

# Corporate Social Responsibility Report

PC Partner

December 2013

## **Foreword**

This is the first Corporate Social Responsibility Report of PC Partner.

PC Partner understands the impacts of its business to the environment, community and employees and realizes its responsibility as a corporate citizen to its stakeholders.

In this report, we aim at summarizing the various CSR aspects that PC Partner has done between January 2012 and November 2013 .

## **About PC Partner**

PC Partner engages in the design, manufacture and distribution of computer electronics and provision of electronic manufacturing services to reputable corporations.

Our key products are video graphics cards, motherboards and miniPCs and they are distributed worldwide. Headquartered in Hong Kong, PC Partner operates in China, Macao, Taiwan, Europe and North America. We run 3 factories in Dongguan, China.

For financial and other information, please visit our website at [www.pcpartner.com](http://www.pcpartner.com).

## **Environment**

PC Partner is well aware of its obligation to protect the environment while maintaining sustainable growth. At PC Partner, we adopt the 4R – Reduce, Reuse, Replace and Recycle – approach to minimize the impact of our activities on the environment.

### **Product Design**

Our product design teams incorporate the concept of environmental friendliness in their design process. When designing new products, wherever possible, they will reduce the number of components used, replace the non-compliant components with those compliant to international standards on toxic substance elimination. All our products comply with WEEE, RoHS and REACH standards.

### **Production**

Production poses major threat to the environment when not seriously managed. Our production facilities in Dongguan, China follow a comprehensive environmental management system certified to ISO14000:2008 to make our products to prevent causing unnecessary harms to the environment and nearby community.

In 2012 alone, PC Partner has done the following environmental friendly activities:

- Replaced conventional T5 and T8 fluorescent tubes by energy saving LED tubes and saved electricity by 99,000 Kwh annually.
- Replaced diesel water heaters by solar – electric heating system saving 30,500 litres of diesel in 2012.
- Replaced 5 diesel kitchen stoves by cleaner natural gas kitchen stoves saving 20,500 litres of diesel annually.
- Established an energy saving inspection team and conducted regular inspections to check on and eliminate employees' energy wasting habits. We also held inter-departmental competition on energy saving to encourage employee participation.

Other than the above, as a standing strategy, our manufacturing engineering departments always strive to reduce energy and material consumption. Old machines with low energy efficiency are replaced by newer ones with higher energy efficiency and productivity. The manufacturing teams in Dongguan are experimenting an innovative parallel mounting methodology, where 2 PCB assemblies after SMT

process are mounted and passed through the IR reflow machine on a single pallet, thereby doubling the efficiency, enabling one machine to support 2 SMT lines and eliminating one machine and saving the amount of energy to keep it running at high temperature.

### **Reuse and Recycle**

At PC Partner, employees are well aware of the need to reuse and recycle. Office and dormitory wastes are categorized, paper is reused on both sides before they are recycled. In our Dongguan facilities, all chemical and production wastes are collected by licensed collectors for categorization and recycling.

### **Suppliers' Involvement**

We also involve our suppliers in our pursuit for a cleaner environment. We choose suppliers that are committed to the use of environmental friendly materials and technologies in their products and processes. We also collaborate with our suppliers to reuse the packaging materials, such as carton boxes, plastic component trays, are returned to the suppliers for reuse or recycle.

## **Employees**

In our various operation sites and offices, PC Partner employs about 4,500 employees globally.

Employees are core assets of PC Partner. PC Partner cares about its employees and understands a motivated workforce plays a vital role in shaping its success.

### **Non-discrimination**

The Group has a strict policy that forbids discrimination on gender, race, ethnicity, family status, disability and other non-job related factors. All employees are entitled to equal treatment in respect of employment, training, promotion and remuneration. Employees are remunerated only on basis of their jobs and performance, with reference to the market pay levels.

### **Communications**

PC Partner adopts an open door policy. Employees are encouraged and provided with various communication channels, such as email, internal newsletter, suggestion boxes, meetings of various committees, to speak out. Any employee can seek and talk to the senior management staff of the Group.

In the Dongguan facilities, an eSuggestion System on the intranet is in place to let employees of all levels make complaints and raise their concerns to the management. Feedbacks are posted on the intranet and the bulletin boards regularly.

In Dongguan, the Group employs an in-house counselor to provide counseling service to all levels of employees. The counselor meets employees by appointment or talk to them over telephone hotline to help them resolve their personal issues and work pressure and related grievances.

### **Training and Development**

PC Partner encourages staff development. In Dongguan, other than work related skills training, the Group arranges various supervisory, management and personal development programmes in house for the employees. Staff are required to complete a minimum number of training hours every year. Sponsorship is also provided to external relevant training and formal education programmes.

The Group established an internal qualification system in its Dongguan operation in 2012 for employees with just junior high school education to attend regular training and be regarded as completing high school after examination. This helps preparing them for career advancement within the Group.

### **Employee Receptions**

We believe that recreational activities foster teamwork and help work-life balance.

The Group hosts spring dinner and Christmas party annually. We held our 15<sup>th</sup> Anniversary celebration in July 2012. In Dongguan, other than regular ball games, competitions, outings, Games Day and variety shows for employees to exercise and demonstrate their talents every year. To facilitate interaction between our single employees, we also held matching parties for singles in our Dongguan facilities and organized participating in joint matching parties with other nearby factories. Our employees actively volunteer to join the Employee Recreation Committee, led and organized most of these events.

### **Community**

We participate actively in the communities where our major facilities locate. We are a frequent corporate participant of the Oxfam Trailwalker Hong Kong Event and

encourage staff to join blood donation organized by the management office of our Hong Kong Office.

In Dongguan, other than blood donation and regularly corporate donations to the needed, the Group also organizes an employee volunteer group which supports and participates in local voluntary work and organize various voluntary visits to orphanage, elderly home and leprosy rehabilitation centre.

## **Shareholders**

PC Partner was listed on the main board of the Hong Kong Stock Exchange on January 12, 2012.

The Group strives to improve shareholders' value by:

- maintaining its overall competitiveness through continuous efforts on operation efficiency and productivity enhancement, new production introduction as well as achieving excellent customer service;
- distributing steady dividend and continuous drive on improving return on investment and to shareholders;

We are committed to good corporate governance and observance of the listing rules, legal, accounting and company registration requirements. The Board of Directors include 3 independent non-executive directors who in addition to offering professional advice to the executive directors, also scrutinize the Group's key investments and major business strategies. The independent non-executive directors are all members of the Board's independent Nomination Committee, Audit Committee and Remunerations Committee.

The Group holds regular general meetings with the shareholders and discloses key financial information and major events on the Hong Kong Stock Exchange's and company's websites to assure that our shareholders and investors are well informed.