

## Company thinking

<p><input type="checkbox"/> <b>Background and purpose for accounting</b></p>	<ul style="list-style-type: none"> <li>Established in 1976 and headquartered in Taiwan, Acer Inc. is a multinational high-tech company with its own brands, engaging mainly in the development, design, marketing and sale of personal computers, LCD monitors, servers, tablet computers and smartphones, and the provision of related services. Acer is also actively developing a cloud service solution (Acer Cloud).</li> <li>We desire to get the whole picture of Acer's carbon risk and opportunity, find the most efficient carbon management methods and implement carbon reduction projects through our value chain.</li> </ul>
<p><input type="checkbox"/> <b>Utilization of accounting results</b></p>	<ul style="list-style-type: none"> <li>Based on emission data, we ask suppliers to set reasonable reduction targets and evaluate their performance as one important aspect of Acer's supplier CSR scorecard. We also cooperate with our suppliers to find more energy efficient solutions for our products and services.</li> </ul>
<p><input type="checkbox"/> <b>Advantages of accounting</b></p>	<ul style="list-style-type: none"> <li>It allows us to get the whole picture of Acer's carbon risk and opportunity and to find the most efficient carbon management methods and implement carbon reduction projects through our value chain.</li> </ul>
<p><input type="checkbox"/> <b>Internal accounting organization</b></p>	<ul style="list-style-type: none"> <li>We co-work with our supply chain members. In order to generate successful carbon reduction in the supply chain, Acer has required suppliers to submit carbon data since 2009.</li> <li>Through the Acer and ODM taskforce, we collect primary GHG emission data and detailed energy consumption information.</li> <li>We began collecting emission data from our logistic vendors in EMEA and China in 2012 and evaluated the potential impact from product transportation.</li> </ul>



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### To reduce supply chain emissions

- We have reduced the amount of air shipping used and increased the percentage of maritime shipping. In 2013, we accomplished a 7% reduction in global air shipping of notebook computers and an increase of 9% in maritime and rail shipping when compared to 2012. Together with our partners, we have adjusted our container shipping management, enabling us to source empty containers near our Chongqing production site, eliminating the 1800-plus-kilometers of overland transportation between Shenzhen and Chongqing. In 2013, the Chongqing site directly handled some 26% more in empty container deliveries from the new source than in 2012, not only reducing shipping time and cost, but also improving supply chain lead time and eliminating approximately 3,724 tons in carbon emissions.

### Tasks to account for supply chain emissions

- First, we need to engage with our suppliers and help them recognize that climate and carbon emissions could be a potential opportunity and risk for our business.
- Second, we invite some key stakeholders to communicate with our suppliers directly to educate them on the real expectations of these stakeholders. Acer held an international CSR forum five times from 2008 to 2013.
- Then we provide some technical tools and training courses to build the capacity of our suppliers. At the final stage we link their carbon reduction performance with their overall score on our vendor CSR scorecard to drive carbon reduction.

### For those starting to account for supply chain emissions

- Acer recommends following international accounting guidelines like the GHG protocol and participating in the CDP supply chain program. It is also helpful to network with experts from experienced companies to learn and share experiences regarding supply chain emissions accounting. Acer joined the CDP Supply Chain Program in 2008 and we have encouraged our suppliers to respond to CDP questionnaires on GHG emissions and implement response measures to climate change, while making this information openly available or disclosing it to other members of the Supply Chain Program. The member companies are exposed to valuable information through this platform and it could support the development of additional strategies.

	Accounting methods	
	Activity data	Emission factor
<ul style="list-style-type: none"> <li>❑ Category 1: Purchased goods and services</li> </ul>	<ul style="list-style-type: none"> <li>• Emissions data is directly acquired from vendors.</li> </ul>	
<ul style="list-style-type: none"> <li>❑ Category 4: Transportation and delivery (upstream)</li> <li>❑ Category 9: Transportation and delivery (downstream)</li> </ul>	<ul style="list-style-type: none"> <li>• The portion that is subject to all carriers from EMEA and China is calculated and provided by the carriers.</li> </ul>	
<ul style="list-style-type: none"> <li>❑ Category 6: Business travel</li> </ul>	<ul style="list-style-type: none"> <li>• The travel distance for each employee</li> </ul>	<ul style="list-style-type: none"> <li>• Emission factor by different mode based on GHG Protocol.</li> </ul>
<ul style="list-style-type: none"> <li>❑ Category 13: Leased assets (downstream)</li> </ul>	<ul style="list-style-type: none"> <li>• Real electricity usage data.</li> </ul>	<ul style="list-style-type: none"> <li>• Electricity emission factor for specific country or region.</li> </ul>