



Acer Computer Australia Pty Ltd

ACN 78003872768

Modern Slavery Statement



Introduction

This modern slavery statement relates to the financial year ending 30 June 2020 and has been prepared in accordance with the Australia *Modern Slavery Act 2018* (Cth).

STRUCTURE AND OPERATIONS

Acer is committed to a programme of continuous improvement to combat slavery and human trafficking in supply chains and business. All business is conducted ethically and in accordance with the *United Nations Guiding Principles on Business and Human Rights*. Acer Australia takes a zero-tolerance approach to slavery and human trafficking both in our business and in the businesses of our suppliers.

OUR SUPPLY CHAINS

In order to fulfill our customers' expectations for high quality, innovative products, Acer works with service and manufacturing partners from around the world. Our components suppliers are concentrated around our system ODM sites, and through just-in-time production, we can rapidly provide ICT products like notebook, desktop, projector, monitor, gadget and other smart devices, enabling us to quickly meet market demands with our products. Although primary production is based in China, Acer has manufacturing suppliers in Taiwan, China, Malaysia, Thailand, the Philippines, Singapore, Vietnam, India, Japan, Korea, Brazil, and Hungary.

Acer also has indirect suppliers that provide refined minerals to its partners for use in products.

IDENTIFICATION OF RISK

Human rights issues of supply chain are part of Acer's risk management, with such issues identified, 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. 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 vendors through multiple channels and working with them to improve their capabilities.

We have also been focusing on responsible minerals sourcing, which began with the Conflict Minerals issue in the Democratic Republic of the Congo (DRC). 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, including 3TG from the DRC and adjoining countries, cobalt from the DRC and tin sourced from Indonesia.

ACTIONS TO ADDRESS RISK

To address the risks of modern slavery practice in the external supply chain, Acer has developed a number of actions and programs.

Acer has a written Standard of Business Conduct demonstrating its commitment to acting ethically and with integrity in all our business relationships and to implementing and enforcing effective systems and controls to ensure modern slavery is not taking place anywhere in our supply chains.

As a member of the Responsible Business Alliance (RBA, formerly EICC), a non-profit comprised of electronics, retail, auto and toy companies committed to supporting the rights and well-being of workers and communities worldwide affected by the global supply chain, we demonstrate our commitment to environmental and social responsibility. RBA members commit publicly to the RBA Code of Conduct (the “Code of Conduct”) and are expected to actively pursue conformance to the Code of Conduct and its standards as a total supply chain initiative. The Code of Conduct outlines necessary management systems to ensure workers’ rights are protected. Acer Inc. requires all manufacturing suppliers to abide by local laws and regulations as well as the RBA Code of Conduct.

Specifically, in the 2019 - 2020 financial year, Acer took steps to address risks of modern slavery by:

- **Supplier risk assessment:**

Acer requests our supplier to complete a Supplier Self-Assessment Questionnaire (SAQ). The SAQ is a self-evaluation that inquiries about labour, health and safety, environment and ethics at both the corporate and the facility level against all sections of the Code of Conduct. Acer assesses the risk of its suppliers and their operations by evaluating several factors. These factors include the results of self-assessment questionnaires, the labour risks associated with geographic locations, the suppliers’ business relationship with Acer, the results of prior audits, while also taking into consideration the concerns of our stakeholders.

- **Supplier audits & verification:**

Acer believes that on-site audits are the most direct and comprehensive way to verify that our suppliers are living up to their social and environmental responsibilities. Auditing methods include audits led by management personnel, audits run by third parties, RBA Validated Audit process (VAP), and report review. We select suppliers to undergo on-site audits based on the results of the risk assessment described above.



In 2019, we conducted 101 on-site audits of the manufacturing plants with higher risk. The audited plants included over 210,000 workers, of whom 3744 were interviewed. Between 2008 and 2019, a total of 699 supplier audits have been conducted.

- **Supplier Declaration:**

Acer requires manufacturing suppliers to sign a Declaration of Compliance with RBA Code of Conduct, pledging not only their compliance with Acer requirements to disclose social and environmental information, but also to confirm that their operations and their suppliers' operations adhere to the RBA Code of Conduct and applicable laws and regulations. The purpose of this is to let suppliers clearly understand Acer's requirements regarding supplier conduct and then to obey them.

- **Internal Professional training:**

Acer requires all employees to comply with the [Acer Group Standards of Business Conduct \(SBC\)](#). The SBC includes provisions relating to supply chain issues, including the use of child and forced labour. Any offense or violation against the articles in the SBC will result in corrective action proceedings according to the gravity of the offense committed. Serious offenders will face disciplinary action or be asked to leave the company accordingly. This set of standards is the highest-level behavioural criteria for all Acer employees engaged in corporate activities and is incorporated in our employee performance assessment. Furthermore, all new employees are enrolled in orientation training and asked to honour these behavioural requirements when they first join the company. Procurement staff has to take supply chain social and environmental training when they first join the company.

- **Supplier training:**

Acer offers information and training regarding the latest trends and developments in social and environmental responsibility, thus helping improve their ability to confront the challenge of sustainable development. Every year, Acer invites representatives of our major suppliers to participate in annual CSR Communication Meetings, sharing the latest global trends in corporate sustainability, human rights issues and mitigation measures, including the RBA Code of Conduct, major non-conformances found during on-site audit and main global labour issues, such as the issue of conflict minerals. We will continue to communicate and cooperate with our suppliers in order to bring the collective strength of Acer's supply chain to bear on social and environmental issues. We are taking a more proactive stance and looking at the big picture as we respond to supply chain sustainability issues.

Acer has remediation measures to specifically address both child labour and forced labour, as outlined on the Acer-group.com

Acer has also implemented a Responsible Minerals Program. Through this program, Acer conducted a Reasonable Country of Origin Inquiry published in its Responsible



Minerals Report for the year ending 31 December 2019, available on the [Acer-group.com](https://www.acer-group.com) Through the inquiry, Acer took steps to identify the source of materials used in its devices so far as possible with the aim of minimising the use of conflict minerals, which are likely to be obtained through modern slavery practices. In addition, Acer has updated its targets in this area for the 2020 year.

EFFECTIVENESS OF ACTIONS

Acer Inc. has assessed the performance of its suppliers for a number of years with respect to their corporate social responsibility. Labour and health and safety management are among the criteria that are assessed on a yearly basis, including suppliers' management of responsible sourcing of minerals and RBA Code of Conduct audit scores. Following the assessment, suppliers are provided with a scorecard and underperforming vendors are provided with proposed actions to improve performance.

This statement was approved by the board of Acer Computer Australia on the 1st October 2021

A handwritten signature in black ink, appearing to read "Darren Simmons", written over a solid black horizontal line.

Darren Simmons
Managing Director
Acer Computer Australia PTY LTD
5th October 2021