



嘉利國際控股有限公司

**Karrie International Holdings Limited**

# Sustainability Report 2012-2014

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## 1. ABOUT THIS REPORT

- This report is the first sustainability Report of Karrie International Holdings Limited (hereinafter known as the “Karrie Group” or the “Group”), with a time span from 1<sup>st</sup> April 2012 to 31<sup>st</sup> March 2014.
- Content included: The preparation of the report is based on the hierarchies set forth in the Guidelines of Level C Practice of Sustainability Reporting Guidelines G3.1 issued by the Global Reporting Initiative (GRI), and has been independently verified and achieved a GRI application level of C+. The Group is expected to prepare a sustainability report in every fiscal year.
- Scope of the report: Unless otherwise specified, all cases and information in this report are derived from the plants of Karrie Group located in China, Hong Kong head office and the companies under the relevant consumer service sectors.
- Data collection: The collection of the data and cases for the reports of the fiscal year 2011/2012, 2012/2013 and 2013/2014 is primarily derived from the related internal statistical statement of the Group.
- The annual reports of the Group for the fiscal year 2011/2012, 2012/2013 and 2013/2014 and those in the prior years are available for browsing and downloading from the website of the Group [www.karrie.com](http://www.karrie.com).

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## 2. VERIFICATION STATEMENT OF HONG KONG QUALITY ASSURANCE AGENCY



### VERIFICATION STATEMENT

#### Scope and Objective

Hong Kong Quality Assurance Agency (HKQAA) was commissioned by Karrie International Holdings Limited (hereinafter referred to as "Karrie") to undertake an independent verification of the Sustainability Report 2012-14 (hereinafter called "the Report"). The Report stated Karrie's efforts and achievements made for the period from 1 April 2012 to 31 March 2014. The verification team did not partake in the compilation of the data and information in the Report.

The aim of this verification was to provide assurance on the completeness and accuracy of the information stated in the Report. The Report's coverage of indicators defined in the Global Reporting Initiative (GRI) Sustainability Reporting Guidelines Version 3.1 (G3.1) was also assessed to confirm if the C+ application level had been achieved.

#### Methodology

The process used in this verification was based on current best practices. The Report was reviewed based on the following criteria:

- The principles of completeness, accuracy, neutrality, comparability and responsiveness, as set out in the Institute of Social and Ethical AccountAbility standard AA1000, and
- The Global Reporting Initiative (GRI) G3.1 Guidelines.

The verification procedure included reviewing relevant documentation and verifying the selected representative sample of data and information consolidated in the Report. Raw data and supporting evidence of the selected samples were thoroughly examined.

#### Conclusion

Based on the outcome of the verification process, the verification team determined that the Report fulfils the C+ application level of the GRI G3.1 Guidelines.

The information presented in the Report provided a material and complete representation of the performance of Karrie in the context of sustainable development. The verification team confirmed that the Report was prepared based on factual statements and that the data contained within the Report are accurate. It is a fair and honest representation of initiatives, targets, progress and performance on Karrie's sustainable development achievements.

Opportunities for improvement on the reporting structure and content are separately submitted to Karrie for their consideration on the compilation of future sustainable development reports. It does not affect our opinion on the Report.

Signed on behalf of Hong Kong Quality Assurance Agency

A handwritten signature in blue ink, appearing to read 'Jorine Tam', is positioned above the printed name.

Jorine Tam  
Assistant Director, Strategic Business  
July 2014

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### 3. MESSAGE FROM CHAIRMAN



Sustainability report is a disclosure document highly regarded by enterprises as a means to enhance the transparency of non-financial information. Embracing our motto “KARRIE ON PERPETUAL MOTION, BENEFITS SERVED TO THE PUBLIC”, the Group has been active in giving back to the society and environmental protection. It is of paramount importance to have effective communication and understanding between the Group and stakeholders including shareholders, partners, employees, suppliers, regulators and the public in coming up with benchmarks and regarding key issues.

The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) had sought public views on its proposed Environmental, Social and Governance Reporting Guide and made consultation conclusions. It has adopted the standards set out in the Environmental, Social and Governance Reporting Guide (the “Guide”) and encouraged listed companies to start the Environmental, Social and Governance reporting. The Group started to prepare the sustainability report ever since its listing in 1996 and starting from the 2008/2009 annual report, the report has been incorporated into annual reports as a separate section.

During the year, sustainability report in compliance with the hierarchies set forth in Guidelines of Level C Practice of Sustainability Reporting Guidelines G3.1 issued by the Global Reporting Initiative (GRI) was prepared for the first time. Excerpt of the sustainability report, which has been independently verified and achieved a GRI application level of C+, is incorporated in this annual report.

A handwritten signature in black ink, which appears to read "何啟輝" (Ho Cheuk Fai).

Mr. Ho Cheuk Fai  
Chairman & CEO

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#### **4. INTRODUCTION: MYTHS ON CORPORATE SOCIAL RESPONSIBILITY**

Nowadays, most companies shall undertake social responsibilities as to “People, Planet and Profit”, which is so-called the Triple bottom line. Companies shall, in their pursuit of profits, respect moral values, laws, individuals, communities and natural environment, and shall take stakeholders’ interests into account. However, corporate social responsibilities are usually misconstrued as not a worth-doing business that should be shouldered by large enterprises, and they are only public relation operations like charity donations for improving image. Indeed, when achieving their business goals, companies would also incur loss of externality, causing wastage to the society. Companies shall therefore consider both corporate earnings and social values when performing social responsibilities. Undoubtedly, companies are owned by shareholders, and the board shall not simply pursuit social values but neglect shareholders’ interests; and shall not otherwise blindly pursuit profits at the price of “externality” loss. Thus, social corporate activities shall focus on those beneficial (or at least harmless) to both the enterprises and the society.

Corporate social responsibility is not the business exclusive to large enterprises, but an activity that needs everyone’s participation. While large enterprises are more resourceful to implement corporate social responsibility more efficiently, small companies have their respective responsibilities likewise. In order to achieve longterm benefits, corporate social responsibility is not merely the image improvement; instead, it requires companies to better adopt a proper and comprehensive corporate social responsibility strategy, integrate charitable service activities into the development strategy and operations of companies, and in return support companies to attain their main goals simultaneously. Companies shall try to implant charitable service activities into their own management models and strategy planning, and shall not get involved in those charitable service activities divorced from their core business. Sound corporate governance does not necessarily mean proper performance of corporate social responsibility, but it provides favorable platforms and soils for the vigorous growth of corporate social responsibility.

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## 5. ABOUT KARRIE

Karrie was established in 1980 and the Group was listed on the Stock Exchange of Hong Kong in 1996.

The Group is principally engaged in:

- Metal and Plastic Business: manufacturing and sale of metal and plastic products including server casings, office automation products, video tape cassettes, visual accessories, automobile products, moulds, plastic and metal parts and predominately self-brand household products;
- Electronic Manufacturing Services Business: manufacturing and sale of magnetic tape drives, laser printers, multi-function facsimile machines, “point-of-sale” (“POS”) system, medical products and other computer peripherals; and
- Consumer and Services Business: provision of wedding-related services including wedding gown, photography, wedding planning, travel, hotel and catering services.

In addition, the Group leverages its excellence in the capability of research and development to design its own personal computer and server case. In line with our corporate philosophy, customers, benefit from our unique blend of quality, reasonable cost, integrated services and flexibility. Our ability to deliver mass volume within very short turnaround times, this gives us a strong competitive edge.

Starting from 2012, the consumer service business has been developed. It includes the largest one-stop wedding items planning company in Hong Kong, myAFFECTION, which occupies a floor space of 20,000 square feet. A 10,000 square feet photography house is included in our self-owned property, where over a thousand wedding gowns are available for sale. With the entrance of a variety of branded companies, thousands of various wedding gifts are available. It is indeed a unified and integrated platform to provide services for new wed couples and wedding activities.

In 2012, the Group completed the acquisition of Malaysia theme restaurant brand – Fullhouse. Fullhouse is a distinguished theme restaurant from Malaysia with their signature concept of “Home” and the family members are consists of Father Thomas, Mother Tracy, Sister Tiffani and Brother Tony. The periphery of Fullhouse theme restaurant filled with emerald-green lawn, the brightly white color furniture and fittings look clean, tidy and elegant and decorating with Imitation Victoria style affiliate the gorgeous crystal chandeliers, people feel the romantic and warm-hearted just like the romance scene in fairy tale. We create the first wedding concept of chain restaurant in Hong Kong based on Fullhouse concept and combined with the Hong Kong largest one-stop wedding theme park – myAFFECTION. Fullhouse not only provide the Chinese and Western cuisine but in the meanwhile we also provide our wedding package and bridal services to our guests. From customs-made a special and unique propose, pre-wedding photography, beauty makeup, wedding planning, wedding ceremony to honeymoon vacation and much more wedding related services will be provided to our Fullhouse honorable guests. We strive to bring extraordinary happiness to every lovely guest with perfect demonstrate.

At the end of March 2014, the Group had 4,374 employees on average.



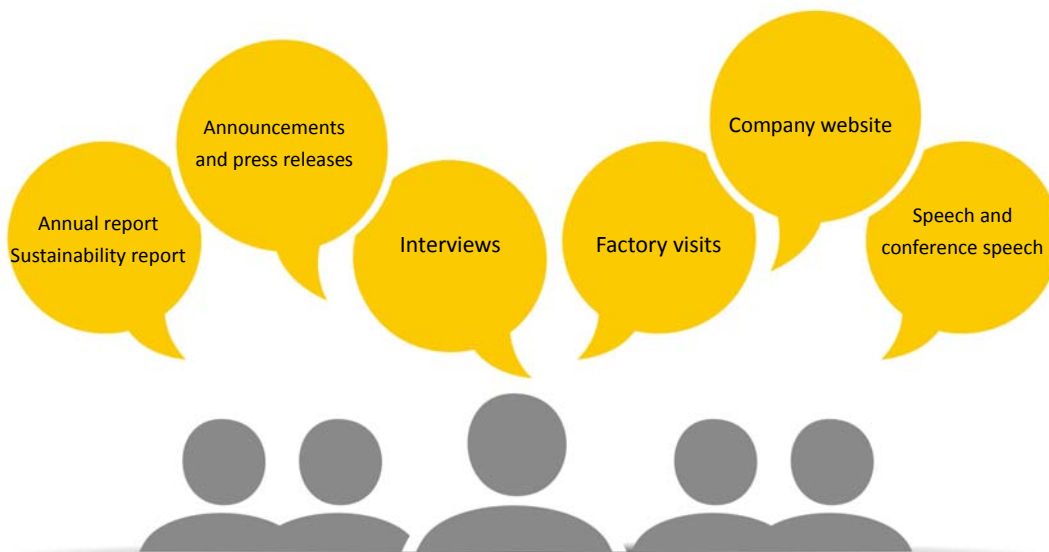
## 6. STAKEHOLDERS' PARTICIPATION

— Grouping and communicating with stakeholders:

In implementing corporate social responsibilities, apart from a supportive management and adequate resources, communication with stakeholders in terms of entirety and geographically also plays an important role. As a result, stakeholders could communicate with the Group through the various channels as follows, enabling the Group to better understand stakeholders' demands, opinions and needs (whether positive or negative).



General communication channels





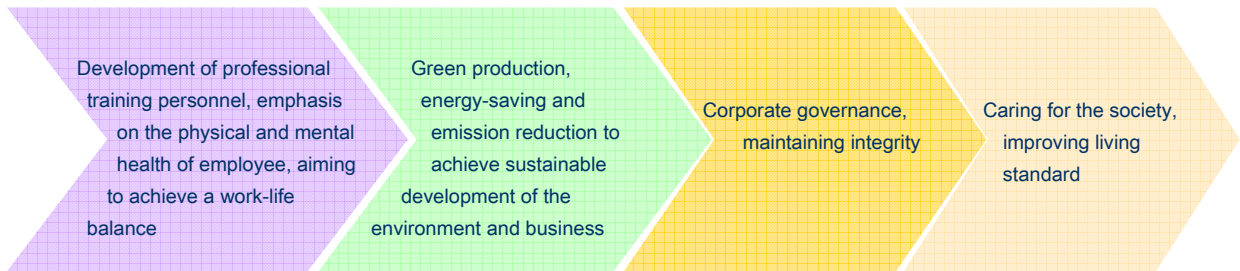
## 7. VISIONS ON CORPORATE SOCIAL RESPONSIBILITY

In our opinion, “corporate social responsibility” refers to “the continuing commitment by a business to operate ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large”. Among our missions, “Environment and Enterprise Sustainability” and “Total Stakeholder Satisfaction” reflect the Group’s stress on good corporate citizenship.

The Group believes that, as a citizen of the society, business shall take from the society and pay back to the society, and due consideration should be given equally to the interests of stakeholders, so as to achieve a continual harmonious growth together with the society. The Group always cares about its staff, ethics, corporate governance, environmental protection, occupational safety and health and charitable service, to ensure the longterm sustainable development of the business.

In the long run, due performance of social responsibility will definitely improve the Group’s reputation, saving cost, enhance the scope of decision making and strengthen the corporate governance capacity. Moreover, the Group holds that performance of social responsibility may not necessarily be contrary to the interests of shareholders. For example, the implementation of energy conservation policy for reducing carbon emission is environmentally friendly and conducive to cost-saving, which will be eventually manifested on shareholders’ interests.

### Missions on corporate social responsibility

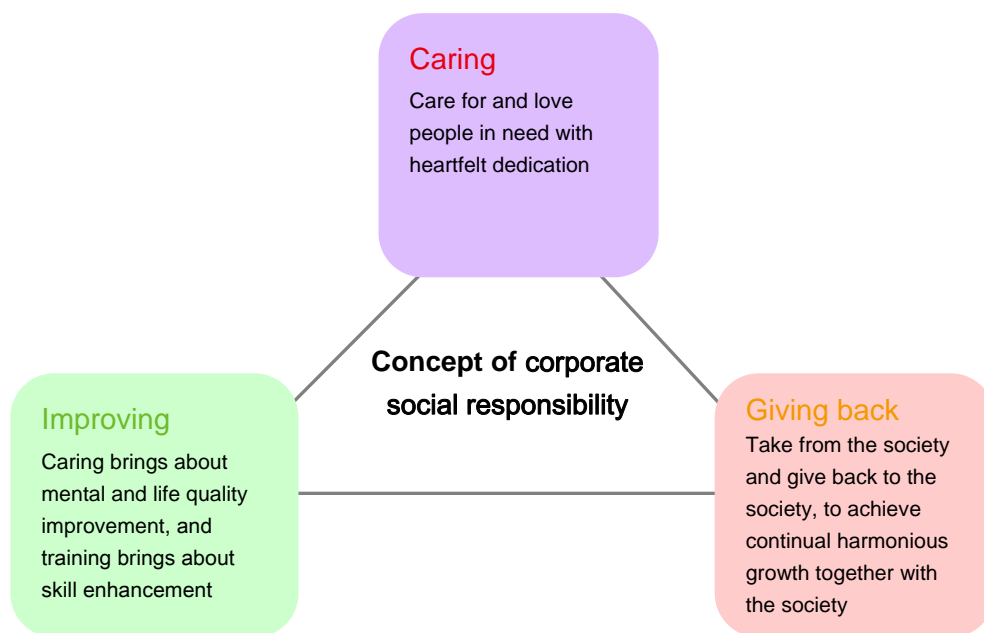


### Scopes of corporate social responsibility



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## Concept of corporate social responsibility: caring, improving, giving back



### Mechanism for developing and reviewing corporate social responsibility

The Group has adopted Electronic Industry Code of Conduct (“EICC”) to ensure that it could continuously satisfy the legal requirements and customers’ needs in respect of the protection of employees’ rights, business ethics, environmental protection, occupational health and safety, as well as making continuous improvement to fulfill corporate social responsibilities.

### Social charity

Since 2005, the Group has appropriated 0.3% of earnings in the prior year annually for charity or social responsibility purpose. The established volunteer group for charitable works will develop social responsibility activity projects and prepare relevant expenditure budgets for the current year annually, and then they will be handed over to management for approval to ensure the proper use of the expenditure.

### Employee caring

Our Human Resources and Administration Department (including the Training and Development Group) will collect feedbacks and requirements from different departments regarding administration, personnel and training issues annually, and develop annual plan for each year. In addition, they will occasionally establish focus groups based on the actual and social needs to collect feedbacks, benchmarking good practices of the peers, and put appropriate items in place. Moreover, suggestion boxes are placed in Hong Kong office and the PRC factories to allow our staff to voice out their opinions anytime; and a Staff Care Committee is established to increase the satisfaction of our staff by providing various channels for effective communication, complaint and feedback as well as actively listening to the voices of our staff and solving the work and life issues

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mostly concerned by our staff.

### **Corporate management**

The Group has established the Executive Committee to improve decision-making efficiency. The day-to-day operations of the Group are now in the hands of a group of professional managers. The Group is committed to improving transparency, hence it discloses in annual report detailed explanation of corporate strategies and the rationale behind; and meets individual investors annually through the “tea-break” program to facilitate the direct dialogue between the investors and the management. Our staff can also keep abreast of our corporate plans and development directions through brainstorming sessions and Chairman sharing activities and hence the transparency of the company is enhanced. Starting from 2008, the “Sustainability Report” has been incorporated into the annual reports, which allows the public and investors have a better knowledge of what we have done for sustainable development and corporate social responsibility.

### **Environmental protection, occupational safety and health**

The Group has already obtained ISO14001 environment management system certificate back in 2001, and has regularly conducted internal audit and external audit annually, to ensure the Company’s policy direction and effectiveness on environmental protection. We also actively participate in environmental protection programs organized by social groups, such as the “Cleaner Production Partnership” logo and Hong Kong Awards for Environmental Excellence. Outstanding results were achieved and benchmarking good practices of the peers was attained.

A cleaner production and energy-saving committee established in 2005 is responsible for the overall planning of the Group’s energy-saving solution and supervising its implementation, including the use of computer resources, cleaner production plan, use of production machinery and equipment, electricity usage in office, implementation of environmental measures, customer issues and ISO environmental protection and energy-saving solution.

The human resources and administration department of the Group and the industrial safety group in the PRC are responsible for following up and supervising the occupational safety and health practice of each department. By adopting the OHSAS 18001 occupational health and safety management system in 2010, the Group has established and implemented its occupational health and safety management system and carried out follow-up works like safety education, trainings and drills.

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## 8. STAFF CARING



The Group has 5 volunteer teams, and will organise various events regularly to provide our staff with opportunities to participate and develop team building spirit.

### **Respect for staff and providing equal opportunities**

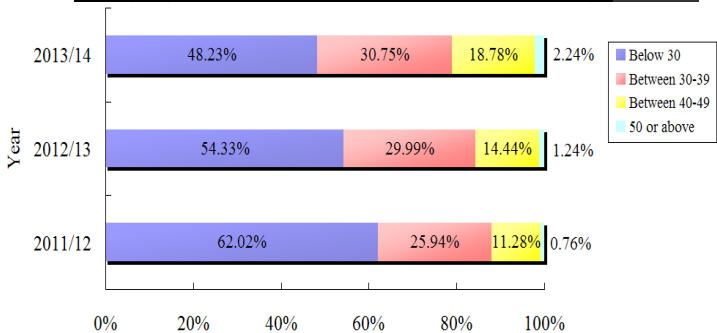
Adhering to the principle of being people-oriented and respecting staff's interests, the Group does not impose any discrimination, involuntary labor, physical punishment and improper treatment towards its staff. The Group respects the freedom of the formation of legal unions allowed under laws, and does not employ any child labour, while the employees' working hours as well as wages and benefits are complied with the requirements under the regulation. With well-established policies, the Group prohibits the occurrence of aforesaid issues which breach labour and human rights, and also has management procedures in place to implement supervision. Meanwhile, promotion is made to the staff to allow them to get acknowledged of their rights, while training is provided to the management, so that respect on human rights and the practical knowledge of equal opportunities are applied in the working environment. All staff has comprehensively received trainings on policies and procedures of human rights.

As an employer respecting equal opportunities, the Group has stated in recruitment advertisements that we are an equal opportunities employer and welcomes the application from any qualified candidates, and strives to only count on talent in employment. With the fundamental principles of "employment is based on talents", recruitment, remuneration, training opportunities, promotion, dismissal or retirement would not be affected by race, social status, nationality, religion, disabilities, gender, sexual orientation, membership in labour union, political belongings or age.

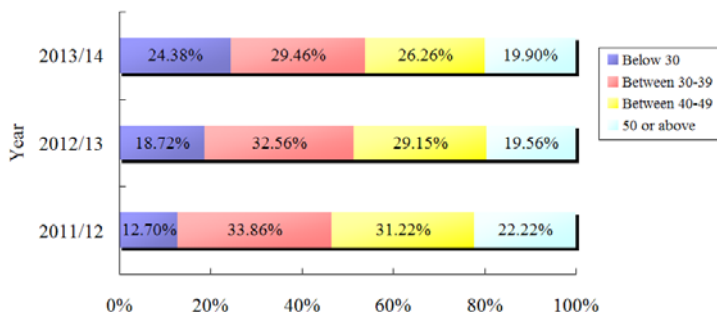
The Company adopted the board diversity policy during the year, which sets out the objectives and principles regarding board diversity for the purpose of achieving the Company's strategic objectives of balanced diversity at the Board composition as far as practicable. Selection of candidates will be based on a range of diversity criteria, including but not limited to gender, age, cultural background and ethnicity, as well as educational background, professional experience, skills, knowledge and length of service. The ultimate decision will nevertheless be based on merit and the contribution that the selected candidates may bring to the Board. Back in November 2010, the Company appointed its first female director, which can be seen that the Company attaches great importance to the balance and efficiency of the Board.

The Group's employees are mainly from People Republic of China ("PRC") and Hong Kong. Please refer to the following graphs for details of their average employee number, age distribution, average gender distribution and the gender distribution of the Board members:

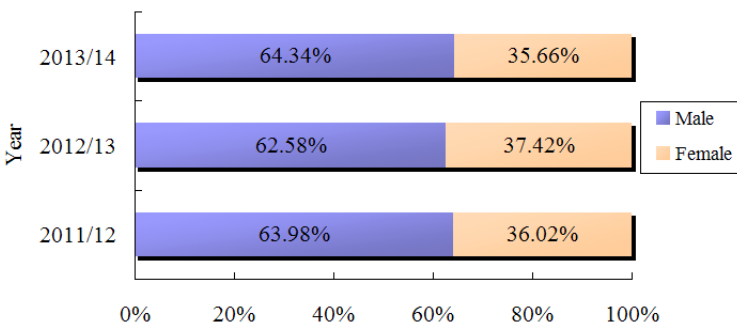
**Average age distribution of the PRC employees (percentage)**



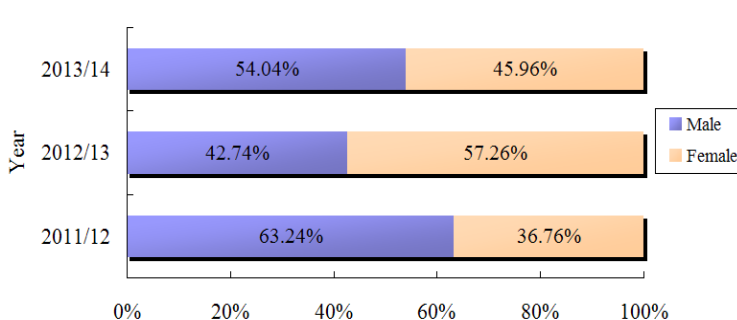
**Average age distribution of the Hong Kong employees (percentage)**



**Average gender distribution of the PRC employees (percentage)**



**Average gender distribution of the Hong Kong employees (percentage)**



# with graph	For the year ended 31 March/ As at 31 March		
	2013/14	2012/13	2011/12

Average employee number of the Group

2013/14	4,374	5,577	6,145
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Average age distribution of employees (percentage) #

The PRC

Below 30	48.23%	54.33%	62.02%
Between 30-39	30.75%	29.99%	25.94%
Between 40-49	18.78%	14.44%	11.28%
50 or above	2.24%	1.24%	0.76%

Hong Kong

Below 30	24.38%	18.72%	12.70%
Between 30-39	29.46%	32.56%	33.86%
Between 40-49	26.26%	29.15%	31.22%
50 or above	19.90%	19.56%	22.22%

Average gender distribution of employees (percentage) #

The PRC

Male	64.34%	62.58%	63.98%
Female	35.66%	37.42%	36.02%

Hong Kong

Male	54.04%	42.74%	63.24%
Female	45.96%	57.26%	36.76%

The average monthly turnover rate (percentage)

The PRC	12.04%	10.55%	11.28%
Hong Kong	2.01%	2.72%	3.43%

Gender distribution of the Board members

Male	8	8	7
Female	1	1	1

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## Occupational safety and health

Health and safety focuses on areas such as occupational safety, responses to emergencies, occupational injuries and diseases, industrial hygiene, work with high physical requirements, machinery protection, public hygiene, restaurants and staff quarters. The above issues are all set forth in the EICC manual with the requirements on written standards, performance-based targets, indicators and implementation plans, while the industrial safety team is responsible for the specific assessment on the performance. In addition, safety personnel are appointed in every department to carry out safety checks and various drills, such as fire-fighting safety drills.

Significant achievements have been made in the implementation of relevant measures. For instance, the occurrence rate of work injury is kept at a relatively low level over years, maintaining the rating of no material occupation injury.

Its key occupational safety indicators are listed below:

	For the year ended 31 March/ As at 31 March		
	2013/14	2012/13	2011/12
Work injury (number of cases)			
The PRC	66	63	72
Hong Kong	5	3	2
Loss of working days due to work injuries (days)			
The PRC	1038	1256	1224
Hong Kong	28	23	2.5

## Concertedly build the “Karrie” brand

On top of placing awareness on the physical health of its staff, the Group also concerns about their mental health, putting the objectives of balancing work and daily life into practice. In the opinion of the Group, the living standard of its staff shall be raised, so that positive sentiments and motivation could be formed to strengthen their capability to handle emotion problems. Various kinds of activities are also organized to facilitate interaction and communication among staff with the development of different teams such as “Castfast Youth Caring Team”, “Staff Care Committee”, voluntary group for charitable work and “Hey 2” (My Affection Volunteer Team) to organise different kinds of activities on a regular basis, through which, staff are provided with opportunities to participate in and establish team spirit. Also, renowned psychological lecturers are arranged to teach relevant skills to internal counselors.

The Group held a great variety of cultural events and festival celebrations, including the “National Day Evening Culture Party” and “Lantern Festival”, allowing our staff to relax and reduce pressure in a happy gathering. Catering for the different needs of our staff, we also joined hands with

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Dongguan Writers Association and literature lovers to celebrate the World Reading Day, and held a forum on “Reading and Growth” where volunteers from the cultural industry in Fenggang were invited to join. During the summer vacation, Karrie’s Staff Care Committee organised a visit to Dongguan Science and Technology Museum with left-home children and had a meal gathering at the Fullhouse World theme restaurant in the mainland. The activity enabled staff who are separated from their children to come together in order to establish closer and stronger connection.

The Group hosts a “Karrie Cup” and held various ball games, swimming, Karaoke or chess competitions to enhance the physical fitness of our people and encourage them to take part in different after-work activities. We also organized staff members who love dancing to perform in various evening gala of the Company, and also competed at the Dongguan Square Dancing Tournament and they have given an impressive performance and achieved remarkable results.

Adhering to our objective of enhancing the health of our staff and extending the influence of “Karrie Health Month”, we had “Karrie Health Fortnight” to advocate eating fruits and doing more exercises. Also, the Group sponsored employees to take part in the 9th “Beat the Banana!” charity run organized by the World Cancer Research Fund Hong Kong for the second consecutive year. The event promoted the importance of regular exercise and healthy diet to cancer prevention in an interesting and delightful way. On the other hand, many employees took part in the Fenggang Youth Mini Marathon in promoting the spirit of company-wide participation and body fitness. The Group also held mental and physical health knowledge lectures from time to time, such as lectures on lumbar disease/rheumatism and gout and mammary gland health, to increase employees’ health awareness.



First-aid training programme is held to provide our employees with basic knowledge of emergency responding procedures.

The Group encourages the PRC staff to organise dancing group. The excellent performance of the staff attracted invitations from outside parties for various performances.







Karrie employees enjoy themselves on International Women’s Day.

Be healthy with a “2+3” everyday.



The Group holds various Karrie Cup ball games each year, of which our customers and partners are also invited and welcome.



Our staff took part in the “Beat the Banana” event by forming the team “一蕉得志隊”, and finished the group of six-mile race along the Tsimshatsui promenade.



The left-home children and their parents were invited to enjoy a meal at the Fullhouse World theme restaurant of the Group.

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## 9. TRAINING AND DEVELOPMENT



During the years 2012/13 and 2013/14, a total of 50 students joined our various summer internship schemes.

In respect of training and development, the Group has been adopting the “optimization of professional performance, motivation of staff’s potentials, revitalization of learning culture and embraced with corporate visions” as its approaches. As a result, “training” is based on the increment of knowledge, the enhancement of skill and performance for positions, while “development” is oriented on the sustainable development of the company and its staff.

The Company set up new training programs by integrating the training programs for Year 2012 with the actual environmental needs, the training areas for the year generally include: management (including soft skills training), engineering techniques, ISO, human resources, supply chain, computer applications, sales and marketing, corporate social responsibility, environmental protection and finance and accounting. To ensure the long-term development needs are met, the Group offers a training opportunity for our management and all staff at different levels to acquire the management skills and expertise. In addition, the Group runs assessment tests for promotion to manager level or above so that our staffs have the management skills and expertise necessary for performing their functions. Meanwhile, all staff in Hong Kong will participate in individual and performance appraisal every year.

The Group promotes the policy for diversified learning culture to encourage the staff to pursue continuous study. Different types of foreign language training were introduced and the staff in Mainland China was encouraged to receive training in Hong Kong. Furthermore, as the first enterprise to introduce the “academic qualification education” in Fenggang Town in Dongguan City, the Group cooperated with China Sun Yat-sen University and South China Normal University and launched the courses of “College and Undergraduate”, allowing staff to achieve self development and obtain national formal academic qualifications in addition to working.

In order to effectively improve our staff’s computer application knowledge and skills and to train and develop our own talents through the domestic backup talents scheme, the Group expanded its computer training center in early 2012, allowing staff to have more chances of learning

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computer skills. Meanwhile, the Group has been keen on developing an online learning system through which staff can learn and study by themselves during their spare time.

The Group has become an Approved Employer of the following institutions, which allowed our staff to obtain professional qualifications, thus making the most of their abilities while getting formal recognition.

- HKICPA (Hong Kong Institute of Certified Public Accountants)
- The ACCA (Association of Chartered Certified Accountants)
- IELTS (International English Language Testing System)

In mid 2012, over 20 students from South China Agricultural University in Guangzhou participated in a two-week internship program. Karrie Group has been supporting the two way development of study and practice promoted by South China Agricultural University in Guangzhou and offered undergraduate internship opportunities for the students to have themselves well prepared for their professions. In addition, at the end of 2012, the Group became one of the first “Dongguan Vocational Skill Training demonstration Bases”, allowing more chances for our staff to obtain the national qualifications.

In order to improve the quality of consumer and services business, a series of improvement plans have been held:

- Regular report for Fullhouse Comment Card
- Internal and external mystery customer program for Fullhouse
- Floor staff quality assurance program for Fullhouse

By adopting Floor staff quality assurance program for Fullhouse, it enables the service standard of the front-end personnel of Fullhouse to be maintained at a high level. Unifying and standardising the knowledge and skill level of the existing floor personnel can improve the existing performance of our staff and can also be used as the objective standard for assessing the understanding of our front-ended staff towards the existing jobs through testing. Those attained the highest score will be presented cash coupon as encouragement.

- External mystery customer program for myAFFECTION

In order to further demonstrate the ability of myAFFECTION to fulfill and provide reliable and quality services to new-wed couples, myAFFECTION took part in the certification of “Quality Wedding Merchant” introduced by ESD Life, during the process of which the services was evaluated by a mystery customer. During their certification process, the service personnel of myAFFECTION were highly recognised and exhibited their professionalism.

Furthermore, in respect of laws and regulations, and for the purpose of effectively coping with the

influence of Personal Data (Privacy) Ordinance and the principle of data protection on retail and catering industries as well as enhancing the relevant knowledge on civil celebrants, the Group has engaged lawyers to deliver law-related seminars to our staff.

The Group has held an engineer trainee program for years, the main purpose of which is to actively develop more young graduates to be all-round project engineers. The Group continues to promote the scheme for Hong Kong staff's family members and the summer internship scheme for university students, to allow the diligent students to appreciate every aspects of work. In addition, the senior management member of the Group was invited to participate in the mentorship scheme of the Hong Kong Baptist University. It allowed the students to meet our senior management to broaden their horizon and being mentors as well as friends. Also, the Group also jointly organised career talks and visiting events with various colleges and schools in a regular fashion to allow the students to have chances to approach and understand the external working environment and situation. The following table shows the number of participants in various internship schemes:

	2011/12	2012/13	2013/14	總數 Total
Scheme for Hong Kong staff's family members	2	0	2	4
Summer internship scheme for Hong Kong university students	4	1	2	7
Mentorship Programme	2		1	3
Summer internship scheme for Mainland university students	252	20	22	294
				<b>308</b>

The followings are the statistics on the key performance indicators of trainings:

	For the year ended 31 March/ As at 31 March		
	2013/14	2012/13	2011/12
<b>Training indicators</b>			
Employee training expenses (HK\$)	327,671	331,403	365,338
Number of external trainings	83	80	67
Number of internal trainings	221	314	278
Total training hours	2,716	4,638	4,220
Total number of trainees	30,094	20,284	10,937
<b>Human rights trainings (Prevention of bribery , EICC trainings)</b>			
Human rights training hours	325	181	210
<b>Fire safety trainings</b>			
Fire safety training hours	267	110	38





Communicate & interact with different players in the industry, visit reputed enterprises, e.g. Hong Kong Jockey Club, CLP, Bossini and Leo Group, study their human resources management expertise and operating techniques of different industries.

The Group organized the “Offensive and Defensive Tactics Seminar” to gauge development potentials of our industrial sector.



We became one of the first Demonstration Bases for Vocational Skill Training in Dongguan.



To organise a sharing event about theme restaurant “The birth of a theme restaurant” for the students from the HKU School of Professional and Continuing Education, the activity allowed the students from the Department of Hospitality and the Department of Marketing chances to know more about theme restaurant from brand building, opening process, staff training, customer services, licenses application and the difficulties involved. Real appreciations were offered in different areas.

To organise two site visits and career talks of myAFFECTION for the students from the HKU School of Professional and Continuing Education, the activities allowed the students to have further understanding of the wedding industry.



Teachers and students from the Department of Mechanical and Automation Engineering of The Chinese University of Hong Kong visited our PRC factory to understand the progress of our automation production.

22 undergraduate students from South China Agricultural University participated in a two-week internship program in the Company.



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## 10. CARING FOR THE ENVIRONMENT

The total amount of water and electricity usage in Hong Kong and the PRC has continued to decline, and the wastewater reuse rate is of over 80% which achieved the target of cleaner production and energy saving and emission reduction.



The Group has realized the importance of good utilization of resources long time ago and not to exploit the rights of using resources for the next generation. The Group adheres to the concept of Dr. Ho Cheuk Fai, the Chairman of the Group, with heartfelt dedication in all details, and saves resources for the next generation. As such, the Group's production adheres to the concept of reducing energy or material consumption from the sources with the adoption of various environmental friendly measures and addition of energy-saving equipment. With the concept of green and clean production implemented in practice, the Group continues to formulate policies for green production and energy-saving policies, while introducing different kinds of environmental friendly equipment to attain the objectives of clean production and environmental protection. The Group further complies with various international regulations and requirements; inter alias, energy audit, environment permit and report, pollution prevention and resources saving, treatment of hazardous materials, treatment of sewage and solid wastes, control on air emission and control on content of products. Meanwhile, as the Group is an OEM and ODM manufacturer in respect of industrial production, all the standards related to the quality and environmental protection are subject to the strict requirements of the customers, whilst the quality and environmental protection will be inspected by the customers on an on-site basis from time to time. The Group actively participates in external cleaner production and environmental protection campaigns, while internally strengthens its staff's awareness on the environment via training as well as green and ecological activities. In addition, green design approaches are thoroughly implemented, so that the products would not pose any damages to the environment.

In order to help the local government meet the energy-saving and emission reducing indicators for the "Twelfth Five-Year Plan" period, assume corporate social responsibility, fulfill our duty toward the environment, and also to comprehensively understand the standard of energy management and status of power consumption within the plant, examinations are conducted on problems and insufficiencies in respect of energy usage to identify the potential and the approaches for energy saving, thereby reducing the amount of energy consumption and production costs as well as raising the economical efficiency for the company. An energy-saving planning report for the "Twelfth Five-Year Plan" was prepared in 2011. The Group has formulated a series of energy management systems, which standardise the practice of energy management to raise the



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efficiency of energy usage and effectively finalise and safeguard energy-saving plans. On the other hand, the cleaner production and energysaving committee has already been established since 2005, which unifies the energy management of the Group, and applies energy saving objectives into all workshops via adopting new technology.

Since 2001, the Group has already obtained ISO14001 environment management system certificate. Hong Kong headquarter was awarded with the “Low-carbon Office Operation Programme (LOOP)” sponsored by World Wide Fund For Nature Hong Kong and was awarded the “Silver Label for the year 2012–2013”. It was awarded the “Cleaner Production Enterprise in Dongguan City” in 2013; entered the “Hang Seng Pearl River Delta Environmental Award” and was granted “Green Participant and 3 Years + entrant” in the third year; and was awarded the “2012 Hong Kong Awards for Environmental Excellence — Bronze Medal in Manufacturing” by Environmental Campaign Committee for the recognition of its remarkable performance in energy-saving. At the same time, the Group also makes arrangement to comply with relevant international environmental regulations, such as RoHS, REACH, WEEE, JCPSSI, Montreal Protocol and QC 080000, so that the whole process including design, procurement and production can meet the requirements for environmental protection.

Since 2010, the Group has joined the global event of “Earth Hour” Lights Off Event initiated by World Wide Fund. All staff of Karrie from Hong Kong and the PRC jointly responds to this event. Meanwhile, the Group has supported staff to participate in the “Tree Planting Challenge” event organized by Friends of the Earth during the past two years, which allow our staff to enjoy funs of planting trees and hiking while publicising the theme of planting a wish for a better climate. Also, the Group participated in the “International Coastal Cleanup 2012 Hong Kong” organized by International Coastal Cleanup (ICC) by sending its staff and their family members to Tuen Mun Gold Coast for coastal cleanup. In addition, the Group organized the “Green Monday” event for the first time in 2013, and arranged in-house vegetarian catering and explained the knowledge of lowcarbon diet to our colleagues.

During these two years, the Group has adopted the following major (including but not limited to) energy-saving measures, which significantly increase energy-saving efficiency and also effectively improve the environment and reduce the temperature of workshops, allowing staff to achieve their best performance:

- Modify the oven with biomass granular fueled oven for the purpose of reducing the waste gas (CO<sub>2</sub>, CO, NO and SO<sub>2</sub>, etc.) discharged from the combustion of diesel oil and saving energy cost;
- Modification of HES servo system for injection moulding machines;
- Modify the tungsten lamps with 8U energysaving lamps;
- Modify the traditional R22 air-conditioning refrigerant with energy-saving environmental HCR22 hydrocarbons refrigerant.

Looking forward to the coming year, the Group will still strive to implement energy-saving and green production while putting EICC environmental protection policies into practice. In response to the “Twelfth Five-Year Plan” energy-saving plan, the Group will reduce emission, better utilize resources and carry out clean production, thereby further lowering the indicator for the production value to energy consumption ratio. The Group has formulated an energy-saving plan, and it is hoped that the amount of comprehensive energy consumption in 2015 would decrease by 800 tonnes of standard coal as compared with 2010. The target was fulfilled in 2012 to 2013, consumption decreased by 678.3 tonnes of standard coal in two years. By setting the objectives, it could save energy and reduce consumption, lower production costs and raise market competitiveness. As a result, invaluable resources could be retained and the environment could be kept in good condition.



The Group participated for the first time in 2012 the “Tree Planting Challenge” organised by Friends of the Earth, which extended the everlasting spirit of tree planting of Karrie, and continued to support the activity in 2013. Tree planting activities will also held in the mainland every year.



Together with their family, the staff joined the “International Coastal Cleanup 2012 Hong Kong” which was the first activity of My Affection charitable group “Hey 2”.



Awarded “Hong Kong Awards for Environmental Excellence — Bronze Award” by the Chairman of the panel of Judges, Professor Joseph J. Y. Sung (left).

Power output is auto-adjusted according to the pressure sensed in the servo motor of injection machine hence to achieve energy-saving target.



Fullhouse (HK Shop) also took part in the “Earth Hour” event. The significance of the event was warmly welcomed by the customers and the spot was surrounded by a romantic ambience as well.



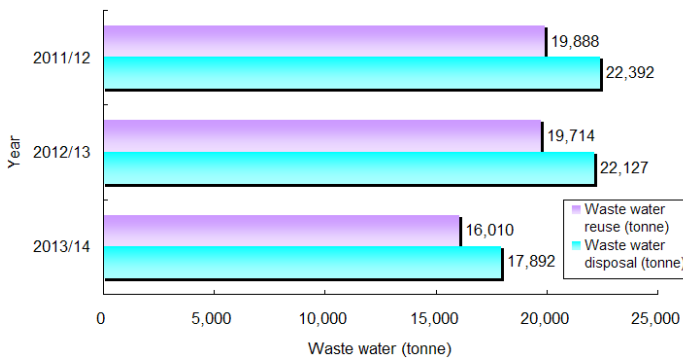


### The energy-saving measures of Karrie Group from 2012 to 2014

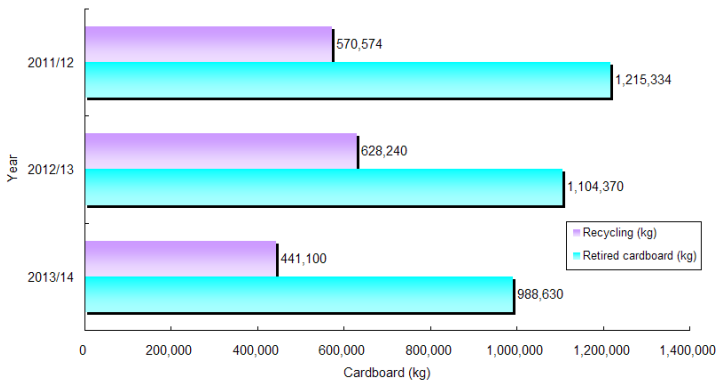
	Project	Quantity	Investment amount (RMB)	Scope	Time of completion	Benefits	Saving amount (RMB)
1	Modify the traditional R22 air-conditioning refrigerant with energy-saving environmental HCR22 hydrocarbons refrigerant	7 sets of 30 BTU units	56,600	Second floor of Yuquan injection department at B3 and fourth floor of office automation department at B3	August 2012	By replacing with HCR22 hydrocarbons refrigerant and as shown in the onsite testing report: the annual savings is of about RMB12,000, while the energy-saving rate is of about 18%.	63,552
2	Modify the oven with biomass granular fueled oven	6 sets	852,000	Lacquer spraying department and block A of metals department	August 2012	By replacing diesel fuel with biomass granular fuel, the annual energy cost savings is of about RMB850,000, while the energy-saving rate is of 66%.	850,000
3	Modification of HES servo system for injection moulding machines	13 sets	736,000	Plastic factory	August 2012	1. An accumulated of 18 sets of modified injection moulding machines plus this batch of additional 13 sets, in a total of 31 sets. 2. The annual electricity rates savings is of about RMB250,000, while the energy-saving rate is of about 35%–47%.	250,000
4	Modify the tungsten lamps with 8U energy-saving lamps	110 lamps	36,400	Workshop at block A of metals department and 600T workshop of metals department	April 2013	1. The illumination of lamps does not affect the production operations, with a longer useful lives; 2. The annual electricity rates savings is of about RMB91,000, while the energy-saving rate is of 70%.	167,000

The Group encourages the “Reuse, Reduce and Recycle”. The following are the main statistical reuse figures:

Statistics on the waste water reuse in the mainland



Statistics on the used paper recycling in the mainland



# with graph	For the year ended 31 March/ As at 31 March		
	2013/14	2012/13	2011/12
Water Consumption of the Group (m <sup>3</sup> ) (remarks 1)			
The PRC	<b>357,009</b>	<b>457,737</b>	<b>575,181</b>
Hong Kong	<b>7,150</b>	<b>2,350</b>	<b>1,524</b>
Electricity Consumption if the Group (units) (remarks 1)			
The PRC	<b>29,846,000</b>	<b>35,583,240</b>	<b>38,379,240</b>
Hong Kong	<b>857,485</b>	<b>555,142</b>	<b>501,223</b>
Statistics on the waste water reuse and the used paper recycle in the mainland#			
Waste water disposal (tonne)	<b>22,392</b>	<b>22,127</b>	<b>17,892</b>
Waste water reuse (tonne)	<b>19,888</b>	<b>19,714</b>	<b>16,010</b>
Rate of Waste water reuse (percentage)	<b>89.48%</b>	<b>89.09%</b>	<b>88.82%</b>
Retired cardboard (kg)	<b>1,215,334</b>	<b>1,104,370</b>	<b>988,630</b>
Retired cardboard recycle (kg)	<b>570,574</b>	<b>628,240</b>	<b>441,100</b>
Rate of Retired cardboard recycle (percentage)	<b>44.62%</b>	<b>44.73%</b>	<b>46.95%</b>
Carbon emissions of Hong Kong Headquarter office (tonne) (remarks 2)	<b>Nil</b>	<b>394.8</b>	<b>376.71</b>

Remarks 1 : Not include the data of Yan Tien Factory

Remarks 2 : As designed by the carbon emission measuring system, the measuring date counts from 1<sup>st</sup> July of the year to 30<sup>th</sup> June of the next year.

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## 11. CORPORATE GOVERNANCE

Since 2004, the Group has held 19 individual investors tea gatherings and establishes a communication platform with minority shareholders.



Karrie Group is committed to the highest standards of corporate governance, and will act accordingly to make sure it complies with the Corporate Governance Code and reviews and improves our corporate governance practices from time to time, so as to maintain good corporate governance. The Group has well-established corporate governance structure to enhance the accountability to shareholders and other stakeholders.

In addition, the Group is well aware of the importance of honesty, integrity and fairness, and has issued Ethical Disciplinary Requirements to its staff, requesting them to observe the policies relating to taking interests and declaring interest conflicts. The Group has dedicated personnel to take care of and follow up such declaration and approval, complaints and enquiries, and also has ethical training for new recruits. We also have a set of Social Intercourse Regulations in place so that the staff involved may get to know and abide by the standards of treating guests and maintain clear consumption records and follow correct reimbursement procedures.

Maintaining integrity and professionalism and strengthening internal audit so as to prevent corruption is an important cornerstone of a business enterprise. In order to maintain sustainable and healthy development, the Group, in addition to continuously improving product and service quality, also makes it an essential task to build integrity. In 2012 and 2014, the Group invited the Hong Kong Independent Commission Against Corruption to design thematic workshops on industry-specific basis for integrity management and corruption prevention to all staff in the Company. On the other hand, lectures on integrity management and corruption prevention will also be given to our colleagues in Hong Kong and the PRC by means of instant messaging video conference, providing them with information on the latest anticorruption movements. Moreover, in order to comply with certain requirements on “internal control” set forth in C2 of the Corporate Governance Code of Appendix 14 of the Hong Kong Listing Rules, and urge our employees at all levels, especially the management to build up an effective “Internal Control System”, the Internal Audit Department of the Group organised two internal audit workshops in 2012, rolling out training on internal control, so as to help our employees to better understand and perceive the new knowledge of internal audit and control, corruption loopholes, risk management and integrity

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governance.

In respect of suppliers and processors, the Group has issued a letter named “Peers’ Belief” so as to urge them not to provide any benefits to employees during normal course of business. All of our staff is prohibited from taking advantages of their powers and authorities for personal interests and incurring unfair business transactions. All employees must maintain the highest level of honesty, and are prohibited from obtaining any benefits with their power and authority.

### **Risk evaluation and risk management**

The Group also establishes the management system for risk evaluation and risk management to identify implementation risks such as environment, health, safety and labour related to our operation. Every risk level is determined and applicable program and effective control is implemented. The Group also establishes internal audit department to improve internal control mechanism and enhance risk management through management audit, follow-up projects, process audit and special projects.

### **Offensive and Defensive Tactics Seminar**

As the management of Karrie attaches great importance to capitalizing on our success and going much further, the enterprises and the diversified business are able to sustain and flourish! The Group held the “Offensive and Defensive Tactics Seminar” in May and June and let us find out more room for industrial development and explore more potential advantage. We invited a scholar from the Center for Logistics Technologies and Supply Chain Optimization of The Chinese University of Hong Kong to host six consecutive sessions of “Offensive and Defensive Tactics Seminar” for Karrie. Through this event, the Group decided to focus on certain projects with better profit margin, mainly on metal/plastic components and mold production and cut back on business of lower profits or riskier materials. Therefore, our resources are better focused and inventory risk is lower.

### **Focus on corporate governance and communication with stakeholders**

Fair participation of stakeholders is especially crucial to the realization of the promise of the sustainable development by the Group, in particular the balanced participation of our staff and shareholders. The Group encourages our staff to participate and communicates with our staff actively, which can establish a cooperative relationship with interaction and mutual trust.

The Group is obligated to maximise the greatest interests for shareholders, who are therefore the major interested person. The Group formulates the dividend payment policy. The Group follows the fair participation policy of shareholders and considers that all investors, whether institutions or individuals, should be entitled fairly to the Group’s information. Therefore, besides the regular communication channel in the annual general meeting, the Group organises individual investor



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tea-time to establish a communication channel with minority shareholders.

(For further information, please refer to the heading of “Corporate governance report” in this annual report)



Other than the regular communication channel at the general meeting, the Group hosts an investor tea break annually. Through the direct meeting and mutual communication with the management, the understanding of the Group will be thereby enhanced. The PRC factories visit, led by Mr. Ho Cheuk Fai, our Chairman, was conducted last year.

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## 12. CARING FOR THE COMMUNITY



Since 2007, the Group has sponsored “Nothing is Impossible” Outward Bound Program organized by Hong Kong Sheng Kung Hui St. Christopher’s Home.

As a responsible corporate citizen, the Group clearly understands the needs to blend in with the society, create harmony and make full commitments to social services. Back in 2005, the Group established in its Hong Kong Headquarters a volunteer group for charitable works. While in the PRC, different internal organisations including staff association and the party branch also organize various kinds of charitable activities.

The Group has sponsored “Nothing is Impossible” Outward Bound Program organized by Hong Kong Sheng Kung Hui St. Christopher’s Home from 2007, which aimed at facilitating the all around development of children. Through various activities like war game training and adventureship, children are cultivated with spirit of “Nothing is Impossible” to strengthen their endurance. In 2012, we held a writing competition on “Nothing is Impossible”, offering chances for juveniles to share the spirits of “Nothing is Impossible”. In 2013, by stipulating family as participation unit for the first time, children and their parents can put the target set into practice, to share the spirits of “Nothing is Impossible”. Both children and their parents have a very positive comment on this regard. Besides, the Group sponsored the clothing and registration fees for students with slight mental retardation and teachers of HHCKLA Buddhist Po Kwong School for their participation in the 10km race in the Standard Chartered Hong Kong Marathon for the seventh consecutive year so as to train students’ willpower and persistence. The Group’s volunteer teams from PRC and Hong Kong also pays visits to Hong Kong Sheng Kung Hui Tai Wo Neighbourhood Elderly Centre and Fenggang Nursing Home in the PRC during Mid-Autumn Festival and Tuen Ng Festival annually, celebrating the festivals with elderly and giving them gifts.

We have set volunteer holidays since 2008, so as to encourage our people to take an active part in voluntary services. The Group also took part in various social charitable activities in Hong Kong during the year, such as Hong Kong Community Chest Walk for Millions, ORBIS Pin Day and “The Everbright Project — Support the Happy Family” sponsored by Caritas Family Crisis Support Centre.

My Affection was also the title sponsor of “201314 International Wedding Charity Night” last year, which was a charity event to raise funds to help the poverty-stricken children, our next generation and pillars of the country. In addition, My Affection also cooperated with Hong Kong Kwai Tsing

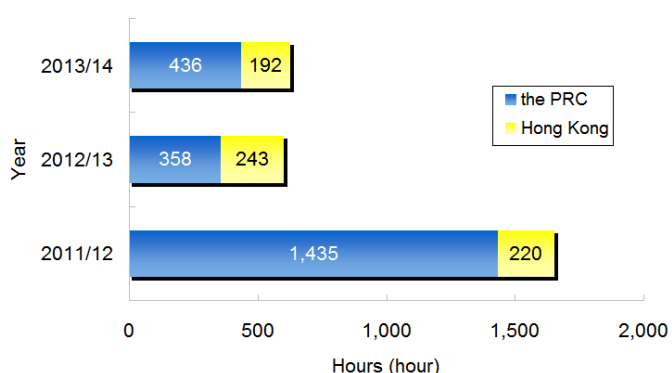
Young Lions Club in sponsoring the “Capture the Sweetest Moment of the Golden Years — Love Our Family Studio”, which provided affordable photography services for wedding and family reunion for the low-income elderly people, so that they can relive their warm and sweet memories.

In 2012, the Group has sponsored the photo gallery of UNHCR and My Affection worked with UNHCR on the “Show a Little Love – Family Reunion” Facebook fund-raising campaign. In 2013, Fullhouse World and My Affection worked together and supported the key project of the International Refugee Day organized by the UNHCR, and invited Artist Tony Hung to visit the refugee camps in the remote areas of Thailand in May 2013, where My Affection also dispatched its chief photographer to take pictures. The relevant photos were used to create postcard photo albums “Looking for Home”, and sold at the Hong Kong Book Fair, and all proceeds from it will be donated to UNHCR.

We are also committed to sharing our experience in achieving sustainable development, and were invited by the Business Environment Council as an honourable guest at the “Supply Chain Sustainability Brings Business Opportunities for SMEs” Workshop, to share our experience on how to undertake our missions on supply chain. Besides, we were invited by the Hong Kong Productivity Council as an honourable guest at the “Opting for Talents — Cultivating Innovative Talents • To Win the Market with Innovation”, to share our experience on “To Create Memorable Customer Experience” with the participants. We were also invited by the Hong Kong Productivity Council at the “CarbonSmart Forum cum Partner Commendation Ceremony” on “Low-carbon Corporate Culture Helps to Promote Sustainable Development”, to share our experience on the measures of energy-saving and carbon reduction with the participants. We hope to see that, through such sharing of experience, more and more organisations will join us in the sharing and communication and promote the sustainability work together.

For the year 2012/13, the Group made charitable and other donations amounted to HK\$74,000, while it was HK\$184,000 in the year 2013/14, benefiting 511 people in the community in the year 2012/13, while it was 590 people in the year 2013/14.

**The volunteer service hours in China and Hong Kong**



	For the year ended 31 March/ As at 31 March		
# with graph	2013/14	2012/13	2011/12
Amount of Charitable and other donations (HK\$)	184,000	74,000	176,000
The volunteer service hours #			
The volunteer service hours in China (hour)	436	410	1,435
The volunteer service hours in Hong Kong (hour)	192	243	220



In 2013, photographer from MyAffection took part in the visiting activity of UNHCR and told us the conditions of the refugee camp in North Thailand through the camera. It was included in a video blog and was available for sale in the Hong Kong Book Fair, the proceeds of which has been entirely donated to UNHCR.

Using Facebook as a platform to successfully attracted over 6,000 people giving "LIKE"



Some of our employees have participated in Hong Kong Community Chest Walk for Millions for eight consecutive years; certainly they deserve a thumbs-up.

Before departure, our volunteers consult our veterans partners and plan the visiting routes.



Our factories in China also pay visits to the nursing home and bring warm greetings to the elderly.





Pupils and teachers of Karrie Hope School celebrate Children's Day by holding various contests, including the exciting tug of war.



The objective of the program "Nothing is impossible" of Karrie is to "complete the impossible" mission with relentless spirits and shall not give up so easily". Some parents also took part in the "Adventure-Ship" event, which allowed the participant not just make the breakthrough and overcome the difficulties but also enhance the parent-child relationship.

嘉利「凡事皆可能」計劃：  
乘風航 Karrie Everything is Possible Project  
Sea Adventure

嘉利「凡事皆可能」計劃的第五部曲：「乘風航」活動已在5月12日舉行。活動首次邀請家長與孩子一同參與，透過學習海上求生技巧，鍛鍊不屈不撓的精神，更可讓家長和孩子在活動中互相扶持，共同衝破障礙。是次活動不僅讓參加者突破自己，面對困難，更增進親子關係，令人十分鼓舞！

The fifth stage of Karrie Everything is Possible Project: Sea Adventure was held on May 12. This was the first time parents participated in the activity together with their children. Through learning survival skills in the sea, participants were trained to be indomitable. Parents and children were encouraged to give mutual support and jointly overcome obstacles. Participants not only achieved life-breakthrough in the program, but also enhanced parent-child relationship, which was encouraging!



母親與女兒完成目標後露出滿足的笑容。  
A satisfactory smile shows on a mother's face after completing the task with her daughter.



家長與孩子一同學習求生技巧。  
Parents and children learned survival skills together.

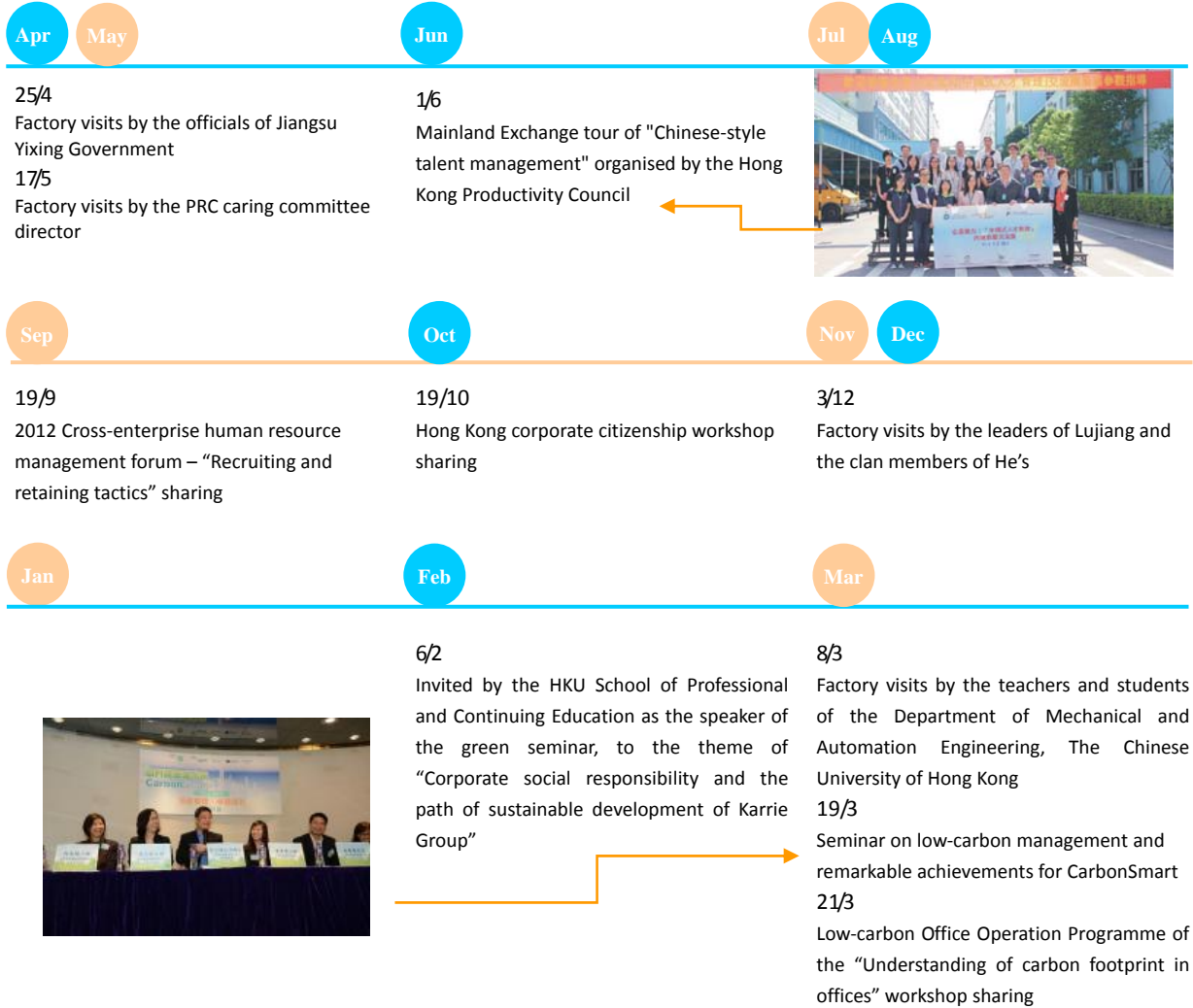


大合照 Group Photo

### 13. MISSIONS UNDERTAKINGS

The Group believes that “Sustainable Development” cannot be operated solely by itself, while through various occasions of sharing of experience and plant visits, more and more organisations could join hand in the sharing and communication and promote the sustainability work together.

#### For the years 2012-2013



For the years 2013-2014





## 14. RECOGNITIONS:

For the years 2012–2013 and 2013–2014, the details of recognitions received by the Group are as follows:

Year	Category	Awarded by	Honour received	Awarded company
2012–13	Training and development	Employees Retraining Board	"Manpower Developer 1st" logo	Karrie International
	Training and development	Dongguan Human Resources Bureau	Dongguan vocational skills training demonstration bases	Karrie Group
	Training and development	Fenggang County Women's Federation, Dongguan City	2012 women's work advanced unit of Fenggang Town	Karrie Group
	Corporate social responsibility	Hong Kong Council of Social Services	"Caring Company 2005/12" logo for 5 consecutive years	Karrie International
	Corporate social responsibility	/	Caring of the next generation of advanced entity in Guangdong Province Dongguan	Karrie Group Caring Committee
	Corporate social responsibility	Hong Kong Council of Social Services	"Caring Company" logo for 2012	My Affection
	Environmental protection	World Wild Fund Hong Kong	2011/2012 "Low-Carbon Office Operation Programme — Silver Label"	Karrie International
	Environmental protection	Federation of Hong Kong Industries	"Hang Seng Pearl River Delta Environmental Awards — Green Medal"	Karrie International — Feng Gang Plant and Yu Quan Plant
	Quality services	ESDlife — "Quality Wedding Merchant Scheme"	"Quality Wedding Merchant" logo	My Affection
	Quality services	2013 Wedding Award	Superb Pre-Wedding Photography (Company Category — Hong Kong) Best Public Praise	My Affection
2013–14	Training and development	Hong Kong Chamber of SMB Ltd	"Partner Employer Award 2012/13"	Karrie International
	Training and development	/	Fenggang Town Community School	Karrie Group
	Environmental protection	Jointly awarded by Dongguan Economy & Information Technology Bureau, Dongguan Science and Technology Bureau and Dongguan Environmental Protection Department	Dongguan Cleaner Production Enterprise	Karrie International — Feng Gang Plant & Yu Quan Plant
	Environmental protection	Environmental Campaign Committee	"2012 Hong Kong Awards for Environmental Excellence — Bronze Award"	Karrie International
	Environmental protection	Environmental Protection Department and Economic and Trade Commission of Guangdong Province	"Cleaner Production Partnership 2013" logo	Karrie International — Feng Gang Plant and Yu Quan Plant
	Environmental protection	"Carbon Smart" Secretariat	"CarbonSmart" logo	Karrie International
	Environmental protection	World Wild Fund Hong Kong	2012/2013 "Low-Carbon Office Operation Programme — Silver Label"	Karrie International

Year	Category	Awarded by	Honour received	Awarded company
2013–14	Environmental protection	Federation of Hong Kong Industries	2012/2013 Hang Seng Pearl River Delta Environmental Awards: Green Participant and 3 Years + entrant	Karrie International — Feng Gang Plant and Yu Quan Plant
	Environmental protection	Environmental Campaign Committee	Carbon “Less” 16% Certificate in the Hong Kong Awards for Environmental Excellence	Karrie International
	Quality services	Hong Kong Retail Management Association	2012 “SME Retail Service Excellence — Gold Medal”	My Affection
	Quality services	2014 Wedding Award	Superb Pre-Wedding Photography (Company Category — Hong Kong) Best Public Praise	My Affection
	Quality services	Hong Kong Association for Customer Service Excellence	Top 10 SME Customer Service Excellence Award 2013	My Affection

Remarks:

“Karrie International” - Karrie International Holdings Limited

“Karrie Group” - Karrie International Holdings Limited and its subsidiaries

“My Affection” - My Affection Limited

“Feng Gang Plant” - Dongguan Feng Gang Castfast Metal & Plastics Co., Ltd.

“Yu Quan Plant” - Dongguan Feng Gang Caston Metal & Plastics Co., Ltd.

## 15. GRI Content Index

The preparation of the report is based on the hierarchies set forth in the Guidelines of Level C Practice of Sustainability Reporting Guidelines G3.1 issued by the GRI. (● Full disclosure ○ Partial disclosure)

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