintaining our business relationships even though contractor may drive up the cost of services because they increase the wage.

Regarding the methodology for estimating a living wage, we took the following two steps with reference to Anker's methodology:

- The first step is to survey the (decent) cost of living of employees and families in a given area, which is the standard living wage.
- The second step is to determine whether we are paying wages (excluding overtime, bonuses and benefits) above or below the standard, and to request improvements from entities whose average wages are below the living wage standard (such as Acer's regional offices, contractors or suppliers).

Note: Reference to the cost of living standard data for countries around the world provided by Numbeo, the world's largest cost of living database, as of December 2023.

Living wages of the three major groups

Staff

In February 2024, we conducted a living wage survey of Acer's top three operating regions, including Taiwan, China, and the U.S. The survey showed that the average living wage of employees in these three regions was above the norm.

Contractor

In January 2024, we conducted a formal living wage survey of contractors worldwide. Of the 31 contracting companies surveyed globally, 18 (58%) had a living wage above the norm. For contractors that are currently below the living wage standard, we have requested remedial measures, including a commitment to pay a living wage that meets the standard and a plan for improvement. Acer will take proactive action to monitor these contracting units and measure the effectiveness of their improvements.

Supplier

From late 2023 to early 2024, we conducted a formal living wage survey of Tier 1 suppliers. The survey results show that 14 of the 18 providers surveyed, or 78%, offer a living wage above the norm. For suppliers that are currently pay the wage below average, we have taken the following remedial measures:

- Short-term (2024-2026): Require all suppliers to commit to paying an appropriate living wage to cover the basic costs of a modest (but decent) living, and require those below the average to initiate improvement programs. Acer conducts annual reviews and provides the necessary care and counseling assistance.
- Mid-term (2027~2030): Suppliers are required to improve productivity, profitability, and quality in order to increase compensation; suppliers are required to regularly check whether living wages are being met with reference to living wage standards, price increases, and employee feedback. Acer will conduct annual reviews on an annual basis.

Attracting and Developing Talent

Acer strives to provide a working environment that creates staff who are passionate, positive, and dare to dream. This demands consideration and communication that supports and encourages our team. Through competitive compensation, we are able to attract and retain talented people; through promoting work-life balance, we care for both the bodies and the souls of our staff; through systematic personnel training, we activate the power to change the world.

Acer deeply understands the importance of human capital, considering every investment as a key to enhancing organizational productivity, innovation capabilities, and performance growth. In order to maximize the value of our human capital, we have implemented the following key initiatives:

Enhance business-related training by focusing on improving employees' job skills and emphasizing the measurement of training outcomes. Create a favorable working environment and culture to boost employee morale, motivation, productivity, and satisfaction. Advocate for work-life balance by implementing measures such as flexible leave policies to help employees relieve stress and maintain long-term productivity. Provide competitive compensation and benefits to attract and retain top talent. Recognize and reward outstanding leaders and teams through the Green Heart Medal system to enhance overall morale and motivation. Promote diversity and inclusivity by continuously evaluating gender pay equality and racial employment ratios and taking necessary improvement measures. Offer leadership development and supervisor training to enable leaders to adopt different leadership styles for different team members and enhance the effectiveness of the leadership team.

Names of Material Topics

Talent Attraction and Retention

Policies and Commitments

We are committed to creating a work environment that celebrates empowerment, responsibility, full communication, creativity, efficiency and teamwork. We recruit a wide variety of talented people by adhering to the principle of equal opportunity and hiring employees in compliance with labor laws and regulations in various locations around the world.
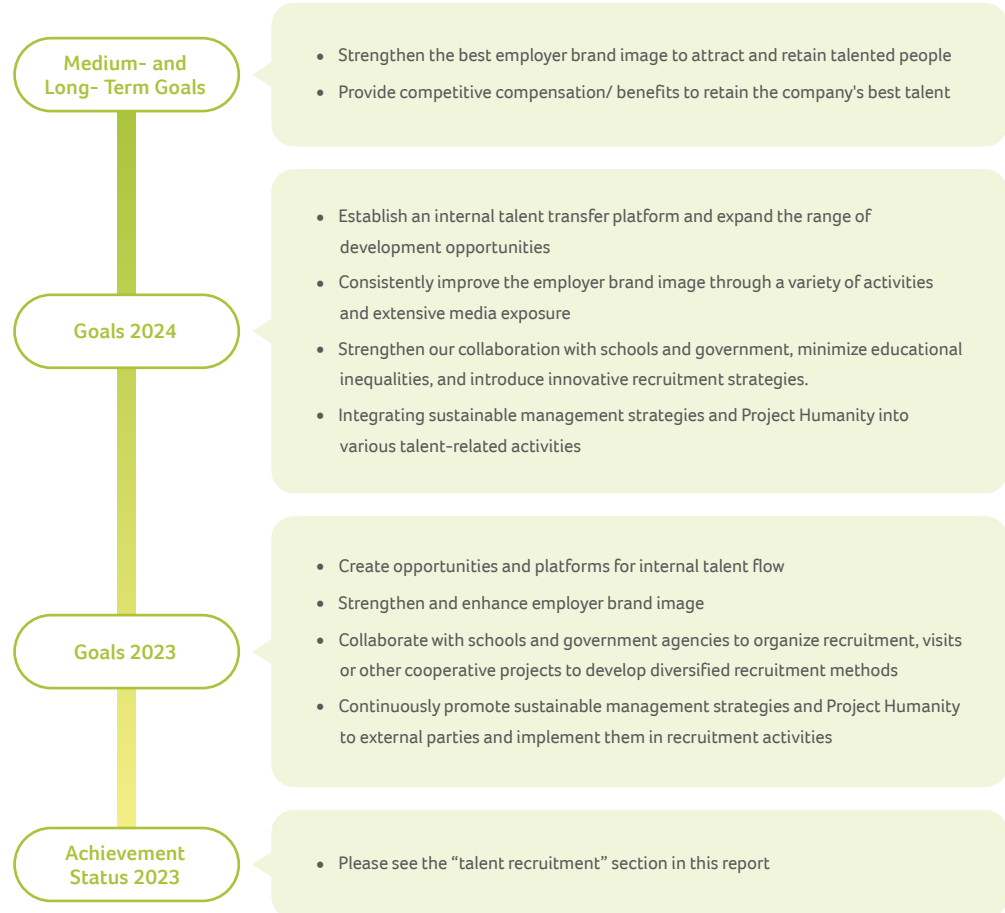
Action Plan

- We also provide competitive pay and benefits, humane management, and a robust path for promotion and career development.
- In line with the Company's strategic development direction, we work to optimize the organizational capability of both core and new businesses in order to fully leverage the synergies of the Group.
- We provide a diverse educational and developmental environment in order to attract and retain outstanding talent.

Tracking Mechanism

Weekly group meeting progress tracking, monthly departmental meeting results report, monthly manpower recruitment report compilation.

Stakeholder Engagement and Effectiveness

Acer actively participated in the second edition of the "TALENT, in Taiwan Talent Sustainability Initiative Alliance." We responded to the six major talent sustainability indicators and took part in alliance activities, showcasing our high regard for talent.

Medium- and Long- Term Goals

- Strengthen the best employer brand image to attract and retain talented people
- Provide competitive compensation/ benefits to retain the company's best talent

Goals 2024

- Establish an internal talent transfer platform and expand the range of development opportunities
- Consistently improve the employer brand image through a variety of activities and extensive media exposure
- Strengthen our collaboration with schools and government, minimize educational inequalities, and introduce innovative recruitment strategies.
- Integrating sustainable management strategies and Project Humanity into various talent-related activities

Goals 2023

- Create opportunities and platforms for internal talent flow
- Strengthen and enhance employer brand image
- Collaborate with schools and government agencies to organize recruitment, visits or other cooperative projects to develop diversified recruitment methods
- Continuously promote sustainable management strategies and Project Humanity to external parties and implement them in recruitment activities

Achievement Status 2023

- Please see the "talent recruitment" section in this report

Staff Structure

Staff Employment

As of the end of December 2023, Acer had 7,813 employees[1] worldwide: including 7,403 regular employees, of whom 4,512 were male and 2,891 were female; and 410 fixed-term employees, of whom 325 were male and 85 were female. This Company's staff are spread across 40 countries/territories. Of these, 1,389 were supervisors, 2,270 were professionals, 893 were executives, and 3,261 were technicians by job category[2] ; 3,681 were in Taiwan, 1,695 were in EMEA, 1,851 were in PanAsia Pacific, 586 were in Pan America; the average age was 41.3 years old and the average years of experience was 9.5 years. In addition, we had 381 temporary staff, of which 297 are male and 84 female.

Note[1]: Global staff figures are calculated with the total number of full-time staff and contracted staff together.

Note[2]: The job categories are briefly described as follows:

- Management Staff: According to the specific executive authority granted by the Company to lead the team to accomplish the organizational goals, management staffs are divided into different levels: senior management and middle/junior management.
- Specialist Staff: The role is to provide professional advice, recommendations and solutions to clients or companies to achieve their goals, such as project management, marketing, business, etc.
- Administrative Staff: They coordinate and manage the common affairs and resources of the Group, such as legal affairs, finance, human resources, information, etc.
- Technical Staff: Responsible for the design, development, implementation, maintenance and support of various technical products and services for a specific area, such as research and development, equipment, technical support, etc.

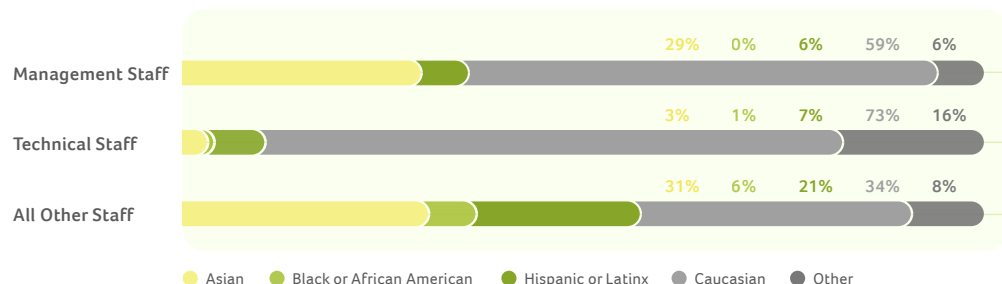|		Male		Female		Other (Gender is determined by the employee)		Undisclosed		Subtotal	
		Number of People	Number of People(%)	Number of People	Number of People(%)	Number of People	Number of People(%)	Number of People	Number of People(%)	Number of People	Percentage of Total Employees (%)
Work Locations	Taiwan	2,159	59%	1,522	41%	0	0%	0	0%	3,681	47%
	EMEA	1,205	71%	490	29%	0	0%	0	0%	1,695	22%
	PanAsia Pacific	1,131	61%	720	39%	0	0%	0	0%	1,851	24%
	Pan America	342	58%	244	42%	0	0%	0	0%	586	8%
Age	Under 30	722	60%	484	40%	0	0%	0	0%	1,206	15%
	30-50	3,108	62%	1,918	38%	0	0%	0	0%	5,026	64%
	50 and Over	1,007	64%	574	36%	0	0%	0	0%	1,581	20%
	Age Undisclosed	0	0%	0	0%	0	0%	0	0%	0	0%
Job Category	Technical Staff	2,344	72%	917	28%	0	0%	0	0%	3,261	42%
	Specialist Staff	1,169	51%	1,101	49%	0	0%	0	0%	2,270	29%
	Management Staff	955	69%	434	31%	0	0%	0	0%	1,389	18%
	Administrative Staff	369	41%	524	59%	0	0%	0	0%	893	11%
Employment Contract	Regular Staff	4,512	61%	2,891	39%	0	0%	0	0%	7,403	95%
	Temporary Staff	325	79%	85	21%	0	0%	0	0%	410	5%
Employment Type	Full-Time Staff	4,512	61%	2,891	39%	0	0%	0	0%	7,403	95%
	Part-Time Staff	325	79%	85	21%	0	0%	0	0%	410	5%
	Employees Without Hours Guarantee	0	0%	0	0%	0	0%	0	0%	0	0%

Diversity and Inclusion

Acer's "Standards of Integrity Management & Business Conduct," places strong emphasis on the policy of 'equal opportunity' in the workplace. We promote diversity and an inclusive culture, striving to create an equal opportunity work environment. We maintain a non-discriminatory work environment; providing equal employment opportunities to employees and job applicants without discrimination based on race, color, genetic heritage, or other characteristics protected by local laws. For example, in times of disaster, we consistently stand united with our employees, such as providing refuge for employees affected by the war in Ukraine, demonstrating camaraderie across borders. We ensure that the workplace is accessible, providing convenient facilities for employees with disabilities, including ramps, elevators, restrooms, and parking spaces. Simultaneously, we comply with national laws, such as providing more paid paternity leave for male employees. When it comes to organizing events, we consider religious and cultural aspects, providing support for different beliefs, such as offering halal foods and adjusting work schedules. Regarding female employees, we uphold the principle of equality by offering Women's Day holidays and gifts. In addition, we actively seek out individuals with disabilities and offer accessible facilities and employment opportunities to foster inclusivity in the workplace. We have implemented various policies and initiatives, such as flexible working hours and welfare programs, to ensure equal and diverse treatment for all employees in terms of human resource management and employee activities.

Furthermore, specific actions have been taken worldwide, such as:

- Diversity and inclusion training: During the "Standards of Integrity Management & Business Conduct" training, we place strong emphasis on the significance of showcasing diversity and inclusion in the workplace.

- Training and advocacy: In training sessions for supervisors at all levels, we emphasize diverse recruitment practices, particularly stressing the avoidance of biased language (such as age or race) during interviews.

- Training arrangements: It is important to ensure that all employees, regardless of their background, are provided with equal opportunities for skill development, guidance, and career advancement.

- Preventing workplace harassment: Clearly communicate a zero-tolerance policy towards discrimination and harassment, and ensure that complaints are promptly and fairly investigated through a confidential reporting system.

- Representation in leadership roles: Actively strive to increase the representation of diverse individuals in organizational decision-making positions. For example, in the board of directors, the company emphasizes gender diversity, with female representation from outside the company reaching up to 50%.

In 2022-2023, Acer was selected for the second time as one of Forbes' Best Employers for Women, and in 2023, it received CommonWealth Magazine's Family Friendly Workplace Award.

Racial/Ethnic Composition of Acer America Staff

%

	Asian	Black or African American	Hispanic or Latinx	Caucasian	Other
Management Staff	29%	0%	6%	59%	6%
Technical Staff	3%	1%	7%	73%	16%
All Other Staff	31%	6%	21%	34%	8%

Note: According to the SASB indicators, "U.S. employees" should be disclosed according to the EEO-1 Survey Classification Guide, and management refers to employees within the two reporting levels of the CEO, and the number and percentage of employees are currently counted according to this definition.

Acer attaches importance to human rights and gender equality among its workers. As of 2023, female staff accounted for 38% of total staff, 31% of management, and 23% of senior management.

Proportion of Female Employees

	2020	2021	2022	2023	Target (%)	Target year of achievement
Share of women in total workforce	37%	37%	38%	38%	38%	2024
Share of women in all management positions, including junior, middle and top management	30%	31%	31%	31%	32%	2024
Share of women in junior management positions[1]	36%	33%	33%	32%	34%	2024
Share of women in top management positions[2]	17%	17%	18%	23%	20%	2024
Share of women in management positions in revenue-generating functions[3]	37%	26%	29%	39%	30%	2024
Share of women in STEM-related positions[4]	26%	27%	28%	27%	28%	2024

Note[1]: According to Acer's internal classification principles, this refers to the sum of middle/junior level executives.

Note[2]: The original definition was based on the list of senior executives disclosed in the annual report. In 2023, it was revised according to Acer's internal management level policy, hence adjusting the data for previous years accordingly.

Note[3]: "Revenue-Generating function" refers to the direct management roles in departments such as sales, or roles that directly contribute to the output of products or services.

Note[4]: STEM refers to Science, Technology, Engineering and Mathematics. STEM staff members use their knowledge of science, technology, engineering or mathematics in their daily duties.

Talent Recruitment

Acer Inc. has formulated a comprehensive and future-oriented talent recruitment strategy to adapt to the dynamic market environment. With limited market economic recovery momentum post-pandemic, persistent inflation issues, and ongoing geopolitical risks, we are focused on building a stronger talent pool to drive the company's sustainable development.

In 2023, Acer actively pursued its talent recruitment goals by launching a new version of its official recruitment website to promote internal talent circulation. This revamped platform not only provides job vacancy information but also highlights the company's unique benefits and culture. By releasing internal job vacancy announcements quarterly, we aim to encourage employees to participate in internal referrals, fostering a dynamic internal recruitment ecosystem. Meanwhile, Acer actively leverages social media exposure to showcase its corporate culture and values, publicize recruitment messages, and foster positive interactions. Furthermore, Forbes has recognized our company as one of the "World's Best Employers" for the fourth consecutive year. Through activities encouraging employees to share the company's achievements, we aim to strengthen the employer brand image.

In terms of collaboration with schools and government agencies, Acer not only participates in career events at National Taiwan University, sharing internship programs and career development experiences, but also joins the "TALENT, in Taiwan Talent Sustainability Initiative Alliance," to actively promote values of diversity and inclusivity through tangible actions. Furthermore, the company actively participates in international recruitment and is involved in the Contact TAIWAN platform, organized by the Ministry of Economic Affairs, to attract exceptional students from overseas.

Acer continues to prioritize sustainable business strategies, disseminating the Project Humanity concept to external stakeholders through the new recruitment website, employee onboarding introductions, and visitation activities. This emphasizes the company's efforts in sustainable development. At the same time, Project Humanity will be integrated with campus recruitment booths to highlight sustainable green initiatives and encourage more individuals to participate in sustainability efforts.

In 2023, the global average percentage of staff who were new full-time hires (a total of 831 people) was 11%. In 2023, we had 844 regular employees departing globally, with an average turnover rate of 11%, a decrease from 2022, primarily due to enhanced management training to enable supervisors to understand management communication, job coaching, and performance management skills, resulting in a stronger sense of belonging to the team.

Number and Percentage of Full-time Employees Turnover in 2023 (%) - by Age Group, Gender

		Under 30		30-50		50 and Over		Age Undisclosed	
		Female	Male	Female	Male	Female	Male	Female	Male
Taiwan	Turnover Rate (by gender)	15%	14%	14%	10%	11%	12%	0%	0%
	Turnover Rate	14%		11%		11%		0%	
EMEA	Turnover Rate (by gender)	13%	22%	10%	8%	5%	10%	0%	0%
	Turnover Rate	19%		9%		8%		0%	
PanAsia Pacific	Turnover Rate (by gender)	18%	18%	9%	12%	13%	14%	0%	0%
	Turnover Rate	18%		11%		14%		0%	
Pan America	Turnover Rate (by gender)	35%	36%	13%	13%	12%	8%	0%	0%
	Turnover Rate	36%		13%		9%		0%	
Global	Turnover Rate (by gender)	16%	17%	11%	10%	10%	11%	0%	0%
	Turnover Rate	17%		10%		11%		0%	

Note: Annual hiring rate = (number of new staff in the current year) / (number of employees at the end of the previous year + number of employees at the end of the current year) / 2

Annual turnover rate = (number of departures in the current year) / (number of employees at the end of the previous year + number of employees at the end of the current year) / 2

### Number and Percentage (%) of Newly Hired Regular Employees in 2023 - by Age Group, Gender

		Under 30		30-50		50 and Over		Age Undisclosed	
		Female	Male	Female	Male	Female	Male	Female	Male
Taiwan	Hiring Rate (by gender)	29%	25%	15%	12%	10%	8.0%	0%	0%
	Hiring Rate	27%		13%		9%		0%	
EMEA	Hiring Rate (by gender)	13%	11%	3%	3%	0%	2%	0%	0%
	Hiring Rate	12%		3%		1%		0%	
PanAsia Pacific	Hiring Rate (by gender)	30%	37%	8%	12%	7%	9%	0%	0%
	Hiring Rate	33%		10%		8%		0%	
Pan America	Hiring Rate (by gender)	47%	18%	14%	9%	2%	4%	0%	0%
	Hiring Rate	29%		11%		3%		0%	
Global	Hiring Rate (by gender)	28%	23%	11%	9%	6%	6%	0%	0%
	Hiring Rate	25%		10%		6%		0%	

Hiring Rate (%) - By Staff Category and Gender (Full-time Staff)

		Senior Management		Middle/Base-level Management		General Staff		People with Physical and Mental Disabilities	
		Female	Male	Female	Male	Female	Male	Female	Male
Taiwan	Hiring Rate (by gender)	0%	9%	1%	1%	20%	16%	0.0%	0.0%
	Hiring Rate	7%		1%		17%		0.0%	
EMEA	Hiring Rate (by gender)	0%	0%	3%	4%	3%	3%	7.1%	0.0%
	Hiring Rate	0%		4%		3%		2.0%	
PanAsia Pacific	Hiring Rate (by gender)	80%	0%	4%	6%	11%	16%	0.0%	0.0%
	Hiring Rate	12%		5%		14%		0.0%	
Pan America	Hiring Rate (by gender)	0%	0%	5%	3%	12%	9%	0.0%	0.0%
	Hiring Rate	0%		4%		10%		0.0%	
Global	Hiring Rate (by gender)	9%	5%	2%	3%	14%	12%	0.3%	0.2%
	Hiring Rate	6%		3%		13%		0.1%	

Note: Pan American does not collect information on physical and mental disabilities of employees.

2020-2023 Turnover Rate　%

15.40%　13.80%　13.20%　11%
12.50%　10.60%　8%

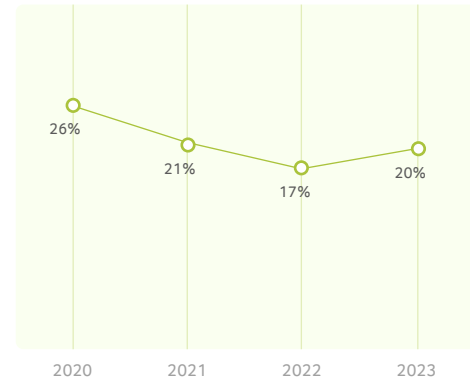2020　2021　2022　2023
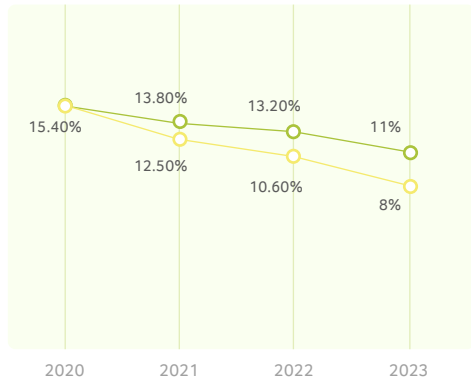
○ Turnover rate　○ Voluntary turnover rate

Note: The formula for calculating the voluntary departure rate is: (the number of voluntary departures in the current year) / (the number of persons in employment at the end of the previous year + the number of persons in employment at the end of the current year) / 2
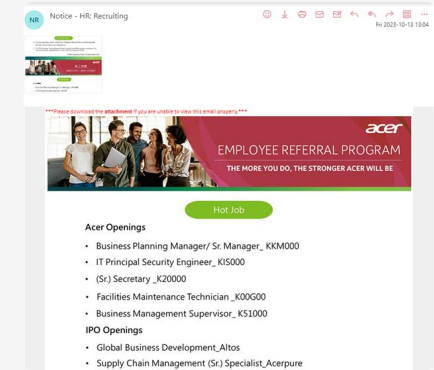
Percentage of vacancies filled by internal staff　%

26%　21%　17%　20%

2020　2021　2022　2023

Talent Recruitment Management Processes

External demand, internal development
Compile external third-party and internal initiatives for talent development or recruitment needs

Review for compliance with objectives
The internal project leader convenes a meeting to jointly review whether the needs of the project are in line with the Company's talent development objectives

Project proposal discussion
If the project is in line with the company's talent development direction, the project leader will coordinate, gather internal ideas and converge them into feasible solutions and obtain internal consensus

Activity implementation and review
The project leader implements the plan, seeks internal resources as needed and updates the progress regularly, and makes a final report after the event and proposes improvements for future event optimization

2023 Talent Recruitment Status

Create opportunities and platforms for internal talent flow

Status

- The optimization of the SAP system has been completed, and a new official recruitment webpage was launched in Q4 2023, in order to streamline internal operations and provide expedited access to necessary job information.
- Internal job vacancy announcements are regularly released every quarter, sharing recruitment opportunities with all employees through internal communications. Additionally, an internal referral bonus scheme is set up to encourage colleagues to recommend friends and family to join.

Strengthen and enhance employer brand image

Status

The company actively expands its exposure on social media platforms such as Facebook, Instagram, and LinkedIn, sharing its culture, values, work environment, and employee stories. It particularly highlights Acer's achievements as a female-friendly employer and family-friendly workplace, while also promoting welfare policies such as Acer Baby, Leisure Leave, and stress-relief massages. Additionally, it disseminates recruitment messages on social media, including the selection process for summer internships, campus recruitment events, and engages with potential candidates or talent, swiftly addressing talent needs, fostering proactive interaction and engagement.

Collaborate with schools and government agencies to organize recruitment, visits or other cooperative projects to develop diversified recruitment methods

Status

In 2023, Acer partnered with several academic institutions and career development centers to coordinate a range of diverse and dynamic activities. We partnered with the Career Development Office (CARDO) at National Taiwan University's College of Management to introduce Acer's summer internship program, and invited alumni from National Taiwan University who had interned at Acer to share their experiences. In addition, we participated in the Contact TAIWAN series of events organized by the Department of Investment Services of the Ministry of Economic Affairs, attracting students from universities in the United States and India. Throughout our interactions with various universities, we shared Acer's endeavors in sustainable development. Furthermore, we collaborated with Youth Salon to organize exchange activities, enhancing young people's understanding of the workplace. We also took part in the Career Exploration Month event at the College of Commerce, National Chengchi University. During the event, we discussed Acer's globalization strategy and had face-to-face interactive exchanges with the students. These activities have facilitated extensive collaboration between the industry and academia, providing valuable guidance and opportunities for the professional growth of young individuals.

▲ Youth Salon arranged for students and faculty from the National Taiwan University's Department of Business Administration to visit Acer.

Continuously promote sustainable management strategies and Project Humanity to external parties and implement them in recruitment activities

Status

The company has implemented several recruitment measures, highlighting our commitment to sustainable development. The updated recruitment homepage provides information about Project Humanity, enabling all job seekers to gain an understanding of the company's efforts toward sustainability. On their first day at the company, new employees are introduced to the company's actions in green energy sustainability, encouraging them to lead by example and to encourage external suppliers and partners to participate. At the campus recruitment booths, the Vero series products designed with a spirit of sustainability and environmental protection were showcased, and sustainable green concepts were incorporated into student group interview questions.

Highlight(s)

Acer was selected for the second consecutive year as one of the World's Top Companies for Women by Forbes in 2023. Rising from 291st to 259th place in Forbes' 2023 World's Top Companies for Women list, this recognition reflects the company's ongoing commitment to creating an inclusive work environment.

Forbes 2023
WORLD'S TOP COMPANIES FOR WOMEN
POWERED BY STATISTA

For the fourth year in a row, Acer has been recognized by Forbes as World's Best Employer, ranking 145th globally and first in Taiwan.

Forbes 2020-2023
WORLD'S BEST EMPLOYERS
POWERED BY STATISTA

Competitive Compensation

Ensuring competitive compensation and attracting and retaining talented individuals are key priorities for the company's human resource policies. The company conducts an annual survey of global industry market salaries to establish a fair and competitive compensation system. Additionally, each year, differentiated performance bonuses are awarded to employees based on the operational performance of each unit and the tangible contributions of employees. Using Taiwan as an example, apart from the monthly fixed salary and annual bonus, several employee incentive measures have been implemented. These include patent bonuses, sales bonuses, target bonuses, and employee dividends, etc., enabling employees to reap the rewards of their efforts. Simultaneously, starting in 2022, an employee stock ownership plan was established to encourage employees to save and accumulate retirement funds.

2023 Basic Salary and Remuneration (Female:Male)

	Management Staff		Technical Staff		Specialist Staff		Administrative Staff	
	Basic Salary	Compensation	Basic Salary	Compensation	Basic Salary	Compensation	Basic Salary	Compensation
Taiwan	0.91	0.90	0.80	0.80	0.89	0.89	0.90	0.91
EMEA	0.90	0.82	0.95	0.93	0.93	0.83	1.07	1.04
PanAsia Pacific	0.87	0.83	0.56	0.58	0.89	0.83	0.95	0.93
Pan America	0.80	0.76	1.09	1.09	0.87	0.81	1.03	1.00

In terms of basic salary, due to the nature of the work, the female-to-male ratio of technical staff at PanAsia Pacific is approximately 0.6, which is relatively low. Furthermore, in Taiwan, the female-to-male ratio of basic salary and compensation remains consistent with 2022, maintaining a ratio of 0.8 to 0.9. In the regions of EMEA, PanAsia Pacific, and Pan America, both the basic salary and compensation have generally increased for both men and women compared to last year.

Maternity Benefits

When Acer staff are faced with the needs of parenthood, they can apply to take unpaid parental leave and, upon the completion of the leave period, return to their position. In this way, they are able to take care of their personal and familial needs. Since the 2022 law relaxed the application period of less than 6 months for baby-sitting, 40 percent of the employees (10) applied for less than 6 months in 2023.

Parental Leave in 2023 Application Status (Acer Taiwan)

Item	Female	Male	Total
Number of Employees Entitled to Parental Leave in 2023	65	107	172
Number of Employees Who Took Parental Leave in 2023	19	6	25
Applicants for Parental Leave (%)	29.23%	5.61%	14.53%
Number of Employees Expected to Return to Work After Parental Leave in 2023	15	2	17
Number of Employees Who Returned to Work After Parental Leave in 2023	12	0	12
Post Parental Leave Return-to-Work Rate (%)	80.00%	0.00%	70.59%
Number of Employees that Returned to Work After Parental Leave in 2022	16	4	20
Number of Employees Still Employed in 2022 12 Months After Return	14	4	18
Post Parental Leave Retention Rate (%)	87.50%	100.00%	90.00%

The source of the information is the maternity and paternity leave applicants from 2020 to 2023 who are still working at the end of 2023.

Employee Benefits (Taiwan Region)

In addition to the benefits as stipulated by law, Acer also provides group life insurance, accident insurance, cancer insurance, hospital room and board insurance, and a range of outstanding employee benefits.

Practices superior to statutory standards		Maternity benefits	Employee stock ownership trust
Self-managed work hours	Regular employees may adopt self-managed working hours as appropriate, provided that the quality of their services to customers is not affected.	Acer offers employee maternity benefits, child scholarships and cooperative childcare facilities. When Acer staff are faced with the needs of parenthood, they can apply to take unpaid parental leave and, upon the completion of the leave period, return to their position. In this way, they are able to take care of their personal and familial needs. Additionally, in 2023, the company implemented the Acer Baby-Employee Childcare Assistance and Workplace Adjustment Program, showing concern for colleagues with childcare needs. This initiative allows for more flexible time management, reducing childcare pressure, and enhancing the quality of work and family life.	Starting in 2022, Acer established an Employee Stock Ownership Trust. Under the Employee Stock Ownership Trust, each employee can contribute funds from his or her salary to purchase Acer stock each month. For example, if an employee contributes NT$1, the Company will contribute NT$1, which is equivalent to a 50% company subsidy. Acer employees are entitled to annual dividends from the stock ownership trust while they are still employed, and their trust holdings are not disposed of until they retire. This helps employees save for retirement and retains talent. Acer expects employees to grow with the company.
Sick leave with full pay	Full pay is given to those who do not exceed 15 days of sick leave in a year.		
Annual leave for new staff	If an employee has not completed his or her probationary period after three months of employment, his or her annual leave for the current year shall be granted in accordance with the law; and if the employee has completed his or her probationary period, he or she shall be granted seven days of annual leave until the date of completion of one year of employment.		
Advance special leave	If an employee does not have any special leave in the current year, or if he/she has already taken all the special leave in the current year, he/she can advance the special leave in the next year, and the maximum number of days can be advanced to all the special leave days in the next year.		
Paid volunteer leave	Staff can apply for two days of paid volunteer leave per year, with the minimum leave unit being a half-day.		
Leisure leave	We offer our colleagues an extra four days of paid leisure leave each year, exceeding the requirements of the Labor Standards Act. Our aim is for our colleagues to enjoy a joyful and balanced lifestyle, both mentally and physically.		

Friendly Childcare Environment and Benefits: Acer Baby - Employee Parenting Assistance and Workplace Adjustment Program

To demonstrate consideration for female employees who are expecting to give birth, we aim to reduce their daily commuting fatigue and alleviate the time pressure of caring for newborns. This will not only improve the quality of their work but also enhance their family life. Acer offers the Acer Baby - Employee Parenting Assistance and Workplace Adjustment Program to support employees with childcare needs during pregnancy and after giving birth.

Employees who meet the eligibility requirements may apply for remote work in a different location outside of their original workplace starting one month before the expected due date. During the first two years of the child's life, they are eligible to request a maximum of two days of remote work per week. From March 1, 2023, to January 26, 2024, a total of 21 female colleagues submitted applications.

Retirement system

Acer's retirement system adheres to the regulations for each of the Company's global locations. In the Taiwan region, for example, contributions are made to staff pensions in line with the Labor Standards Act and the Labor Pension Act. Staff who were employed by Acer on or before June 30, 2005, and were covered by the old system may freely opt into the new system and enjoy the new benefits. The actuarial work for the current year's pension liability is performed in December each year, and the official version of the actuarial report is issued in January of the following year. As of the end of 2023, the company's deposits with the Bank of Taiwan under the old system totaled approximately NT$ 9.5 million. As for the new system, the Company currently contributes 6% of employee pay, while the employees may contribute anything between 0% and 6%. In the Taiwan region, Acer also provides occasional retirement plan benefits; our retirement system exceeds legal requirements, and at least 50 years of age with 15 years service, and with management's agreement, staff can retire early. For employees whose employment relationship is terminated due to retirement or redundancy, the Company provides pensions or severance pay in accordance with the law, thus helping support their post-retirement lives or their financial needs during their transition to new employment. From 2022, we provide a relatively subsidized "Employee Stock Ownership Association Trust" company stock purchase plan, hoping to allow employees to participate in investing in the company and accumulate wealth after retirement.

Employee Benefits offered by Taiwan Headquarters

Recreation and entertainment benefits

Acer Inc. actively promotes a wide range of welfare activities, such as Family Day, educational and experiential trips, festivals, movies, arts and culture events, lectures, sports activities, and volunteer programs. Statistics show that the number of participants in these activities exceeded 91,000 in 2023. Moreover, the company has been actively promoting a combination of virtual and physical activities in the post-pandemic era. By integrating offline and online approaches, the company offers a wider range of activity options. Additionally, the company utilizes social media to effectively promote recruitment messages, promptly address talent needs, and cultivate a positive sense of interaction and engagement. Furthermore, the company offers electronic vouchers and cash welfare subsidies to enable employees and their families to indulge in travel, massages, leisure activities, and fine dining, thereby promoting a harmonious work-life balance. Acer Inc. organized a family day event called "Light up the Green Night - Acer Starlight Amusement Park," with the aim of promoting a comprehensive experience of sustainable living. The event introduced electronic payments for the first time, using eco-friendly materials such as RPET and corrugated paper, and provided plant-based meal boxes to reduce carbon footprint. Nearly 4,000 participants were attracted to this event. Moreover, the company actively promotes reading competitions in its digital library, encouraging employees to improve themselves and engage in lifelong learning.

Fellowship activities and facilities

Acer actively promotes the physical and mental well-being of its employees and encourages social activities. We encourage the establishment of diverse clubs, such as cycling clubs, yoga clubs, etc., providing subsidies and guidance, so that colleagues can learn and grow together, and cultivate interests. In addition, the company has established employee recreational areas, dance studios, cafés, and other public spaces, providing colleagues and clubs with spaces for sports, socializing, and relaxation. funds are provided for colleagues within departments to autonomously plan social activities, creating opportunities for interaction and team cohesion. The company has also established the Acer Fitness Center, a six-star employee fitness center that provides spacious and well-lit workout facilities, a wide selection of fitness equipment, and professional group classes. The professional coaches hired manage facility operations, hosting a series of lectures and experiential group classes, encouraging colleagues to integrate sports into their lives, and enjoy a happy and healthy lifestyle. In 2023, a total of 6 sports lectures and 6 experiential group classes were held, aiming to enhance employees' knowledge related to health and motivation for exercise.

Cash benefits and childcare support measures

The company offers a variety of welfare benefits, including providing Dragon Boat Festival, Mid-Autumn Festival, and Chinese New Year bonuses, as well as birthday bonuses, to express care for employees and their families. Furthermore, a range of cash subsidies are available, including those for weddings, funerals, and celebrations, to convey congratulations or condolences. In terms of childcare support, the company provides comprehensive assistance measures, including the Acer Baby-Employee Parental Assistance and Workplace Adjustment during pregnancy and postpartum, childbirth subsidies, maternity gifts, children's scholarships, and cooperative childcare facilities In addition, the company offers specially designed office chairs and reclining sofas for pregnant female colleagues to rest comfortably. Furthermore, the company has established four excellent breastfeeding rooms, all of which have been certified by the New Taipei City Health Bureau. These measures ensure that employees receive comprehensive support and care throughout the parenting period.

Employee Welfare at Working Locations Worldwide

Family or Parenting Support Measures

Acer has many office locations around the world and takes advantage of various holidays, including Easter, New Year's, Father's Day, Mother's Day, Children's Day, etc., to provide gifts to colleagues, allowing them to bring the gifts home and share the festive spirit with their families. For colleagues welcoming a new baby or with young children at home, some office locations may send celebration gift boxes to their homes, expressing congratulations and care. Additionally, on Children's Day, corporate gifts are given to employees' children to encourage creativity and deepen the image of the company their parents work for in their minds.

Promoting Physical and Mental Health

To enhance the physical well-being of employees, the company offers a variety of welfare measures. For instance, in the Brazilian office, employees have the opportunity to enjoy two breakfasts per week that include fruit. Additionally, they are provided with food cards for lunch, and extra food cards for purchasing essential groceries at the supermarket. In the Taiwan office, the company has an onsite gym for employee use, while in South American offices, there are partnerships with external gyms to offer fitness programs and online workout classes.

The South America offices organized the White January Care Month, where they share knowledge about mental health to raise awareness among employees about their psychological well-being. In the Indonesian office, flu vaccinations are provided to ensure the health of colleagues and maintain office hygiene.

Growth of Knowledge Program

Acer's Brazil office installed a tree made of cardboard, with each branch capable of holding one book. We encourage colleagues to donate books and share knowledge, which can be read in the office or borrowed for the benefit of colleagues' friends and family.

Experts are invited from various fields to Acer offices to exchange ideas, impart work and everyday knowledge, synchronously conducting online live broadcasts, investing in developing essential skills for colleagues.

Environmental Conservation

The employee cafeteria utilizes biodegradable utensils to care for colleagues and preserve the environment. At our European offices, we package Christmas gifts using second-hand eco-friendly bags. These gifts consist of locally sourced coffee from social enterprise brands to support unemployed and disabled individuals.
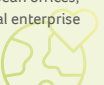
Gender Equality Care

The offices in China and America give small gifts to female colleagues on International Women's Day each year. The office in Brazil holds a Pink October awareness event, teaching women about healthcare information, self-awareness for disease prevention, and promoting practices beneficial for physical and mental health.

Team Cohesion

Numerous office locations organize festive celebrations, including Diwali, Christmas, and Lunar New Year. For example, Singapore hosts a buffet lunch before the Lunar New Year, while other countries organize parties and raffle events where employees dress in traditional attire to create a festive atmosphere. In addition, monthly birthday celebrations are held to provide employees with networking opportunities. In Indonesia, indoor soccer and badminton competitions are organized to encourage team collaboration through group participation, celebrating Indonesian Independence Day.

Employee Support Program

The Company offers a variety of programs to promote the health and well-being of its employees, including:

Flexible working hours

In Sweden, the starting time is between 8:00 and 9:00 a.m. and the time of leaving the office can be between 16:30 and 18:00, depending on the individual's work or family needs; in Thailand, all full-time employees have flexible working hours. Employees can choose to work two shifts: 08:30~17:30 or 09:00~18:00; in Australia, the government requires that employees who have family care responsibilities, are 55 years old or older, have a disability, or are victims of domestic violence are eligible for flexible working hours; in Japan, employees can choose to start work between 6:00 and 10:00 a.m.; in Hong Kong, employees can choose to start work between 08:00 and 10:00 a.m.; and can finish work between 17:00 and 19:00.

Remote work

The company offers the Acer Baby - Employee Parenting Assistance and Workplace Adjustment Program to support employees with childcare needs during pregnancy and after giving birth. According to this program, one can apply to work from home one month before giving birth; within two years after childbirth, one can also apply to work remotely two days a week, reducing the commute between home and the office. After one year of implementing this program, employees who participated in it reported that the measure helped them reduce the daily commuting burden, alleviate the time pressure of caring for newborns, and enhance the quality of work, childcare, and family life.

Relative care leave

In addition to parental leave, relative care leave is also often implemented in various office locations. In France, to facilitate family care responsibilities, employees can request up to five days of family care leave in the event of a major or urgent family need (e.g., serious illness or death of a child, adopted child, parent, adoptive parent, grandparent, spouse/life partner, grandchild or sibling); in Australia, family care leave can be flexibly integrated into the workday This flexible working arrangement can be requested if a relative or family member needs care or support due to domestic violence; in Singapore, employees have up to 6 days of care leave for their relatives.

Employee Assistance Program (EAP)

Acer offers the "Acer Family Care Line". This service is provided free of charge to colleagues and their dependents. It includes 60 minutes of consultation through telephone, face-to-face, or video methods. In 2023, the service provided assistance to a total of 758 colleagues and their dependents, including 96 face-to-face consultations. On average, there were approximately 3 phone consultations per working day and 7.5 face-to-face consultations per month. The service successfully resolved issues related to life, relationships, mental well-being, and work, achieving a satisfaction rating of 91.5. The Acer Family App also includes a dedicated section for mental support, which offers monthly updates on mental health information. This helps to increase employees' awareness of self-care for their mental well-being.

Paid parental/paternal leave

For paid parental leave for primary caregivers (such as parents), at Acer headquarters, women are entitled to eight weeks of paid maternity leave, the same as required by the Labor Standards Act. However, regardless of the length of time an employee has served at Acer, the company gives full salary to the employee, which is better than the Labor Standards Act, which only gives 50% salary to employees who have served for less than six months.

Leisure Leave

Employees who have completed their special leave for the year are eligible to apply for 4 days of paid 'Leisure Leave' until their full-time return date. Through the implementation of Leisure Leave, employees can have more time to engage in activities beneficial to their physical and mental health, fostering a positive attitude towards life and maintaining a healthy body and mind.

Flexibility in working hours

Acer employees have the option for flexible work arrangements, with adjustments made by local offices based on operational needs. For instance, at the European operations, employees are allowed to allocate some of their work hours for educational purposes, such as pursuing higher education or acquiring professional skills on a school campus.

Childcare facilities

The Company often contracts with kindergartens near its offices so that employees' children can attend school close to the office. For example, at Acer's headquarters, we work with a kindergarten located in the Shih Chi building, allowing employees to work upstairs and children to attend school downstairs. In addition, children are eligible for tuition discounts and receive free school bags, stationery, indoor shoes, etc. This allows employees to take care of their work and children at the same time, and reduces their financial burden.

Nursing facilities

Acer has breastfeeding rooms in all its global office locations, with four rooms available at the headquarters. Each room is equipped with a refrigerator for breastmilk, a bottle dryer and an electric breast pump for nursing mothers to use. In order to protect privacy, all breastfeeding rooms are equipped with access control and curtains. These rooms have been acknowledged by the New Taipei City Government as exceptional spaces for nursing. The operational centers in California and Texas in the United States, also have breastfeeding spaces that meet government regulations, providing essential facilities for breastfeeding mothers.

Continuing Learning and Growth
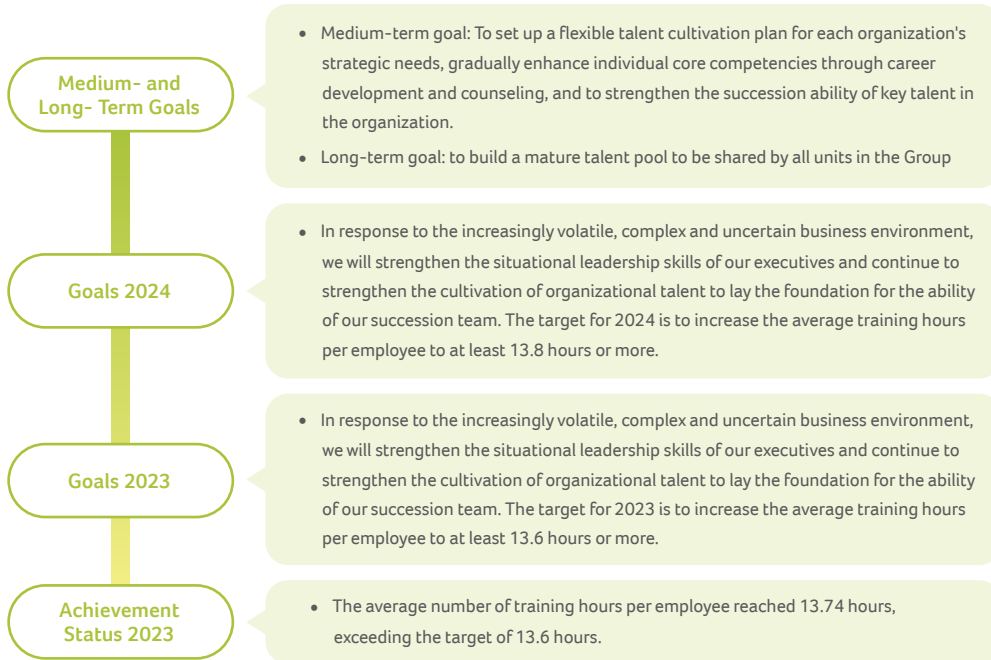
Policies and Commitments

Through training, development, and performance management, we strengthen the organization's ability to achieve the company's operational and ESG performance goals.

Tracking Mechanism

To ensure the quality of training, all training is conducted in accordance with the "Internal and External Training Management Regulations." The tracking mechanism includes post-class satisfaction, post-class interview, post-class action plan, and retraining (application experience sharing).
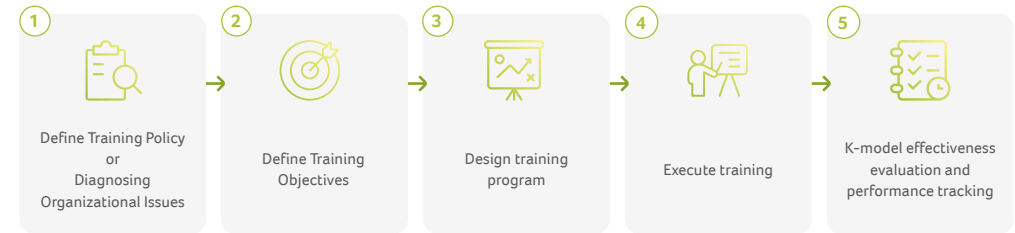
Action Plan

Through job coaching, task assignments, talent development programs, and physical and online courses, we strengthen corporate sustainability and responsibility, grasp industry trends and business opportunities, and enhance supervisors' ability to think systematically in order to continuously improve organizational effectiveness and leverage core competencies in life-style related products.

Medium- and Long- Term Goals
- Medium-term goal: To set up a flexible talent cultivation plan for each organization's strategic needs, gradually enhance individual core competencies through career development and counseling, and to strengthen the succession ability of key talent in the organization.
- Long-term goal: to build a mature talent pool to be shared by all units in the Group

Goals 2024
- In response to the increasingly volatile, complex and uncertain business environment, we will strengthen the situational leadership skills of our executives and continue to strengthen the cultivation of organizational talent to lay the foundation for the ability of our succession team. The target for 2024 is to increase the average training hours per employee to at least 13.8 hours or more.

Goals 2023
- In response to the increasingly volatile, complex and uncertain business environment, we will strengthen the situational leadership skills of our executives and continue to strengthen the cultivation of organizational talent to lay the foundation for the ability of our succession team. The target for 2023 is to increase the average training hours per employee to at least 13.6 hours or more.

Achievement Status 2023
- The average number of training hours per employee reached 13.74 hours, exceeding the target of 13.6 hours.

In 2023, training programs for leadership and management, professional development, general education, new employees, and ESG and business conduct code have been conducted at all levels of management. In 2023, the total number of times employees received training was 34,484 , accumulating a total training time of 87,364 hours. The number of trainees was 6,355, with an average training time per employee of 13.74 hours, surpassing the set target of 13.6 hours. The average training cost on each person is USD195.02. All training organized on the principles of work demand, gender equality, and equality of opportunity.

Acer Training Management Flow Chart

1. Define Training Policy or Diagnosing Organizational Issues
2. Define Training Objectives
3. Design training program
4. Execute training
5. K-model effectiveness evaluation and performance tracking

2023 The Average Training Hours per Employees per year, by Gender and Employee Category

Item		Senior Management		Middle/Base-level Management		General Staff	
		Female	Male	Female	Male	Female	Male
Taiwan	Number of Trainees	77	268	947	2,153	5,197	6,287
	Course Hours	177	581	2,099	4,434	10,407	13,468
	Participants	9	38	124	254	680	794
	Average Hours of Training Per Person	16.1		17.3		16.2	
EMEA	Number of Trainees	2	52	355	962	1,645	3,923
	Course Hours	6	132	1,095	3,263	5,007	11,730
	Participants	1	12	78	218	473	1,244
	Average Hours of Training Per Person	10.6		14.7		9.7	
PanAsia Pacific	Number of Trainees	13	56	684	1,353	3,090	3,894
	Course Hours	52	140	1,971	4,756	8,198	10,733
	Participants	4	11	116	243	592	854
	Average Hours of Training Per Person	12.8		18.7		13.1	
Pan America	Number of Trainees	19	57	261	439	1,244	1,506
	Course Hours	43	123	583	1,268	3,428	3,674
	Participants	3	9	46	69	210	273
	Average Hours of Training Per Person	13.8		16.1		14.7	

Note[1]: Supervisor of business unit
Note[2]: Division/Department Head
Note[3]: Due to system limitations, the calculation of average training hours is based on the total number of participants in each category.

2023 Average Hours of Training Employees have Undertaken and Average Amount Spent Per FTE on Training and Development Programs by Age Group (unit: USD)

Item		Under 30		30-50		50 and Over	
		Female	Male	Female	Male	Female	Male
Taiwan	Number of Trainees	709	520	4,328	6,069	1,184	2,119
	Course Hours	1,446	1,049	8,876	12,553	2,362	4,881
	Participants	100	68	563	754	150	264
	Average Hours of Training Per Person	14.8		16.3		17.5	
	Amount Invested in Training	$17,140	$12,060	$115,170	$162,266	$41,798	$72,054
	Average Amount Invested in Training Per Person	$174		$211		$275	
EMEA	Number of Trainees	232	837	1,353	3,095	417	1,005
	Course Hours	772	2,767	4,186	9,684	1,150	2,675
	Participants	93	354	361	873	98	247
	Average Hours of Training Per Person	7.9		11.2		11.1	
	Amount Invested in Training	$14,870	$40,746	$76,165	$166,992	$16,673	$40,676
	Average Amount Invested in Training Per Person	$124		$197		$166	
PanAsia Pacific	Number of Trainees	264	270	2,987	4,151	536	882
	Course Hours	772	833	8,059	12,433	1,389	2,364
	Participants	77	81	534	839	101	188
	Average Hours of Training Per Person	10.2		14.9		13.0	
	Amount Invested in Training	$10,401	$10,466	$107,135	$156,333	$19,603	$31,889
	Average Amount Invested in Training Per Person	$132		$192		$178	
Pan America	Number of Trainees	167	245	657	932	700	825
	Course Hours	434	746	2,048	2,455	1,573	1,864
	Participants	34	51	114	165	111	135
	Average Hours of Training Per Person	13.9		16.1		14.0	
	Amount Invested in Training	$4,735	$8,978	$28,665	$36,799	$21,747	$25,993
	Average Amount Invested in Training Per Person	$161		$235		$194	

Note: Due to system limitations, the calculation of average training hours is based on the total number of participants in each category.

2023 Average number of hours of training per person and average amount of training investment per person by compulsory and elective courses (Unit: USD)

Item		Mandatory	Elective
Taiwan	Number of Trainees	14,400	529
	Course Hours	29,017	2,149
	Participants	1,502	397
	Average Hours of Training Per Person	19	5
	Training Investment	$406,303	$14,185
	Average Amount Invested in Training Per Person	$271	$36
EMEA	Number of Trainees	6,633	306
	Course Hours	18,234	2,998
	Participants	1,820	206
	Average Hours of Training Per Person	10	15
	Training Investment	$267,184	$88,938
	Average Amount Invested in Training Per Person	$147	$432
PanAsia Pacific	Number of Trainees	8,903	187
	Course Hours	24,237	1,611
	Participants	1,657	163
	Average Hours of Training Per Person	15	10
	Training Investment	$321,557	$14,270
	Average Amount Invested in Training Per Person	$194	$88
Pan America	Number of Trainees	3,307	219
	Course Hours	8,296	824
	Participants	431	179
	Average Hours of Training Per Person	19	5
	Training Investment	$121,041	$5,876
	Average Amount Invested in Training Per Person	$281	$33

Note: Due to system limitations, the calculation of average training hours is based on the total number of participants in each category.

Acer Training System

Senior Managers

- ☑ **Senior Leaders and IPO Leaders Training Series**
- ☑ **Situational Leadership**

Middle Managers

- ☑ **Leadership Training** • Inspire Trust • Create Vision • Execute Strategy • Coach Potential
- ☑ **Situational Leadership**

Supervisory Managers

- ☑ **Management Training** **Phase I** • Management Communication • Coaching for Performance • Performance Management
  Phase II • Target Selection • Goal Setting • Motivating and Retaining Talents
- ☑ **Problem Analysis and Solving**
- ☑ **Cross-department Collaboration and Communication**

General Staff

- ☑ **ESG-related Trainings**
  - • Standards of Business Conduct
  - • Intellectual Property
  - • Anti-trust
  - • Unlawful Harassment Prevention in Workplace
  - • Insider Training
  - • Personal Data Protection Training
  - • Information Security Awareness
  - • Anti-Bribery and Anti-Corruption
  - • Employee Health Coverage Plan Training Protection Training
- ☑ **Communication** • Presentation (English, Chinese) • Negotiation (English, Chinese)
- ☑ **Computer Applications** • Excel BI, Functions, Macros • Power Automate
- ☑ **Trend Analysis** • AI Trend Forecast

New Employee Training

- ☑ **New Employee Orientation**
- ☑ **New Employee Training**

Training Management Flow Chart

Management Training

Base-level Management Skills Development	Middle- and Senior Management Leadership Skills Development	Senior Management Skills Development
To strengthen the core management skills of our base-level managers, training camps have been held regularly since 2018. By the end of 2013, a total of 11 had been held. This training is broadly split into two stages. The first emphasizes good management communication, performance coaching, and performance management, aiming to improve both team and individual performance as well as facilitating the joint creation of value; Stage 2 assists supervisors to specialize in the areas of target selection, goal setting, motivation and retention, and performance appraisal.	Since 2019, assist mid- to senior-level executives to enhance their leadership skills and develop them at the strategic thinking level, i.e., the 4 Essential Roles of Leadership, including how to build vision, inspire trust, execute strategy, and unleash potential. After the classroom training, online learning and experience sharing (retraining method) will be provided to internalize the growth of management skills through multiple opportunities for reflection. By the end of 2023, a total of 6 had been held. Furthermore, in order to align with the development of multiple business engines and adapt to various dynamic business environments, we have implemented a specialized training program on 'situational leadership'. This program aims to equip middle and senior-level executives with the knowledge and skills to effectively utilize different leadership styles based on the abilities and maturity levels of their team members. By doing so, we aim to enhance the overall effectiveness of our leadership team.	Expanding on the spirit of the New Titan Project and its commitment to cultivating leadership for the group, we assist vital leadership talent in boosting corporate governance, business judgment, and management skills. Specifically, senior executives have been sent to attend the "Philosophy of WANDAO Forum - Future and Sustainability" to gain insights on integrating the principles of sustainable business with innovative social approaches through the WANDAO methodology, and to implement them effectively within the company.

Professional Occupational Training

In response to the trend of lifestyle-related products, we are strengthening the core skills of our staff in the Information Products, Digital Display, and Value Innovation Center through internal and external training and technical seminars. In addition, we continue to improve the professional expertise of our product line and R&D team members.

The main highlights of occupational training in 2023 included:

- **The Essence and Skills of Product Management**

Enhancing the core competencies of the Acer Medical team in product management, including improving market sensitivity, developing high-quality product plans, effectively managing time, allocating resources properly, ensuring effective communication and coordination, and controlling project risk management.

- **Mastering the Second Wave of Artificial Intelligence**

Acer has invited Professor Tsung-chieh Kuo, an artificial intelligence expert from the Academia Sinica, to lead their research and development teams. The objective is to gain a deeper understanding of the limitations of current AI deep learning technology, and explore ways to make future AI technology lessen its carbon footprint. This includes developing smaller model sizes, reducing computational complexity, and ensuring mathematical transparency for the ultimate goal of enhancing the application of AI in cloud, mobile, and edge computing.

General Education Courses

General education courses in 2023 covered the following three key points:

- **ESG-related training**

In order to enhance colleagues' understanding of the concept and associated actions of ESG, the ESG Office developed eLearning materials in 2023. These materials include chapters on ESG overview, supply chain management, environmental sustainability, and social engagement, and were made available on the My eLearning online platform for colleagues across regions such as Taiwan, Pan America, PanAsia Pacific, and EMEA to participate in online learning. As of December 2023, the completion rate reached 91%.

Other ESG-related training includes: Integrity and business ethics code training, strengthening information security awareness training, Acer intellectual property management system, personal data protection, insider trading, anti-corruption, anti-trust, workplace misconduct training, etc.

- **Business Presentation and Negotiation Skills Training**

Presentation skills courses are created to assist colleagues in understanding how to grasp the core of presentations, design key points of presentations and graphical representations, and utilize empathy to captivate the audience. Another key area of business communication is negotiation. Therefore, in 2023, we also specifically reinforced training in Chinese and English negotiation skills, including helping colleagues understand effective strategies to influence the other party, negotiation processes, identifying flaws in questioning and listening, as well as proper responses to objections and rebuttals.

- **Data Analysis and Process Automation**

Help colleagues understand how to quickly create business intelligence analysis reports through Power BI technology, quickly integrate scattered data tables, and produce dynamic visual reports to improve the efficiency of business development, statistical forecasting, and sales analysis.

In addition, colleagues are often occupied with repetitive or manual tasks, which can slow down work speed. To address this issue, we provide special Power Automate software training to help colleagues create automated workflows independently. This training will enhance work efficiency and minimize manual operational errors.

Training Focus of Each Operating HQ

Region	Training Highlights
EMEA RO	Management training, product training, business operations, English proficiency training, data analysis, public speaking skills, negotiation skills, promoting workplace health and safety
PAP RO	Leadership development, AI, marketing, logistics, customer service, English proficiency, communication skills, and computer training
PA RO	Management training, professional training, computer training, and workplace safety training

◀ Situational leadership training (role-playing)

◀ Sales management training (Asia Pacific Operations - China)

◀ Training to master the second wave of AI

◀ Training on English email writing (Asia Pacific Operations - Thailand)

New Staff Training

Since the new employees joined the company, the company has provided a series of orientation and training to help them understand the Company's profile, management system, corporate core values, and brand spirit.

Each department also provides short-term professional training for new employees to understand the duties of the department, organizational members, upstream and downstream operational processes, and the points to note for cross-department collaboration. For example, the overall PC operation process training held by the IT product department is to guide newcomers to understand the product development process, from product development, product hardware and software expertise, supply chain, quality assurance, manufacturing, branding, market analysis methods and other overall concepts.

In addition, each department assigns a mentor to each new employee to provide consultation and care for adaptation at any time, so that new employees can adapt to the environment faster and integrate into the team faster.

After newcomers have joined, ESG-related training is also arranged, such as integrity management and employee code of conduct (including promotion of labor rights, freedom of expression, personal privacy, prevention of sexual harassment and anti-corruption), and reinforcement of information security awareness, safety and health concepts. We also listed actively encourage staff to take training in CPR and automated external defibrillator use.

Highlight Training #1: Acer Medical's Product Management Enhancement Training

Training Introduction

Background
Acer Medical, a subsidiary of the Acer Group, unites partners across the healthcare value chain, encompassing clinical research, product development, implementation, and expert service support. Members of Acer Medical come from diverse top fields in the medical industry, bringing with them strong medical expertise. However, there is still room for them to enhance their understanding of product commercialization, product development schedule management, and market promotion. Hence, in February 2023, we conducted a skill enhancement training session for the Acer Medical team focused on product management.

Training Execution
The training took place over a span of two days.
- Day one: Explanation of theories and tools, including product management, risk management, customer satisfaction, and demand analysis, was provided.
- Special Projects Week: At the end of the first day of the course, the instructor assigned each group to work on a special project to apply the tools taught by the instructor, which lasted for one week.
- Day two: Each group shared their applied experiences, followed by explanations and suggestions from the instructor. Finally, the supervisor selected the best-performing group for recognition and awards.

Training Efficiency
- Enhancing Customer Satisfaction: Learn how to align the development of Acer Medical's products with customer needs and values more effectively.
- Increasing Efficiency and Productivity: Learn how to collaborate more efficiently to achieve goals.
- Risk Control: Gain an understanding of how to incorporate project management concepts into the product management process in order to mitigate potential risks throughout the life cycle of the product project.

Measuring Training Effectiveness Using the K-Model

- Student Satisfaction: The training received a high rating of 4.6 out of 5.0 from the participants. Participants found the course highly practical due to the extensive simulated exercises.
- Learning and Transformation: After completing the training, all 29 participants continued to apply what they learned in their work. The organization also integrated the tools and methods taught in the course into its workflow.
- Business Impact: The training has greatly improved team collaboration, facilitating seamless product development and further enhancing the competitiveness of Acer Medical products.

Quantifiable Benefits

The training improved the team's product management skills, covering areas such as product development, project collaboration, resource management, and marketing. These enhanced skills have the potential to positively impact overall operational performance. For instance, the revenue in the fourth quarter of 2023 experienced a substantial growth of 112% compared to the revenue in the fourth quarter of 2022.

In 2023, there have been a total of 30 colleagues in Acer Medical attending the "Acer Medical's Product Management Enhancement Training", accounting for 0.4% of total workforce in whole Acer.

Highlight Training #2: Leadership Readiness & Development Program at Acer India

Leadership Readiness & Development Program Introduction

Goals

Acer India has always placed great importance on cultivating future successors. In recent years, we have actively developed our internal leadership team through a range of training and development activities, including 360° assessments, assessment centers, and structured coaching programs. This has been done to ensure sustained high performance growth for the organization.

Methods of Implementation

Step1 Selection of supervisors to participate in the leadership development program

- Selection Criteria: This includes adherence to Acer's core values, business performance, and leadership potential.
- Screening Results: Following a thorough screening process, a total of 14 senior executives were chosen to take part in this development project.

Step2 Clearly define the key leadership abilities for the future

There are a total of 8 items, which include strategic thinking & innovation, people management, leading & managing change, impactful communication, emotional quotient, executive presence, customer centricity & execution excellence, and business acumen.

Step3 Conducting assessments

In light of the aforementioned essential leadership skills, we carried out a comprehensive evaluation, including a 360° assessment, an Assessment Center evaluation, and an assessment of the leader's personality traits.

Step4 Implement training and coaching programs

Customized individual learning and development plans are provided based on the evaluation results of each participant to address specific needs.

Step5 Self-reflection and continuous improvement

Following each learning activity, participants are expected to reflect on their learning experience and identify areas for improvement. This practice serves as the basis for monitoring and enhancing their abilities.

Generated Benefits

- Improves the readiness of successor talents in leadership skills.
- Reduces recruitment costs and bolsters our resources for talent retention.
- Ensures the seamless transfer of professional knowledge while also supporting the preservation of our current management culture.

Measuring Training Effectiveness Using the K-Model

Reaction

After conducting individual discussions with each participant, we discovered that every participant provided highly positive feedback for this training program. All participants believe that the Assessment Center, 360° assessment, and personality trait assessment can provide valuable insights into their abilities from multiple perspectives.

Learning and Application

Upon completion of this leadership development program, we conducted interviews with the supervisors of the participants. These supervisors reported significant improvements in the behavior and abilities of the participants as a direct result of the training. These improvements encompass the capacity to think strategically from a broader perspective, an enhanced business acumen, heightened awareness of the significance of developing team members, and the ability to perceive threats as opportunities and proactively drive change.

Business Impact

This leadership development program has made the 14 project managers who participated more suitable and ready for succession. It has also given them a clearer direction for their future development. As a result, they now more actively take on greater responsibilities and have strengthened their sense of belonging to the company.

Quantifiable Benefits

Acer India's significant investment of time and effort in cultivating senior executives has boosted the morale and operational efficiency of the team, providing momentum for performance improvement. Consequently, the business achievements began to materialize in mid-2023. For example, despite a 15% decline in overall personal computer industry sales in India during the second quarter of 2023, with some major competitors experiencing sales declines of over 30%, Acer India achieved an impressive growth of 8% against the trend. This achievement is not a coincidence, but rather the outcome of the enhanced management conditions and capabilities of our senior executives. Looking toward the future, Acer India will continue to implement succession planning in order to achieve even greater accomplishments.

In 2023, a total of 14 top leaders at Acer India participated in the "Leadership Readiness & Development Program," representing 0.19% of the total workforce.

Performance Management and Development

Acer collaborates with supervisors and colleagues to set annual work goals at the beginning of each year. Mid-year discussions are held to align objectives, and performance evaluations are conducted from the end of the year to the beginning of the following year. The aim is to effectively develop employees, provide timely rewards, establish a talent pool, and adjust organizational goals through performance assessments. The individuals involved in the performance assessment process are primarily full-time employees. They begin by conducting a self-evaluation and then undergo a review by their supervisors. The assessment does not include employees on short-term contracts or those still in the probationary period. In 2023, the proportion of employees worldwide involved in performance evaluations reached 97%. Starting in 2022, the Global Employee Performance Review incorporates SBC, which require supervisors to assess performance while also considering employees commitment to conducting business legally, ethically and with integrity.

Type of Performance Evaluation	Percentage of All Employees
Management by objectives: Systematic use of measurable goals agreed upon by the line manager	97%
Multidimensional performance appraisal (e.g., 360° feedback)	1%
Official comparative ranking within the same employee category	97%

Proportion of Employees Worldwide Involved in Performance Appraisal, 2023

staff	Staff Receiving Performance Appraisals (A)		Total Number of Staff Who Must Take the Performance Appraisal (B)		Performance Participation Rate female	Performance Participation Rate male	Overall Performance Participation Rate (A)/(B) %
	female	male	female	male			
Technical staff	475	1365	500	1433	95%	95%	95%
Professional staff	792	850	802	873	99%	97%	98%
Management staff	339	727	348	750	97%	97%	97%
Administrative staff	375	278	380	283	99%	98%	98%

Note :
- Short-term (one year or less) hires and those with short working hours can be difficult to track the effectiveness of, working and therefore are not included in the appraisals.
- Those hired since October and are examined at the completion of that period and as such are not subject to the same performance appraisal.
- AOpen, Weblink, ACSI, Acer Synergy Tech, and ISU IPO companies are not included in the appraisal.
- The evaluation period is 2024 Q1, and the total number of current employees who must be evaluated during the evaluation period is captured.
- The number of employees undergoing performance evaluation is the number of employees who have completed self-evaluation operations or supervisors have completed evaluation operations at the end of March 2024.

Occupational Health and Safety

Names of Material Topics

Occupational Health and Safety

Policies/ Commitments

We recognize that the safety and health of our employees is the foundation of our business operations and are committed to maintaining a healthy and safe work environment to safeguard the physical and mental health of our workers and to reduce occupational safety and health risks.

Action Plan

- P: Establish a safety and health management mechanism
- D: Implement safety and health business management
- C: Strengthen safety and health execution and inspection
- A: Ensure the extension of safety and health performance

Tracking Mechanism

Introduced ISO 45001 occupational safety and health management system to maintain system effectiveness through full employee participation and internal and external audits.

The Occupational Safety and Health Committee is convened quarterly to track management goals and improve occupational safety and health performance.

Stakeholder Engagement and Effectiveness

- Join OSHA's Workplace Health and Safety Sustainability Dialogue Platform and Partnerships to strengthen sustainable workplace health and safety practices.
- Participate in healthy workplace certification to maintain health and safety performance.
- Participate in sports enterprise certification to continuously promote sports culture.

Occupational Health and Safety Management Path and Performance Statistics

Establishment of a Safety and Health Management Mechanism
- System Verification
- Internal Management

Implementation of Safety and Health Business Management
- Safety and Health Personnel
- Health and Safety Management Program
- Health and Safety Operating Standards
- Hazard Identification and Risk Assessment
- Risk and Opportunity Investigation

Ensure the extension of safety and health performance
- Setting Goals
- Non-compliant with corrective and preventive action
- Government Agencies Penalty Relief
- Accident Investigation

Strengthen safety and health execution and inspection
- Supervision and Measurement
- Occupational Safety and Health
- Internal Audit
- Management Review Meetings
- External Auditing

(PDCA cycle diagram: P, D, A, C)

Medium- and Long- Term Goals
- Acer Taiwan Occupational Safety and Health Management System has a coverage rate of over 90%
- Acquire Health Promotion Administration Healthy Workplaces Excellence certification

Goals 2024
- Subsidiary Altos will obtain a subsidiary certificate, and Acerpure Inc. will been included in the scope of verification
- No major occupational accidents (excluding traffic accidents)
- Develop three e-Learning courses, with 75% of employees completing the course
- Eighty percent of employees will complete the health questionnaire
- The health care lecture activity will receive a satisfaction rating of 4.5 out of 5, while the health awareness score stands at 3.5 out of 5

Goals 2023
- 3 subsidiaries operate ISO 45001 management systems independently and pass external audits.
- No major occupational accidents (excluding traffic accidents).
- Raise awareness of safety and hygiene, 87% of employees will complete e-Learning courses.
- The rate of employee inspection abnormalities will be reduced by 3% compared to 2022.
- Attendance at health care seminars will be increased by 10% compared to 2022.

Achievement Status 2023
- Accomplished. AEB, ACSI, and HSN HighCare, three subsidiary companies, have completed independent verification and obtained certification.
- Accomplished. No major occupational accidents (excluding traffic accidents).
- Beyond the goal. Completed Safety and Health e Learning course 1, 94.28% of employees completed the course.
- Beyond the goal. The rate of employee inspection abnormalities was reduced by 17.8% compared to 2022.
- Beyond the goal. Attendance at health care seminars were increased by 21.2% compared to 2022.

Establishment of a Safety and Health Management Mechanism

To enhance the safety and health management of the group and ensure compliance with legal regulations and company policies, we urge each subsidiary to promote occupational safety and health management systems and demonstrate effective management through system verification. We have implemented an auditing and counseling mechanism to improve internal management processes for subsidiary companies or office locations that have not yet been verified.

Performance in 2023

System Verification

There are 10 companies with a total of 2,614 employees, including Acer, Acer Gadget, Acer Medical, Acer Gaming Inc. (AGM), Acer MPS, Altos, ACSI, Acer eDC, AEB, and HSN HighCare.

Internal Management

There are 15 companies with a total of 1,105 employees, including AOpen, Weblink, HaoYoung Lifestyle, Protrade, Acer Synergy Tech Corp. (AST), Acer Synergy Manpower Corp., Acerpure Inc., Aspire Park, Acer Asset Management Inc., Acer Being Communication, Acer ITS, Acer Energy Pack, Acer AI Cloud, ACSI Cyber Security Academy, and StanShih Foundation.

Acer Taiwan Occupational Safety and Health Management System Coverage Rate

28.2%
Total
3,194
71.8%
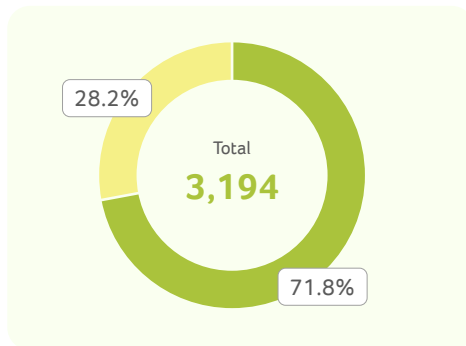
● Scope of Certification   ● Non-certification scope

Note :
- Acer Taiwan employs a total of 3,914 individuals. Ten companies under Acer, namely Acer, Acer Gadget, Acer Medical, Acer Gaming, Acer MPS, Altos, ACSI, Acer eDC, AEB, HSN HighCare, have successfully obtained the Occupational Safety and Health Management System certification. The certified scope covers 2,809 employees, accounting for approximately 71.8% of the workforce. This includes 2,614 employed workers (93.1%) and 195 non-employed workers within the workplace (6.9%). Additionally, 15 companies, including AOpen, Weblink, HaoYoung Lifestyle, Protrade, Acer Synergy Tech Corp. (AST), Acer Synergy Manpower Corp., Acerpure Inc., Aspire Park, Acer Asset Management Inc., Acer Being Communication, Acer ITS, Acer Energy Pack, Acer AI Cloud, ACSI Cyber Security Academy, and StanShih Foundation, have not yet implemented the management system certification, comprising a total of 1,105 employees, or approximately 28.2%.AEB
- Acer is a branded company, and its products are OEM (Original Design Manufacturer). It has an assembly plant in Taoyuan, Taiwan, which is covered by the headquarters' occupational safety and health management system.
- The overseas branches are low-risk offices, with the Indonesian branch already undergoing management system verification.

Implementation of Safety and Health Business Management

In order to effectively implement occupational health and safety management, we have designated various safety and health management personnel to carry out related duties according to their responsibilities. Additionally, we have established an ESH working group to promote the occupational health and safety management system in accordance with safety and health operation standards. This includes conducting workplace hazard identification and risk assessments annually, as well as investigating risks and opportunities related to stakeholders. For high-risk and high-opportunity projects, we set management objectives and then track improvement plans. Furthermore, we execute annual plans, which include regulatory identification, self-inspections, chemical management, and operation environment monitoring, to ensure compliance and meet safety and health requirements.

To instill the importance of employee safety and health, we employ a range of communication methods, educational training, emergency response procedures, and other channels to gradually enhance awareness. Simultaneously, we guide employees to prioritize their own health through a three-pronged approach of health check-ups, health management, and health promotion. Together, we address abnormal health check results to shape the image of a healthy enterprise.

In order to prioritize the safety of outsourced personnel, we encourage our business partners to collaborate with us on occupational safety and health matters. Each year, we carry out audits on both stationed and regular contracts. For renovation projects that involve high risks, we employ project contracting management to prevent occupational accidents at Acer's workplace. Furthermore, we consistently share pertinent safety and health information to promote knowledge dissemination and awareness, and collectively establish a secure working environment for our workers.

Performance in 2023

- The six types of occupational health and safety personnel include occupational health and safety management personnel, occupational health and safety business supervisors, occupational physicians, occupational nurses, first aid personnel, and fire safety managers.
- Health and Safety Management Program (10 items)
- Health and Safety Operating Standards (27 in total)
- Hazard Identification and Risk Assessment (1,099 Items)
- Risk and Opportunity Investigation (414 Items)
- Identification of Regulations (30 items)
- Chemical Management, 110 Items (total number of chemicals in the Nangang Biomedical Laboratory)
- Health and Safety Education and Training, 3 categories (safety, fire, first aid)
- Promotion of Safety and Health, 5 channels (website, internal emails, app, bulletin boards, restroom posters)
- Emergency Response Management, 5 categories (fire, earthquake, typhoon, power outage, emergency medical care)
- Contract Management, 3 categories (general contracting, outsourcing, engineering contracting)
- Monitoring of Working Environment, 18 items (illumination, indoor carbon dioxide, drinking water quality, Legionella bacteria in air conditioning cooling towers, 14 types of chemicals)
- Automatic Inspection, 9 categories (government vehicles, logistics operation vehicles, elevators, electrical equipment, air compressors, local exhaust equipment, medical equipment, fire equipment, and mold room equipment)
- Healthy Workplace, 3 main axes (health check-ups, health management, and health promotion)
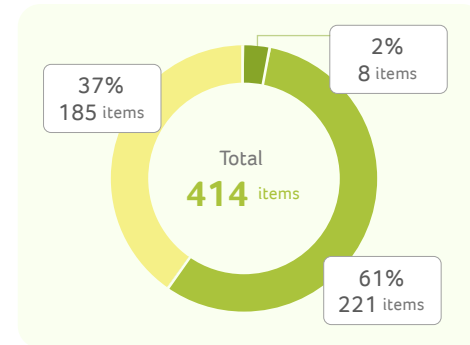
Hazard Identification and Risk Assessment & Risk and Opportunity Investigation

Hazard Identification and Risk Assessment

18%
219 items

41%
440 items

Total
1,099 items

41%
440 items
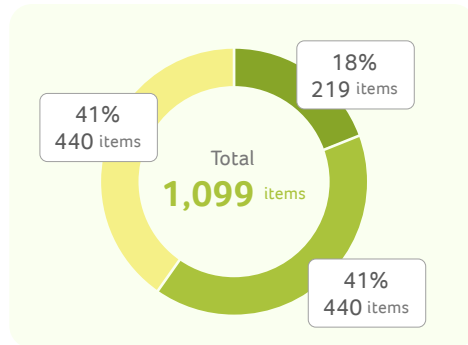
- Extrement High Risk
- High Risk
- Medium Risk
- Low Risk
- Extreme Low Risk

Risk and Opportunity Assessment

2%
8 items

37%
185 items

Total
414 items

61%
221 items

- High
- Medium
- Low

Health Certification Statistics

Certifications	Acer	Acer AEB	ACSI	Weblink
Healthy Workplace Certification	●	●	●	●
Taiwan iSports Certification	●	●	●	
Exceptional Breastfeeding (Expressing) Facility	●			

Statistics of Types of Occupational Health and Safety Personnel

persons

Occupational Health and Safety Business Management — 2 | 4

Occupational Health and Safety Management Personnel — 13 | 22

Contracted Medical Practitioner — 1 | 5

Full-time nursing staff (contract) — 2 | 5

Emergency Personnel — 44 | 61

Fire Prevention Supervisor — 13 | 13
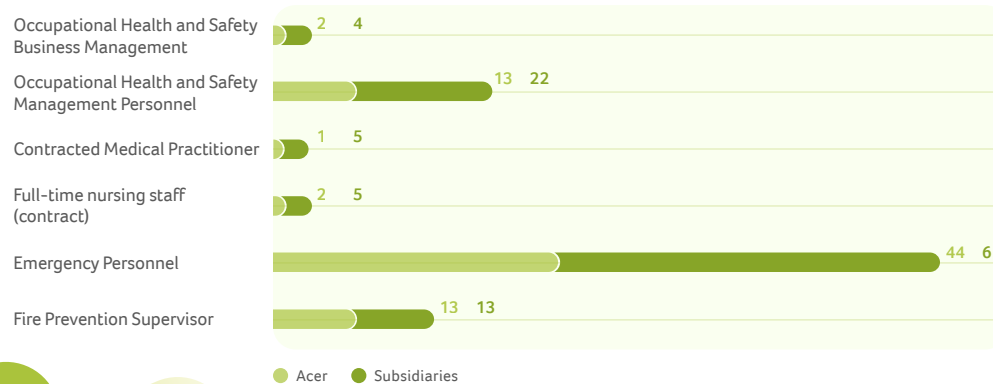
- Acer
- Subsidiaries

Safety and Health Education and Training Achievement Statistics

number of trainees

Type	Course Title	Subject	Acer	Subsidiaries
Health and Safety Training	New Employee Health and Safety Education and Training	New Staff	75	459
	General Health and Safety Education and Training	General Staff	1,502	72
	Subcontractor Health and Safety Education and Training	Cleaning and Renovation Subcontractors	0	93
	On-site Personnel Health and Safety Education and Training	Personnel Assigned to Each Unit	0	162
	Occupational Health and Safety Management Personnel Education and Training	Newly Appointed Occupational Health and Safety Business Management Personnel	0	2
	Occupational Health and Safety Management Personnel On-the-Job Training	Current Occupational Health and Safety Business Management Personnel	1	2
	Occupational Health and Safety Business Management Education and Training	Newly Appointed Occupational Health and Safety Business Managers	0	4
	Occupational Health and Safety Business Management On-the-Job Training	Current Occupational Health and Safety Business Managers	7	8
	Labor Health Services Care Personnel On-the-Job Training	Labor Health Services Care Personnel	0	3
Fire Prevention Training	Fire Prevention Supervisor Training for New Appointees	Fire Prevention Supervisors	0	2
	Fire Prevention Supervisor On-the-Job Training	Current Fire Prevention Supervisors	9	6
	Fire Safety Seminars	Fire Defense Personnel	97	123
First-aid Training	Newly Appointed Emergency Personnel Education and Training	Newly Appointed Emergency Personnel	0	10
	Emergency Personnel First-aid Drills	Emergency Personnel	58	32
	CPR+AED Training	General Staff	31	6

Note: Statistics on occupational health and safety personnel and educational training outcomes include the following subsidiaries: Acer, Acer eDC, Acer AEB, Weblink, Acer Synergy Tech, Acer Synergy Manpower Corp., HSN HighCare, Acer Gadget, Acer Medical, Acer Gaming, Altos, Acer MPS, and Aspire Park.

Health Workplace Investment Statistics

Health Checks

Item	→	Details	Effects
Health Checks for New Colleagues		New staff health check reports are paid for upon commencement of work	Submission Rate: 100%
General Staff Health Checks		Held each year, covering more than required by regulations	The inspection rate stands at 99.6%
Management Health Checks		Checks booked by rank and age	The inspection rate stands at 83.66%
Health Promotion Administration Screenings for Cancer		Oral, cervical, breast, colorectal, and lung cancer screening	190 participants

Health Management

Item	→	Details	Effects
Medical Consultations		General health education consultation, health promotion consultation	612 participants
Measurement Services		Weight, blood pressure, body temperature	141 participants
Medical Care Treatment		Illness tracking, injury care, accident case tracking	247 participants
Labor Health Services and Case Tracking		Abnormal health check follow-up management and consultation (physician/nurse)	159 participants
Ergonomic Hazard Prevention Program		Musculoskeletal pain investigation, with abnormal cases provided tracking and management	Tracking and management: 77 occurrences
Cardiovascular Disease Prevention Program		Risk assessments, with high-risk cases provided tracking and management	Tracking and management: 5 occurrences
Female Health Protection Program		Pregnant colleagues: Provided with pregnancy-supportive chairs, work hazard assessments, consultations	Number of protected subjects: 14
		Breastfeeding colleagues: Exclusive breastfeeding (expressing) room and health consultation	Number of colleagues who breastfeed: 21; number of times the breastfeeding room was used: 2,215
		Health Consultation: Conducted by physicians and nurses to assess health risks and provide health education	Health consultations: 14 individuals
Infectious Disease Prevention		Understanding and staying on top of the COVID-19 pandemic, reminders for influenza vaccinations, and the prevention and control of infectious diseases	Two posters on health education

Health Promotion

Item	→	Details	Effects
Health Seminars		Lunch seminars	There were 10 sessions with a total of 863 participants, and the overall satisfaction rating was 4.78
Weight Loss Class		Nutrition lectures, exercise classes, independent weight management	Forty participants attended, achieving a combined weight loss of 82.7kg and an average body fat reduction rate of 2.5%. The satisfaction rating was 4.8 out of 5.
Fitness Testing		Fitness testing, analysis, and advice	There was 1 session with a total of 149 participants, and the overall satisfaction rating was 4.72 out of 5
Sporting Competitions		Climbing Sports Competitions	1,270 participants
Sports Promotion		Establishing sports clubs	11
Exercise Environment		Fitness center, multi-functional space for relaxation	Provided to staff for use during lunch breaks and after work
Visually Impaired Massage Service		The service is available every Tuesday through Friday afternoon	1,965 people serviced

Note: The statistics do not include subsidiaries with dedicated (contract) nursing staff.

Outsourced Contract Safety Management

Contract Type	Basic Requirements	Management Method
Resident Contracts Normal Contracts	• Labor Insurance • Health Checks • Complete Health and Safety Education and Training	• Notification of Workplace Environmental and Hazard Factors • Dissemination of Health and Safety Work Regulations • Occupational Safety and Health Pledges
Renovation Project Contracts	• Labor and Engineering Insurance • Before operation: Implement safety checkpoints and conduct health and safety promotion • During operation: Carrying out supervision and management • After operation: Conduct thorough inspection • Special requirement: Work generating noise or odors will be undertaken during non-working hours	• Notification of Workplace Environmental and Hazard Factors • Construction Safety Standards and Precautions • Contractor Environmental Health and Safety Management System • Pre-entry Health and Safety Information and Records • On-site Supervision and Inspection

Case Study: Occupational Health and Safety Management at Nangang Biomedical Laboratory

In 2023, we established the Nangang Biomedical Laboratory in the National Biotechnology Research Park. Recognizing the unique operational nature of this area compared to office operations, to ensure compliance with relevant management practices and company requirements, we formed a safety team consisting of occupational physicians, occupational nurses, and occupational safety personnel to provide on-site guidance, offer recommendations, and track improvements.

Continuous Improvement: Environmental Health and Safety Guidance for the Nangang Biomedical Laboratory

Nangang Biomedical Laboratory

- ☑ Control of 18 Toxic Substances
- ☑ Management of Priority Chemicals List (39 items)
- ☑ Three Special Health ChecksChemicals List (39 items)
- ☑ Operating Environment Monitoring (14 items)
- ☑ Biomedical Waste Product Management

On-site guidance provided April 2023 · All 12 suggestions have been successfully implemented

Personal Protective Equipment
Fire Safety Management
Automated Inspections
Management of Chemicals
Equipment Management
Acer Occupational Safety and Health Committee Organization Chart
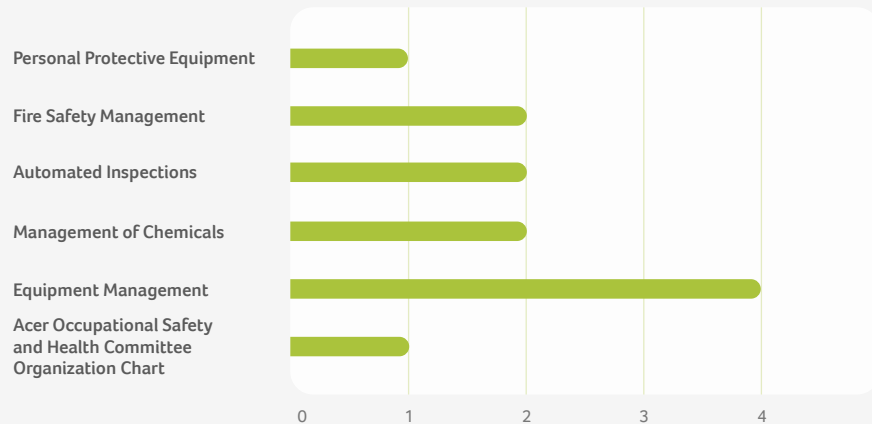
Strengthen safety and health execution and inspection

In order to ensure the effective implementation of occupational health and safety operations, we regularly convene ESH working group meetings and occupational health and safety committees. These meetings provide a platform for labor representatives to participate, consult, and supervise, while also allowing us to track the progress and effectiveness of operational execution through measurement mechanisms. Additionally, we conduct an annual audit process, which includes internal audits, management review meetings, external audit schedules, and coordination of related matters, to ensure the participation of all staff.

Performance in 2023

- Supervision and Measurement (19 items)
- The Occupational Health and Safety Committee comprises 36 members, with 31 employee representatives (86%).
- An internal audit is conducted annually, which revealed 7 instances of minor non-conformance.
- The Occupational Safety and Health Management Review Committee convenes on an annual basis.
- An external audit is conducted annually, which revealed 2 instances of minor non-conformance.

Acer Occupational Safety and Health Committee Organization Chart

Chairman
(Employer or designated agent)

- Occupational Safety and Health Personnel
- Occupational Safety and Health Engineers and Technicians
- Labor Representatives
- The management level and personnel responsible for each part of the business
- Labor Health Services Medical Staff
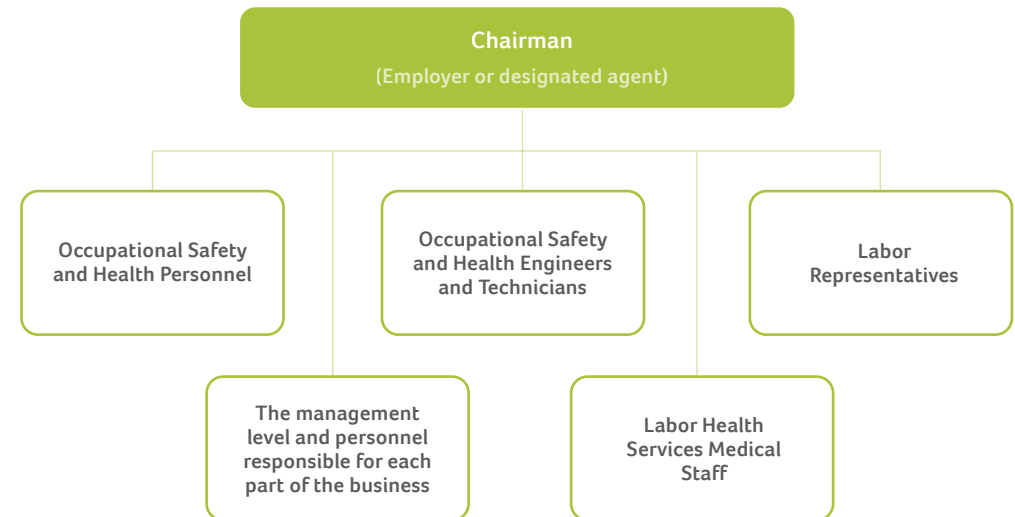
Ensure the Extension of Safety and Health Performance

In order to continuously improve safety and hygiene performance, we have set short-term, medium-term, and long-term management goals. We annually monitor the progress of these goals and make necessary adjustments to align with changing trends. To address non-conformance issues identified during internal and external audits in the fiscal year, we tracked and completed corrective and preventive actions within the specified time frame. These issues will also be prioritized for audits in the following year to prevent any future non-conformance.

Compliance is a fundamental requirement of our management system. According to statistics, Acer Taiwan did not incur any penalties from government agencies in 2023.

We take every accident in the workplace seriously. When an accident is reported, we provide health care to the injured employee, initiate investigation with labor representatives, develop corrective measures and conduct internal promotion to prevent recurrence of the accident.

In relation to global occupational injury statistics, data collection was carried out in accordance with the GRI 403 standards. The analysis reveals that falls are the most common type of occupational injury, followed by burns and injuries caused by human factors. No cases of occupational diseases were reported in 2023.

Performance in 2023

- Setting Goals (5 items)
- Non-compliant with corrective and preventive action (9 items)
- Government Agencies Penalty Relief (0 items)
- Investigation of accidental incidents, including commuting traffic accidents (18 incidents)

Acer Global Work-Related Injuries Statistics 2023

	Full Time		Non-full Time	
	Male	Female	Male	Female
Number of fatalities	0	0	0	0
Rate of fatalities as a result of work-related injury	0	0	0	0
Number of high-consequence work-related injuries	0	0	0	0
Number of days lost to high-consequence work-related injuries	0	0	0	0
Rate of high-consequence work-related injuries	0	0	0	0
Number of recordable work-related injuries	19	3	0	2
Number of recordable work-related injuries loss days	332	2.5	0	36
Rate of recordable work-related injuries	0.2405	0.0380	0	0.3038
Number of cases of work-related ill health	5	0	0	1

Note[1]: The above statistics cover Taiwan, EMEA, PanAsian Pacific, and Pan American regions. Traffic accidents to and from work are not included.

Note[2]: Definition of each category:

- Rate of fatalities as a result of work-related injury: (number of work-related injury fatalities/hours worked) *200,000
- High-consequence work-related injuries: Injuries resulting from work-related injuries that make it difficult for workers to return to their pre-injury state of health within six months
- Rate of high-consequence work-related injuries: (number of high-consequence work-related injuries (excluding fatalities)/hours worked)*200,000
- Number of recordable work-related injuries: net of fatalities and serious occupational injuries
- Rate of recordable work-related injuries: (number of recordable work-related injuries/hours worked) *200,000
- Number of cases of work-related ill health: must be approved by medical institutions.

Note[3]: Working hours: Since our offices are located in many countries around the world, for the sake of consistency, the calculation is based on 241 working days in Taiwan * 8 hours of work per day * total number of people in each location.

Digital Inclusion and Social Philanthropy

Names of Material Topics

Digital Inclusion and Social Philanthropy

Policies and Commitments

We focus on education, environmental conservation and public charity as the three main axes of social care. We combine the various volunteer services of our employees and provide products, technology, capital and human resources to participate in community affairs and charity activities.

Action Plan

- Acer Foundation implements various projects
- Acer volunteer teams carry out social welfare activities
- Acer subsidiaries around the world conduct culturally and environmentally relevant activities

Tracking Mechanism

- Acer Foundation holds annual board and supervisory meetings to review performance.
- Acer Volunteer Teams hold regular volunteer team meetings every year to review performance.
- Each Acer subsidiary submits project results to the regional operations to review the performance of their projects, and the regional operations submit the top five to the ESG office to understand the performance results.

Stakeholder Engagement and Effectiveness

Acer's global digital inclusion and social good projects are conducted in detailed communication with various stakeholder groups to ensure that the projects meet Acer's objectives and stakeholder needs.

Medium- and Long- Term Goals
- Our mission is to promote digital inclusion and fulfill our mission of eliminating the barriers between technology and people

Goals 2024
- Global subsidiaries continue to focus on education and environmental projects through ESG Project Awards

Goals 2023
- Global subsidiaries focus on education and environmental projects through ESG Project Awards

Achievement Status 2023
- A total of 18 subsidiary projects were nominated for the ESG Project Award. These projects included 7 education projects, 8 environmental projects, 2 projects that combine education and environment, and 1 public welfare charity project
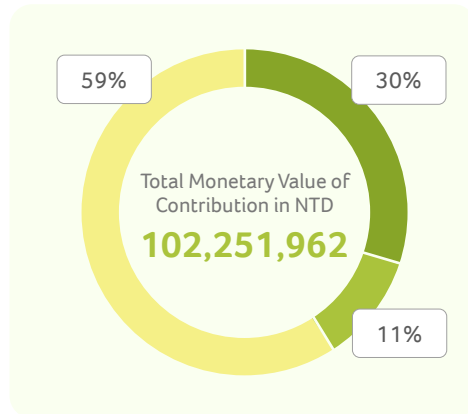
Spirit and Inputs

By incorporating the corporate spirit of "breaking down the barriers between technology and people" into the mindset of social engagement, Acer Group has been able to leverage its expertise and core competencies to contribute to the company's efforts, thus embedding the concept of sustainability and action in the company's culture; enhancing employees' sense of identification with Acer; and sharing success stories with global partners, suppliers and investors to expand social impact. We consider the needs of the local community, combine the volunteer services of our employees, and provide products, technology, capital, and human resources to participate in community affairs and charitable activities. In 2023, Acer Group's total contribution to social engagement-related activities worldwide was approximately NT$102,251,962, accounting for approximately 2.1% of the Company's earnings.

People Touched and Assisted	**61,903**	Partnered Stakeholders	**404**
Total Monetary Value of All Contributions	NT$ **102,251,962**	Man-Hours Invested	**37,896**

Social Impact of Acer's Global ESG Projects

Total Monetary Value of Contribution in NTD
102,251,962

59% 30% 11%

Total Monetary Value of Contribution in NTD
102,251,962

43% 15% 42%
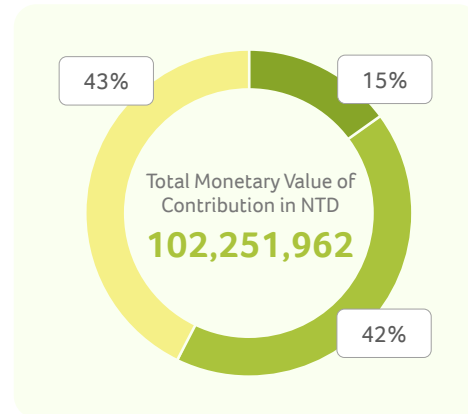
- ● Community Long-Term Investment
- ● One-time Charitable Donation
- ● Cause-related Marketing

- ● Time Engagement
- ● Monetary Donations
- ● Product and Material Donations

Note :
- ● Based on Central Bank's closing rate of US$1=NT$30.735 on 12/31/2022
- ● Data and overall statistics for the various ESG Projects in 2023 are provided by Acer Foundation's global subsidiaries
- ● Total monetary value of all contributions is converted from cash, products, manpower input, including: NT$11,532,433 for one-time charitable donations, NT$60,368,535 for cause-related marketing,, NT$30,350,994 for long-term community investments

ESG Project Awards

The Acer Group operates in over 160 countries worldwide, and Acer subsidiaries in all regions are not only concerned with local social issues, but also take action to participate in community activities. To encourage employees to propose projects that respond to the United Nations' sustainability goals, and in conjunction with the company's Project Humanity global program, the Acer Global ESG Project Awards have been held for seven consecutive years to encourage employees to be creative and actively participate in community activities, demonstrating the corporate culture and spirit from the inside out.

The ESG Project Awards incorporate the social return on investment (SROI), the London Benchmark Group (LBG) Framework for assessment of community investment, and the response and contribution to Acer's mission and the United Nations Sustainable Development Goals (SDG) into the assessment rubric for these awards. Through the integration of regional subsidiaries and staff activities, the impact of the ESG program has grown each year, and some subsidiaries have received local ESG awards.

The 2023 Acer Global ESG Project Awards continued to focus on themes of "education" and "environment," consistently incorporating "biodiversity" as a subtheme under the theme of "environment". The projects developed around the world demonstrated the following features:

Leveraging core competencies and products to achieve social impact

For example, Acer Thailand, Ukraine, Pan America, and the Acer Foundation donated computer products to various disadvantaged organizations to help reduce the digital gap, and our colleagues in Taiwan not only donated renovated computers, but also served as volunteers to accompany children and the elderly from disadvantaged families to help improve their digital abilities.

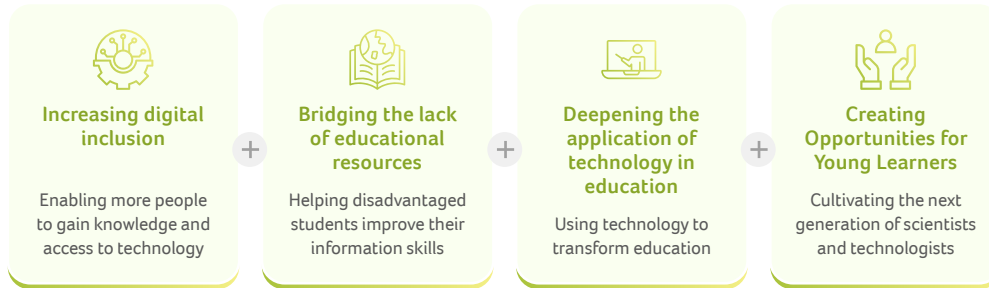### Working in tandem with various stakeholders to create ESG synergy

We work in tandem with schools, local governments, nonprofit organizations, vendor partners, and customers to solve problems through collaboration with all sectors of the community. For instance, the Acer headquarters' volunteer team, while contemplating ways to offer additional volunteer services to their long-term partner, the Old Five Old Foundation, proactively devised programs in collaboration with FunAging. This program aims to educate the elderly beneficiaries of the Old Five Old Foundation on how to use mobile phones.

Active participation by Acer staff, boosting their identification and satisfaction with the Company

Acer colleagues continue to care about community and environmental protection issues, and a number of projects focus on the trend of energy saving and carbon reduction, such as the green commuting project in Germany and tree-planting-related projects in the U.K., France, the Philippines, Indonesia, and the Czech Republic, which stood out in the Acer ESG Project Awards.

Education and Digital Inclusion

Acer believes that education is the most valuable investment in the future. Education gives people the power to move forward, while technology provides the best help to explore the limits. By putting our core competencies to their fullest use, we hope to achieve the following goals:

Increasing digital inclusion

Enabling more people to gain knowledge and access to technology

+

Bridging the lack of educational resources

Helping disadvantaged students improve their information skills

+

Deepening the application of technology in education

Using technology to transform education

+

Creating Opportunities for Young Learners

Cultivating the next generation of scientists and technologists

Boosting Digital Inclusion and Addressing the Lack of Educational Resources

Technology can bring improvements to quality of life and open up a number of possibilities. Helping everyone enjoy the convenience and opportunities technology brings is one of Acer's goals, and through cooperations between our global locations and non-profit organizations, we are able to extend the reach of technology to different groups. We have also encouraged our staff to get involved in activities and transform the results of them into products, school supplies, and funds that can help improve education quality in rural and remote areas. In 2023, Acer continued to utilize its core competencies and products to provide support to disadvantaged or needy communities.

Acer volunteers help disadvantaged students enhance digital abilities on a long-term basis

Nomination of ESG Project Awards — Taiwan

In response to Project Humanity's theme of "Education" and "Environmental Sustainability," the Quality and Service Division has partnered with the Taiwan Faith Hope Love Development Association in Xizhi since 2020 to assist and accompany disadvantaged children in their computer studies. This volunteer service is provided by Acer volunteers who collect and repair used computers by integrating resources from various units within Acer and design a variety of courses for students, including software, hardware and digital literacy. Even though the program was interrupted by the epidemic, Acer volunteers continued this long-standing volunteer service and received an overwhelming response from the students.

Acer volunteers support digital education for the elderly

Taiwan

Technological advancements have made everyday 3C products increasingly complex. However, older adults often encounter difficulties in learning technology due to factors such as physiological decline, diminished learning ability, limited access to the latest information channels, and a lack of patient guidance from those around them. These digital disparities can pose challenges for the elderly, including social isolation and loneliness, information inequality, healthcare inconvenience, and the risk of deception. Acer partnered with FunAging to organize the 'Fearless 3C! Ageing Triumphs!' digital education volunteer activity. Prior to participating, Acer volunteers are required to complete training courses to learn how to teach the elderly to use mobile phone functions. In the end, 15 colleagues volunteered to serve as teaching assistants to help 15 elderly individuals, who are supported by the Old Five Old Foundation, learn essential mobile phone functions. This initiative aims to bridge the generation gap between age and technology and reduce the digital divide in remote areas.

Supporting Ukrainian schools in the implementation of digital education

Nomination of ESG Project Awards — Ukrainian

Acer Ukraine collaborated with the Ukrainian Ministry of Education and Science and the Rozumniki organization to support the Helping Mariupol Teachers initiative. As part of this collaboration, they donated 100 laptops to teachers in Mariupol, enabling the teachers to reconnect with their loved ones and students, as well as participate in remote education training courses. It has also facilitated remote work and teaching. In 2023, Acer collaborated with the Ministry of Digital Development to donate laptops and tablets to Lyceum Grono in Lviv, Ukraine, enhancing educational resources and robotics training courses for 1,200 students. In August, additional computer equipment was donated to three middle schools in the Poltava region of Ukraine, aiming to enhance digital literacy and inclusivity among local teachers, students, parents, and community members. It is expected to benefit a total of 2,300 students.

Supporting the promotion of information education at the Huilong Chinese School in northern Thailand

📍 Thailand

Huilong Chinese School is situated in Huilong Village, Chiang Rai Province, in northern Thailand. It has been under the leadership of Principal Yun-hua Fan from Taiwan for more than 20 years. The school offers a comprehensive education from kindergarten to high school, with a current enrollment of over 700 students. Acer Foundation, Acer Thailand, and AST collaborated to donate a total of 51 desktop computers. They also provided computer classroom software and hardware to help rural students improve their information literacy and shape their future.

Supporting the Latin American Digital Girls Center

Nomination of ESG Project Awards 📍 Peru

Acer Latin America and AMD are partnering to support the Women in Tech Perú initiative by donating Acer Aspire 3 laptops to help establish the first digital girls' center in Vidawasi. The alliance was made with Women in Tech Perú, a dynamic and inclusive community dedicated to promoting empowerment, diversity, and innovation within the technology sector. They seek, through networking events, mentoring programs, and skill development initiatives, to help those interested standing out in technology-related careers and shape the future of the technology industry in Peru.

Assisting in enhancing the computer skills of US veterans

Nomination of ESG Project Awards 📍 America

Tech for Troops is a non-partisan organization serving US veterans and their families nationwide, offering affordable refurbished computers, training, volunteer opportunities, and internship placements. In 2023, Acer donated another batch of refurbished products to support the organization's various projects and promote the reuse and refurbishment of old technology. The donation included 251 desktop computers, 263 monitors, 14 laptops, as well as accessories such as mice and headphones.

Supporting rural schools in Thailand with information education

Nomination of ESG Project Awards 📍 Thailand

Ban Nong Hu Chang School, situated in Prachinburi Province in eastern Thailand, has a student population of 100 and a teaching staff of 9. The students, with an average age of 9 years old, all come from underprivileged families. Acer Thailand has generously donated three AIO computers and three laptops to equip the school's computer classroom. In addition, they organized a fundraising event involving employees and combined it with company donations, resulting in a total donation of USD$ 2,477. This funding will be utilized to enhance the computer classroom, school buildings, and infrastructure, thereby contributing to the improvement of information education in rural schools.

Supporting the Indonesian education initiative

Nomination of ESG Project Awards 📍 Indonesian

#AcerBerbagi, also known as Acer Give Back, is a strategic corporate initiative launched by Acer Indonesia. The initiative focuses on various activities such as comprehensive community empowerment programs, impactful donations, and sharing knowledge resources. Acer Indonesia has generously donated 271 laptops, 40 all-in-one desktop computers, 1 projector, and 3,807 licenses for the Jelajah Ilmu learning platform to 34 educational institutions across Indonesia. By donating equipment and providing an integrated learning platform, Acer not only supports the government's mission to transform education through technology, but also fulfills its commitment to enhancing students' digital literacy.

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Creating Opportunities for the Youth

Today's youth are tomorrow's leaders and innovators, and we want to stimulate their potential to become the nourishment of the future. Acer understands the importance of technology in promoting education and innovation among young people. By organizing and sponsoring various activities, we provide resources such as exchange, training and scholarships for young students who are not afraid of adventures and challenges, and nurture outstanding talents. We look forward to continuing to use our products and expertise to support young students in building a better future.

The Acer Longterm Smile Award

📍 **Taiwan**

The Longterm Smile Award was founded in 1987. Originally focusing on student-centered awards, campus entrepreneurship, and Internet of Beings Competition, it has evolved with industry trends. By 2022, it had developed into an award that encourages corporate innovation. In 2023, the plan remained to select internationally competitive entries through a professional judging panel. Additionally, efforts were made to effectively carry out sustainability-related work in carbon reduction and circular economy initiatives. Acer looks forward to stimulating mutual growth with startups through the Longterm Smile Award, and collaborating with promising organizations in Taiwan to tackle international challenges and promote sustainable development.

Acer Poland organizes e-sports tournament

📍 **Poland**

Teenagers frequently encounter conflicts with their parents as a result of playing video games. Acer Poland hosted the Predator Games 2023, an amateur inter-school e-sports tournament, with the objective of fostering communication among students, parents, and teachers through gaming and e-sports. This project is a collaboration between experts in the relevant fields, e-sports coaches, and physical therapists to develop game rules. The content includes game rules, an introduction to e-sports as an occupation, tips on maintaining health in e-sports, strategies for managing competition pressure, and advice for team leaders. With the support of government agencies such as the Ministry of Education and Science in Poland, a total of 4,037 teachers registered in the system, along with 16,384 students from 1,024 schools, forming 4,096 teams. These school teams competed with the support of parents, which not only enhances parents' understanding of e-sports but also highlights the potential for children to develop future digital competencies through gaming. This initiative helps mitigate conflicts between parents and children arising from playing computer games, while also fostering healthy training habits and imparting teamwork and collaboration skills to young individuals participating in inter-school competitions.

Acer Brazil supports the innovation ecosystem

Nomination of ESG Project Awards

📍 **Brazil**

Acer Brazil, through its provision of products, services, and consultancy at the Deloitte Dot HUB space, collaboratively supports the development, interaction, and connection between startups and other organizations within the innovation ecosystem. This aims to facilitate the creation of valuable impacts and links between enterprises through innovation.

Acer America remains committed to sponsoring the LPGA

Nomination of ESG Project Awards

Acer America has been a sponsor of the Ladies Professional Golf Association (LPGA) for over 10 years. Since 2017, they have also sponsored the LPGA Leadership Academy. Each year, they invite 40 young girls aged 13 to 18 to participate in golf competitions and take part in leadership activities and courses during this two-day event. To date, they have made a positive impact on 250 young girls worldwide. In 2023, the Leadership Academy expanded and established the GGLA eLeader Board, a committee comprising 13 women from across the United States. Acer took part in a panel discussion led by female executives, where they shared their perspectives on achieving future success and fulfilling their commitment to education and empowering women.

Sponsoring the 2023 International Olympiad in Informatics to empower young computer scientists

Acer has been a sponsor of the International Olympiad in Informatics (IOI) since 2018, continuously supporting the event for six years. The 35th competition took place in Hungary in 2023. Throughout the week-long event, Acer supplied around 500 laptops on-site, catering to approximately 400 participants from 90 regions across the globe, including contestants and staff. This provision empowered young computer scientists to develop algorithms and undertake programming projects, while also facilitating pre-competition testing and evaluation of the contestants' algorithms by the on-site staff. Furthermore, Acer partnered with the Ministry of Economic Development of Hungary to donate laptops to local schools after the competition concluded. This ongoing support aims to foster a favorable learning environment and stimulate innovative thinking among students and teachers.
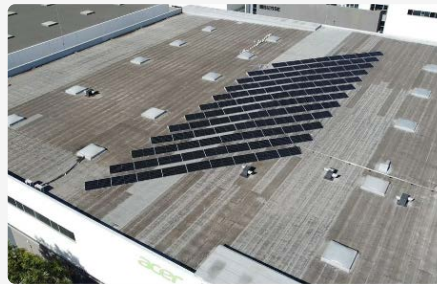
Environmental Conservation

Through our volunteer activities, we promote the concept of environmental conservation within the company and work with non-profit organizations to raise the environmental awareness of the community and Acer employees, thereby initiating environmental actions.

Acer Spain installs rooftop solar panel

Nomination of ESG Project Awards 📍 Spain

In 2022, Acer Spain installed over 100 solar photovoltaic panels in its office building to promote the use of renewable energy. This initiative resulted in a reduction of electricity consumption from 45,000 kilowatt-hours (kWh) per month to 25,000 kilowatt-hours per month. By 2023, the Spanish office installed 18 solar panels, which provides Acer Spain with a peak power of 67.41kWp and a 5% increase in average production.

Acer Germany annual bicycle challenge

Nomination of ESG Project Awards 📍 Germany

Acer Germany has been organizing the Acer Bike Challenge for its employees every year since 2021 in response to Germany's 'Stadtradeln City Cycling Campaign.' Employees can log all work-related or during-work-hours trips into the tracking tool developed by the IT department. The event has received positive feedback from employees, and the number of participants has been growing each year. In 2023, a total of 33 employees actively participated by collectively cycling a distance of 10,522 kilometers. This initiative not only promotes employee health, but also reduces carbon emissions by 1,638 kilograms.

Acer Brazil installs a knowledge ecosystem tree

Nomination of ESG Project Awards 📍 Brazil

Acer Brazil has installed a knowledge tree in their warehouse, which is made entirely from recycled cardboard. The tree's branches can serve as bookshelves to hold books donated by Acer employees. This enables them to bring knowledge home and share it with their families.

Acer Taiwan organizes promotional vegetarian event

Nomination of ESG Project Awards 📍 Taiwan

Acer headquarters organized a campaign to promote vegetarianism as a way to decrease carbon emissions. The activities involve employees registering and tracking their dietary habits through the Earth Mission app to make conscious choices and improve their eating habits. Additionally, activities include the organization of the 'Future Gourmet Day' vegetarian tasting event, as well as the provision of vegetarian meal boxes for employees and their families on Acer Family Day.

Acer headquarters expands its second-hand goods collection campaign

Nomination of ESG Project Awards 📍 Taiwan

Every year, Acer Taiwan headquarters hosts a second-hand goods collection event to donate to charitable organizations. In 2023, the scope of collection expanded further to include usable second-hand laptops. The event visited three office locations over a span of five days, with the participation of more than 350 colleagues. Throughout this period, a total of 80 discarded laptops, 35 screens, 210 mobile phones and tablets, and 151kg of waste batteries were collected. Once volunteers have sorted the discarded 3C products, they are then handed over to professional recyclers for processing. The proceeds generated from the recycling process are donated to the Taipei Orphan Welfare Foundation. Furthermore, we have gathered 43 functional laptops that have been refurbished by HSN HighCare, and generously donated to the ELIM youth academy. This initiative ensures that the unused computers can be put to good use, and thanks to the kindness of our colleagues, it carries even greater importance.

Acer headquarters organizes computer health check event for employees

📍 Taiwan

Acer Taiwan headquarters held its first computer health check event, allowing colleagues to conveniently inspect their computers nearby. This initiative encourages colleagues to bring out and update rarely used computers at home instead of discarding them and buying new ones, thus reducing waste of resources. The event was organized by engineers from HSN HighCare, who offered free computer cleaning services to registered colleagues. They also conducted software and hardware inspections and provided recommendations for upgrading and updating components to enhance computer performance. This initiative not only improves energy efficiency, but also reduces carbon emissions.

Acer Indonesia organizes a series of 'Love the Earth' events

📍 Indonesian

Acer Indonesia and Seasoldier have partnered to launch the #SayangBumi (Love the Earth) initiative. This initiative aims to promote the importance of protecting the Earth through education and community engagement, involving various tangible activities designed for the younger generation. In 2023, Acer organized beach cleaning activities at three beaches in Indonesia. With the involvement of local communities and volunteers, a total of 467 individuals participated and successfully removed 2.8 tons of garbage. Additionally, they also took part in planting mangroves in the coastal protected area. They planted 200 mangrove trees at Tanjung Pasir Beach, Tangerang, in Tanglang County, Wandan Province.

Annual tree planting event in the Philippines

📍 Philippines

Since 2011, Acer Philippines has been making annual donations to the GreenEarth Heritage Foundation to support their environmental conservation efforts by planting thousands of trees. They also collaborate to organize an annual tree planting event, inviting employees, business partners, and family members to participate. In 2023, a total of 2,606 trees were planted. Furthermore, Acer Philippines has been generously donating computers and laptops to enhance the educational level and learning opportunities for children of community farmers, with a specific focus on English language proficiency and computer literacy.
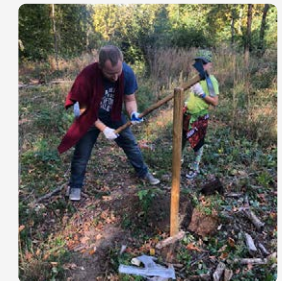

Tree planting event in the UK

📍 the UK

To celebrate the launch of Acer Chromebook Vero, Acer UK has partnered with Ecologi and pledged to plant 100 trees for every Vero sold. Additionally, they organized a one-day tree planting event in Northamshire, inviting their partners to participate. A total of 1,300 trees were planted on that day, demonstrating Acer's commitment to sustainable development and encouraging consumers to join them in taking concrete actions.

Acer Czech Republic plants 100 trees

📍 Czech Republic

Acer Czech has planted 100 trees in the protected area and will maintain them in the years to come. Subsequently, these trees will be transferred to the Forestry Bureau of the Czech Republic.

Tree planting event in France

📍 France

Planting a tree not only shows a dedication to nature but also serves as a means to safeguard forests. Acer France has collaborated with Ecotree to plant a tree for customers who buy VERO products (also applicable to the Swift and Aspire series). Every customer will receive a unique code to activate their exclusive trees online and monitor their growth. In 2023, we planted 66,000 trees in the Ruaudin Forest on behalf of our customers. The forest had previously been affected by a fire.

Charity

We have worked with several local charities around the world for many years. These partnerships not only help communities, but also strengthen our ties to them and bring them closer together. We work with communities to address pressing social challenges through our many programs of social care, fundraising activities and disaster relief.

Volunteers contribute to the community

Acer encourages its employees to devote themselves to public service in addition to their work, so that they can gain new experiences and ideas, and gain new energy to face the challenges of work and customers. Every employee of Acer enjoys two days of paid volunteer work each year.

Delivering New Year's Eve meals brings warmth to the hearts of elderly individuals who live alone

For 14 consecutive years, the Acer volunteer team has participated in the 'Embrace the Elderly, Love Never Stops' event organized by the Old Five Old Foundation. Colleagues, together with family and friends, serve as ambassadors for delivering New Year's dishes. In 2023, on the eve of the Lunar New Year, 63 volunteers participated. Some drove, and others accompanied the vehicles, heading to remote areas such as Xizhi and Shiding in the mountains. They delivered freshly cooked New Year's dishes to disadvantaged elderly households, pasted spring couplets, sang New Year songs, and conveyed blessings. In total, they visited 36 elderly households. Simultaneously, around 360 Acer Apparel antibacterial protective jackets were donated to provide the elderly with peace of mind during the winter season.

Blood donation event

Acer Taiwan headquarters holds regular blood donation drives every year. In 2023, a total of 1,118 participants took part, donating 1,741 bags of blood.

Singapore second-hand clothing recycling event

Nomination of ESG Project Awards   Singapore

Acer Singapore organized a second-hand clothing recycling event, during which employees donated a total of 32 bags of clothing to a charitable organization.

Furthermore, Acer's subsidiaries in the United States, Poland, Brazil, South Africa, Mexico, Italy, and the Czech Republic have actively engaged in donation and fundraising activities for various disadvantaged groups through non-profit organizations. These activities encompass charity runs, walks, toy donations, and monetary contributions, showcasing the dedication of Acer employees to making a positive impact on society.

Providing sustained support for cultural and artistic activities

Acer has long been committed to supporting cultural and artistic activities, which not only contribute to cultural development but also enrich the lives of employees, alleviate work stress, and stimulate creativity through their support for culture, creativity, and the arts. In 2023, the Acer Group, Acer Foundation, and Acer Welfare Committee jointly sponsored cultural and artistic activities, with a total amount exceeding NT$7 million.

Supporting domestic performance groups

Since 2018, the Acer Foundation has been annually sponsoring the One Song Orchestra New Year's Concert, following a request from Mr. Shih, the founder of Acer Group. In 2023, it is also urged the subsidiaries of Acer Group to join in sponsoring the Crazy for Taiwan Concert of the One Song Orchestra. Through the universal language of classical music, Taiwan's compositions and music inspired by Taiwan's culture are introduced to the world, promoting the value of Taiwanese music culture.

Supporting domestic films to promote the beauty of Taiwan

The Acer Foundation has been sponsoring the CNEX Taiwan Matters Initiatives International Documentary Production and Broadcasting Project, a five-year program starting in 2021. The project aims to showcase the diversity and uniqueness of Taiwan through the production and international dissemination of a series of documentaries.

Promote the participation of employees and their families in cultural and artistic activities

Acer Taiwan's Family Day in 2023 had the theme 'Light up the Green Night' and took place in the evening at Taipei Children's Amusement Park. Alongside the amusement park facilities, the event showcased performances by popular singer Crowd Lu and various other groups, drawing a crowd of nearly 4,000 colleagues, family members, and friends. In the afternoon, a special arrangement was made for the 'Green Afternoon Excursion' with two itineraries. One route encouraged colleagues to visit the Taipei Astronomical Museum and the National Taiwan Science Education Center for an exploratory journey. The other route, known as the 'Walk in Taiwan - Dadaocheng Tour', guided colleagues through the alleys to explore the local historical and cultural context, supporting local industry development and cultural preservation. A total of 1,206 colleagues and their families participated.

The Acer Welfare Committee also organizes a variety of cultural activities, including the Acer Music Salon held within the company. The invited performing units include the One Song Orchestra and the Taiwan Connection Chamber Orchestra, which were co-founded by Stanley Yen and Taiwanese-American violinist Hu Nai-yuan. Additionally, they sponsor colleagues to attend and enjoy events such as the Dark Heart Concert organized by Dialogue in the Dark, the Oh Yeah! Talk Show at the Live Comedy Club Taipei, Amazing Formosa by Ambi Space One, and the Crazy for Taiwan Concert by the One Song Orchestra.

Six cultural events were held in 2023. Acer also offers long-term support for paintings by domestic artists, which are showcased in the company's internal meeting area and the art corridor in the employee rest area.

Summary of ESG Information

Economic	Unit	2020	2021	2022	2023	GRI Indicators	Page No.
Consolidated Revenue	NTD Billion	277.112	319.005	275.424	241.308	201-1	9
Operation Profit (Loss)	NTD Billion	8.936	14.163	6.928	4.225	201-1	9
After Tax Earnings (Loss)	NTD Billion	6.029	10.897	5.004	4.932	201-1	9
Basic Earnings Per Share	NTD	2.01	3.63	1.67	1.64	201-1	9
Operation Expenses	NTD Billion	(21.413)	(23.140)	(22.955)	(21.658)	201-1	9
Staff Remuneration and Welfare	NTD Billion	(13.112)	(14.901)	(14.251)	(14.950)	201-1	9
Dividends	NTD	1.50	2.28	1.50	1.60	201-1	9
Income Tax Expense (Benefits)	NTD Billion	(2.759)	(4.148)	(2.271)	(2.168)	201-1	9
Liabilities	NTD Billion	121.967	148.765	118.606	128.392	201-1	9
Equity	NTD Billion	61.942	66.023	70.434	80.342	201-1	9

Environmental		Items	Unit	2020	2021	2022	2023	GRI Indicators	Page No.
Total Input	Direct Energy Usage	Natural Gas	m³	333,864.00	547,681.20	513,488.5	328,855.76	302-1	–
		Energy Consumption	GJ	12,436.52	20,775.46	18,485.44	12,249.88	302-1	–
		% of total energy consumption	%	7.75	13.29	12.06	8.26	302-1	–
		Gasoline	liters	643,651.27	187,099.30	274,755.91	290,458.00	302-1	–
		Energy Consumption	GJ	21,691.05	6,305.25	9,259.27	9,788.43	302-1	–
		% of total energy consumption	%	13.52	4.03	6.04	6.60	302-1	–
		Diesel	liters	314,062.49	411,707.22	417,865.96	386,778.38	302-1	–
		Energy Consumption	GJ	12,122.81	15,891.90	16,129.63	14,929.65	302-1	–
		% of total energy consumption	%	7.55	10.17	10.53	10.07	302-1	–
		Water [1]	m³	173,805	164,324	162,655	141,796	306-1	60
Total Output	Indirect Energy Resource Usage	Green Electricity [2]	kWh	13,848,251.08	14,009,991.58	13,334,372.39	14,742,839.74	302-1	96
		Electricity Consumption	kWh	31,734,912.68	31,480,280.89	30,644,472.02	30,919,212.74	306-1	96
		Energy Consumption	GJ	114,245.69	113,329.01	109,367.76	111,308.28	302-1	96
		% of total energy consumption	%	71.18%	72.51	71.37	75.07	302-1	96
	GHG Emissions	Scope 1	Tonnes of CO^2 equivalent	3,004.03	4,550.63	2,705.30	2,339.31	305-1	95
		Scope 2- location-based		15,114.34	14,817.48	14,341.84	14,252.26	302-1	95
		Scope 2- market-based		9,195.35	8,746.13	8,784.50	8,219.65	305-2	95
		Scope 3		8,150,743.06	8,773,103.36	6,694,194.58	5,794,134.62	305-2	95
	Waste Water	Sewage Discharge [3]	m³	139,044	(41.48)	130,124	143,793	306-1	–
	Wastes[5]	Total Generated	Tonnes	1,803.70	1947.44	2,112.51	1,883.68	306-2	57
		Total Recycled and Reuse	Tonnes	1,373.02	1562.28	1,685.20	1,489.94	306-2	57
		Recycled Resources	Tonnes	866.75	998.96	977.59	883.31	306-2	57
		Electronic Waste	Tonnes	506.27	563.32	707.61	606.63	306-2	57
		Non Recycled and Reuse	Tonnes	430.68	385.16	427.31	393.74	306-2	57
		Municipal Solid Waste	Tonnes	430.68	385.16	427.31	393.74	306-2	57

Note[1]: The statistical scope of water usage, municipal solid wastes and recycled resources: cover 100% of Acer global staff (some regional data uses per-capita estimates); The statistical scope of electronic wastes: cover 100% of Acer global staff; From 2020 onward, water usage incorporated well water.

Note[2]: Green electricity includes self-owned generation facilities and renewable energy certificates.

Note[3]: Sewage accounts for an estimated 80% of water usage, with the remaining 20% used for air conditioning. The scope of this data is consistent with previous years' water usage data scope.

Social	Items	Unit	2020	2021	2022	2023	GRI Indicators	Page No.
Staff Employment	Number of Employees [1]	People	7,467[1]	7,713	7,725	7,813	2-7	108
	Average Age	Years	40.2	40.4	41	41.3	-	108
	Average Seniority	Years	8.7	8.8	9.2	9.5	-	108
	Turnover Rate [2]	%	15.4	13.8	13.2	8	401-1	110
	Voluntary Turnover Rate	%	15.4	12.5	10.6	11		110
	Hiring Rate	%	16.4	17.9	13	11	401-1	110
	Applicants for Parental Leave	%	21.2	11.7	12.05	14.29	401-3	113
	Post Parental Leave Return-to-work Rate [3]	%	42.9	72.7	105.88	70.59	401-3	113
	Post Parental Leave Retention Rate	%	80	100	71.43	90	401-3	113
Continuing Learning and Growth [4]	Average Number of Training Hours for Staff Members	hours	13.3	13.4	13.52	13.74	404-1	116
Health and Safety in the workplace [5]	Disabling Injury Rate (IR)	-	0.53	0.44	0.24	0.3	403-2	128
	Lost Day Rate (LDR)	-	9.6	3.83	2.64	4.69	403-2	128
	Absence Rate [6]	%	1.28	0.98	2.1	1.95	403-2	-
Community Engagement and Investment	Financial Value of Community Engagement and Investment	10 thousand NT$	5,845	5,116	3,914	10,225	-	130
Donation Type	Cash	%	80	39	54	42	-	130
	Time, Products, or Other In-kind Donations	%	20	61	46	58	-	130
Participation Type	Community investment	%	58	52	62	30	-	130
	Charitable Donations	%	21	30	13	11	-	130
	Commercial Initiatives	%	21	19	25	59	-	130

Note[1] : Number of Employees: includes regular and full-time staff.
Note[2] : This data represents the 2021 turnover rate for full-time staff.
Note[3] : The statistics of Applicants for Parental Leave, Post Parental Leave Return-to-work Rate, and Post Parental Leave Retention Rate cover the Taiwan region staff.
Note[4] : The statistical scope covers Global regions staff.
Note[5] : This chart's statistics cover injury and lost day rates for the Taiwan. For global occupational accident statistics 2023 please refer to page 128.
Note[6] : Including sickness leave (menstrual leave, occupational sickness leave, and special sickness leave) and personal leave. The statistical scope mainly covers Taiwan region staff.

About this Report

Transparency in disclosure is an important concern for Acer, which has issued a Sustainability Report for 15 consecutive years (starting in 2021, the name has been changed from Corporate Social Responsibility Report to Sustainability Report). We issue the report in both Chinese and English, and for the convenience of readers, we also publish the executive summary in Chinese, English, and German editions. This report discloses information on performance in corporate governance, environmental issues, and social issues, as well as future plans, enabling interested parties to better understand Acer's efforts and achievements in sustainable development. Previous years' Sustainability Reports and the latest information on sustainable development are available at the Acer Group's sustainability website.

Report Boundaries and Scope

This report is based on the principles of consolidated financial statements with regard to organizational boundaries. In scope, this report includes the Acer Group's subsidiaries, the Acer Foundation and the Gateway Foundation, but does not include reinvestment matters, and some performance information is not yet fully incorporated. The information in the environmental section does not include the abovementioned foundations. Adjustments or estimates, if any, are separately stated in the text of the report. For more detailed organizational and financial information, please refer to the Acer Group's annual report "Special Items: I. Information on Affiliates" and the Acer Group's "Investor Relations" page.

Report Compilation Principles and Statement of Use

Acer reports and discloses the Company's performance (January 1, 2023 through December 31, 2023) on key sustainability issues in accordance with the Global Reporting Initiative's (GRI), the Sustainability Accounting Standard Board (SASB) Sustainability Indicators, the Task Force on Climate related Financial Disclosures (TCFD) framework and the UN Global Compact. At the end of the report, we have included a cross-reference to the GRI and SASB indicators, a comparison table to, and industry-specific sustainability indicators in accordance with the "Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies."

Report Issuing Dates and Frequency

Acer issues Sustainability Reports each year. This report is issued in July 2024, with the previous report issued in July 2023. This report, discloses the Company's performance in key issues of sustainable development during 2023 (January 1, 2023–December 31, 2023); however, for the sake of information completeness and comparability, a portion of the performance data disclosed dates back to before 2023 or forward into 2024.

Responses and Feedback

If you have any questions or suggestions regarding the Acer 2022 Sustainability Report or sustainability or ESG issues, you are welcome to contact us. Our contact details are:

Acer ESG Office

Address: 10F., No. 88, Xintaiwu Rd. Sec. 1, Xizhi Dist., New Taipei City
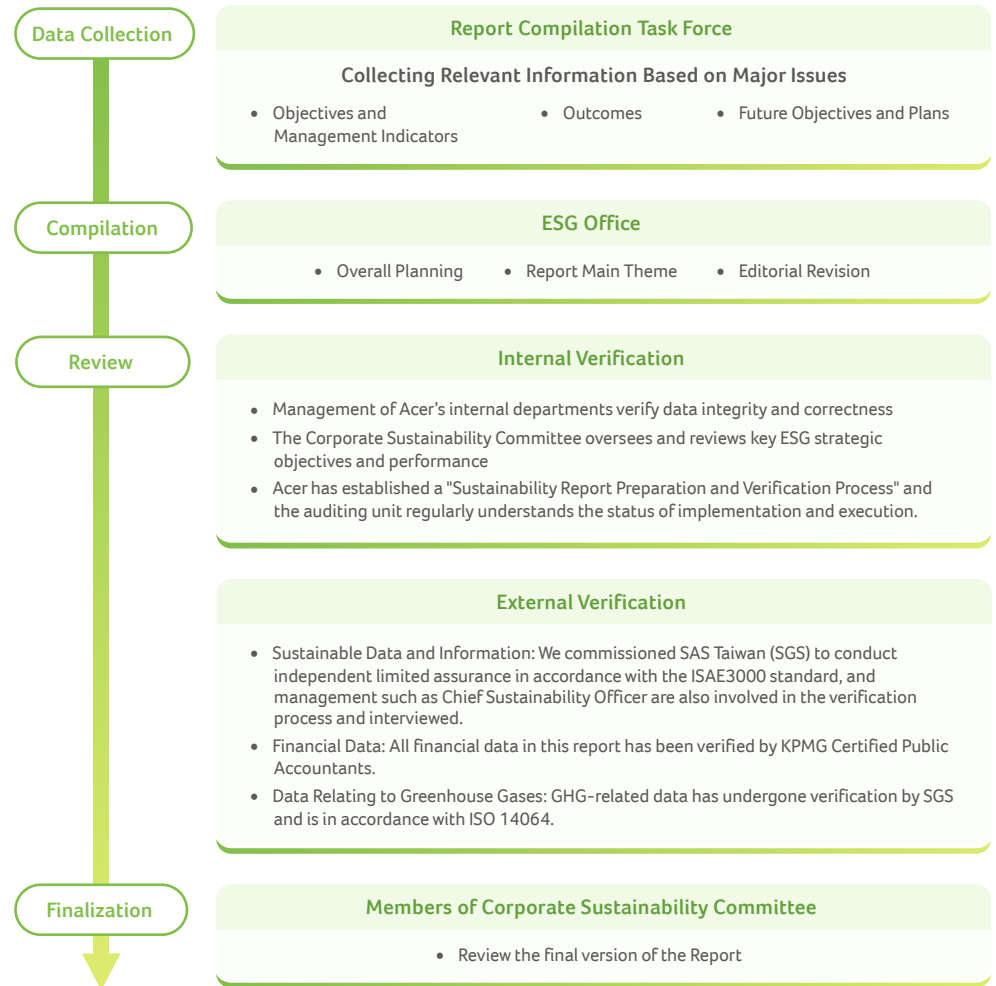
Phone: 02-26963232

Email: cr@acer.com

QR code for downloading report

Report Preparation and Quality Management Process

The "Procedures for the Preparation and Verification of Acer's Sustainability Report" was established in accordance with the "Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies" announced by the Taiwan Stock Exchange. In addition to regulating the principles of preparation, the verification, reporting and disclosure, and internal control of the report are also regulated. In January 2024, Acer's audit department conducted audits on "Corporate Sustainable Development Management" and "Preparation and Verification of Sustainability Reports," with the results being reported to the Audit Committee and the Board of Directors for the first quarter of 2024.

Data Collection

Report Compilation Task Force

Collecting Relevant Information Based on Major Issues

- Objectives and Management Indicators
- Outcomes
- Future Objectives and Plans

Compilation

ESG Office

- Overall Planning
- Report Main Theme
- Editorial Revision

Review

Internal Verification

- Management of Acer's internal departments verify data integrity and correctness
- The Corporate Sustainability Committee oversees and reviews key ESG strategic objectives and performance
- Acer has established a "Sustainability Report Preparation and Verification Process" and the auditing unit regularly understands the status of implementation and execution.

External Verification

- Sustainable Data and Information: We commissioned SAS Taiwan (SGS) to conduct independent limited assurance in accordance with the ISAE3000 standard, and management such as Chief Sustainability Officer are also involved in the verification process and interviewed.
- Financial Data: All financial data in this report has been verified by KPMG Certified Public Accountants.
- Data Relating to Greenhouse Gases: GHG-related data has undergone verification by SGS and is in accordance with ISO 14064.

Finalization

Members of Corporate Sustainability Committee

- Review the final version of the Report

GRI Standards Indicators

Statement of use	GRI 1 used	Applicable GRI Sector Standard(s)
Acer Incorporated has reported in accordance with the GRI Standards for the period from January 1, 2023 to December 31, 2023.	GRI 1: Foundation 2021	NA

General disclosures

GRI STANDARD / OTHER SOURCE	DISCLOSURE	LOCATION	External Assurance
	2-1 Organizational details	About the company	
	2-2 Entities included in the organization's sustainability reporting	About the report	
	2-3 Reporting period, frequency, and contact point	About the report	
	2-4 Restatements of information	No restatement of information provided in previous report	
	2-5 External assurance	Independent limited assurance report	
	2-6 Activities, value chain and other business relationships	About the company, Responsible Supply Chain, Customer Service	
	2-7 Employees	Talent attraction and development	
	2-8 Workers who are not employees	Talent attraction and development	
	2-9 Governance structure and composition	Corporate Governance	
	2-10 Nomination and selection of the highest governance body	Corporate Governance	
GRI 2: General Disclosures 2021	2-11 Chair of the highest governance body	Corporate Governance	Assured by SGS
	2-12 Role of the highest governance body in overseeing the management of impacts	Corporate Governance	
	2-13 Delegation of responsibility for management of impacts	ESG Governance and 2025 Sustainability Goals	
	2-14 Role of the highest governance body in sustainability reporting	ESG Governance and 2025 Sustainability Goals	
	2-15 Conflicts of interest	Corporate Governance	
	2-16 Communication of critical concerns	Corporate Governance	
	2-17 Collective knowledge of the highest governance body	Corporate Governance	
	2-18 Evaluation of the performance of the highest governance body	Corporate Governance	
	2-19 Remuneration policies	Corporate Governance	
	2-20 Process to determine remuneration	Corporate Governance	

GRI STANDARD / OTHER SOURCE	DISCLOSURE	LOCATION	External Assurance
GRI 2: General Disclosures 2021	2-21 Annual total compensation ratio	2023 Acer Annual Report	Assured by SGS
	2-22 Statement on sustainable development strategy	ESG Governance and 2025 Sustainability Goals	
	2-23 Policy commitments	Corporate Governance, Human Rights Protection, ESG Governance and 2025 Sustainability Goals	
	2-24 Embedding policy commitments	Corporate Governance, Human Rights Protection, ESG Governance and 2025 Sustainability Goals	
	2-25 Processes to remediate negative impacts	Materiality and Stakeholder Engagement; Chapter 3: Corporate Governance-Reporting and Protection; Chapter 7: Inclusive Workplace and Society-Assessment of Potential Human Rights Issues	
	2-26 Mechanisms for seeking advice and raising concerns	Corporate Governance	
	2-27 Compliance with laws and regulations	Corporate Governance	
	2-28 Membership associations	Materiality and Stakeholder Engagement	
	2-29 Approach to stakeholder engagement	Materiality and Stakeholder Engagement	
	2-30 Collective bargaining agreements	Human Rights Protection	

Material Topics

GRI STANDARD / OTHER SOURCE	DISCLOSURE	LOCATION	External Assurance
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Materiality and Stakeholder Engagement	Assured by SGS
	3-2 List of material topics	Materiality and Stakeholder Engagement	

Material Topic: Energy, Carbon Emissions and Climate Action

GRI STANDARD / OTHER SOURCE	DISCLOSURE	LOCATION	External Assurance
GRI 3: Material Topics 2021	3-3 Management of material topics		
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Greenhouse Gas Emissions	Assured by SGS
	305-2 Energy indirect (Scope 2) GHG emissions	Greenhouse Gas Emissions	
	305-3 Other indirect (Scope 3) GHG emissions	Greenhouse Gas Emissions	

GRI STANDARD / OTHER SOURCE	DISCLOSURE	LOCATION	External Assurance
GRI 305: Emissions 2016	305-4 GHG emissions Intensity	Greenhouse Gas Emissions	
	305-5 Reduction of GHG emissions	Greenhouse Gas Emissions	
	305-7 Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	Acer's global operations are primarily focused on product, sales and customer service, and its facilities are largely office buildings; as such, the company produces no volatile organic compounds	
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Summary of ESG Information-Environmental	Assured by SGS
	302-2 Energy consumption outside of the organization	Greenhouse Gas Emissions	
	302-3 Energy intensity	Summary of ESG Information-Environmental	
	302-4 Reduction of energy consumption	Operations and Environment	
GRI 201: Economic Performance	201-2 Financial implications and other risks and opportunities due to climate change	Climate Risks and Opportunities and Climate-Related Financial Disclosures (TCFD)	

Material Topic: Information Security and Privacy Protection

GRI STANDARD / OTHER SOURCE	DISCLOSURE	LOCATION	External Assurance
GRI 3: Material Topics 2021	3-3 Management of material topics	Information Security and Privacy Protection	
GRI 418: Customer Privacy	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Information Security and Privacy Protection	Assured by SGS
Other Standard Disclosure	Acer-EC1 Information Security Governance	Information Security and Privacy Protection	

Material Topic: Innovative R&D and Design

GRI STANDARD / OTHER SOURCE	DISCLOSURE	LOCATION	External Assurance
GRI 3: Material Topics 2021	3-3 Management of material topics	Innovative Products and Services	
Other Standard Disclosure	Acer-EC4 Innovative technology and application	Innovative Products and Services	Assured by SGS
	Acer-EC5 Open source and collaborative innovation	Innovative Products and Services	
	Acer-EC6 Acquisition and protection of intellectual property rights	Innovative Products and Services	

Material Topic: Product Responsibility and Customer Safety

GRI STANDARD / OTHER SOURCE	DISCLOSURE	LOCATION	External Assurance
GRI 3: Material Topics 2021	3-3 Management of material topics	Product Life Cycle	
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	The main products are managed by our quality assurance department and are 100% compliant with RoHS and product safety related regulations.	Assured by SGS
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Corporate Governance	
GRI 417: Marketing and Labeling 2016	417-1 Assessment of the health and safety impacts of product and service categories	All product, service information and labeling are meeting environmental as well as social regulation.	
Other Standard Disclosure	Acer-EN1 Halogen-free products launched	Product Life Cycle	

Material Topic: Circular Economy

GRI STANDARD / OTHER SOURCE	DISCLOSURE	LOCATION	External Assurance
GRI 3: Material Topics 2021	3-3 Management of material topics	Product Life Cycle	
GRI 301: Materials 2016	301-1 Materials used by weight or volume	Product Life Cycle	Assured by SGS
	301-2 Recycled input materials used	Product Life Cycle	
	301-3 Reclaimed products and their packaging materials	Product Life Cycle	
GRI 302: Energy 2016	302-5 Reductions in energy requirements of products and services	Product Life Cycle	

Material Topic: Corporate Governance and Code of Ethics/Standards of Conduct

GRI STANDARD / OTHER SOURCE	DISCLOSURE	LOCATION	External Assurance
GRI 3: Material Topics 2021	3-3 Management of material topics	Corporate Governance	
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity and Equal Opportunity	Corporate Governance	
GRI 416: Customer Health and Safety 2016	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Corporate Governance	Assured by SGS
GRI 417: Marketing and Labeling 2016	417-2 Incidents of non-compliance concerning product and service information and labeling	Corporate Governance	
	417-3 Incidents of non-compliance concerning marketing communications	Corporate Governance	

Material Topic: Talent Attraction, Retention, and Development

GRI STANDARD / OTHER SOURCE	DISCLOSURE	LOCATION	External Assurance
GRI 3: Material Topics 2021	3-3 Management of material topics	Talent attraction and development	
GRI 201: Economic Performance	201-2 Financial implications and other risks and opportunities due to climate change	Talent attraction and development, Status of Operations	
GRI 401: Employment	401-1 New employee hires and employee turnover	Talent attraction and development	
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Talent attraction and development	
	401-3 Parental leave	Talent attraction and development	Assured by SGS
GRI 402: Labor/Management Relations	402-1 Minimum notice periods regarding operational changes	Where there are major changes in our operations, Acer will always notify staff of any impact such changes may have on them in accordance with local laws.	
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Talent attraction and development	
	404-2 Programs for upgrading employee skills and transition assistance programs	Talent attraction and development	
	404-3 Percentage of employees receiving regular performance and career development reviews	Talent attraction and development	

Material Topic: Human Rights, Equality, and Diversity

GRI STANDARD / OTHER SOURCE	DISCLOSURE	LOCATION	External Assurance
GRI 3: Material Topics 2021	3-3 Management of material topics	Human Rights Protection	
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Talent attraction and development	
	405-2 Ratio of basic salary and remuneration of women to men	Talent attraction and development	
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	Human Rights Protection	
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Human Rights Protection	
GRI 407 Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Human Rights Protection. In 2023, there were no cases where human rights issues were reviewed by the local government.	Assured by SGS
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	Human Rights Protection. No significant risk of the use of child or youth labor	
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Human Rights Protection. In 2023, there were no cases where human rights issues were reviewed by the local government.	
GRI 412: Human Rights Assessment 2016	412-1 Operations that have been subject to human rights reviews or impact assessments	Human Rights Protection	
	412-2 Employee training on human rights policies or procedures	Human Rights Protection	

Material Topic: Water Resource Management

GRI STANDARD / OTHER SOURCE	DISCLOSURE	LOCATION	External Assurance
GRI 3: Material Topics 2021	3-3 Management of material topics	Operations and Environment	
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Operations and Environment	Assured by SGS
	303-2 Management of water discharge-related impacts	Operations and Environment	
	303-3 Water withdrawal	Operations and Environment. The main source of water is the municipal supply, and there is no significant impact on this source, so the water pressure area and water quality are not further identified.	
	303-4 Water discharge	Operations and Environment	
	303-5 Water consumption	Operations and Environment	

Material Topic: Supplier Environmental and Social Management & Performance

GRI STANDARD / OTHER SOURCE	DISCLOSURE	LOCATION	External Assurance
GRI 3: Material Topics 2021	3-3 Management of material topics	Responsible Supply Chain	
GRI 2: General Disclosures 2021	2-6 Activities, value chain and other business relationships	Acer's Supply Chain	
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Supply Chain Management Mechanisms	
	308-2 Negative environmental impacts in the supply chain and actions taken	Supply Chain Audit and Improvement	
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Responsible Supply Chain, Human Rights Protection	Assured by SGS
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	Supply Chain Audit and Improvement ; Supply Chain Social Management	
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Supply Chain Social Management	
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Supply Chain Management Mechanisms	
	414-2 Negative social impacts in the supply chain and actions taken	Supply Chain Audit and Improvement ; Supply Chain Social Management	
Other Standard Disclosure	Acer-SO3 Publish of Smelter List and annual Conflict Minerals Report	Supply Chain Social Management	

Minor Material Topic: Occupational Health and Safety

GRI STANDARD / OTHER SOURCE	DISCLOSURE	LOCATION	External Assurance
GRI 3: Material Topics 2021	3-3 Management of material topics	Health and Safety in the Workplace	
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Health and Safety in the Workplace	Assured by SGS
	403-2 Hazard identification, risk assessment, and incident investigation	Health and Safety in the Workplace	
	403-3 Occupational health services	Health and Safety in the Workplace	
	403-4 Worker participation, consultation, and communication on occupational health and safety	Health and Safety in the Workplace	
	403-5 Worker training on occupational health and safety	Health and Safety in the Workplace	
	403-6 Promotion of worker health	Health and Safety in the Workplace	
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Health and Safety in the Workplace	
	403-8 Workers covered by an occupational health and safety management system	Health and Safety in the Workplace	
	403-9 Work-related injuries	Health and Safety in the Workplace	
	403-10 Work-related ill health	Health and Safety in the Workplace	

Minor Material Topic: Policy and Public Issues Advocacy

GRI STANDARD / OTHER SOURCE	DISCLOSURE	LOCATION	External Assurance
GRI 3: Material Topics 2021	3-3 Management of material topics		
GRI 2: General Disclosure 2021	2-28 Membership associations	Materiality and Stakeholder Engagement	Assured by SGS
GRI 415: Public Policy	415-1 Political contributions	Acer made no political contribution in 2023.	

Minor Material Topic: Digital Inclusion and Social Philanthropy

GRI STANDARD / OTHER SOURCE	DISCLOSURE	LOCATION	External Assurance
GRI 3: Material Topics 2021	3-3 Management of material topics	Digital Inclusion and Social Philanthropy	
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Digital Inclusion and Social Philanthropy, Status of Operations	
GRI 203: Indirect Economic Impacts 2016	203-2 Significant indirect economic impacts	Digital Inclusion and Social Philanthropy	Assured by SGS
Other Standard Disclosure	Acer-SO1 Activities of corporate citizenship and philanthropy	Digital Inclusion and Social Philanthropy	
	Acer-SO2 Digital Inclusion activity	Digital Inclusion and Social Philanthropy	

SASB Standards

Table 1. Sustainability Disclosure Topics & Accounting Metrics

Topic	Code	Accounting Metric	Disclosure Content and Relevant Chapters	External Assurance
Product Security	TC-HW-230a.1	Description of approach to identifying and addressing data security risks in products	For related content, please refer to the "Product Security" and "Information Security & Privacy Protection" chapters.	Assured by SGS
Employee Diversity & Inclusion	TC-HW-330a.1	Percentage of gender and racial/ethnic group representation for (1) management, (2) technical staff, and (3) all other employees	For related content, please refer to the "Staff Structure" section of the "Attracting and Developing Talent" chapter.	Assured by SGS
Product Lifecycle Management	TC-HW-410a.1	Percentage of products by revenue that contain IEC 62474 declarable substances	For related content, please refer to the "Circular Economies and Product Life Cycle" chapter.	Assured by SGS
	TC-HW-410a.2	Percentage of eligible products, by revenue, meeting the requirements for EPEAT registration or equivalent		Assured by SGS
	TC-HW-410a.3	Percentage of eligible products, by revenue, certified to an energy efficiency certification		Assured by SGS
	TC-HW-410a.4	Weight of end-of-life products and e-waste recovered, percentage recycled	For related content, please refer to the "Circular Economies and Product Life Cycle" chapter.	Assured by SGS
Supply Chain Management	TC-HW-430a.1	Percentage of Tier 1 supplier facilities audited in the RBA Validated Audit Process (VAP) or equivalent, by (a) all facilities and (b) high-risk facilities	• In 2023, we conducted a total of 83 audits. 100% of audits are on-site audits. More than 80% of audits were conducted using the RBA Validated Audit Process (VAP). Settlements were audited within the two-year validity period, with an overall implementation rate of 92.2%. • For the three suppliers whose total scores in the 2023 RBA audit were below 120 (out of a possible 200), indicating higher risk. Once suppliers demonstrated tangible improvement, third parties completed the RBA closure audits for them. All three suppliers underwent on-site audits, resulting in a total audit coverage rate of 100%. • For related content, please refer to the "Supply Chain Audit and Improvement" chapter.	Assured by SGS

Within the "Disclosure Content and Relevant Chapters" cell for the Product Lifecycle Management rows:

	%
Products Containing IEC 62474 Declared Substances	100%
Products Applying for EPEAT or Equivalent Environmental Label	11.22%
Products Applying for Energy Star	60.77%
Products Applying the TCO Certificated	15.02%

Topic	Code	Accounting Metric	Disclosure Content and Relevant Chapters	External Assurance
Supply Chain Management	TC-HW-430a.2	Tier 1 suppliers' (1) non-conformance rate with the RBA Validated Audit Process (VAP) or equivalent, and (2) associated corrective action rate for (a)priority non-conformances and (b) other non-conformance	• Non-Compliance Rates for RBA Code of Conduct Audits See table below. • Corrective Action Rate In the 2023, tracking statistics were conducted for the VAP audit scores of suppliers still engaged in ongoing transactions. A total of 135 deficiencies were identified among suppliers with scores below 160 or with priority non-conformance issues. As of December 31, 2023, improvement measures have been implemented for all 135 deficiencies and continuous tracking has been achieved. This includes addressing 5 priority non-conformance issues, all of which have been addressed with a 100% implementation rate for corrective measures. Additionally, corrective action rates have been provided for other non-compliance issues, with a 100% implementation rate as well. For related content, please refer to the "Supply Chain Audit and Improvement" chapter.	Assured by SGS
Material Sourcing	TC-HW-440a.1	Description of the management of risks associated with the use of critical materials	According to US National Research Council specifications, tantalum, tungsten, and cobalt are defined as critical raw materials. Management and performance regarding these materials are disclosed in the Responsible Sourcing of Minerals section.	Assured by SGS

Non-Compliance Rates for RBA Code of Conduct Audits:

	Labor	Health and Safety	Environmental	Ethics	Management System
Non-conformance rate	10.4%	5.9%	2.1%	0.7%	1.4%

Note: Uses SASB hardware standards for the technology and communication sector, version 2023-06.

Note: With regard to the Sustainability Accounting Standards Table 2 Activity Metrics TC-HW-000.A, TC-HW-000.B and TC-HW-000.C, our description is as follows: Acer's business model is primarily focused around product sales and customer service. In general, we disclose the revenue share of each product in our quarterly institutional investors' conference call. Acer's financial reports and presentations can be found at: https://www.acer-group.com/ag/zh/TW/content/quarterly-reports

Disclosure of Sustainability Indicators by Listed Companies under the "Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies" of the Taiwan Stock Exchange

According to the Taiwan Stock Exchange's "Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies", listed companies should strengthen the disclosure of sustainability indicators by industry. Acer is in the computer and related equipment industry and the following are the disclosed indicators. Please refer to Chapter 6: Climate Strategy and Transition for the disclosure of climate related information by listed companies as stipulated in Article 2 of the "Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies."

Type	Indicator	Types of Indicator	Annual Disclosure	Units
I.	Total energy consumption, percentage of purchased electricity and renewable energy usage	Quantitative	• Total energy consumption: 148,276.24 GJ • % of purchased electricity: 99% • % of renewable energy usage: 48%	Gigajoules (GJ), percentage
II.	Total water intake and total water consumption	Quantitative	• Total water intake: 141,796 m^3 • Total water consumption: 141,796 m^3	Thousand cubic meters (m^3)
III.	Percentage of recovered hazardous waste generated by weight	Quantitative	The main source of waste for Acer is general household waste. No hazardous waste.	Metric tons (t), percentage (%)
IV.	Explain the type, number and rate of occupational disasters	Quantitative	In 2023, there were 23 occupational accidents at Acer workplaces. The analysis reveals that falls are the most common type of occupational injury, followed by burns and injuries caused by human factors. For more information on the number and rate of occupational accidents, please refer to the "Acer Global Occupational Injury Statistics 2023" in this report.	Ratio (%), Number
V.	Disclosure of product lifecycle management: including the weight of end-of-life products and electronic waste and the percentage of recycling	Quantitative	In 2023, Acer has recycled a total of 14,995 tonnes of electronic products in PAP, Pan America, EMEA regions. The rate of recycling is 15.9%.	Metric tons (t), percentage (%)
VI.	Description of risk management related to the use of critical materials	Qualitative Description	According to the U.S. National Research Council (NRC) Code: Tantalum, tungsten, and cobalt are defined as critical materials, and a description of risk management for these materials is disclosed in the Responsible Mineral Procurement section.	Not applicable
VII.	Lawsuits related to anti-competitive conduct ordinances	Quantitative	None	Reported Currency
VIII.	Production of major products by product category	Quantitative	Acer's business model is primarily focused on product sales and customer service. In general, we disclose the revenue share of each product in our quarterly institutional investors' conference call. Financial reports and presentations of Acer are available at: https://www.acer-group.com/ag/zh/TW/content/quarterly-reports	Depending on product type

United Nations Global Compact Comparison Table

Category	10 Principles	Report Content/Explanation
Human Rights	Businesses should support and respect the protection of internationally proclaimed human rights	Acer supports and respects internationally recognized human rights. Please refer to the "Protecting Human Rights" section of this report and the Acer Human Rights Policy.
	Make sure that they are not complicit in human rights abuses	Responsible sourcing of minerals is an important ongoing concern for Acer. It is our responsibility to respect human rights and continuously improve the impacts of our business development on human rights. For related actions, please refer to the "Responsible Sourcing of Minerals" section of this report.
Labor	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	Acer supports freedom of association and recognizes the right of collective bargaining. For more details, please refer to the "Protecting Human Rights" section of this report and the Acer Human Rights Policy.
	The elimination of all forms of forced and compulsory labor	Acer prohibits all forms of forced and compulsory labor. For more details, please refer to the "Protecting Human Rights" and "Labor Rights" sections of this report and the Acer Human Rights Policy.
	The effective abolition of child labor	Acer prohibits child labor. For more details, please refer to the "Protecting Human Rights" and "Labor Rights" sections of this report and the Acer Human Rights Policy.
	The elimination of discrimination in respect of employment and occupation	Acer does not discriminate in employment or the workplace. For more details, please refer to the "Protecting Human Rights" section of this report and the Acer Human Rights Policy.
Environment	Businesses should support a precautionary approach to environmental challenges	Acer has introduced the TCFD to identify climate risks and financial impacts, as well as formulating RE100 goals and a number of specific sustainability policies to mitigate the effects of the Company's operations on the environment. For details, please refer to the "Climate Strategy and Transformation" section of this report.
	Undertake initiatives to promote greater environmental responsibility	Acer is committed to reducing the environmental impact of its products during the product life cycle by integrating the concept of circular economy. Acer gives the best effort to reduce the products' environmental impact, and actively adopts low-carbon circular strategies such as innovative design, extending product life cycle, and effective use of materials in pursuit of a balance between product management and environmental protection. For details, please refer to the "Circular Economies and Innovation" section of this report.
	Encourage the development and diffusion of environmentally friendly technologies	Acer takes "Conscious Technology" as its vision and "sustainable future" as the core of product design and manufacturing. Its subsidiaries are engaged in various fields of sustainable solutions for everyday living. Acer works on more eco-friendly innovations and application solutions for smarter cities. For more details, please refer to the "Circular Economies and Innovation" section of this report.
Anti-Corruption	Businesses should work against corruption in all its forms, including extortion and bribery	Please refer to the "Zero Tolerance for Corruption" section of this report.

Independent Limited Assurance Report

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Panel 1

SGS

ASSURANCE STATEMENT

SGS TAIWAN LTD.'S REPORT ON SUSTAINABILITY ACTIVITIES IN THE Acer INC.'s SUSTAINABILITY REPORT FOR 2023

NATURE AND SCOPE OF THE ASSURANCE/VERIFICATION

SGS Taiwan Ltd. (hereinafter referred to as SGS) was commissioned by Acer Inc. (hereinafter referred to as ACER) to conduct an independent assurance of the Sustainability Report for 2023 (hereinafter referred to as the Sustainability Report). The scope of the assurance, based on the SGS Sustainability Report Assurance methodology, included the sampled text, and data in accompanying tables, contained in the report presented during verification in the period of 26th February 2024 to 11th May 2024. SGS reserves the right to update the assurance statement from time to time depending on the level of report content discrepancy of the published version from the agreed standards requirements.

INTENDED USERS OF THIS ASSURANCE STATEMENT

This Assurance Statement is provided with the intention of informing all ACER's Stakeholders.

RESPONSIBILITIES

The information in the ACER's Sustainability Report of 2023 and its presentation are the responsibility of the directors or governing body (as applicable) and management of ACER. SGS has not been involved in the preparation of any of the material included in the Sustainability Report.

Our responsibility is to express an opinion on the report content within the scope of verification with the intention to inform all ACER's stakeholders.

ASSURANCE STANDARDS, TYPE AND LEVEL OF ASSURANCE

The SGS ESG & Sustainability Report Assurance protocols used to conduct assurance are based upon internationally recognised assurance guidance and standards including the principles of reporting process contained within the Global Reporting Initiative Sustainability Reporting Standards (GRI Standards) GRI 1: Foundation 2021 for report quality, GRI 2 General Disclosure 2021 for organisation's reporting practices and other organizational details, GRI 3 2021 for organisation's process of determining material topics, its list of material topics and how to manages each topic.

The assurance of this report has been conducted according to the following Assurance Standards:

Assurance Standard Options	Level of Assurance
A	SGS ESG & SRA Assurance Protocols (based on GRI Principles and guidance in AA1000)
B	ISAE 3000 Limited Level

Panel 2

SCOPE OF ASSURANCE AND REPORTING CRITERIA

The scope of the assurance included evaluation of adherence to the following reporting criteria:

Reporting Criteria Options

1. GRI Universal Standard (2021) (In Accordance with)
2. SASB- Hardware (Version 2023-12)

- evaluation of content veracity of the sustainability performance information in relation to the determined material topics at a limited level including for ACER and limited level of scrutiny for subsidiaries and applicable aspect boundaries outside of the organization covered by this report;
- evaluation of the report against the requirements of Global Reporting Initiative Universal Standard 2021 (GRI 2, GRI 3, GRI 200, 300 and 400 series which identified its economic, environment, and social aspect as material topics and disclosure) claimed in the GRI content index as material and in accordance with.
- evaluate of the report against the SASB Disclosures and Metrics included in the Hardware of Sustainability Accounting Standard (VERSION 2023-12) and conducted alongside an evaluation of accuracy assurance at moderate level of scrutiny.

SPECIFIED PERFORMANCE INFORMATION AND DISCLOSURES INCLUDED IN SCOPE

ACER's Sustainability Report content including its Environment, Social and Governance performance are adequately in line with GRI Standard and SASB Disclosures and Metrics of Hardware (Version 2023-12) as listed in ACER's Sustainability report of 2023 of GRI Standards Index and SASB Index.

ASSURANCE METHODOLOGY

The assurance comprised a combination of pre-assurance research, interviews with relevant employees, superintendents, Sustainability committee members and the senior management in Taiwan; documentation and record review and validation with external bodies and/or stakeholders where relevant.

LIMITATIONS AND MITIGATION

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 affirm 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 ISO 26000, ISO 20121, ISO 50001, SA8000, RBA, QMS, EMS, SMS, GPMS, CFP, WFP, GHG Verification and GHG Validation Lead Auditors and experience on the SRA Assurance service provisions.

Panel 3

FINDINGS AND CONCLUSIONS

ASSURANCE/VERIFICATION OPINION
ISAE3000

On the basis of the methodology described and the verification work performed, we are satisfied that the disclosure with inclusivity, materiality, responsiveness, and impact information in the scope of assurance is reliable, has been fairly stated and has been prepared, in all material respects, in accordance with the reporting criteria.

We believe that the organisation has chosen an appropriate level of assurance for this stage in their reporting.

GLOBAL REPORTING INITIATIVE REPORTING STANDARDS CONCLUSIONS, FINDINGS AND RECOMMENDATIONS

The report, ACER's Sustainability Report of 2023, is adequately in accordance with the GRI Universal Standards 2021and complies with the requirements set out in section 3 of GRI 1 Foundation 2021, where the significant impacts on the economy, environment, and people, including impacts on their human rights are assessed and disclosed following the guidance defined in GRI 3: Material Topic 2021, and the relevant 200/300/400 series Topic Standard related to Material Topic have been disclosed. The report has properly disclosed information related to ACER's contributions to sustainability development. For future reporting, ACER is encouraged to further elaborated on how ACER identifies and manages sustainability issues related to human rights. Furthermore, it should also disclose relevant performance metrics.

SASB

Acer has referenced with SASB's Standard, TECHNOLOGY & COMMUNICATIONS SECTOR- HARDWARE INDUSTRY STANDARD, VERSION 2023-12 to disclose information of material topics that are vital for enterprise value creation. The reporting boundary is the same as Acer's sustainability report. Acer used SASB accounting and activity metrics to assess and manage the topic-related risks and opportunities, where relevant quantitative information was assessed for its accuracy and completeness to support the comparability of the data reported. Acer has determined which disclosure topics and associated metrics are financially material to its business and has illustrated appropriately in the content index. By using both GRI and SASB standards together, the efficiency of communication and the identification of material issues are substantially increased during the whole reporting preparation process.

Signed:
For and on behalf of SGS Taiwan Ltd.

Stephen Pao
Business Assurance Director
Taipei, Taiwan
13 June, 2024
WWW.SGS.COM