

2007 Corporate Sustainability Report



ASUSTeK COMPUTER INC.

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ASUSTeK COMPUTER INC. OVERVIEW

“The World’s most admired and Leading Enterprise in new digital era”

Since established in 1991, ASUSTek COMPUTER INC. has been well known for its advanced R&D team, technology, and high quality technical renovation, and has also been a part of world’s top green technology leading group. ASUS has several product lines, including but not limited to audio cards, barebone PCs, broadband, digital home equipments, graphic cards, HSDPA cards, LCD monitors, mobile phones, Personal Digital Assistants (PDAs), Personal Navigation Devices (PNDs), physical cards, servers, webcams, thermal solution, and peripherals, but its notebooks and motherboards are the primary products and are famous to the worlds; EeePC was a great hit at the end of 2007.

MISSION AND VALUE



Employees at ASUS follow the “Big Q” as the central concept of their work. The Big Q concept combines top value, speed to market, just-in-time service, stylish design and excellent technology, which together fulfill the “Rock Solid Quality” and “Heart Touching Price” promise of our brand. Guided by this great spirit, we achieve strong advantages in product design, technology, quality, and value/cost. These advantages in turn comprise ASUS’ formula for success, allowing our marketing to communicate these strengths to win customers’ hearts. It is these great strengths that makes ASUS employees proud and inspire them to live ASUS’ values and mission every day.

Achieving Our Mission

- **Innovation and Aesthetics**
In order to provide customers with the best technology experience, ASUS employees put ourselves into our customers’ shoes. This allows us to have a better understanding of what is essential when choosing the right technology, and at the same time create a “rock solid” product.
- **Quality**
Quality is of utmost importance to ASUS. We continue to refine our quality management process to ensure customers receive quality solutions cost effectively.
- **Long-term Relationships**
Whether they are our customers, media, shareholders or consumers, we believe in growing with our partners at all levels. Relationships with those key stakeholders are one of the most important factors of our continuing success.
- **Corporate Culture**
In order to achieve world-class leadership, all ASUS employees cultivate several characteristics, which are the 4 fundamentals of “ASUS DNA.” These qualities are “ASUS Five Virtues - Modesty, Integrity, Diligence, Agility and Courage”,

“Innovation & Aesthetics”, “Focus on Fundamental & Results”, and “Lean Thinking”. Through the practicing of the 4 fundamentals of ASUS DNA, our employee can naturally provide the best products and services to customers.



FIGURE 1: Innovation and Aesthetics, Environmental Friendly – motherboard assembled “Mona Lisa”

Creating High Quality Products through Lean Six Sigma

ASUS relies on one of its best DNA traits, developing from the fundamentals and executing through, to create the greatest value for our customers. ASUS does not follow the latest trend, but creates the trend by having open communication between employees of all levels. By combine the elements of our corporate culture with the principles of Lean Six Sigma (LSS), we hope all ASUS employees can join together to create an even better quality management process.

MANAGEMENT PHILOSOPHY

- Inspire, motivate and nurture our employees to explore their highest potential
- Commit to integrity and diligence; focus on fundamentals and results
- Endlessly pursue to be number 1 in the areas of quality, speed, service, innovation and cost-efficiency
- Strive to be among the world-class green high-tech leaders and to provide valuable contributions to humanity and environment



Jonney Shih

Jonney Shih
Chairman

OUR VISION FROM CEO

First of all, we thank for ASUS employees' great effort. In 2007 under Jonney's leadership, we showed brilliant performance in both revenues and margins. In the coming year, after the spin off of Brand and OEM, ASUS and Pegatron/Unihan will create their own values. The future goal of Brand ASUS becomes clear - ASUS will execute "GL² Strategy" to become the Giant Lion (the leader) in the market. To pursue this goal, we have to continuously promote excellent products with innovation, aesthetics, and quality to further touch the customers' hearts. On the other hand, to exploit ASUS DNA is what we are attempting to, and only ASUS DNA is the foundation of those characteristics we had mentioned. The "ASUS Way" is composed with 4 DNAs - "ASUS Five Virtues – Modesty, Integrity, Diligence, Agility and Courage", "Innovation & Aesthetics", "Think Through, Execute Through", and "Lean Thinking" as the core concept. For the first half of 2008, Jonney, Jonathan and I will do our best to implant ASUS DNA in ASUS employees' hearts.

The road to Branding bears challenges and responsibilities. Quoted from the Father of Marketing, Dr. Kotler:

"Branding is a promise of the enterprise.
A promise to deliver what the enterprise is the most proud of.
Branding is winning the hearts of customers."

Brand ASUS will win customers' hearts through our "Rock Solid Quality" and "Heart Touching Innovation" with excellent technology, and these will involve all Business Units, Sales Units and Functional Units to think through and find the value stream of the Brand. At the end of November 2007, Jonney, Jonathan and I had worked out our business strategies for the coming 3 years and had defined the market positioning for each BU; in early December, together with Global Sales Department Heads, marketing strategies for Sales Units; at the end of December, KPIs and organizational functions for each FU. We feel confident in the goal defined with the value for each Unit, and we also thank our employees already had found the prompt way to pursue the positioning between globalization and localization.

The future goal of New ASUS for next three years - triple in revenue, i.e. the annual growth rate to be at least 50% each year. To reach this target, the most important thing is to internally adapt the differentiation management. The performance of each BU/FEU (Front-End Unit, Sales Unit) will link to the result of the annual overview. Moreover, in order to encourage the BU/FEU to set up more aggressive goal, we will reward those who perform beyond par. The company is looking forward to set up an incentive scheme to those who create the added values for the company. Talented employee is the key to the growth of the company. Besides upgrading the technologies and skills, each BU/FEU also needs prompt innovation, providing products that create true value to the market.

On the other hand, FU represents specialization and core competency. For a BU to become the leader of its product segment, a FU needs to not only develop professional skills and core competency but also keep the mindset of continuous innovation. We wish that all the employees of FUs could help the BUs to success via bringing the top core competency. The

company will fully support the FUs and help them set up KPIs and Incentive Program.

The third round of Lean Six Sigma promotion will continuously introduce the “ASUS Way” to resolve problems in the approach of process flows and will cultivate the potential talents. The only way to conquer different challenges is to implement our “Think Through, Execute Through”.

ASUS won the first place in “Taiwan’s Top 10 Global Brand” in 2007. ASUS is proud of it, but we should not feel complacent. There are more challenges ahead, and I wish that ASUS will challenge “Top 100 of Global Brand” in the near future. Let us try our best and move forward to achieve the vision “The world’s most admired and Leading Enterprise in new digital era”.



Jerry Shen
Jerry Shen
Chief Executive Officer

ABOUT THIS REPORT

ASUS is proud to present our second English Corporate Sustainability Report, which is prepared based on the latest Global Report Initiative (GRI) Sustainability Reporting Guidelines (G3). The previous report, published in April 2007, predominantly focused on environmental impacts and performances and the environmental management systems, partially on social topics. This year, we apply GRI framework to broaden the contents to various topics, providing more generous information about the company, such as: governance structure of the organization, employee demographic, employees training and development program, and engagement with communities.

We are working hard to become an International technology company. The sustainability report is expected to be used, but not limited, by the following local and foreign stakeholders: clients, employees and business partners of ASUS, non-government organizations, academics groups, and shareholders.

The reporting period for information provided, unless otherwise noted, mainly refers to the performances for the fiscal years 2007 ended December 31st, 2007. However, since this report follows GRI guideline which requires comparable elements, we include some past achievements since 2005 which have been described in 2006 Corporate Sustainability Report Chinese version but have not been mentioned in the English version, and information especially on environmental policies, managements, and accomplishments from the 2006 English version.

ASUS will continuously publish the Sustainability Report annually to the public via releasing it onto GreenASUS website. Anyone or any groups interested in what we did and what we achieved in the previous accounting year could know such information. Previous reports for both English and Chinese versions are available at GreenASUS website under “Sustainability Report” section:

<http://green.asus.com/english/default.aspx?page=post11&Idno=8>.

In this report, the locations covered areas for all business and manufacturing sites within the ASUS Group (100% coverage). However, most of the achievements focus on Taiwan sites. The ASUS Group in 2007 contains the following sites:

Taiwan

- ASUSTeK Computer Inc. - ASUS Corporate Office (headquarters)
- ASUS Taoyuan Factory

China

- ASUS Suzhou Factory (MAINTEK)
- ASUS Shanghai Factory (Protek)

Other International Sites

- ASUS Mexico Factory
- ASUS Czech Republic Factory

This report is based on GRI framework, which is new to us when we decide to follow GRI framework for our 2007 corporate sustainability report this year. In addition, starting in January 2008, since most of the oversea factories are now under the control of our OEM business group, Pegatron/Unihan, it would require a lot of efforts and would need the cooperation from our OEM client to provide information. As the result, some performances may not be explained in depth for the lack of data collection. We will try our best to describe the attempt of our related actions or achievements to become clear to the readers.

Your feedback is very valuable to ASUS. Should you have any comments to the report, please send them to GreenASUS@asus.com.tw

ABOUT THE COMPANY

Nature of Ownership, Offices and Facilities

ASUS has its headquarter located in No. 15, Li-Te Rd., Beitou, Taipei 11259, Taiwan, and is listed on the Taiwan Stock Exchange with the ticker symbol ASUSTEK and code 2357. As of December 31st, 2007, there were approximately 180,000 stockholders of record.

It grows to become an International company. Its global service system has overall 28 branches offices, 49 service centers worldwide and over 510 service corners located in Asia Pacific, Europe, and America. There are 40 localized websites/languages available for providing the information of our company and products to International customers around the world.

Global Service System Overview

- Overall **28 branch offices**, **49 service centers worldwide** and over **510 service corners**.

US x 2, Netherlands, Germany, UK, Russia, Italy, France, Spain, Nordic, Czech Republic, South Korea, Japan, Australia x 3, New Zealand, UAE, Turkey, Saudi Arabia, Singapore, Malaysia, Hong Kong, Indonesia, Thailand, India x 4, Pakistan)

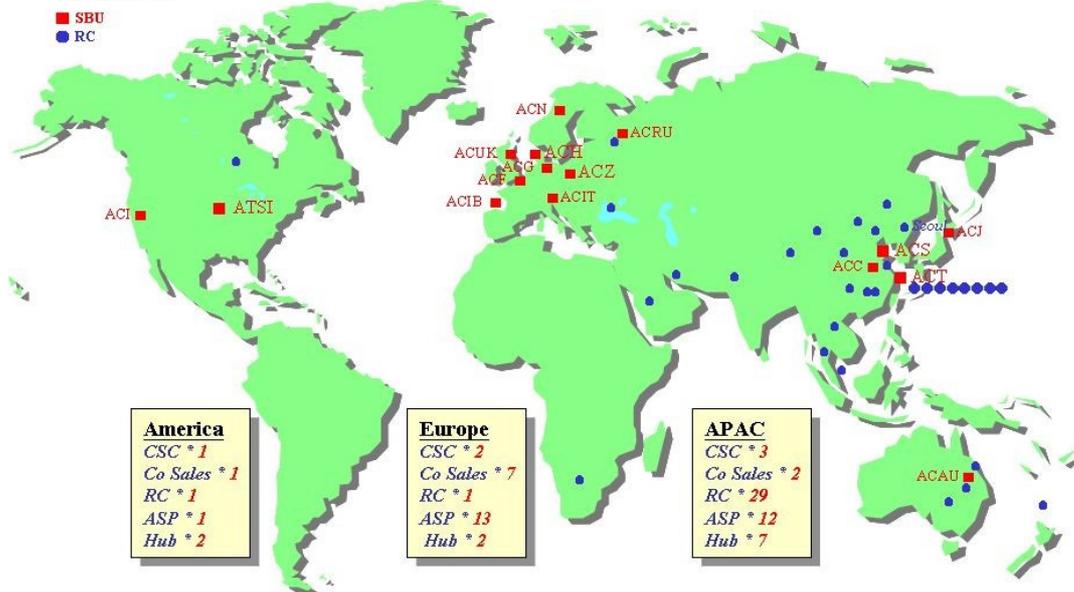


FIGURE 2: ASUS' Global Service System Overview

ASUS has approximately 9,000 employees in Beitou headquarter and Taoyuan Factory, and over 99,500 employees worldwide, including workforce from Suzhou, Shanghai, Mexico, and Czech Republic factories.

Workforce by Site	2007	2006	2005
Taiwan (Headquarter & Taoyuan Factory)	9,007	8,800	9,443
ASUS Suzhou Factory	66,726	82,360	52,448
ASUS Shanghai Factory	19,092	5,500	0
ASUS Mexico Factory	2,890	2,186	1,393
ASUS Czech Republic Factory	1,820	2,350	1,150
Total	99,535	101,196	64,434

FIGURE 3: Workforce by Site

Financial Performance

Compared to fiscal 2006, ASUS sold 58,800,000 pieces of motherboards and 7,100,000 sets of notebooks in fiscal 2007. Its sales increased 34% to about USD \$23 billions.

	2007	2006	2005
Sales (in NT Million Dollars)	725,962	541,868	355,820
Sales (in US Million Dollars)	23,000	16,000	10,600
Growth Rate	34%	52%	38%

FIGURE 4: Sales and Growth Table

For the most recent 10-K report, please see Appendix 1 for reference. If interested, 10-K and sales reports from previous years are available on: <http://www.asus.com/aboutasus.aspx?show=2>.

Awards

In 2007, ASUS received 2,568 awards from all over the world, about 7 awards per day. Some of them are:

- Win Golden Medal in “2007 National Sustainable Development Award” from The Premier of Executive Yuan of Taiwan.
- Win first place of 2007 Taiwan’s Top 10 Global Brands, with brand value of US \$11.96 billion, increasing 166% since 2003.
- Win 2007 TSMA Award (Taiwan Sports Manufacture Association Award) for the selection of innovative new products and at the same time receiving Symbol of Excellence 2007 Achievement Awards, the one of highest honor, for having over 200 Symbol of Excellence Awards.
- Win first place in the IT/Computers, Peripherals and Office Electronics category in Oekom Environmental Rating Program.
- In 2007, Business Week ranked ASUS amongst its “InfoTech 100” for the 10th straight year.

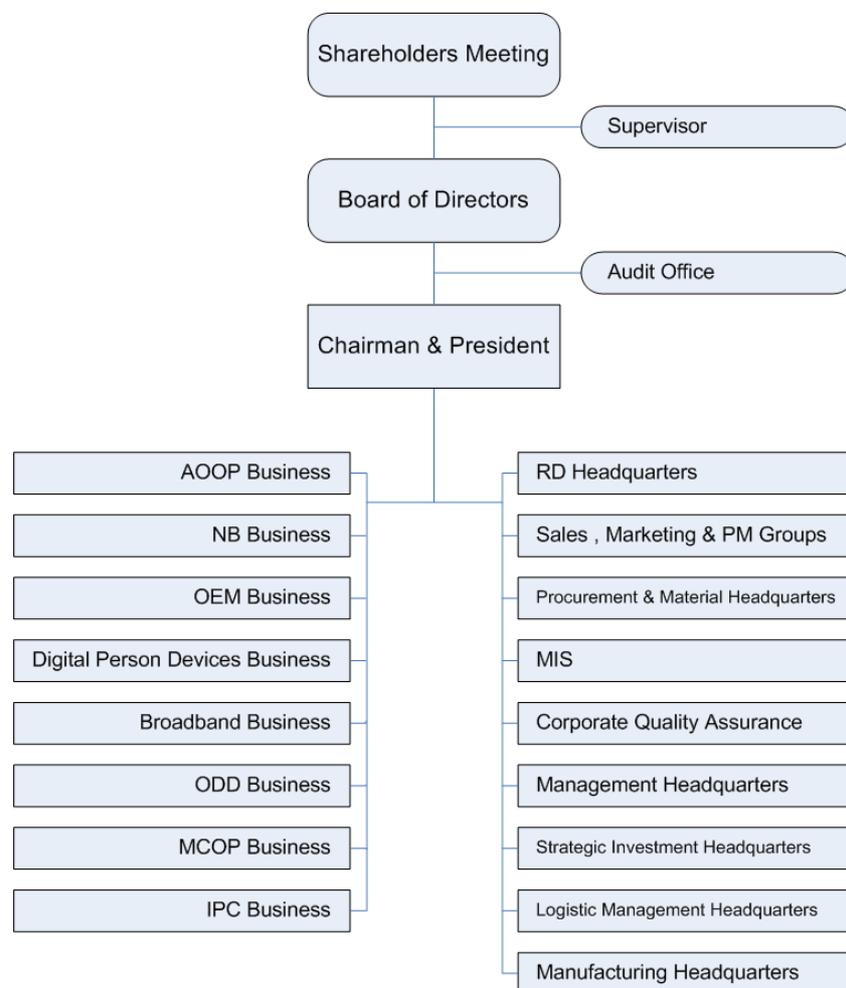
There are other important achievements such as: the first Chinese company in the past 50 years having ever received CeBIT iF Gold Award for Product Design. In addition, ASUS

continuously receives designing awards such as RedDot and G-mark awards. For more award information, please visit <http://www.asus.com/awards.aspx>

GOVERNANCE AND MANAGEMENT

The following figure demonstrates ASUS' governance structure of the organization, and the operational bodies are composed of audit office, chairman & president, the Business Units (BUs) and the Functional Units (FUs), which the BUs show the financial performance of the company when the FUs hold responsibilities for operational and marketing planning and strategies, giving full support to BUs to executes the schemes.

ASUSTeK COMPUTER INC.



Effective Date: 2007.08

FIGURE 5: ASUSTeK's Governance Structure of the Organization

Board of Directors

Our Board is comprised of 7 directors who are members of and are selected from shareholders group. In addition, none of these directors are independent members as determined by Taiwan corporate governance principles. In 2007, the Chairman was also an executive officer. A Chairman is to lead the board of directors when a CEO is the head of the management committees. Our shareholders and employees could provide recommendations or direction to the highest governance body via telephoning or emailing to the company public representative.

The responsibility of the board would be the following:

- Formulate the Corporate Governance Guidelines of ASUSTeK
- Formulate the operation plan
- Formulate the profit allocations
- Budget control and financial decisions
- New open or withdrawal of Subsidiaries
- Investment decisions
- Authorities empowered by Shareholders Meeting and relevant regulations

Operational Bodies

- **Audit Office**
Audit the administrative system and execution of Corporate Governance Guidelines, process flow, document submission, and execution, and provide improvements
- **Chairman & President**
Plan and manage company strategies, formulate operational goals and supervise the execution of BUs/FUs.

The followings are Functional Units, which are shown at the right hand side of the above figure:

- **RD Headquarters**
Technology innovations for all business units.
- **Sales, Marketing & PM Groups**
ASUS' product and brand marketing, promotion, sales and operational management, and provide customer services and solutions.
- **Procurement & Material Headquarters**
Material integration, material cost planning, procurement, and management.
- **MIS**
Manage and consolidate information of finance, sales, and material, and maintenance and control the global networking, and security control management.

- **Corporate Quality Assurance**
Setting up, improving and maintaining ISO 9000, GreenASUS (Green Products) and SERASUS (Corporate Social Responsibility) structures, processes and document management system, and monitoring green-related regulation and technological studies.
- **Management Headquarters**
Finance, accounting, regulation, human resource, administration related planning and execution.
- **Strategic Investment Headquarters**
Investment planning.
- **Logistic Management Headquarters**
Logistic management and planning.
- **Manufacturing Headquarters**
Analyze and manage overall product manufacturing process planning and management.

The following are Business Units, which are shown at the left hand side of the above figure:

- **AOOP Business**
Motherboard, system, power supply and hard drive shell product lines operation, marketing, research and development, and manufacturing.
- **NB Business**
Notebook product line operation, marketing, research and development, and manufacturing.
- **OEM Business**
Motherboard, OEM product operation, planning, and research and development.
- **Digital Person Devices Business**
Digital and wireless device product lines operation, marketing, research and development, and manufacturing.
- **Broadband Business**
ADSL, Cable Modem, Set-top Box, VOIP product line operation, marketing, research and development, and manufacturing.
- **ODD Business**
Optical Disc Device product line operation, marketing, research and development, and manufacturing.

- **MCOP Business**
Machinery components technological innovation, and vertical manufacturing.
- **IPC Business**
Industrial Personal Computer, tablet, motherboards product lines operation, marketing, research and development, and manufacturing.

GreenASUS Steering Committee and SERASUS Steering Committee

ASUS is aware of the importance of “green” requirements and environmental responsibilities. With environmental protection as the top priority, ASUS established the GreenASUS Steering Committee in July 2004 to actively pursue green design, green procurement, green production, and green marketing, as well as initiated the social and environmental responsibility management system to formulate an environmental and occupational health and safety policy, striving to achieve corporate sustainability. The Steering Committee is co-operating with each department including Co-operating Quality Assurance, Research and Development department, Purchase department, Manufacturing department, Sales department, and Health and Safety department etc., to promote and improve environmental management and activities (FIGURE 6). ASUS is committed to meet and surpass environmental requirements and responsibilities.

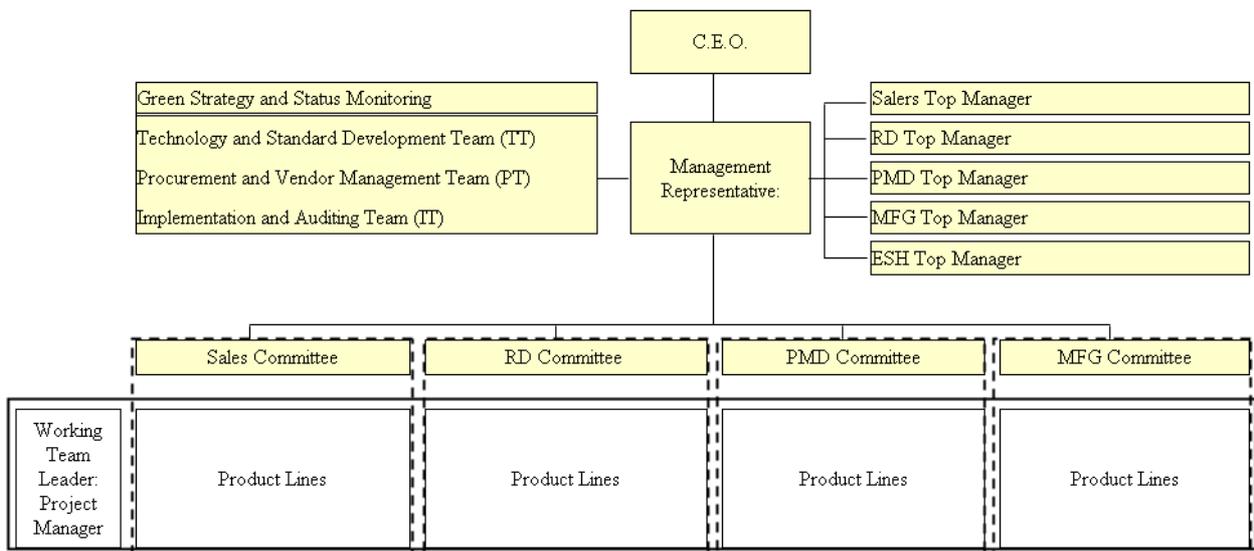


FIGURE 6: GreenASUS Steering Committee

In addition, ASUS also allocates resources for the implementation, maintenance and improvement of the Social Environmental responsibility, Health and Safety Management System, which is called SERASUS.

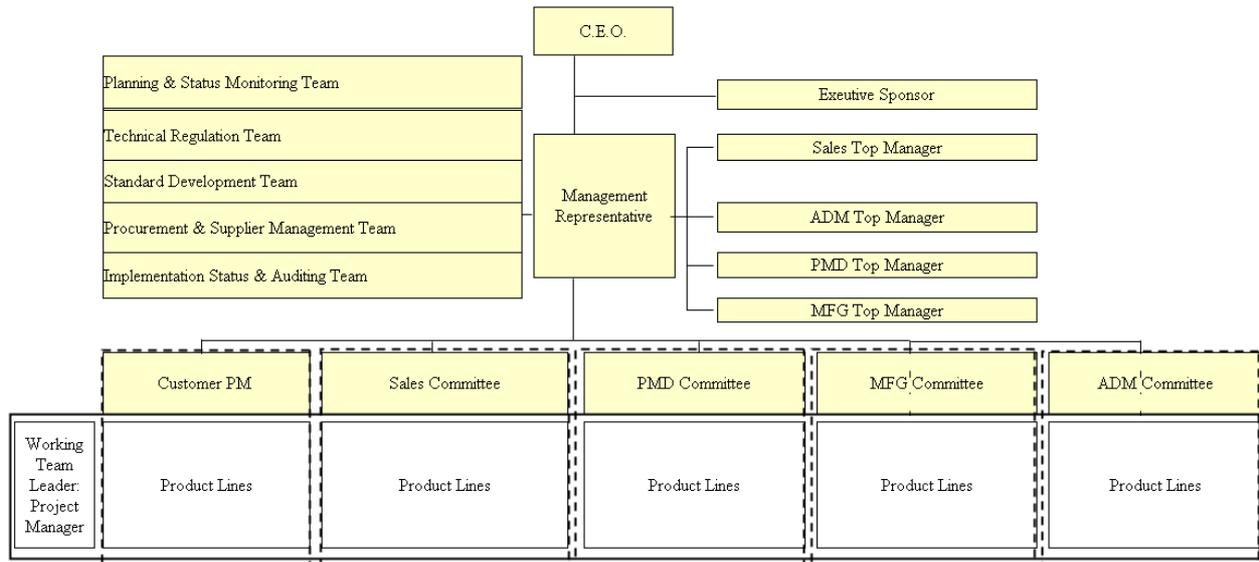


FIGURE 7: SERASUS Steering Committee

The above figure shows the organization chart for the Corporate SERASUS Committee, which is a company wide social and environmental committee initiated by CEO Jonney Shih. This corporate committee is supported by senior individuals at a site level who have been allocated day-to-day responsibilities for implementing and maintaining the environmental, health & safety management systems.

EMPLOYEES MANAGEMENT

Employment Demographics

Since the company is based in Beitou, Taiwan, the following data presented shown the workforce demographics in Beitou headquarter and Taoyuan factory.

	Male	Female	Full-Time	Contract	Part-Time	Total
Managers and Officers	551	67	615	3	0	618
Engineer(RD)	1,936	482	2,292	79	47	2,418
Sales(PM.SALES)	188	298	468	8	10	486
Sales Support(Materials, Customer Service)	196	202	376	1	21	398
Administrations Related	317	247	484	68	12	564
Manufactures	438	3,559	2,119	724	1,154	3,997
Total	3,626	4,855	6,354	883	1,244	8,481
% of total	42.75%	57.25%	74.92%	10.41%	14.67%	100.00%

FIGURE 8: 2005 Taiwan Workforce Demographics

	Male	Female	Full-Time	Contract	Part-Time	Total
Managers and Officers	865	112	972	5	0	977
Engineer(RD)	2,467	599	2,964	19	83	3,066
Sales(PM.SALES)	198	323	500	2	19	521
Sales Support(Materials, Customer Service)	194	192	344	2	40	386
Administrations Related	261	217	387	83	8	478
Manufactures	1,395	2,714	2,536	467	1,106	4,109
Total	5,380	4,157	7,703	578	1,256	9,537
% of total	56.41%	43.59%	80.77%	6.06%	13.17%	100.00%

FIGURE 9: 2006 Taiwan Workforce Demographics

	Male	Female	Full-Time	Contract	Part-Time	Total
Managers and Officers	1,173	177	1,345	5	0	1,350
Engineer(RD)	2,843	709	3,322	177	53	3,552
Sales(PM.SALES)	238	396	604	17	13	634
Sales Support(Materials, Customer Service)	271	234	416	81	8	505
Administrations Related	229	280	427	16	66	509
Manufactures	1,072	1,385	1,537	372	548	2,457
Total	5,826	3,181	7,651	668	688	9,007
% of total	64.68%	35.32%	84.95%	7.42%	7.64%	100.00%

FIGURE 10: 2007 Taiwan Workforce Demographics

Employee Benefits, Health and Wellness

ASUS values and cares our employees, and we put a lot of efforts to pursue a healthy working environment and also help monitor employees' health conditions.

In Beitou headquarter, our employees could enjoy the following benefit programs and facilities, including but not limited to:

- National Health Insurance and Labor Insurance
- Wedding, Childbirth, Children Education, Continuous Education subsidies
- Year-End and Performance Evaluation Result Bonus
- Labor Retirement Pension
- Employee restaurant with various canteens and dietician monitoring
- Onsite fitness center or swimming pool for workout, SPA facilities for relaxation, gymnasium for off-work sports
- Onsite clinical center and seek for doctor's treatment
- Baby sitting room for the mothers as part of the benefit program
- Various health examinations, women's cancer examinations, and vaccine injections
- Healthy diet class

LEARNING & DEVELOPMENT PROGRAM

ASUS considers the employees our most important asset and views employees as one of the company's core competency. Therefore, we devote into the personal development program to assure that the employees can grow with the company and can continue the learning throughout their career paths and lives. We start the training for newcomers right on the first day on job. All newcomers are required to attend the orientation, and to complete newcomer online courses within one month. In addition, there are classes requested to be taken and passed within six months after the probation period. All training courses would be accounted for part of the personal performance indicators. There are also classes designed for managers and officers for leadership, advanced personal growth and improvements. Courses are taught either in actual classrooms, held both internally and externally, or through online platform - e-learning.

ASUS started Talent Development Program (TDP) in 2007 and had a trial run in one department, and the program will be implemented to all-department level in 2008. At the beginning of each year, all employees will set their work achievement goals and receive career development reviews from their managers at least once a year. In addition, they will receive peer reviews and manager reviews in June and December to see if the goals need to be adjusted. At the end of the year, the annual performance scoring process starts, and managers will review the report with employees and help them plan for next year's goals. As mentioned earlier, in order to apply LSS (Lean Six Sigma) into our daily job operations, ASUS introduces LSS courses and projects in the beginning of 2008, and requires all employees to join, counting the participations and contributions as department and personal yearly performance indicators.

The Competency-Oriented Resources

ASUS emphasizes the cardinal importance of employees in their management philosophy - "Inspire, motivate and support our employees to realize their highest potential" - and in 2007, its Learning and Development Section has successfully developed a model of ASUS competencies based upon such creed (shown as below). Accompanying this model comes with a series of systematic competency-oriented resources and evaluating tools to assist managers and employees identifying their very own personal areas of needed improvement as well as key competencies. Based upon these results, adhere to employee managerial level and the idea of "teaching in accordance with aptitudes," it then efficiently maps out a whole-year's learning and growth program for each ASUS employee.

Starting from the one o'clock area, the first levels of the model are: operation and foreseen ability, leadership, human resource management and ability, ability of coping with contingency, innovation, customer-oriented, communication and team work, proactive, execution ability, self-management, personal professional skills, and ASUS culture.

ASUS Competence Model



FIGURE 11: ASUS Competence Model

Achievements: In accordance with this competency model, Learning and Development Section has successfully tailor-made learning roadmaps of management and general studies for many business units, i.e. AOOB.

Talent Development Plan (TDP)

As you diligently pave for the bridge to a better future, ASUS started visualizing this bridge in 2007 by introducing and implementing TDP. Through TDP, managers are bestowed the role and responsibility of providing clear guidance and assistance for subordinates to further their potentials and professional skills. ASUS wishes to provide a worldwide stage with dynamic business and professional units for talented persons who dare to dream.

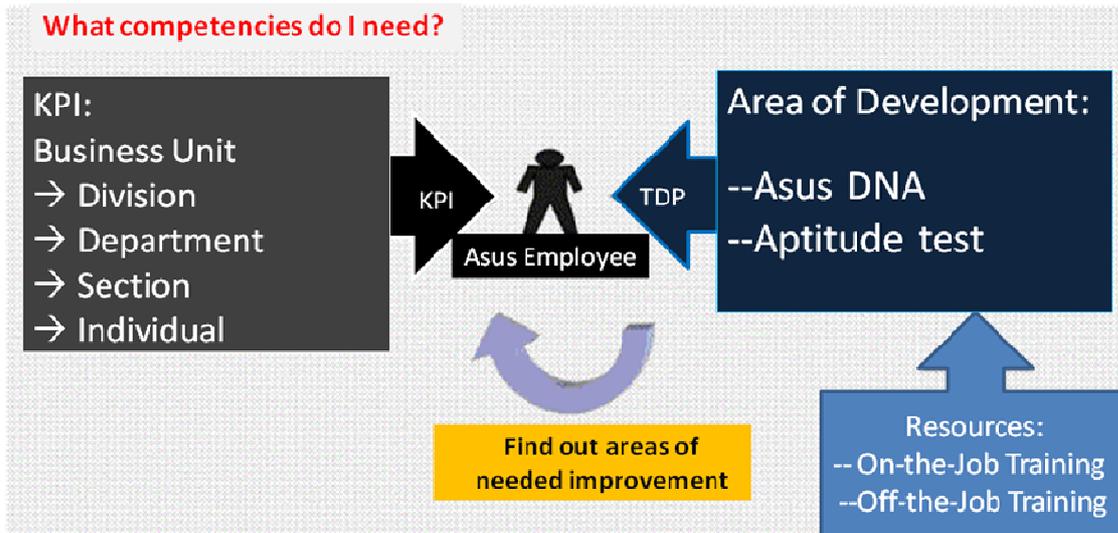


FIGURE 12: Talent Development Program Schema

Achievements: In September, 2007 one of ASUS most successful business units, AOOP, piloted the trial run for TDP with approximately 302 employees participating this maiden voyage.

Electronic Learning Resources

ASUS' advance electronic learning platform makes learning and training courses and the accordance tests available to all employees around the world through Intranet, enabling our employees to have more flexible schedule for work and continuous learning. Besides the core values of our corporate culture, the platform also provides management and personal development courses in order our employees to enhance not only professional skills but also soft skills and professional knowledge.



FIGURE 13: E-learning Platform

Achievement: Employees in Taiwan and China could gain access to e-learning platform for further personal development.

Education Subsidies

Other than internal learning resources, when employees attend external courses related to their job or professional areas, the company would offer scholarship application for encouragement of lifetime learning.

Achievement: From January to August, 2007, 283 applicants/150 external courses were granted for scholarship of NT\$1,378,693 dollars (approximately \$42,422 U.S. dollars).

Course Promotion

Employees receive monthly course e-press for classes available in next month for further learning, and according to employee category will also provide special courses with external professors to coach the classes.

The screenshot displays an e-learning platform interface with several key components:

- Navigation Bar:** Includes 'Learning & Development' and '學習發展電子報' (Learning & Development E-newsletter).
- Course Categories:** Lists various course types such as '內部課程' (Internal Courses), '外部課程' (External Courses), and 'LSS GB/BB' (Lean Six Sigma Green Belt/Black Belt).
- Course Promotion Banner:** Features the slogan '就是愛學習 eLearning 課程大體驗' (I just love learning eLearning course big experience) and '體驗課程 得大獎' (Experience course, win big prize).
- 2007 Annual Public Open Enrollment Course Schedule:** A calendar-style table showing course availability from January to December 2007. The table includes columns for course names, credit hours, and enrollment status for each month.
- Registration Instructions:** A 'Step 1 立即報名' (Step 1 Register Now) button with the URL 'http://elearning.asus.com'.

On the left side of the screenshot, there is a list of course categories with checkboxes:

- 新人訓課程 (New Employee Training Course)
- 一般通識類課程 (General Knowledge Course)
- 管理類課程 (Management Course)
- 各單位專業課程支援 (Support for Professional Courses of Various Units)
- LSS GB/BB與必修課程 (LSS GB/BB and Required Courses)

FIGURE 14: Course Promotion E-Letters

Achievement: From January to September, 2007, there were 197 actual classes and 82 virtual courses for management courses.

Type of Resources	Content	Objectives	Contributions
On-the-Job Training	<ol style="list-style-type: none"> 1. Courses for professional skills 2. Professional experiences 3. Mentoring 4. Expatriates programs 	Learning by doing— Finishing various tasks arranged by supervisors.	Assisted various Bus developing over 70 professional online programs.
Newcomers	<ol style="list-style-type: none"> 1. Induction courses to ASUS 2. Newcomers' program 	Brief introduction to related departments (Done within 1 month)	Accumulated number of people accomplishing such program: 1185 (an overall 91.11% rate)
Career Consultation	Consultation services	Assisting employees to clarify work-related problems or career paths.	Numbers of persons used this service: 49
Self-development	<ol style="list-style-type: none"> 1. Technology English 2. Business Japanese 	Providing personal hobbies related program and language skills to increase learning motivation.	2 Sessions in 2007

FIGURE 15: Diversified Learning Resources (Management and General Studies excluded)

COMMUNITY ENGAGEMENT

As a corporation that pledges to continuously take good cares of its employees and the world we live in by taking full corporate social and environmental responsibility, ASUS actively involves in many charity events over the past few years for the sustainability not only the company but also the society.

A highlight in 2007: In understanding the importance of sustainable development and corporate social responsibility, ASUS has become a member of the Electronic Industry Code of Conduct (EICC) in July, 2007. Partnering with many other EICC members, ASUS looks forward to share experiences and establishing close communication with its stakeholders.

The following show our main stakeholder groups and how we engage with each, including examples of our activities in past three years.

Employees

- Encourage employees to participate in health related events such as: cigarette-free working environment, cigarette quitting assistant, Weight Loss Contest, and Climbing Stair Competition
- Open clubs for personal enhancements and relationship developments
- Semi-annual reviews and Talent Development Program for improvements and enhancements

Suppliers

- Hold information meetings on IECQ QC 080000 HSPM (Hazardous Substance Process Management) and ASUS' GreenASUS technological requirement for suppliers, and request for compliance to establish future partnerships

Customers

- Offer free notebook maintenance services regardless the brands of the notebooks several times a year
- First Taiwanese Industry to establish IT products free “Take-Back Program” in USA
- Online customer support forum and software upgrade download
- Green Policies on GreenASUS webpage <http://green.asus.com/>

Corporations

- Response to their donation requests by taking back usable computers and cooperating with secondhand computer technical support
- Cross domain cooperation with Cable Multi System Operator to help increase Digital Literacy growth for low-income families via secondhand computer donations

Foundations

- Long-term cooperation with Tzh-Chi Foundation for recycling to mitigate environmental impact
- Sponsor several Children with Development Delays groups to join ASUS Family Day
- Donate computers to Taiwan Foundation for Rare Disorders
- Sponsor job training for Eden Social Welfare Foundation for Disabilities

Communities

- The first corporate member of Environmental Volunteers Team in Taiwan and help clean up Danshui River and maintain community environment cleanness
- Sponsor local community exhibition and donate computers to several countryside elementary schools

Media

- Sponsor Daai Television Channel for charity advertisements
- Interviews regarding Waste Electrical and Electronic Equipment issue
- Actively share our experiences in Green Design and Green Supply Chain Management to the Industries

Investors

- Hold annual stockholders meetings and disclose the meeting report to the general public

Government organizations

- Sponsor Environmental Protection Administration Executive Yuan for Organ Donation CM to promote correct organ donation notions

We realize that we still have room for improvement. In the future, we will pursue “stakeholder engagement” more in depth to further touch on our stakeholders, trying our best to communicate with them on issues they would care more about and would like to see in our sustainability report. Then, we could provide more detail information on the related achievements to our stakeholders and will have more interaction with them to get closer to the core value of GRI framework

ENVIRONMENTAL MANAGEMENT

ASUS Social and Environmental Responsibility (SERASUS) Policy:

1. Abide by all environmental protection, labor, safety and health laws.
2. Conserve natural resources and endeavor to prevent pollution.
3. Reduce environmental impacts and safety risks.
4. Satisfy customer requirements and aim to become an ‘entirely green’ enterprise
5. Facilitate a company-wide promotion of corporate responsibility particularly social and environmental aspects.
6. Encourage all employees to participate in the program and continuously improve it.

As part of our overall environmental and social management program, every six months the “SER Management Review Meeting” is convened to review:

- Environmental and social objectives/targets/programs
- Current status of significant environmental improvements
- Internal and external audit results
- Corrective and improving actions taken for nonconforming items found in audits
- The effectiveness of the system and key performance indicators

SERASUS Committee is committed to the following:

1. Abide by environmental and labor protection laws, regulations to meet related demands issued by the government, and vouch to support the global environmental protection, labor rights and occupational hazard control.
2. Educate the entire staff, making them aware that protecting the environment, respecting the dignity of life, conserving limited natural resources, and ensuring occupational health and safety are the responsibilities of everyone.
3. Decrease resource consumption and at the same time recycle resources.
4. Enhance the waste handling and monitor it. The responsible unit shall ensure the wastes handling from not being reused nor re-sold in order to safeguard the company and customer’s rights.
5. Step up measures to monitor and reduce pollutants along with work hazards, in the hope that adverse impacts on the environment and employees will be reduced to the least.
6. Promote the independence and reliability of the Occupational Health and Safety Management System (OHSMS) so as to optimize the quality of occupational hazard control.
7. Establish an operating system and endow it with the highest authority in the OHSMS, labor rights and environmental protection management system. The operating system should provide clearly defined job descriptions for all tasks to be shared, in order to improve the efficiency in performing these tasks.
8. Implement health care programs and improve the environment of the workplace to ensure the employees’ mental and physical health.
9. Openly pledge the company’s commitment in protecting the environment and labor rights and reducing occupational hazards.

ENVIRONMENTAL ASPECT AND OH&S HAZARD IDENTIFICATION

Environmental Aspect

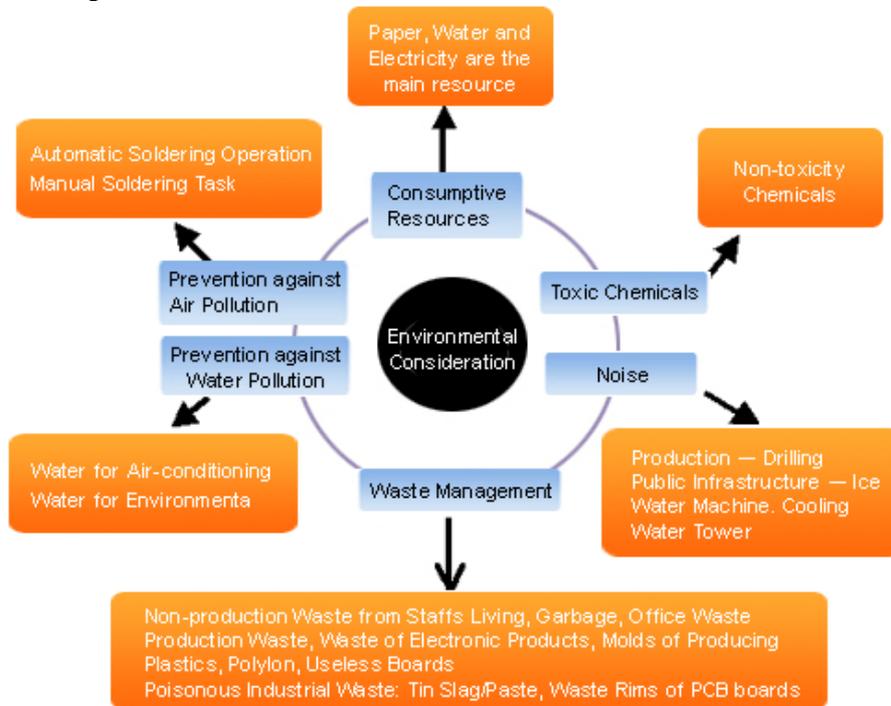


FIGURE 16: Environmental Consideration Elements

The possible environmental impacts are illustrated in the above diagram. For example, a primary cause of air pollution of all ASUS' manufacturing sites comes from soldering where fumes carrying metallic and organic elements are produced. These pollutants are extracted and treated and the company also continuously updates the production machinery to meet relevant national environmental regulations.

System Certification

Year Certified	Certificate	Coverage
1998	ISO 14001:1996	Taiwan:
2005	ISO 14001:2004	ASUSTeK Corporate Office ASUS Taoyuan Factory China: ASUS Suzhou Factory
2006	ISO 14001:2004	China: ASUS Shanghai Factory Other international sites: ASUS Czech Republic Factory
2007	ISO 14001:2004	Other International sites: ASUS Mexico Factory

FIGURE 17: ASUS’s Environmental Management Systems Certification

Further details on how we manage key environmental impacts and our performance in these areas are discussed in the following sections.

Occupational Health & Safety Hazard Identification (Identified with Risks)



FIGURE 18: Risk of Security & Sanitation

The production activities with higher risks are shown in the above figure. Hazard prevention measures include equipment safety design, health and safety training, routine inspection and maintenance of equipment, emergency response planning and training, chemical management, employee health examination and management, personal protection equipment, operational management, ergonomic improvement program, etc. The above-mentioned factors are used to ensure that employees have the safest working environment.

System Certification

Year Certified	Certificate	Coverage
1999	OHSAS 18001:1999	Taiwan: ASUSTeK Corporate Office ASUS Taoyuan Factory China: ASUS Suzhou Factory
2007	OHSAS 18001:1999	China: Asus Shanghai Factory Other International sites: ASUS Mexico Factory ASUS Czech Republic Factory

FIGURE 19: ASUS’ Occupational Health and Safety Assessment Series Management Systems Certification

Competence, Training and Awareness

We are committed to all employees having the relevant training and/or experience to enable them to do their work with competence. We also make our employees aware of the possible dangerous consequences, actual or potential of their work activities. We strive to ensure that all employees are aware of their roles and responsibilities in achieving conformance to the SERASUS policy, procedures and to the requirements of the SERASUS management system, including emergency response requirements and qualifications.

Audit

We have established an internal “SERASUS Audit” program that assesses the status of compliance with the ASUS’ SERASUS requirements and effectiveness and efficiency of its implementation of the SERASUS. ASUS trained its internal auditors who must possess the necessary qualifications to perform the audits. These audits are additional to the external assessments that are conducted as part of maintaining our ISO 14001 and OHSAS certifications

Performance Measurement and Monitoring

We use qualitative and quantitative measures (including KPIs and targets) to monitor the

effectiveness of our system implementation and our performance. Targets for environmental and health & safety performance are established at a site level. Assessing performance against these targets has primarily occurred on a site-by-site basis, and selected elements of this site level performance data are presented in the following sections. On reviewing the performances of the past years, the objectives/targets/programs for the next year will be set.

For detailed 2007 environmental, health and safety objectives/targets/programs, please refer to Appendix 3.

ENERGY CONSUMPTION AND GREENHOUSE GAS

Energy

The types of energy currently used by ASUS are mainly electricity and natural gas. Electricity is used for the infrastructures (air-conditioning, lighting and mechanical power, etc) while natural gas is used for catering, heating and the boilers. ASUS does not generate its own energy but purchases energy from local government organizations where the ASUS sites are located.

At the beginning of every fiscal year, the energy saving objectives of the previous year are reviewed and new targets for the coming year are set. We pursue our targets mainly by installing energy saving devices to reduce electricity consumption. In line with our approach to date of setting targets on a site-by-site basis, projects to reduce energy usage and increase efficiency have tended to be identified and managed at a site level.

Greenhouse Gas Emission

In response to global climate change, ASUS has developed a “Reducing Greenhouse Gas (GHG) Emission Policy”, which states:

“ASUS is committed to reducing its GHG (greenhouse gas) emissions in both manufacturing operations and product design through energy conservation and efficiency in operations, improved energy efficiency of our products, and optimising transportation.”

This policy is classified as corporate level and as part of implementing this policy we have launched a GHG emission assessment program. The preliminary objective is to:

- Investigate and document all GHGs generated from our manufacturing and operational activities as well as transportation by ASUS both in the movement of its products and employees; and
- Set GHG reduction targets and strive to achieve these.

We also plan to reduce the environmental impacts of the company manufacturing and employee activities by setting various targets and objectives each year. Our assessment project will reference and use the ISO 14004 GHG accounting and verification.

Since 2007, ASUS outlined the guideline for recording of greenhouse gas emission. We anticipate that our direct energy usage is our main impact on climate change and greenhouse gas emissions. Therefore, we record the data of the electricity and calculate indirect CO₂ emissions for the pass three years and present the charts as FIGURE 20 and FUGIRE 21. According to FIGURE 22, from the period of 2005 to 2007, the CO₂ missions per Headcount decreases at the rate about 6%.

Site	2007	2006	2005
Headquarters(including periphery facilities)	27.2	26.7	24.5
Li-Kong Factory	7.5	8.8	9.3
Lu-Ju Factory	2.7	2.7	2.3
Taoyuan Factory	15.9	18.7	18.9

FIGURE 20: Total Electricity Consumption by Sites in Taiwan (MWh)

Site	2007	2006	2005
Headquarters(including periphery facilities)	17390	17000	15610
Li-Kong Factory	4800	5640	5910
Lu-Ju Factory	1730	1720	1460
Taoyuan Factory	10120	11940	12080

FIGURE 21: Total Indirect CO₂ Emission by Sites in Taiwan (Metric Tonnes)

CO ₂ Emission per Headcount	2007	2006	2005
CO ₂ Emission per Headcount	3.77	4.00	4.01

FIGURE 22: Total Indirect CO₂ Emission per Headcount (Metric Tonnes)

Energy Saving Programs

An example of our approach to energy saving is the program run at our Taiwan sites which looks at two main areas:

- Reviewing opportunities for reducing the energy usage of the air-conditioning systems including through:
 1. Installing a frequency conversion device for the air-conditioning.
 2. Changing air-conditioning operation timing mode from 24 hours into only when required.
 3. Conducting regular maintenance of the equipment.
 4. Adjusting ice-water temperature.
 5. Installing time dependent controls for each floor.
- Reviewing opportunities for reducing energy use in the power system through:
 1. Installing time dependent floor electricity and lighting controls.
 2. Improving the efficiency of electricity power.
 3. Changing the low energy-efficient devices to high energy-efficient ones.
 4. Controlling the elevator operation time on off-peak and in non-working days.
 5. Using high energy-efficient lightings.

Moreover, ASUS encourages all employees to get involve in the Climbing Stair Competition to avoid riding the elevators during the peak hours. Besides encouraging the employees to exercise and maintain healthy condition, this activity would either directly or indirectly reduce the environmental impact through energy consumption.

ENVIRONMENTAL-FRIENDLY PRODUCTS

Recently, much attention has been paid to environmental and energy issues regarding electrical and electronic equipment. Demand for green products is increasing worldwide, and regulations regarding hazardous substances and the waste treatment of electronic products are dramatically changing how ASUS conducts its business - enabling it to engage more fully in environmental protection.

As mentioned earlier, GreenASUS is the full-time department to conduct and manage environmental actions and especially focuses on product-oriented environmental issues. Amongst others it covers relevant issues such as RoHS, WEEE and EuP.

Our GreenASUS quality policy states:

“ASUS is committed to world-class quality green products, precise and efficient product development and manufacturing, prompt service and delivery, relentless process improvement and nurturing industry talents, in striving for the highest customer confidence and satisfaction.”

This policy covers 100% of all ASUS business and manufacturing sites worldwide.

The GreenASUS management program is reviewed together with other environmental and social management programs in the “Management Review Meeting”. This meeting is convened to review:

- GreenASUS objectives/targets/programs;
- Current status of significant product-oriented environmental improvements;
- Internal and external audit results;
- Corrective and improving actions taken for non-conforming items identified in audits
- The effectiveness of the system and key performance indicators

System Certification

To achieve certification of its environmental systems, ASUS' Quality Management System complies with International Organization for Standardization (ISO) and IECQ QC 080000 Hazardous Substance Process Management (HSPM) criteria. Please see Appendix 2 for copies of the certificates.

Year Certified	Certificate	Coverage
1994	ISO 9002:1994	Taiwan:
2000	ISO 9001:1994	ASUSTeK Corporate Office
2003	ISO 9001:2000	ASUS Taoyuan Factory China: ASUS Suzhou Factory Other International sites: ASUS Czech Republic Factory ASUS Mexico Factory
2006	ISO 9001:2000	China: ASUS Shanghai Factory
2006	IECQ QC 080000 HSPM	All ASUS Sites

FIGURE 23: ASUS' Quality Management System Certification

In addition, ASUS has developed and implemented the procedures and processes of the HSPM.

The IECQ QC080000 Hazardous Substance Process Management (HSPM) is an internationally recognized standard which specifies the technical requirements that manufacturers and producers could adopt to ensure that their products conform to new manufacturing limits, including compliance with the European Directives for RoHS and WEEE.

Green Supply Chain Management

ASUS has established supplier management standards and procedures to gather critical information, such as supply chain certifications and compliance information, to comply with and exceed environmental requirements. We have a good relationship with our suppliers and business partners and this helps promote a win/win outcome.

In addition, ASUS helps our suppliers establish their own environmental quality assurance systems and internal regulations for continuous quality management.

ASUS audits each GreenASUS (GA) supplier yearly. Auditing covers the following areas:

■ **Product environmental quality management system**

1. Product's environmental requirements;
2. Legal regulations for all countries where product is made or sold;
3. Customers' requirements;

4. Environmental education training for employees;
 5. Monitoring practices (internal auditing procedures); and
 6. Transfer of GreenASUS Information and announces to the suppliers' internal departments.
- **Document standard system:**
 1. Design management, parts and materials quality sampling, and change management
 2. Purchasing and vendor management
 3. Fault correction procedures and management for non-conformance disposal.
 - **Process management system**
 1. Overall manufacturing process control
 2. Avoiding mix, leakage, and contamination in processes
 3. Warehouse (raw materials/products) management
 4. Shipping inspection. (Environment-related materials must be checked. The history of the environment-related materials in the manufacturing process must be able to be tracked and identified)

Green Manufacturing Management System

To maintain high quality and meet the requirements of clients ASUS has established a green manufacturing management system. This system is in line with the ISO requirements relating to manufacturing management

ASUS has completed the ISO documents for Green manufacturing management and also reviews and maintains them continuously. Some of the documents are listed in FIGURE 24.

ISO document list of Green manufacturing management	GA document No.
Product Hazardous Substance Free Plan	P-GA1-001
GA Manufacturing Process Management Procedure	P-GA2-008
GA Outgoing Control Management Procedure	P-GA2-009
GA Incoming Inspection Management Procedure	P-GA2-010
GA Modification Management Procedure	P-GA2-011
GA Correction and Prevention Management Procedure	P-GA2-012
GA Reliability Testing Management Procedure	P-GA2-013

FIGURE 24: GreenASUS Documents of Green Manufacturing Management

Green Sub-Contractor Management

To ensure the quality of sub-contractor products, ASUS has established the GreenASUS Out-sourcing Vendor Quality Management Procedure. This procedure aims to ensure that sub-contractors' products meet GreenASUS standards.

ASUS has established a sub-contractor qualification system. Each sub-contractor is audited using the same criteria used in the supplier qualification system.

The results of the sub-contractor audits are as follows:

- In 2007, 100% of sub-contractors passed auditing performed by ASUS.
- In 2006, 96% of sub-contractors passed auditing performed by ASUS.
- In 2005, 100% of sub-contractors passed auditing performed by ASUS.

Green Product Management System

■ Green Product Management System for Green Component

ASUS set up the first Green Product Management System (GPMS) in Taiwan, which helps our R&D staff determine if suppliers in our supply chain are using specific hazardous substances. The system also helps ASUS and our suppliers select green components in a systematic and efficient way. Through this eGreen IT platform, our suppliers can download ASUS' green requirements and formats and then upload required information as follows such as:

1. Certificate attesting to non-use of Controlled hazardous substances;
2. Component composition table or MSDS;
3. Lead-free Component Survey; and
4. Third-party test reports on hazardous substances.

This electronic data gathering enables ASUS R&D staff to conduct its component approval process and select green components accordingly.

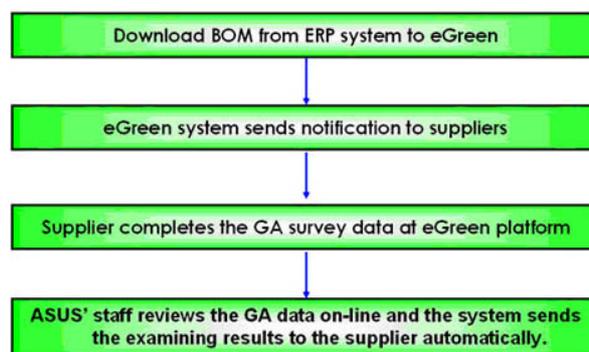


FIGURE 25: ASUS Component Approval Procedure

■ **Green Product Management System for Green Material**

ASUS has set up the Green Product Management System for mechanical materials known as the e-material system. Many mechanical parts use the same raw materials we consider and test raw materials for controlled substances. This avoids duplication in the approval R&D process.

In general, considering raw material instead of each mechanical part can save more than 60% reduplicate approving processes and R&D approval time.

The system helps ASUS and our suppliers select green material in a systematic and efficient way. Through this e-material system, our suppliers can upload required information on controlled substances and reports from third parties regarding hazardous substances as follows:

1. Certificate attesting to non-use of Controlled hazardous substances
2. Third-party test reports on hazardous substances.

This system also serves as a database that R&D staff use when designing new products.

Green Procurement and Management of Chemical Substances

The Procurement and Material Department and Supplier Quality Engineering departments are responsible for GreenASUS procurement. These departments are also responsible for undertaking the annual supplier audits.

Milestones for Product Material Restriction and Related Events

ASUS has achieved a number of milestones in “greening” its products and practices. FIGURE 26 shows accomplishments to date, and the planned schedule for further environmental restrictions.

Schedule	Events
2001.03	Survey the Plumbum (Pb) and Candela (Cd) content of Electrical and Electronic (EE) parts and Mechanical (ME) parts
2002.02	Control hazardous substances in ASUS technical standard
2004.06	First lead-free motherboard
2006.03	First RoHS-compliant notebook
2006.10	Qualification of QC080000
2008.12	One Halogen-free product in each product line
2009.12	Halogen-free in all ASUS products

FIGURE 26: Milestones in Green ASUS’ Policies and Practices

Hazardous Chemical Substance Management

The ASUS technical standards define four levels of hazardous substance management, as elaborated below. Annually, we check and modify the content of ASUS technical standards based regulations and current best practice.

Level 1: Use of the substances and/or their purposes must be banned immediately.

Level 2: Phase-out periods for individual substances and/or their purposes are individually set. On or after the date set, the substances in the respective tables will be classified at Level 1 and must not be contained in modules, parts, sub materials, and materials.

Level 3: The substances and purposes are identified as banned for use, but no period or target dates for banning have been set. They will be classified as Level 2 to be banned in phases, once alternative parts, new materials, or techniques are available that, in ASUS' judgment, satisfy the intended application in modules, parts, sub materials, and materials.

Exemption: These substances are used for modules, parts, sub-materials, and materials. However, they are not regulated by the law or excluded from the controlled-substances category because adequate alternative parts and materials that satisfy the intended application are unavailable.

Our products and packaging materials that comply with the European RoHS requirements have the following GreenASUS label.



FIGURE 27: The GreenASUS label

End-of-Life Management Policy

As ASUS' market share rapidly grows worldwide, we have made a commitment to extend producer responsibility for product end-of-life management. This responsibility includes product takeback, recycling, and responsible end-of-life management for ASUS products.

As mentioned, ASUS supports producer responsibility for proper end-of-life management of our products and has the following policies:

- We exclude incineration as an option for all vendors managing ASUS end-of-life products in any situation;
- We prohibit the use of incarcerated labour for processing and managing ASUS end-of-life products in any situation; and
- We seek to keep the ASUS product takeback program accessible to all customers, including consumers, small businesses, and institutions, but keep it in accordance with

our unique stance in the marketplace. We prohibit export of end-of-life electronics, components, and scrap to any countries that are in violation of the Basel Convention. In the United States, we work only with vendors that have signed the Pledge of True Stewardship.

ASUS offers customers free recycling of a used product in many areas not only to comply with WEEE and related laws, but to demonstrate our commitment to responsible end-of-life management.

As well as with our headquarters in Taiwan, ASUS has established recycling programs in Europe and North America, and is in the process of planning programs for other territories as well.

In Taiwan, ASUS cooperates with the EPA's recycling policies and requirements; provides complete product support; periodically conducts product health examinations; and carries out product inspections, test services, and upgrade services, which all can contribute to lengthening a product's lifetime.

In Europe, ASUS and the German recycling facility have established a take back system, and cooperate with many businesses to meet WEEE directive requirements. Furthermore, ASUS and the recycling facilities created an online recycling management platform to facilitate to immediate monitoring of the progress of recycling and gather processing information.

ear® Order Code	Month	Municipal Collection Point		Reminder status [if appl.]	
AYWc	Juni	Landkreis Cloppenburg		Nicht angemahnt	
Internal Order No.	Year	26683 Saterland		Issued by	on date
4414	2006				
Date Of order	Time Of order	Weight [in tons]	Coll. Group No.		
01. Juni 2006	10:29:04	7,68	3		
ElektroG Collection Group Description		Order completed on:		Description:	
Geräte der Informations- und		08.06.2006 13:10:44		System: centralised e-lektroG reminder Kommunikation: municipal collection point Status: individual reminder, Issued directly by the ear's personnel	

FIGURE 28: Online Management Information System for German Recycling Facility for ASUS End-of-Life Products

In the United States, ASUS provides consumers with access to recycling for end-of-life ASUS products, in all fifty states. Consumer can register via the Internet to send their computers to a recycling facility, free of charge. ASUS works with local advisers and ensures adherence to its end-of-life management policy through audits of its recyclers. ASUS was the first Taiwanese company in America to provide free take back services for notebooks, setting an example for others. FIGURE 29 shows the online interface for US ASUS notebook recycling.

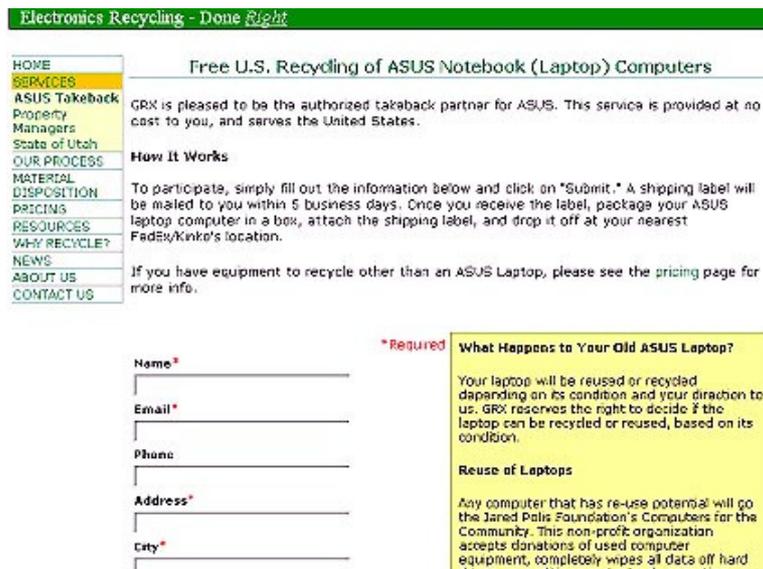


FIGURE 29: Online Interface for Recycling ASUS Laptops

Recycle Reports from Vendors

ASUS' recyclers are required to provide periodic written product disassembly reports, with data on time required to remove components, details on procedures and specific tools used for disassembly. This data is then used as feedback to improve product design and to provide recyclers with useful reference material.

DESIGN FOR ENVIRONMENT

With regard to design for environmental compliance and protection, GreenASUS (GA) is phasing in design for the environment (DfE) improvements in three major areas:

- Restriction and control of hazardous and toxic substances;
- Ease of disassembly; potential for reuse; recyclability; and
- Energy-saving features.

The products covered by these GA standards are as follows:

- GA products that are designed, manufactured, sold, or distributed by the ASUS group;
- GA products that are being sold or distributed with the ASUS group's logos on them, although the design or production of these products may be subcontracted to parties or companies outside the ASUS group; and
- Green products that are outsourced by international OBM (Own Brand Manufacturer) customers to the ASUS group, and which are specified to follow the GA technical standard for design or production.

Green Design Policy

ASUS' Green Design Policy includes the precautionary principle, the substitution principle, and end-of-life management.

For GreenASUS products in the research and development (R&D) design stage, R&D will first choose compliant materials and parts on the basis of our technical standards. Based on our own green design procedure (see FIGURE 30) and the ASUS design checklist. R&D is also phasing in the design of products that are easy to disassemble so they can be easily reused and recycled, and that have energy-saving features. As well, R&D double-checks that green design attributes are included in each of the design phases.

Green Design Procedure

GreenASUS products are developed through a multi-phase process, as shown in FIGURE 30.

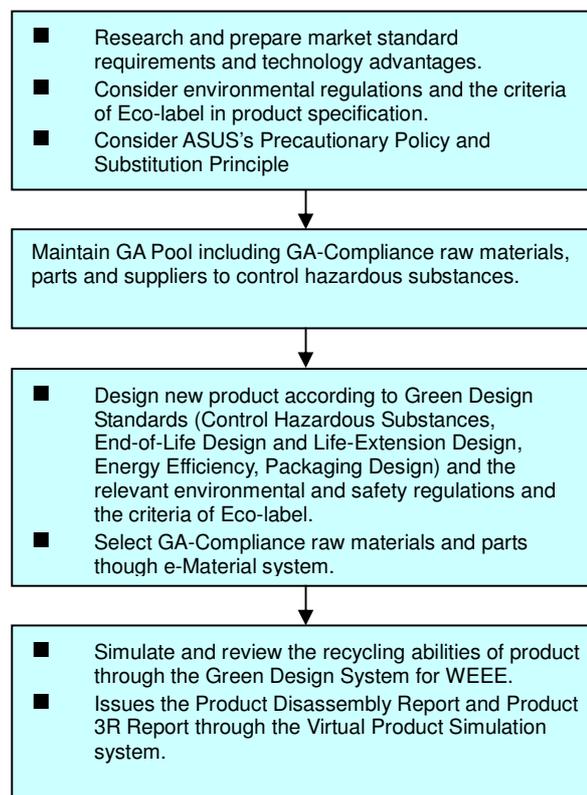


FIGURE 30: Green Design Procedure

The green Design Procedure includes the following subjects:

- Precautionary Policy;
- Substitution Principle;
- Controlled Hazardous Substances;
- End-of-Life Design and Life-Extension Design;

- Energy Efficiency;
- Packaging design; and
- Life Cycle Assessment.

Precautionary Policy

ASUS complies with all mandated restrictions on hazardous substances. We seek to go beyond legislated mandates such that if there is a threat of harm, even if full scientific certainty is lacking about a substance’s impact on the environment and human health, the substance will be phased out (if currently used) or will be not selected for future use in ASUS products or in our manufacturing process.

Substitution Principle

ASUS’ substitution principle policy states: “In phasing out hazardous or potentially hazardous substances, ASUS reviews all available information to ensure that the replacement substance is less hazardous, or ideally non-hazardous.”

Controlled Hazardous Substances

The ASUS technical standard includes eleven categories of Controlled hazardous substances, with specific requirements addressing restriction or banning for each substance. All parts designed for GA products must meet these requirements, and the related vendors also must provide corresponding certification and third-party reports to document compliance with requirements.

Besides the six substances controlled by the RoHS directive, ASUS further prohibits thirty other hazardous substances that damage the human body and the environment. FIGURE 31 lists ASUS’ controlled hazardous substances:

Hazardous Substances	
Heavy metals	Cadmium (Cd) and cadmium compounds
	Lead (Pb) and lead compounds
	Mercury (Hg) and mercury compounds
	Hexavalent chromium (Cr ⁺⁶) compounds
	1. Nickel (Ni) and nickel compounds
Brominated organic compounds	2. Arsenic (As) and arsenic compounds
	Polybrominated biphenyls (PBB)
	Polybrominated diphenylethers (PBDE)
	3. Tetrabromobisphenol-A (TBBP-A)
	4. Hexabromocyclododecane (HBCD)
Chlorinated organic compounds	5. Other brominated organic compounds
	6. Polychlorinated biphenyls (PCB)
	7. Polychlorinated naphthalenes (PCN)
	8. Polychlorinated terphenyls (PCT)
	9. Chlorinated paraffins (CP)
	10. Polyvinyl chloride (PVC) and PVC blends

Hazardous Substances	
	11. Other chlorinated organic compounds
	12. Organic tin compounds (including Tributyl tin compounds(TBT), Triphenyl tin compounds(TPT))
	13. Asbestos
	14. Specific Azo compounds
	15. Formaldehyde
	16. Expanded Polystyrene (EPS)
	17. Ozone depleting substances
	18. Radioactive substances
	19. Halogenated diphenyl methanes
	20. Perfluorooctane sulfonates (PFOS)
	21. Perfluorooctyl acid (PFOA) and individual salts and esters of PFOA
	22. Bis(2-ethylhexyl)phthalate (DEHP)
	23. Bisphenol-A
	Fragrance substance
	24. Musk xylene; and 25. Musk ketone
	Surfactants
	26. DTDMAC; 27. DODMAC/DSDMAC; and 28. DHTDMAC
	29. Pentachlorophenol (PCP)
	30. Triclosan

FIGURE 31: ASUS's Controlled Hazardous Substances

All or most of these controlled hazardous substances are categorized as Level 1 restriction (banned immediately). The levels of restriction and accompanying timetable for phase-out are described in earlier section “Hazardous Chemical Substance Management” in page 31. A few of these controlled hazardous substances (for example, PVC) will have a deadline for phase-out established once the proper substitution has been found.

RoHS Laboratory and Testing Method

ASUS has established laboratories that test for hazardous substances and is addressing challenges in the measurement of hazardous substances through two separate resources:

- ASUS uses an X-Ray Fluorescence Spectrometer (XRF) for speedy screening for RoHS-Controlled hazardous substances, especially Cr^{6+} , PBBs, and PBDE.

ASUS has strong internal quality control (IQC) procedures. The GreenASUS document contains the high-risk parts' list of Br (Bromine) and is used to pre-screen for XRF testing. In addition, ASUS has set up a RoHS laboratory in China SZ/ASH and Taiwan TY factory to conduct confirming tests for Cr^{6+} , PBBs, and PBDE, using UV and GC-MS instruments. Meanwhile, if necessary, these laboratories can also use ICP instruments to test for the presence of Pb, Cd, and Hg.

- ASUS requires proper testing methods for electrical and electronic (EE) components, especially for ICs, chipsets, and metal parts with plating.

ASUS provides its vendors with GA documents that describe (1) standard mixed testing methods for ICs and chipsets and (2) the formal testing method and criteria based on the IEC 62321 standard for metal parts with plating. ASUS also reviews the third-party testing reports on ICs and chipset parts that we receive from our vendors. Compliance is assured to some degree as our suppliers of these EE parts are almost all international and well-known companies.

End-of-Life Design and Life-Extension Design

Because extending the life of electronic products is better for the environment than simply disposing of them, and in order to make disassembly of our products easier for both refurbishes and recyclers. GreenASUS has established a policy setting these standards. The reuse, recovery, and recycling rate of green products can be increased by this green design standard and the associated management procedures guiding DfE operating processes.

Design for End-of-Life Policy and Procedures

The ASUS policy is to design products to maximize usable life span. We also design our products for ease of reuse and refurbishment, and when they reach the end of a useful life span, products have been designed for ease of disassembly and reduced disassembly time.

In the ASUS ISO document, “Management Procedure of DfE Operating Process” (P-GA2-023) it is specified that ASUS’ R&D staff shall use the Green Design System for WEEE to conduct an initial design review as VPS (Virtual Product Simulation); for instance, assembly verification, and disassembly feasibility study on proposed new product designs. The procedure directs R&D team to produce environmental information reports such as “3R” (Reuse, Recycle and Recovery) and disassembly reports, which include estimates of ease of disassembly and estimated time to do so.

The Green Design system for WEEE stores and systemizes all linkages between components as well as their disassembly time. This system enables the designer and R&D staff to evaluate different disassembly methods. Moreover, this system stores the disassembly features of every component, from which the total disassembly time of a finished product can be calculated (by accumulating the disassembly time for removing each component within a product).

Because the European Union still has not clearly defined the recycling principle addressed in the waste electric and electrical equipment (WEEE) directive, ASUS has joined with ITRI, a third-party recycler, to establish ASUS’ own WEEE recycling principle. ASUS and ITRI analyze data from actual disassembly of ASUS’ electronic equipment. ASUS’ Green Design system enables R&D staff to estimate the overall recyclability of a product based on the Pro-E drawing of each model at design stage. The Pro-E drawing includes material types - thus allowing estimations of a potential recycle rate for a product.

Energy Efficiency

ASUS has also implemented design for energy savings as part of its DfE initiative. We continuously seek to improve the energy efficiency of green products, based on international standards.

We have made the Energy Star® criteria part of ASUS DfE standards. We have met the Energy Star criteria in our products. ASUS products must:

- Have the sleep mode function operational.
- Meet the maximum limitation of power consumption.
- Have the energy-saving function installed on the monitor.
- Have the properties of low-power operation.
- Meet the limitation of the maximum output power in Energy Star standards.

Life Cycle Assessment

In the face of European Union's Energy Using Product (EuP) directive coming and to understand how products may affect our environment through the resources used in their manufacture, use, and end-of-life phases, ASUS initiated a Life Cycle Assessment (LCA) program, which is sponsored by the Taiwan Government. ASUS provides the first Life Cycle Inventory Questionnaire Form in Taiwan and would like to drive other Taiwanese industries to implement and set up a Taiwanese Eco-profile database together. We research and execute lifecycle inventory and assessment cooperatively.

In accordance with the ISO 14040:2006 (Lifecycle Cycle Assessment Principle and Framework) and ISO 14044:2006 (Life Cycle Assessment Requirements and Guidelines), we have established the structure and standard processes of our Life Cycle Inventories (LCI) work. Furthermore, ASUS undertakes LCI surveys and issues Eco-profiles, so-called technical documents, as the basis for evaluating our compliance with the EuP directive.

ASUS "customizes" mechanical parts for its products during the design phase, our R&D department cooperates with our strategic partners to better, jointly, assess the LCA impact of these mechanical parts. Therefore, one phase of the LCI focuses on products' mechanical components. In this phase, ASUS collects information regarding the manufacturing process' environmental and energy inputs and outputs. This data is entered into our Eco-profile database to compile and measure the overall LCA impacts of manufacturing mechanical parts.

With this data available in our Eco-profile databases for each distinct component manufacturing process, designers can better understand the potential environmental impacts of each process. At the same time, TEEMA Association (Taiwan Electrical and Electronic Manufacturers' Association) and ASUS cooperate to establish LCI tables and Eco-profile databases for mechanical parts manufactured by Taiwanese industries. Data is being gathered from a standardized LCI survey form (see FIGURE 32) from all industries in Taiwan.

To drive the Taiwan system of business organization/TEEMA (Taiwan Electrical and Electronic Manufacturers' Association) EuP SIG and the strength of committee members,

discussing Life Cycle Assessment table and the possibility of a data platform, all the while establishing the Life Cycle Assessment database for the Taiwan Region mechanical parts.

Life cycle inventory questionnaire Form for energy using products				
(This LCI unified form is developed by ITRI and ASUS in G plan funded by MOEA.)				
Factory Name:		Factory Address:		
Period of Inventory:				
Personnel:	Division:	Tel: ext.	Email:	Date:
Name of Supervisor:				
This finished form checked by Supervisor?		<input type="checkbox"/> Y <input type="checkbox"/> N		
1.Productivity				
1.Part number				
2.Product name				
3.Quantity of Part / piece		gram/piece		
4.Annual supply rate (kg/Y)		kg/Y		
5.Ratio of this products to all products manufactured in factory(%)		%		
2.Process flow				
1.The technology used				
2.Process flow				
3.Please attach "Process mass balance flowchart" in proposal for waste processing				

FIGURE 32: ASUS' Life Cycle Inventory Questionnaire Form

Packaging Design

Resource conservation, reusability, and recyclability are not a short-term, temporary trend. It is vital that packaging designers incorporate these values into designs while ensuring the survivability of products. ASUS' Green Packaging Design incorporates these green elements into its comprehensive assessments during design, including minimizing the adverse environmental impacts of packaging materials, the manufacturing process for making packaging, and the final disposal of unneeded packaging material.

Besides meeting required product features and specifications, ASUS packaging design also uses environmentally sound materials, adheres to substance restrictions, and uses the recycling logo in accordance with logo licensing requirements. For example, the ink used on packaging fully meets green requirements. ASUS uses recycled materials: more than 90 percent of all ASUS packaging is made with recycled materials. Use of the international recycling logo on our packaging stresses the importance of the environment to the consumer. Specific details of packaging design include:

- **Design to reduce overall material use**
 1. Use of soft paper boards to replace hard paper boards and bottom boards.
 2. Decrease the cushion material structure as well as the overall carton's weight.
 3. Alter the packaging and folding designs to accommodate more merchandise.
- **Environmental-friendly design**
 1. Use recycled materials.
 2. Use paper pad to replace polyurethane sponge

3. Restrict the use of expanded polystyrene (EPS).
4. Use only one colour of ink to make recycling easier.

Packaging prohibits the use of all materials containing lead (Pb), cadmium (Cd), mercury (Hg), chromium (Cr⁶⁺), and polyvinyl chloride (PVC).

Recycling Logo Mark

International Recycling logo is included to demonstrate the ability of packaging materials to be recycled.

In the ASUS ISO document, we have completed some standards for packaging design and identification such as the identification and implementation of packaging material standard and FIGURE 33 shows the packing material codes and logos.

Name	Codes		Logo
Plastic	High density polyethylene	HDPE	
	Low density polyethylene	LDPE	
	Polyvinyl chloride	PVC	
	Polyester	PET	
	Polypropylene	PP	
	Polystyrene	PS	
	Paper	WPP	
	Paperboard	PB	
Paper	Corrugated cardboard	CB	
	Corrugated fiberboard	CFB	
	Non-corrugated fiberboard	NCFB	

FIGURE 33: Packaging Material Code and Logo

ECO-LABELS

Energy Star®



ASUS emphasizes the importance of limiting power consumption, and its goal is that ASUS computers will fulfil Energy Star requirements. Currently, most ASUS green products are designed in compliance with the following Energy Star standards.

Taiwan Green Mark



ASUS and its designers cooperate to design products that meet Green Mark requirements. ASUS has committed to have its products fulfil Taiwan Green Mark standards, even as the Taiwanese government introduces new product categories and associated standards to meet Green Mark. Presently, most ASUS desktop and notebook computers, including notebooks sold to the government/Central Trust of China, have acquired the Taiwan Green Mark. Monitors adopted the Taiwan Green Mark standard later than notebooks, now eleven ASUS LCD monitors have received the Taiwan Green Mark.

TCO

TCO Development's standards are the chief standard for monitor devices, where the four main requirements address ergonomics, radiation, power consumption, and safety measures. At present, over 60 percent of ASUS' monitor products have acquired the TCO marks.



China Energy Conservation Program

ASUS computer product designs aim to meet Energy Star requirements, and presently our green design standards have already fully been covered within Energy Star. Besides this standard, ASUS has started to design products that are compliant with the China Energy Conservation Program and has applied for the China Energy Conservation certificate for all notebooks sold to China since October 2006. All notebooks sold to China are certified with this label.



PRODUCT ENVIRONMENTAL PROFILE

To help consumers easily understand the environmental impacts of the product they bought, ASUS publishes environmental profiles of its notebook computers, computer monitors, and liquid crystal display (LCD) televisions online. The profiles answer the following questions:

- Does the product comply with regulations that prohibit the presence of hazardous substances?
- What are procedures for end-of-life management?
- Does the product comply with Energy Star requirements?

English version of these profiles is available at <http://green.asus.com/english/>

<p>A. Search Engine</p>	
	<p>After ASUS set the specific website and key words in this system, it can search and collect the relevant information actively from these websites such as:</p> <ol style="list-style-type: none"> 1. Official website (including European/America/Asia) and other ones recommended by them. 2.Environmental websites recommended by research institution (including ITRI/IER) 3. The websites of industry associations and the ones recommended by them. <p>After integrating the above information, this system can provide the following functions to a user:</p> <ol style="list-style-type: none"> 1. International regulation query 2. Green information publishes 3. Intelligent character data grouping 4. Basic/advanced query 5. Green news letter

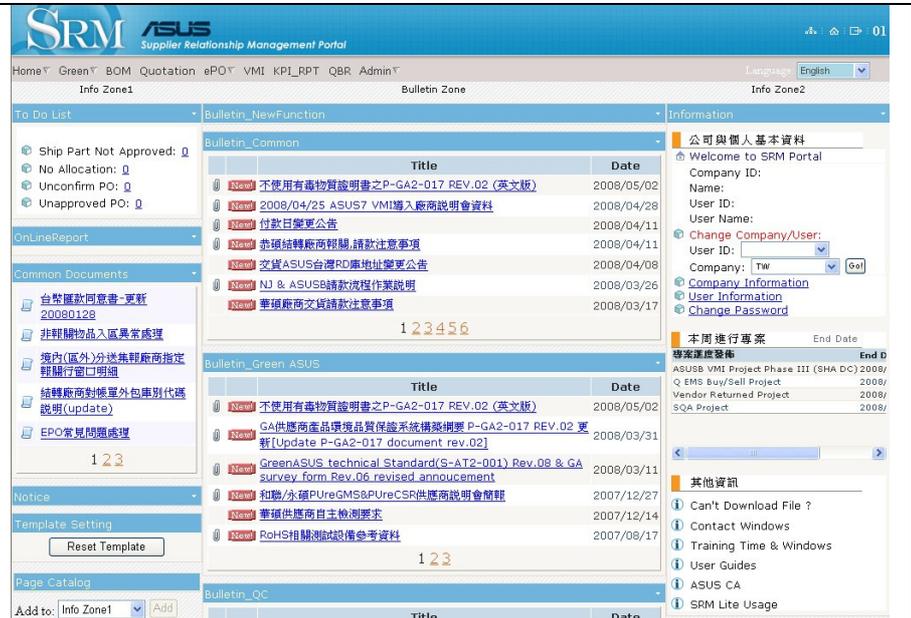
B. GreenASUS EIP Knowledge Centre (Enterprise Information Portal)



Via this system, ASUS can propagate the Green information and implement the education and training internally, the content of green information including:

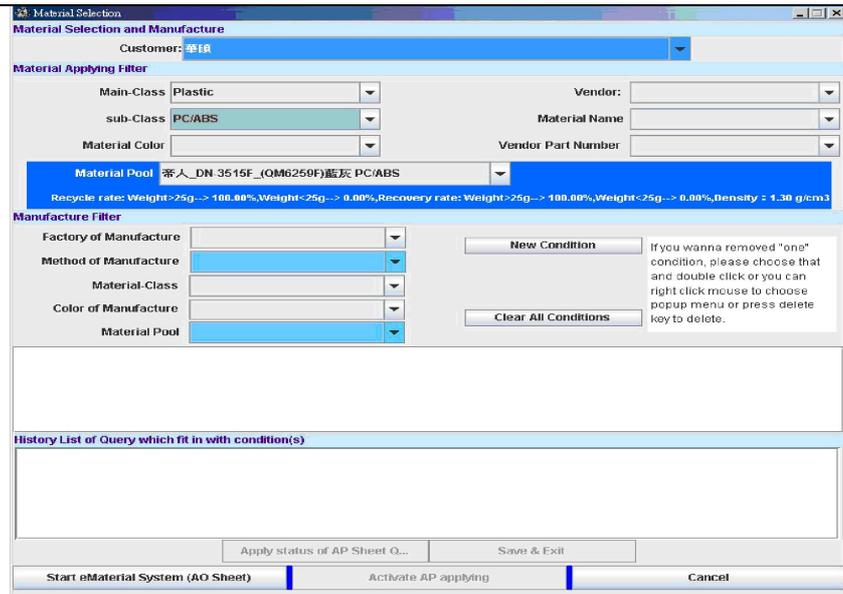
1. GreenASUS policy, goal, organization and responsibility
2. Latest news and announcement
3. GreenASUS ISO document
4. GreenASUS training material
5. Relevant website linking
6. E-learning system
7. Online test
8. GreenASUS external document and customer's information
9. GreenASUS FAQ

C. SRM (Supplier Relationship Management Portal)



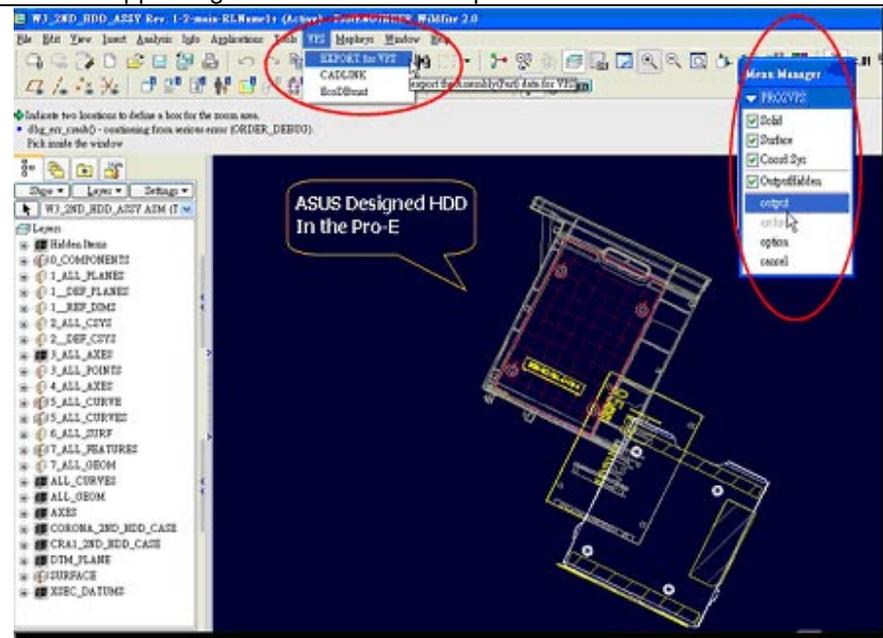
This portal integrates all supplier information and requirement, like: order confirm, action item review, QBR (quarterly business review), Upload the approval document of Green component...etc. ASUS can also publish the announcement and notice on it, this system can also send the e-mail to remind the action items to suppliers automatically.

D. e-Material System



This is the first e-Material system in Taiwan that serves as database on the raw materials used in mechanical parts. The system assists R&D staff in choosing approved material while they make template design. Meanwhile, the e-Material system also proceeds approving processes and keeps relevant approving information to build up raw material database.

E. Green Design System for WEEE



In order to meet the requirement of WEEE directive, ASUS setup the Green Design System for WEEE. The system is focused on the Virtual Product Simulation (VPS) to help R&D estimate the recycle rate in product design phase. Base on the ASUS recycling principle, material density and dimensions of whole model, the system can output the product recycling rate report and disassembly report at design stage when they finish Pro/Engineer (Pro-E).

<p>F. E-Green Platform</p>	<table border="1"> <thead> <tr> <th>填寫步驟 / Fill In Steps</th> <th>注意事項</th> <th>範本/Template</th> </tr> </thead> <tbody> <tr> <td>Vendor Profile</td> <td>請確認您的供應商基本資料是否正確 Please check your vender profile.</td> <td></td> </tr> <tr> <td>Part Select</td> <td>請選擇您欲承認之料件 Please select the part number you want to approve.</td> <td></td> </tr> <tr> <td>Certificate</td> <td>請上傳不使用禁用物質證明書 Please upload the certificate.</td> <td> Certificate(GA) Certificate(GP)(SONY) Certificate(HITACHI) </td> </tr> <tr> <td>Composition</td> <td>請填寫零件成分表或上傳該零件之物質安全資料表 Please fill in the composition table or upload the MSDS of the component.</td> <td>GP(SONY) GB Number</td> </tr> <tr> <td>GA Survey Form</td> <td>請填寫該零件之無鉛狀態及耐熱調查 Please fill in the Green status and heat resistance capability survey.</td> <td></td> </tr> <tr> <td>3rd Party Test Report</td> <td>請上傳第三公正單位之測試報告並填寫測試結果 Please upload the 3rd party test report and fill in the test result.</td> <td></td> </tr> <tr> <td>Final Check</td> <td>請確認您上傳及填寫之所有資料是否正確 Please check all of the data you uploaded and filled in are correct.</td> <td></td> </tr> </tbody> </table>	填寫步驟 / Fill In Steps	注意事項	範本/Template	Vendor Profile	請確認您的供應商基本資料是否正確 Please check your vender profile.		Part Select	請選擇您欲承認之料件 Please select the part number you want to approve.		Certificate	請上傳不使用禁用物質證明書 Please upload the certificate.	Certificate(GA) Certificate(GP)(SONY) Certificate(HITACHI)	Composition	請填寫零件成分表或上傳該零件之物質安全資料表 Please fill in the composition table or upload the MSDS of the component.	GP(SONY) GB Number	GA Survey Form	請填寫該零件之無鉛狀態及耐熱調查 Please fill in the Green status and heat resistance capability survey.		3rd Party Test Report	請上傳第三公正單位之測試報告並填寫測試結果 Please upload the 3rd party test report and fill in the test result.		Final Check	請確認您上傳及填寫之所有資料是否正確 Please check all of the data you uploaded and filled in are correct.	
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<p>G. E-Warranty Letter</p>																									

This is the first GPMS (Green Product Management System) in Taiwan, this system provide the platform for suppliers to upload the Green component approval documents such as: certificate, component composition table, Green component survey file and 3rd party test report. ASUS can manage the Green documents and export the statistic table etc. through e-Green platform. The system will send the reminder mails of action items to vendors and ASUS employees automatically.

For quality assurance and sales department can monitor the green status of each model quickly, and make sure all models meet green requirements when they move into mass production stage, ASUS setup this information linking system to collect the following green related information:

- Green Production line checklist
- Material incoming test result
- Components approval status
- Sub-material approval status

Relevant departments can base on above information to provide the warranty letter or related data to our customer.

H. WEEE management system

ASUS Global Supply Chain Management Portal
Innovative Solution for a Greener Tomorrow

WEEE > Green Recycler > WEEE註冊報表

Registration Report

Report Duration: From 2007 Dev To 2007 Dev Query Export XLS

Region: EURP Country (EU): AUSTRIA

Report Type: MODEL SUMMARY REPORT

REGION	COUNTRY	PRODUCT	SERIES	MODEL	PN	CUST	SHIPQTY	PACKING	WEIGHT (kg)	BATTERY WEIGHT(kg)	WEEE WEIGHT(kg)	
EURP	AUSTRIA	CV-VGA	A9250	9C1CDC0Z			260	90-C1CDC0-Z	0.1120	0	0.1120	0
EURP	AUSTRIA	CV-VGA	EAH3850	9C3CFY10T			10	90-C3CFY1-H0UAY00T	0.67	0	0.67	0
EURP	AUSTRIA	CV-VGA	EAH3870	9C3CG110T			20	90-C3CG11-K0UAY00T	0.67	0	0.67	0
EURP	AUSTRIA	CV-VGA	EN6200TC	9C1CH80Z			60	90-C1CH80-HUANZ	0.14	0	0.14	0
EURP	AUSTRIA	CV-VGA	EN7300GS	9C1CH10Z			80	90-C1CH10-Z	0.28	0	0.28	0
EURP	AUSTRIA	CV-VGA	EN7300GT	9C1CI20Z			200	90-C1CI20-Z	0.16	0	0.16	0
EURP	AUSTRIA	CV-VGA	EN8800GTS	9C3CFQ00T			30	90-C3CFQ0-NUAY00T	0.67	0	0.67	0
EURP	AUSTRIA	CV-VGA	EN8800GTS	9C3CFQA0T			65	90-C3CFQA-JUAY00T	0.7170	0	0.7170	0
EURP	AUSTRIA	CV-VGA	EN8800GTX	9C3CFP00T			5	90-C3CFP0-PUAY00T	0.7170	0	0.7170	0
EURP	AUSTRIA	CV-VGA	N6200	9C1CFDMZ			360	90-C1CFDM-Z	0.14	0	0.14	0
TOTAL:		CV-VGA					1090					0
EURP	AUSTRIA	DO-ODD	DVD+RW	9D40640W-			100	90-D40640-UANW-	0.81	0	0.81	0
EURP	AUSTRIA	DO-ODD	DVD+RW	9D40642W-			200	90-D40642-UANW-	0.81	0	0.81	0
TOTAL:		DO-ODD					300					0
EURP	AUSTRIA	10-WIRELESS LAN	ACCESS POINT	91AP0001Z			20	90-1AP002M00-01PZ	0.22	0.12	0.10	2.40
EURP	AUSTRIA	10-WIRELESS LAN	GATEWAY	91AB0002			19	90-1AB002E00-3PAZ	1.10	0	1.10	0
EURP	AUSTRIA	10-WIRELESS LAN	ROUTER	919D0002			10	90-19D002E02-3PAZ	0.54	0	0.54	0

- This WEEE reporting system can provide below two main functions :
1. Based on EU's requirement, this system can provide the transport and treatment tracking status of waste electrical equipment and output the statistic table.
 2. Provide recycler waste electrical equipment relevant statistic

I. GreenASUS Website

The screenshot shows the ASUS GreenASUS website interface. At the top left is the ASUS logo, and at the top right is a search bar. A navigation menu on the left lists various categories. The main content area features a 'GreenASUS Home' header, a 'News and Awards' section with a list of news items, and a 'CQO announcement' section. The footer displays the number of visitors and a small ASUS logo.

In order to raise the competitiveness and share the environmental information to IT industry, ASUS set up the external environmental website to disclose the relevant information, such as:

1. Corporate Commitment
2. Social and Environmental Responsibility
3. GreenASUS Management System
4. Green Design and Management
5. Supplier and Contractor Management
6. Green Products
7. Product Return and Waste Management
8. Sustainability Report
9. GreenASUS Training Centre
10. Green information Sharing
11. News and Award

STRATEGIES FOR YEAR 2008 AND BEYOND

ASUS attempts to achieve its vision “The world’s most admired and Leading Enterprise in new digital era” through committing to become a green technology company. Our GreenASUS project focuses on four areas: green design, green material selection, green manufacturing, and green marketing. This project supports the design of products for easy reuse, easy recycling and easy disassembly, and it aims at increasing the reuse and recyclability of products through careful material selection and easy-disassembly-conscious design. And we combine the end-of-life management to help protect and show our responsibility to the environment.

In the beginning of 2008, we gain attentions from various stakeholders around the world, such as the Carbon Disclosure Project (CDP) and clients in the United States. We notice that the international visibility of ASUS begins to increase, and this encourages us to move proactively to reach out our international clients and stakeholders. Many of our achievements in year 2007 will be continued to year 2008 and beyond and maybe extended to international level, and new strategies are initiated for further implementations.

Some of them are, not limited to, elimination of hazardous substance, takeback program, design for environment, climate change strategy, and information disclosure and, we will continue to commit to proactively protecting environment and natural resources.

Elimination of Hazardous Substance

ASUS always shows its efforts and aggressive movements regarding “green” issues. In 2006, ASUS introduced the first lead-free motherboard in Taiwan Computer Industry, and the company continues the effort to comply with RoHS directives. By the end of 2008, ASUS commits to release one halogen-free model in each product line, showing its effort on the elimination of brominated flame retardants.

Takeback Program

ASUS’ current takeback programs in the United States and Europe are in compliance with international environmental regulations such as WEEE directive and the recycling regulation in each state of the United States. In the future, we would expand the scope of service and improve the takeback programs to a higher standard. It is the manufacturer’s responsibility to take care of its end-of-life products.

Design for Environment

ASUS always cares about our environment and pursues SERASUS and GreenASUS policies and shares environmental achievements to global clients. We will take the Total Life Cycle approach into our innovative product design to deliver more environmental friendly products. Many of our products are in compliance with eco-labels, such as Energy Star and Taiwan Green Mark, and environmental requirements, such as EuP directives. In 2008, we will continue to design more energy-efficient products, and will apply eco-labels such as EPEAT and EU Flowers to show our commitments.

Climate Change Strategy

ASUS has developed a “Reducing Greenhouse Gas Emission Policy” and has launched a GHG emission assessment program. We will establish an IT platform where we can easily track the historical data and systemize the data collection. We take our first attempt to response to Carbon Disclosure Project 6 (CDP6) Questionnaire received at the beginning of 2008, and also disclose the greenhouse gas accounting data in this sustainability reporting. We will continue to improve on the data collection and data accuracy. In addition, we will initiate our GHG emission reduction plan within one or two years, and then pursue the plan to our Tier 1 suppliers. On the other hand, ASUS will keep on the effort on providing energy-efficient products and at the same time with better performance to help mitigate climate impact.

Other Commitments

ASUS devotes itself to and cares about any environmental issues, and it realizes that it should proactively disclose the company’s information, managements, and achievements to make ASUS be transparent to the world. We disclose our green policy, achievements and management information via variety of channels, such as our Chinese and English GreenASUS website and corporate sustainability report. For 2007 English version, we further apply a systemized reporting framework – GRI Guideline, moving forward to become an international corporation. In addition, we will also response to CDP6 Questionnaire to reveal our greenhouse gas information and management. We welcome any comments and feedbacks from our stakeholders to encourage interactive communications and thus always looking for improvements for our growth.

GRI INDEX

Profile Disclosure	Title	Page Number
Strategy and Analysis		
1.1	Statement from the most senior decision maker of the organization about the relevance of sustainability to the organization and its strategy.	6
Organizational Profile		
2.1	Name of the Organization.	3
2.2	Primary brands, products, and/or services.	3
2.3	Operational structure of the organization.	12
2.4	Location of organization's headquarters.	10
2.5	Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	10
2.6	Nature of ownership and legal form.	10
2.7	Markets served.	10
2.8	Scale of the reporting organization.	8
2.9	Significant changes during the reporting period regarding size, structure, or ownership.	6
2.10	Awards received in the reporting period.	11
Report Parameters		
REPORT PROFILE		
3.1	Reporting period (e.g., fiscal/calendar year) for information provided	8
3.2	Date of most recent previous report.	8
3.3	Reporting cycle.	8
3.4	Contact point for questions regarding the report or its contents.	9
REPORT SCOPE AND BOUNDARY		
3.5	Process for defining report content.	8
3.6	Boundary of the report.	8
3.7	State any specific limitations on the scope or boundary of the report.	9

Profile Disclosure	Title	Page Number
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations.	8
3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement.	8
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	9
GRI CONTENT INDEX		
3.12	Table identifying the location of the Standard Disclosures in the report.	This Table
Governance, Commitments, and Engagement		
GOVERNANCE		
4.1	Governance structure of the organization.	12
4.2	Indicate whether the Chair of the highest governance body is also an executive officer.	13
4.3	For organizations that have a unitary board structure, state the number of members of the highest governance body that are independent and/or non-executive members.	13
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	13
STAKEHOLDER ENGAGEMENT		
4.14	List of stakeholder groups engaged by the organization.	22
4.15	Basis for identification and selection of stakeholders with whom to engage.	22

Key:

- Full Coverage
- ▣ Partially Coverage

Performance Indicator	Title	Covered	Page Number
Environmental			
ENERGY			
EN4	Indirect energy consumption by primary source.	■	29
EN5	Energy saved due to conservation and efficiency improvements.	■	29
EMISSION, EFFLUENTS, AND WASTE			
EN16	Total direct and indirect greenhouse gas emissions by weight.	▣	29
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved.	■	28
PRODUCTS AND SERVICES			
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	■	37
Labor Practices and Decent Work			
EMPLOYMENT			
LA1	Total workforce by employment type, employment contract, and region.	■	16, 11
LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.	■	17
TRAINING AND EDUCATION			
LA11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	■	18
LA12	Percentage of employees receiving regular performance and career development reviews.	■	18
Economic			
ECONOMIC PERFORMANCE			
EC1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.	■	58

ABBREVIATIONS

BU.....Business Unit
CDP.....Carbon Disclosure Project
CEO.....Chief Executive Officer
CO₂.....Carbon Dioxide
DfE.....Design for the Environment
EE.....Electrical and Electronic
EICC.....Electronic Industry Code of Conduct
EPEAT.....Electronic Products Environmental Assessment Tool
EuP.....Energy Using Products
FU.....Functional Unit
GHG.....Greenhouse gas
GPMS.....Green Product Management System
GRIGlobal Report Initiative
HSPM.....Hazardous Substance Process Management
IEC.....International Electrotechnical Commission
IEEE.....Institute of Electrical and Electronics Engineers
ISO.....International Organization for Standardization
MSDS.....Material Safety Data Sheets
MWh.....Megawatt-hour
LCA.....Life Cycle Assessment
LCD.....Liquid Crystal Display
LCI.....Life Cycle Inventories
LSS.....Lean Six Sigma
OBM.....Own Brand Manufacturer
OEM.....Original Equipment Manufacturer
OHSAS.....Occupational Health and Safety Assessment Series
OHSMS.....Occupational Health and Safety Management System
RoHS.....Restriction on Hazardous Substances directive
R&D/RD.....Research and Development
SER.....Social and Environmental Responsibility
TDP.....Talent Development Plan
WEEE.....European Union's Waste from Electrical and Electronic Equipment directive

APPENDIX 1: NON-CONSOLIDATED FINANCIAL REPORT FOR Q3 2007

NON-CONSOLIDATED BALANCE SHEETS (Unaudited)

SEPTEMBER 30, 2007 AND 2006

(Expressed in New Taiwan Thousand Dollars)

ASSETS	Notes	2007	2006
CURRENT ASSETS			
Cash and cash equivalents	II, IV.1	\$19,584,130	\$5,270,454
Financial assets at fair value through profit or loss-current	II, IV.2	3,692,758	330,009
Notes receivable-Net	II, IV.3, V	4,031	404
Accounts receivable-Net	II, IV.3	50,619,368	29,148,988
Accounts receivable-affiliated company-Net	II, IV.3, V	48,223,869	26,638,804
Other receivable-Net	II	2,473,482	2,703,569
Inventories-Net	II, IV.4	72,087,894	59,002,506
Prepayments	V	189,202	156,391
Other current assets		59,820	3,326
Deferred income tax assets-current	II, IV.17	806,248	529,601
Total Current Assets		<u>197,740,802</u>	<u>123,784,052</u>
LONG-TERM INVESTMENTS			
Available-for-sale financial assets-noncurrent	II, IV.5	7,231,693	6,725,574
Financial assets evaluated by cost method-noncurrent	II, IV.6	264,328	100,001
Long-term investments evaluated by equity method	II, IV.7	100,040,135	87,778,158
Total Long-term Investments		<u>107,536,156</u>	<u>94,603,733</u>
PROPERTY, PLANT AND EQUIPMENT			
	II, IV.8, V		
Land		3,238,133	3,090,708
Buildings and equipment		4,248,912	4,373,475
Machinery and equipment		1,280,836	1,756,320
Instrument equipment		1,515,628	1,160,342
Transportation equipment		39,122	40,222
Office equipment		18,079	20,716
Miscellaneous equipment		600,396	528,936
Warehousing equipment		34,932	36,512
Total Costs		<u>10,976,038</u>	<u>11,007,231</u>
Less: Accumulated depreciation		(2,560,979)	(2,665,342)
Add: Prepayments on purchase of equipment		182,576	322,114
Property, Plant and Equipment-Net		<u>8,597,635</u>	<u>8,664,003</u>
OTHER ASSETS			
Assets held for lease	IV.9	194,888	250,106
Refundable deposits	V,VI	306,210	269,733
Deferred charges	II	1,205,396	1,085,575
Accounts receivable-overdue	II, IV.10	-	24
Long-term accounts receivable-affiliated company	II, IV.3, V	5,959	321,637
Others		107,435	166,447
Total Other Assets		<u>1,819,888</u>	<u>2,093,522</u>
TOTAL ASSETS		<u>\$315,694,481</u>	<u>\$229,145,310</u>

LIABILITIES AND STOCKHOLDERS' EQUITY	Notes	2007	2006
CURRENT LIABILITIES			
Notes payable	V	\$79,947	\$280,260
Accounts payable		105,452,910	62,419,760
Accounts payable-affiliated company	II,V	1,660,150	10,761,905
Income tax payable	II, IV.17	4,468,391	2,666,843
Accrued expenses	II,V	28,744,034	16,118,952
Other payables-affiliated company	V	206,149	-
Other payables	V	825,544	544,123
Receipts in advance	V	2,949,810	2,779,408
Other current liabilities		71,110	71,594
Total Current Liabilities		<u>144,458,045</u>	<u>95,642,845</u>
LONG-TERM DEBT			
Financial liabilities at fair value through profit or loss-noncurrent	II, IV.11	90,000	-
Bonds payable	II, IV.11	15,420,251	6,758,443
Total Long-term Debt		<u>15,510,251</u>	<u>6,758,443</u>
OTHER LIABILITIES			
Deposits received	V	15,906	15,173
Deferred credits	II, IV.7	1,697,434	943,387
Deferred income tax liabilities-noncurrent	II, IV.17	1,279,452	1,108,347
Total Other Liabilities		<u>2,992,792</u>	<u>2,066,907</u>
Total Liabilities		<u>162,961,088</u>	<u>104,468,195</u>
STOCKHOLDERS' EQUITY			
Capital stock	IV.12	37,085,068	34,070,702
Additional paid-in capital	IV.13		
Premium on capital stock		20,213,813	17,813,532
Premium on conversion of bonds		4,984,054	3,111,798
Treasury stock transactions		617	617
Others		1,671,924	795,852
Total additional paid-in capital		<u>26,870,408</u>	<u>21,721,799</u>
Retained earnings			
Legal reserve	IV.14	14,502,228	12,580,095
Special reserve	IV.15	-	614,571
Unappropriated earnings	IV.15	71,519,444	54,186,547
Total retained earnings		<u>86,021,672</u>	<u>67,381,213</u>
Other adjustments of stockholders' equity			
Translation adjustments	II	608,814	277,782
Unrecognized loss on pension cost	II	1	-
Unrealized profit/(loss) of financial assets	II	2,147,430	1,225,619
Total other adjustments of stockholders' equity		<u>2,756,245</u>	<u>1,503,401</u>
Total Stockholders' Equity		<u>152,733,393</u>	<u>124,677,115</u>
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY		<u><u>\$315,694,481</u></u>	<u><u>\$229,145,310</u></u>

NON-CONSOLIDATED STATEMENTS OF INCOME (Unaudited)
FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2007 AND 2006
(Expressed in New Taiwan Thousand Dollars except for Earnings Per Share)

	Notes	2007	2006
NET SALES	II,V	\$426,855,666	\$234,123,975
COST OF SALES	IV.16,V	(396,591,333)	(216,634,400)
GROSS PROFIT		30,264,333	17,489,575
LESS: UNREALIZED GROSS PROFIT	II, IV.7	(1,527,844)	(741,563)
ADD: REALIZED GROSS PROFIT	II, IV.7	890,117	426,204
REALIZED GROSS PROFIT		29,626,606	17,174,216
OPERATING EXPENSES	IV.16,V	(16,349,153)	(11,636,790)
OPERATING INCOME		13,277,453	5,537,426
NON-OPERATING INCOMES AND GAINS			
Interest income	V	659,047	319,029
Investment income	II, IV.7	8,905,592	8,616,319
Dividends income		279,097	354,447
Gain on disposal of assets	II,V	6,751	22,085
Gain on disposal of investments	II	104,625	130,299
Gain on foreign exchange	II	428,122	333,468
Gain on financial liability evaluated	II, IV.11	57,600	-
Others	V	1,871,736	1,322,245
Total		12,312,570	11,097,892
NON-OPERATING EXPENSES AND LOSSES			
Interest expense	IV.11	179,986	31
Loss on disposal of assets	II	46,348	2,236
Loss on physical inventory		34,739	23,294
Loss on financial assets evaluated	II	1,798	8,894
Others	V	191,193	9,019
Total		454,064	43,474
INCOME BEFORE INCOME TAX		25,135,959	16,591,844
INCOME TAX EXPENSE	II, IV.17	(4,121,135)	(3,356,796)
INCOME FROM CONTINUING OPERATIONS		21,014,824	13,235,048
EFFECT OF CHANGES IN ACCOUNTING PRINCIPLES	III	-	8,903
NET INCOME		\$21,014,824	\$13,243,951
PRIMARY EARNINGS PER SHARE			
INCOME FROM CONTINUING OPERATIONS	II, IV.18	\$5.74	\$3.64
EFFECT OF CHANGES IN ACCOUNTING PRINCIPLES		-	0.00
NET INCOME		\$5.74	\$3.64
DILUTED EARNINGS PER SHARE			
INCOME FROM CONTINUING OPERATIONS		\$5.46	\$3.53
EFFECT OF CHANGES IN ACCOUNTING PRINCIPLES		-	0.00
NET INCOME		\$5.46	\$3.53

NON-CONSOLIDATED STATEMENTS OF CASH FLOWS (Unaudited) P.1
FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2007 AND 2006
(Expressed in New Taiwan Thousand Dollars)

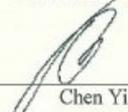
	2007	2006
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	\$21,014,824	\$13,243,951
Adjustments to reconcile net income to net cash provided by operating activities:		
Exchange (gain)/loss from foreign currency deposits transaction	(251,087)	10,744
Depreciation	470,611	481,854
Amortization	511,595	371,227
Depreciation from assets held for lease	4,048	1,589
Gain on disposal of assets	(6,751)	(22,085)
Loss on disposal of assets	46,348	2,236
Property and equipment transferred to other accounts	4,938	171,333
Loss on obsolescence of property, plant and equipment	3,676	1,651
Deferred charges transferred to other accounts	-	10,943
Gain on disposal of investment	(68,057)	(84,360)
Exchange gain on disposal of investment	-	(5,800)
Investment income under equity method	(8,905,592)	(8,616,319)
Cash dividends distributed by the investee companies under equity method	6,183,397	2,805,263
Loss/(Gain) on foreign exchange of bonds payable	19,348	(14,230)
Amortization of discount/(premium) on bonds	173,634	(5,551)
Gain on financial liabilities evaluated	(57,600)	-
Amortization of deferred issuing cost of bonds	6,647	7,889
Changes in operating assets and liabilities:		
(Increase)/Decrease in financial assets at fair value through profit or loss-current	525,961	8,767,371
(Increase)/Decrease in notes receivable-net	(3,996)	2,857
(Increase)/Decrease in accounts receivable-net	30,330,829	(3,653,169)
(Increase)/Decrease in accounts receivable-affiliated company-net	(27,070,969)	(4,545,851)
(Increase)/Decrease in other receivable-net	(846,375)	504,892
(Increase)/Decrease in inventories-net	540,067	(12,216,862)
(Increase)/Decrease in prepayments	(26,820)	(14,681)
(Increase)/Decrease in other current assets (not including pledged time deposits)	(59,820)	108,862
(Increase)/Decrease in accounts receivable-overdue	24	55,166
(Increase)/Decrease in long-term accounts receivable-affiliated company	(3,494)	(319,630)
(Increase)/Decrease in deferred income tax assets-current	(348,228)	(347,064)
Increase/(Decrease) in deferred income tax liabilities-noncurrent	(239,300)	704,397
Increase/(Decrease) in notes payable	(113,961)	(136,040)
Increase/(Decrease) in accounts payable	(3,583,263)	7,588,420
Increase/(Decrease) in accounts payable-affiliated company	(7,346,955)	(6,698,622)
Increase/(Decrease) in accrued expenses	7,190,613	9,864,435
Increase/(Decrease) in other payables-affiliated company	206,149	-
Increase/(Decrease) in other payables	(195,047)	(525,886)
Increase/(Decrease) in income tax payable	909,611	125,009
Increase/(Decrease) in receipts in advance	447,078	720,251
Increase/(Decrease) in other current liabilities	(19,217)	(48,741)
(Increase)/Decrease in compensating interest receivable	(44,994)	(28,013)
Increase/(Decrease) in deferred credits	637,727	315,359
Net cash provided by operating activities	20,035,599	8,582,795

NON-CONSOLIDATED STATEMENTS OF CASH FLOWS (Unaudited) P.2
FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2007 AND 2006
(Expressed in New Taiwan Thousand Dollars)

	2007	2006
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of investments	(5,286,610)	(9,566,836)
Return of capital from investees	-	4,159
Proceeds from disposal of investments	127,484	181,586
(Increase)/Decrease in refundable deposits	(38,859)	70,215
Purchase of property, plant and equipment	(477,041)	(658,869)
Proceeds from disposal of property, plant and equipment	82,477	77,425
(Increase)/Decrease in deferred charges	(481,418)	(579,612)
Proceeds from disposal of deferred charges	1,104	9,256
(Increase)/Decrease in other assets	(27,298)	(86,251)
Net cash used in investing activities	<u>(6,100,161)</u>	<u>(10,548,927)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Increase/(Decrease) in short-term loans	-	(120)
Payments for bonus to employees, directors and supervisors	(276,645)	(286,659)
Payments for cash dividends	(5,118,124)	(3,040,064)
Increase/(Decrease) in deposits received	538	21
Net cash used in financing activities	<u>(5,394,231)</u>	<u>(3,326,822)</u>
Effects of changes in exchange rate	<u>251,087</u>	<u>(10,744)</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	8,792,294	(5,303,698)
CASH AND CASH EQUIVALENTS, BEGINNING OF THE PERIOD	<u>10,791,836</u>	<u>10,574,152</u>
CASH AND CASH EQUIVALENTS, END OF THE PERIOD	<u>\$19,584,130</u>	<u>\$5,270,454</u>
SUPPLEMENTAL DISCLOSURES OF CASH FLOWS INFORMATION:		
Cash paid during the period for:		
Interest	<u>\$1,719</u>	<u>\$-</u>
Income tax	<u>\$3,799,052</u>	<u>\$2,874,454</u>
INVESTING AND FINANCING ACTIVITIES NOT AFFECTING CASH FLOWS :		
The retroactive adjustments under pooling method for acquisition	<u>\$-</u>	<u>\$5,462,853</u>
Bonds payable converted to capital stock	<u>\$2,183,405</u>	<u>\$3,270,951</u>
Bonus appropriated to employees	<u>\$550,938</u>	<u>\$459,155</u>
Stock swap for capital reduction from investees	<u>\$-</u>	<u>\$46,960</u>
New shares issued to swap shares of other company	<u>\$2,698,526</u>	<u>\$-</u>
Property, plant and equipment transferred to assets held for lease	<u>\$178,858</u>	<u>\$-</u>

APPENDIX 2: SYSTEM CERTIFICATES

(1) ISO 14001:2004 Environmental Management System Certificate

	
DET NORSKE VERITAS	
MANAGEMENT SYSTEM CERTIFICATE	
Certificate No. 1300-1998-AE-RGC-RvA	
<i>This is to certify that</i>	
ASUSTeK COMPUTER INC. MAINTEK COMPUTER (SUZHOU) CO., LTD. ASUSALPHA COMPUTER INC. ASUS MEXICO S.A. DE C.V. ASUS Czech s.r.o.	
<i>at</i>	
(1) No. 15, Li-Te Rd., Peitou, Taipei, Taiwan, R.O.C. (2) No. 76, Li-Gong St., Peitou, Taipei, Taiwan, R.O.C. (3) No. 5, Shing Yeh St., Kwei Shan Hsiang, Taoyuan Hsien, Taiwan, R.O.C. (4) No. 233, Jin Feng Rd., SND, Suzhou, Jiangsu, 215011, P.R. China (5) 4F, No. 150, Li-Te Rd., Peitou, Taipei, Taiwan, R.O.C. (6) C. Miguel de la Madrid No. 9650 Centro Industrial Juarez Libramiento Puente Alto, Cd. Juarez, Chihuahua, 32648 Mexico (7) Na Rovince 862, 720 00 Ostrava-Hrabová, Czech Republic, Europe	
<i>has been found to conform to the Management System Standard:</i>	
ISO 14001:2004	
<i>This Certificate is valid for the following product or service ranges:</i>	
1) DESIGN, MANUFACTURE & SERVICE OF MOTHER BOARDS, PERSONAL COMPUTERS, NOTEBOOK COMPUTERS, SERVERS, ADD-ON CARDS, OPTICAL DRIVES, MODEMS, COMMUNICATION PRODUCTS, AMUSEMENT CONSOLES, INTERNET APPLIANCE PRODUCTS, NETWORKING ACCESSORIES, IP PBX (PRIVATE BRANCH EXCHANGE) AND DIGITAL MUSIC PLAYERS. 2) DESIGN, OUTSOURCING & SERVICE OF LCD TV AND LCD MONITOR. 3) MANUFACTURE OF INKJET MULTIFUNCTION (SCAN / FAX / COPY) PRINTERS AND INKJET PRINT HEADS.	
<i>Original Certification date:</i> November 11 th , 1998	<i>Place and date:</i> Taipei, January 31 st , 2008
<i>This Certificate is valid until:</i> October 1 st , 2008	<i>for the Accredited Unit:</i> DNV CERTIFICATION B.V., THE NETHERLANDS
<i>Compliance to the Standard in respect to the indicated scope is verified by the DNV approved registered Team Leader:</i> Tony Tong <i>Lead Auditor</i>	 Chen Yi <i>Management Representative</i>
Lack of fulfilment of conditions as set out in the Appendix may render this Certificate invalid.	
 MGMT. SYS. RvA C 425	
CERT-AE-RvA	
DNV CERTIFICATION B.V. Haastrechtstraat 7, 3079 DC Rotterdam, The Netherlands, TEL.INT.:+31 10 2922 688, FAX:+31 10 4796 768	

(2) OHSAS 18001:1999 Occupational Health and Safety Management System Certificate

	
DET NORSKE VERITAS	
MANAGEMENT SYSTEM CERTIFICATE	
Certificate No. 0021-1999-HSO-RGC-DNV	
<i>This is to certify that</i> <i>The Occupational Health and Safety Management System</i> <i>of</i>	
ASUSTeK COMPUTER INC. MAINTEK COMPUTER (SUZHOU) CO., LTD. ASUSALPHA COMPUTER INC. ASUS MEXICO S.A. DE C.V. ASUS Czech s.r.o.	
<i>at</i>	
<ul style="list-style-type: none">(1) No. 15, Li-Te Rd., Peitou, Taipei, Taiwan, R.O.C.(2) No. 76, Li-Gong St., Peitou, Taipei, Taiwan, R.O.C.(3) No. 5, Shing Yeh St., Kwei Shan Hsiang, Taoyuan Hsien, Taiwan, R.O.C.(4) No. 233, Jin Feng Rd., SND, Suzhou, Jiangsu, 215011, P.R. China(5) 4F, No. 150, Li-Te Rd., Peitou, Taipei, Taiwan, R.O.C.(6) C. Miguel de la Madrid No. 9650 Centro Industrial Juarez Libramiento Puente Alto, Cd. Juarez, Chihuahua, 32648 Mexico(7) Na Rovince 862, 720 00 Ostrava-Hrabová, Czech Republic, Europe	
<i>has been found to conform to the Management System Standard:</i>	
OHSAS 18001: 1999	
<i>This Certificate is valid for the following product or service ranges:</i>	
<ul style="list-style-type: none">1) DESIGN, MANUFACTURE & SERVICE OF MOTHER BOARDS, PERSONAL COMPUTERS, NOTEBOOK COMPUTERS, SERVERS, ADD-ON CARDS, OPTICAL DRIVES, MODEMS, COMMUNICATION PRODUCTS, AMUSEMENT CONSOLES, INTERNET APPLIANCE PRODUCTS, NETWORKING ACCESSORIES, IP PBX (PRIVATE BRANCH EXCHANGE) AND DIGITAL MUSIC PLAYERS.2) DESIGN, OUTSOURCING & SERVICE OF LCD TV AND LCD MONITOR.3) MANUFACTURE OF INKJET MULTIFUNCTION (SCAN / FAX / COPY) PRINTERS AND INKJET PRINT HEADS.	
<i>Original Certification date:</i> October 1 st , 1999	<i>Place and date:</i> Taipei, January 31 st , 2008
<i>This Certificate is valid until:</i> October 1 st , 2008	<i>for Det Norske Veritas</i>
<i>Compliance to the Standard in respect to the indicated scope is verified by the DNV approved registered Team Leader:</i> Tony Tong <i>Lead Auditor</i>	 Chen Yi <i>Management Representative</i>
Lack of fulfilment of conditions as set out in the Appendix may render this Certificate invalid.	
<small>DET NORSKE VERITAS House No. 9, 1591 Hong Qiao Road, Shanghai 200336, P.R. China, TEL: +86 21 3208 4518, FAX: +86 21 6278 8090</small>	

(3) ISO 9001:2000 Quality Management System Certificate

	
DET NORSKE VERITAS	
MANAGEMENT SYSTEM CERTIFICATE	
Certificate No. 0173-1999-AQ-RGC-RvA	
<i>This is to certify that</i>	
ASUSTeK COMPUTER INC. MAINTEK COMPUTER (SUZHOU) CO., LTD. ASUSALPHA COMPUTER INC. ASUS MEXICO S.A. DE C.V. ASUS Czech s.r.o. ASUS COMPUTER (SHANGHAI) CO., LTD. ASUS TECHNOLOGY SERVICE INC. ASKEY COMPUTER CORPORATION ASKEY TECHNOLOGY (JIANG SU) LTD.	
<i>at</i> See Supplement	
<i>has been found to conform to the Management System Standard:</i>	
ISO 9001:2000	
<i>This Certificate is valid for the following product or service ranges:</i>	
<ol style="list-style-type: none">1) DESIGN, MANUFACTURE & SERVICE OF MOTHER BOARDS, PERSONAL COMPUTERS, NOTEBOOK COMPUTERS, SERVERS, ADD-ON CARDS, OPTICAL DRIVES, MODEMS, COMMUNICATION PRODUCTS, AMUSEMENT CONSOLES, INTERNET APPLIANCE PRODUCTS, NETWORKING ACCESSORIES, IP PBX (PRIVATE BRANCH EXCHANGE) AND DIGITAL MUSIC PLAYERS.2) DESIGN, OUTSOURCING & SERVICE OF LCD TV AND LCD MONITOR.3) MANUFACTURE OF INKJET MULTIFUNCTION (SCAN / FAX / COPY) PRINTERS AND INKJET PRINT HEADS.	
<i>Original Certification date:</i> October 1 st , 1999	<i>Place and date:</i> Taipei, January 2 nd , 2008
<i>This Certificate is valid until:</i> October 1 st , 2008	<i>for the Accredited Unit:</i> DNV CERTIFICATION B.V., THE NETHERLANDS
<i>Compliance to the Standard in respect to the indicated scope is verified by the DNV approved registered Team Leader:</i> Joseph Chu <i>Lead Auditor</i>	 Chen Yi <i>Management Representative</i>
 MGMT. SYS. RVA C 024	
Lack of fulfilment of conditions as set out in the Appendix may render this Certificate invalid.	
CERT-AQ-RvA	

(4) IECQ QC 080000 Certificate of Hazardous Substance Process Management (HSPM)

		Certificate No. <i>TW-HSPM-1025-2</i>	Issued: Revision: Expiration:	October 26, 2006 N/A October 25, 2009
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IECQ Certificate of Hazardous Substance Process Management (HSPM)
applicable to the European Directive 2002/95/EC ("RoHS") requirements and other
identified Hazardous Substances.

The United States National Authorized Institution (ECCB)
and the Supervising Inspectorate (Det Norske Veritas Certification, Inc.) Certifies that

Asustek Computer Inc.
No. 15, Li-Te Road,
Peitou, Taipei,
Taiwan, R.O.C.

Has developed and implemented Hazardous Substances Process Management, procedures, and
related processes in compliance with the applicable requirements for HSPM organization approval
which is in accordance with the Basic Rules IECQ-01 and Rules of Procedure QC 001002-5 "IECQ
Hazardous Substance Process Management" of the IEC Quality Assessment System for Electronic
Components (IECQ), and with respect to the Specification QC 080000 IECQ HSPM.

For the following scope of activity
Design and manufacture and service of motherboards, personal computers, notebook computers,
servers, add-on cards, optical drives, modems, wireless communication products, amusement
consoles, networking accessories; design, outsourcing and service of LCD TVs and LCD monitors.

Issued by Certification Authorities:

 Electronic Component Certification Board Signed:  Stanley H. Salot Jr. - President, ECCB ECCB PO Box 9041, Midland, Texas 79708 Tel: (432) 697-9970 Fax: (866) 260-6181 Web Site: www.eccb.org	 Det Norske Veritas Certification, Inc. 16340 Park Ten Place, Suite 100 Houston, TX 77084 Web Site: www.dnvcert.com
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The validity of this certificate is maintained through on-going surveillance inspections.
Note: This certificate is valid only in conjunction with the approval document(s). This approval and this
certificate may be suspended or withdrawn in accordance with the Rules of Procedure of the IECQ. This
certificate remains the property of the body which granted it.

APPENDIX 3: 2007 OBJECTIVES/TARGETS AND MANAGING PROGRAMS

Policy	No.	Objectives	Targets	Programs
Summon all employees to participate	96-001	“ASUS No-Smoking Working Environment” to be certified	2007 ASUS to pass “No-Smoking Working Environment”	“ASUS No-Smoking Working Environment” program promotion and certification
Enable a company-wide promotion of corporate responsibility in social environment.	96-002	Initiating “Corporate Ethic Management Procedure”	April 2007 to be announced	“Corporate Ethic Management Procedure Initiation” program
Abide by all environmental protection, labor, safety and health laws.	96-003	“Working Rule” to be reviewed by Department of Labor	June 2007 ready to send for reviewing	“Working Rule to be reviewed by Department of Labor” program
Satisfy customer requirements and become an entirely green enterprise	96-004	“Environmental Cost Accounting” program promotion and execution	Nov.2007 ready for collection of data and statistic numbers	“Environmental Cost Accounting” program
Pollution Prevention	96-005	Enhance battery recycling rate	Battery recycling rates over 10%	“Battery Recycling Rate Enhancement Program”
Summon all employees to participate	96-006	Canteen employee satisfaction survey	Overall satisfaction rates over 70%	“Canteen Employee Satisfaction Survey Program”
Summon all employees to participate	96-007	Physical Exercise/weight losing	Over 80 kgs	“Physical Weight Losing Program”
Summon all employees to participate	96-008	Environmental, safety and fire-fighting poster selection	To be announced and reviewed by June 2007	“Environmental, Safety and Fire-fighting Poster Selection Campaign”
Satisfy customer requirements and become an entirely green enterprise	96-009	Participating Oekom Environmental Rating	June 2007 to be announced	“Oekom Environmental Rating Program”
Pollution prevention & continuously improve	96-010	Energy Saving Plan	Saving rates over 5%	“Energy Saving Program”
Pollution prevention & continuously improve	96-011	Water Saving Plan	Saving rates over 5%	“Energy Saving Program”