

Corporate Social Responsibility Report

**PC Partner Group Limited
September 2015**

Foreword

PC Partner Group Limited (“the Company”) (together with its subsidiaries (“PC Partner” or “we”)) 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 2014 and August 2015.

About PC Partner

PC Partner is a leading manufacturer of computer electronics. Its key products are video graphics cards, motherboards and miniPCs and they are distributed worldwide. PC Partner also provides one-step electronic manufacturing services to reputable brands all over the world.

Headquartered in Hong Kong, PC Partner operates in China, Macau, Taiwan, Europe and North America and runs 3 factories in Dongguan, China.

For financial and other information, please visit PC Partner's website at 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.

EICC management system

We set up an EICC management system in our production facilities in Dongguan, China on 1st July 2013. We updated the management system according to the EICC latest Version (version 5.0) in July 2015. We will operate according to the EICC management system and keep continuous improvement.

Product Design

Our product design teams incorporate the concept of environmental friendliness in design process. When designing new products, wherever possible, we 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 follow a comprehensive environmental management system certified to ISO14000:2004 to make our products to prevent causing unnecessary harms to the environment and nearby communities.

As a standing strategy, our manufacturing engineering departments always strive to reduce energy and material consumption. In 2014, our manufacturing teams in Dongguan successfully completed the PCB panelization plan to improve the production efficiency by 20%. And in 2015, through the production line retransformation, we saved electricity by 23,000 KWH annually.

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 used on both sides before it is recycled. In our Dongguan factories, 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 and plastic component trays, which are returned to the suppliers for reuse or recycle.

Employees

As at 30th June 2015, PC Partner had 3,189 employees.

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

We have 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 and meetings of various committees, to speak out. Any employee can seek and talk to the senior management staff.

In the Dongguan facilities, an e-Suggestion 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, PC Partner 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, PC Partner arranges various supervisory, management and personal development programmes in house for the employees. Staffs are required to complete a minimum number of training hours every year. Sponsorship is also provided to external relevant training and formal education programmes.

Employee Receptions

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

We host spring dinner and Christmas party annually. We hold ball games, competitions, outings, games day and variety shows regularly for employees to exercise and demonstrate their talents every year. To facilitate interaction between our single employees, we also hold matching parties for singles in our Dongguan facilities and organize participating in joint matching parties with other nearby factories. Our employees actively volunteer to join the Employee Recreation Committee, which leads and organizes most of these events.

Community

We participate actively in the communities where our major facilities are located in. We are a frequent corporate participant of the Oxfam Trail walker Hong Kong Event and we encourage staff to participate in blood donation. In 2014, corporate donations we made to charitable organizations amounted to HK\$14,200.

In Dongguan, other than blood donation and regularly corporate donations to the needed, we also organize an employee volunteer group which supports and participates in local voluntary work and organizes various voluntary visits to orphanage, elderly home and leprosy rehabilitation centre. In summer of 2015, we visited a sanitation worker and donated prevention heats stoke drugs.

Shareholders

The Company was listed on the main board of the Hong Kong Stock Exchange on 12th January 2012.

The Company 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; and
- distributing steady dividend and 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. Board of Directors of the Company includes 3 independent non-executive directors who are all members of the Board's Nomination Committee, Audit Committee and Remuneration Committee.

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