



嘉利國際控股有限公司

Karrie International Holdings Limited

(於百慕達註冊成立之有限公司 Incorporated in Bermuda with limited liability)

香港交易所上市編號 HKEx Listing Code (1050)



WITH ONE HEART • LIGHTNING SPEED • TURNING THE TIDE



2024/25  
SUSTAINABILITY REPORT

# CONTENTS

|                                                    |           |
|----------------------------------------------------|-----------|
| <b>ABOUT THIS REPORT</b>                           | <b>2</b>  |
| <b>ABOUT KARRIE</b>                                | <b>4</b>  |
| <b>CHAIRMAN'S MESSAGE</b>                          | <b>6</b>  |
| <b>SUSTAINABILITY MANAGEMENT</b>                   | <b>8</b>  |
| Governance Model                                   | 8         |
| Sustainability Strategy                            | 10        |
| <b>ENVIRONMENTAL PROTECTION</b>                    | <b>13</b> |
| Responding to Climate Change                       | 14        |
| Resources Conservation                             | 20        |
| Emissions Control                                  | 23        |
| <b>TALENT</b>                                      | <b>25</b> |
| Caring for the Employee                            | 26        |
| Training and Development                           | 33        |
| <b>COMMUNITY</b>                                   | <b>40</b> |
| Community Building                                 | 41        |
| Mission Inheritance                                | 43        |
| <b>OPERATION</b>                                   | <b>50</b> |
| Corporate Governance                               | 51        |
| Product Responsibility                             | 52        |
| Suppliers Management                               | 55        |
| <b>APPENDIX</b>                                    | <b>56</b> |
| 1. Key Performance Data Summary                    | 57        |
| 2. Memberships                                     | 63        |
| 3. Awards and Recognition Received during the Year | 64        |
| 4. Content Index                                   | 65        |
| 5. Verification Statement                          | 77        |

## ABOUT THIS REPORT

Since the listing of Karrie International Holdings Limited (the “Company”), together with its subsidiaries (which are collectively referred to as the “Group” or “Karrie”) in 1996, the Group has started to prepare the content of sustainability and incorporate it into annual reports as a separate section starting from the annual report for the year ended 31 March 2009. The Group has proactively adopted the latest guidance on sustainability reporting, and has commissioned an independent third party to review and verify the accuracy and readability of the information set forth in the report. When preparing the report for the Year, the Group has engaged its shareholders, business partners, employees, suppliers, regulators, and the public in coming up with their concerns, which have been addressed in the report.

### Reporting Standards

This Report (the “Report”) has been prepared with reference to the GRI Standards issued by the Global Reporting Initiative (“GRI”), and Appendix C2 Environmental, Social, and Governance (“ESG”) Reporting Guide of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“HKEX”), as well as with reference to the United Nations Sustainable Development Goals (“UNSDGs”).

This Report has adopted the following reporting principles:

- **Materiality:** The content in this Report has been determined based on the significance of the Group's sustainability impact, together with stakeholders' opinions obtained by different departments from daily work. Please refer to the section “Sustainability Management” for relevant information.
- **Quantitative:** The Report discloses key performance indicators for material topics in compliance with the reporting standards mentioned above, and historical data has been provided for trend comparison. Please refer to the section “Appendix — Key Performance Data Summary” for relevant information.
- **Balance:** The Report provides an unbiased picture of the Group's sustainability performance. Regardless of whether the performance is good or not, the historical data has been disclosed in the section “Appendix — Key Performance Data Summary”.
- **Consistency:** The Report adopts consistent methodologies to allow for meaningful comparisons of the data over time.

### Scope of Reporting

The Report covers the sustainability work and performance during the financial year of 2024/25 (i.e., from 1 April 2024 to 31 March 2025, the “Year”). Taking into account the principle of materiality, the reporting boundary covers the operations of the Headquarters in Hong Kong, the production base in Dongguan, Guangdong (the “Yuquan Production Base”) and the production base in Thailand. During the Year, the Group officially acquired a newly purchased plot of land in Thailand and leased a newly constructed factory building. As neither has been put into production, they have not impacted the reporting boundary. Overall, there have been no significant changes to the reporting scope compared to the 2023/2024 fiscal year Sustainability Report.

For detailed information related to the governance and financial performance of the Group, please refer to the annual report for the year of 2024/25.

## ABOUT THIS REPORT (CONTINUED)

### Contact Us

Should you have any suggestions or opinions on the sustainable development of the Group, please contact:

Corporate Sustainable Development Committee

Karrie International Holdings Limited  
9th Floor, Southeast Industrial Building,  
611–619 Castle Peak Road, Tsuen Wan, New Territories,  
Hong Kong

Telephone: (852) 2411–0913  
Fax: (852) 2415–1608  
Email: [sustainability@karrie.com](mailto:sustainability@karrie.com)

## ABOUT KARRIE

The Group is principally engaged in the following business:



Global Business Layout:



## ABOUT KARRIE (CONTINUED)

The Group's Headquarters is located in Hong Kong, with production bases established in Dongguan, Guangdong Province, and Thailand. Additionally, the design and research & development centre has been established in Taiwan, and offices have been set up in the United States, United Kingdom, and Canada. Within the Year, the Group officially acquired three adjacent plots of land, as well as a newly constructed factory building, in the Amata Industrial Park located in Chonburi Province, Thailand. Neither had commenced production during the reporting period. The Group has carried out preliminary layout and design for the newly acquired land and factory, and will gradually build production line for metal, injection molding, and tooling, complemented by warehousing, logistics, environmental protection facilities, and office areas, to create a highly automated integrated production base for the Group in overseas.

ESG Awards and Recognitions:



## CHAIRMAN'S MESSAGE



**Ho Cheuk Fai Mentor**  
Chairman & Chief Executive Officer

*Despite continuous challenges both internally and externally, Karrie has always maintained strategic focus and taken proactive actions. While rapidly entering the new field of artificial intelligence ("AI") and steadily developing its production base in Thailand, Karrie embeds the concept of sustainability in various business areas and operational locations. We will respond to the current severe situation with the spirit of "With One Heart, Lightning Speed, Turning the Tide", achieving sustainable development for Karrie and all key stakeholders.*

### With One Heart

Internationalisation and the layout of diversified production bases are inevitable trends for the future, with multicultural integration being a key factor for success. Currently, the Group's base in Thailand is in a phase of growth, with the Chinese team wholeheartedly supporting the establishment of the new local team in Thailand. During the Year, I personally visited Thailand production base to inspect the layout and operations, engaging in discussions with Thai colleagues and Chinese colleagues stationed locally, witnessing the unity and collaboration among colleagues from different regions. On the other hand, through the top-down implementation of sustainability concepts and training, the awareness of sustainability among all Karrie employees is gradually strengthening. We are deepening cooperation with customers, suppliers, and communities in relevant areas, jointly upholding the principles of integrity in business operations. Initiatives such as the application of low-carbon recycled raw materials, control of raw material traceability, and assessment of suppliers' sustainability performance are being carried out, aiming to construct a robust and sustainable value chain.

### Lightning Speed

With the advent of the AI era, the development of various industries is accelerating, but in turn, businesses need faster response capabilities. Building on nearly 20 years of automation layout, Karrie has actively introduced AI applications in various aspects of enterprise operations such as production processes, quality control, engineering design, safety management, and administrative management, promoted AI application trainings, continuously improving operational efficiency. Throughout the Year, Karrie organised courses to enhance all core management personnel's understanding of comprehensive enterprise management, enhance the technical skills and service abilities of engineering personnel, in order to quickly grasp market and customer core needs. With the "Karrie Craftsmanship Tower" now in operation, integrating large stamping equipment with assembly and warehousing functions, it helps the Dongguan production base achieve a more flexible and rational production area layout, effectively supporting the production of various specifications and meeting the rapid delivery demands of domestic and international customers.

## CHAIRMAN'S MESSAGE (CONTINUED)

### Turning the Tide

Amidst global climate change challenges, different regions and countries may exhibit varying approaches and progress in their development, often influenced by short-term political environments or differing policy controversies. Karrie consistently prioritises environmental benefits and customer needs, internally optimising energy and resource efficiency while externally developing new technologies, production processes, materials, and renewable energy supplies. Throughout the Year, Karrie collaborated with key customers for the first time to initiate a green power collective procurement project, providing a long-term solution for low-carbon production models. By benchmarking against industry-leading companies and aligning with customer action plans, Karrie has gradually formulated medium to long-term climate change actions and goals tailored to its business context, leading to an improvement in its rating within the Climate Disclosure Project ("CDP") climate rating programme.

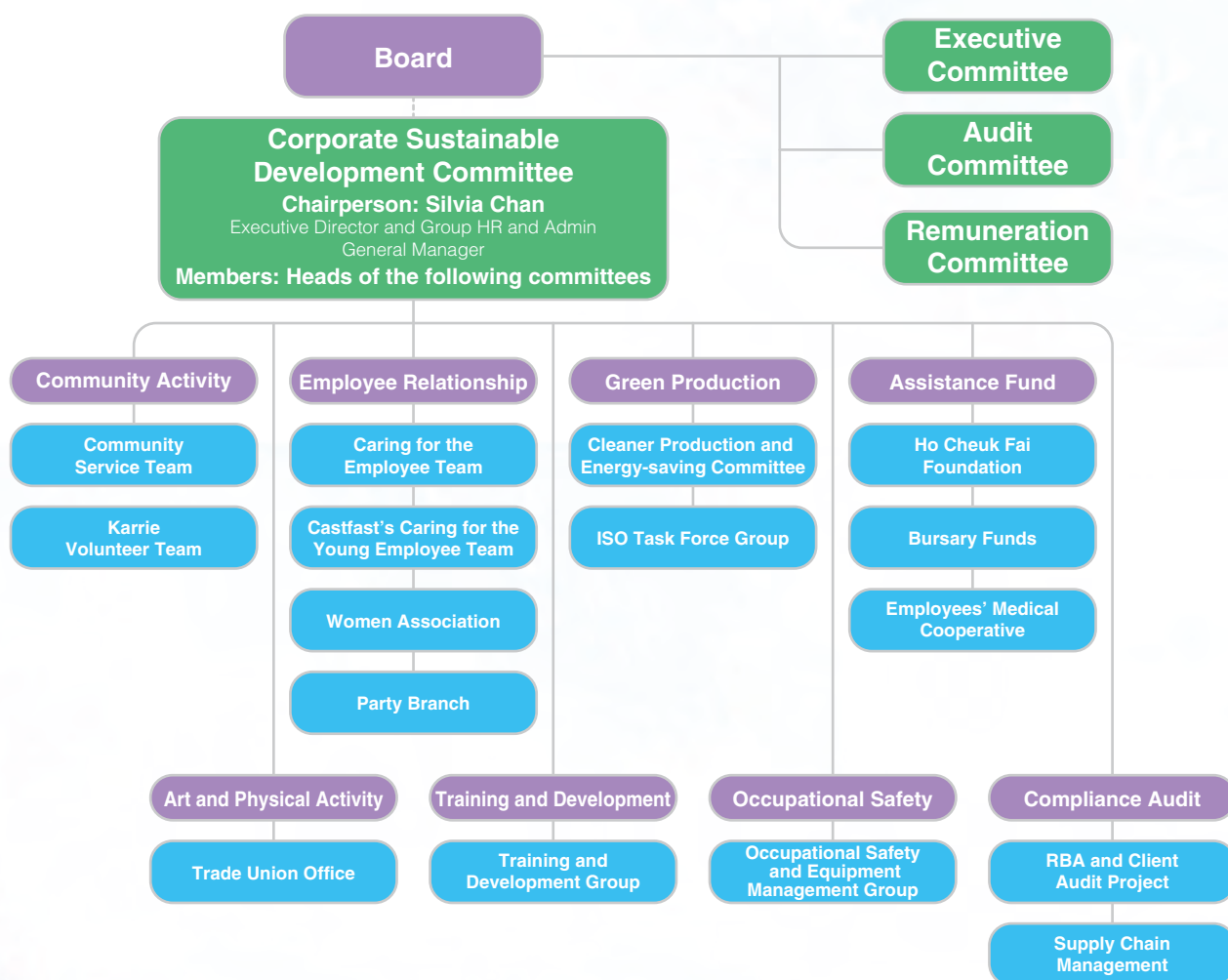
With accumulated experience over the past forty-five years, Karrie deeply understands the importance of collaboration on multiple fronts. We will uphold the scope of sustainability gradually formed through years of practical experience, serving key stakeholders such as partners, talents, environment and community with the core values of "Caring, Giving Back, and Improving". Hand in hand with all parties, we will strive towards a sustainable future for the century-old enterprise.

**Ho Cheuk Fai Mentor**  
**Chairman & Chief Executive Officer**

## SUSTAINABILITY MANAGEMENT

### Governance Model

The Board is responsible for oversight of sustainability issues. The Corporate Sustainable Development Committee (the "Committee") is steered by an Executive Director and reports to the Board. The members of the Committee are heads of various departments related to sustainability issues. They are responsible for formulating and reviewing the corporate social responsibility mechanisms and development strategies together, communicating with stakeholders and implementing management measures. The Group has incorporated the Supplier Management Department into the Committee to further promote sustainability within the supply chain. The Group has arranged for relevant Executive Directors to participate in the "Certificate in Sustainability Leadership" course offered by the Hong Kong Institute of Directors aiming to enhance the sustainability expertise of the Board members, and to inherit the relevant knowledge and the Group's corporate social responsibility concept to every colleague.



## SUSTAINABILITY MANAGEMENT (CONTINUED)

### Risk Management

Under the supervision of the Board, the Internal Audit Department of the Group conducts risk assessments every year, identifying current and future, internal and external, financial and non-financial risks and opportunities, evaluating risk levels and strengthening risk countermeasures, formulating management approaches. Department heads are involved in the risk and opportunity investigation. The Internal Audit Department analyses the survey results, summarises the risk and opportunity information and countermeasures, and reports them to the management. According to the risk assessment results, relevant departments are in charge of implementing the risk mitigation measures following instructions from the management. The Board discusses the risk management and the internal control systems with the management to review the risk factors and urgency, and ensure that effective systems are in place.

### Stakeholders Engagement



#### Relevant goal:

- Target 17.16 — Enhance the global partnership for sustainable development by sharing knowledge, expertise, and technology with industrial and regional stakeholders.

The Group communicates with stakeholders every year through a variety of activities and reports in order to understand their needs and perspectives, including annual general meetings, conferences, financial reports, announcements, and receptions for visiting government and non-governmental organisations, supplier evaluations, training, and other activities, in order to contribute to sustainable development.

All departments actively collect the stakeholder's opinions on the sustainability performance of the Group in their daily work, and report to the Corporate Sustainable Development Committee. The Committee members assess the materiality of the topics involved in the relevant opinions and adjust the direction of sustainable development work in a timely and dynamic manner.

#### Shareholders

- Annual general meetings
- Press releases
- Circulars, announcements, annual and interim reports
- Information on the company's website and on the Internet
- Shareholders' communication policies

#### Employees

- Corporate events
- Staff briefing
- Suggestion box
- Workshops
- Meeting with staff representatives
- Karrie's Monthly

#### Clients

- Factory tours
- Information on the company's website and on the Internet
- Sustainability survey and rating
- Questionnaire

#### Suppliers

- Factory tours
- Corporate events
- Supplier assessment
- Supplier training

#### Government & NGOs

- Factory tours
- Corporate events
- Mega events
- Seminars and workshops

#### Local Community

- Corporate tours
- Mega events
- Volunteering
- Charitable projects
- Seminars and workshops

## SUSTAINABILITY MANAGEMENT (CONTINUED)

### Lean Improvement

The Group continues to implement a performance management system where each department sets performance targets annually. In addition to production indicators, the performance management of each department also includes indicators and goals related to environmental protection, employees, safety, quality, and management. Within the Year, the Group trialed the setting of energy-saving indicators and targets as well as performance assessment based on the electricity consumption patterns of each department, further driving each department to strengthen the implementation of energy-saving work and improve energy utilisation efficiency on its own. After setting the performance goals, through monthly review meetings and annual year-end summary conferences, the executive Directors and executive committee of the Group review the performance of each department and provide guidance. The achievement of annual targets is also considered in employees promotions and salary adjustments within the relevant departments.

To effectively implement lean production, the Group has implemented a proposal incentive system to encourage departments to propose improvements to daily operations, integrating proposal work into departmental performance management indicators. Since 2020, the Group has held an annual “Lean Improvement and Innovation Competition” to encourage departments to proactively apply tools such as value engineering and Six Sigma to analyse operational issues and propose improvement solutions. Many proposals have optimised resource utilisation efficiency, enhanced product quality, and strengthened safety production levels, contributing to the sustainable development performance of the Group.

### Sustainability Strategy

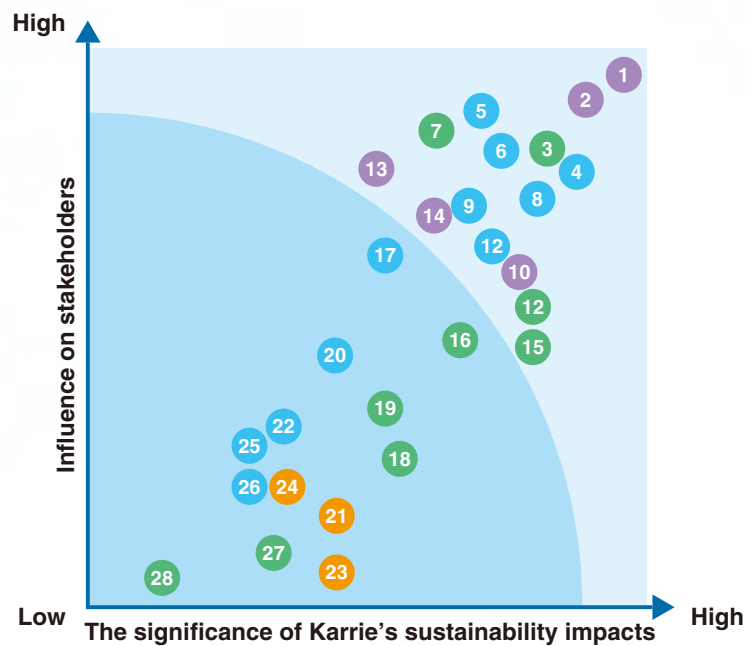
The Group integrates the Environmental (“E”), Social (“S”), and Governance (“G”) systems and actively undertakes corporate social responsibility (“CSR”). Karrie’s sustainability is driven by the three core concepts of “Caring, Giving Back, and Improving”, focusing on the four important stakeholder types of “Environment, Partner, Talent, and Community”, which is refined into sustainability work in the eight categories of “Environmental Protection, Product Responsibility, Supply Chain Management, Corporate Governance, Employee Care, Training and Development, Mission Inheritance, and Community Building”. In addition, the Group integrates the United Nations Sustainable Development Goals (“UNSDGs”) and has mapped 10 goals to strive for contribution.



## SUSTAINABILITY MANAGEMENT (CONTINUED)

### Material Topics Identification and Management

Based on its business model, the Group compiled a list of sustainability topics that are relevant to our industry, major customers, suppliers, and peers, as identified by the GRI standards, the Sustainability Accounting Standards Board ("SASB"), and MSCI. The Group evaluated the impact of each topic on its sustainable operations and prioritised them based on stakeholders' opinions. As there have been no significant changes in the business model, the Group has reviewed and maintained the results of the materiality issue ranking to be the same as the previous year.



|    |                                         |
|----|-----------------------------------------|
| 1  | Employment Compliance                   |
| 2  | Occupational Health and Safety          |
| 3  | Energy Management                       |
| 4  | Responsible Procurement                 |
| 5  | Business Ethics and Morality            |
| 6  | Privacy and Information Security        |
| 7  | Climate Change                          |
| 8  | Smart Manufacturing and Lean Production |
| 9  | Service and Product Innovation          |
| 10 | Training and Development                |
| 11 | Risk Management in Compliance           |
| 12 | Water Management                        |
| 13 | Diversity and Inclusion                 |
| 14 | Communication and Support               |

|    |                                |
|----|--------------------------------|
| 15 | Waste Management               |
| 16 | Recycled Material Application  |
| 17 | Product Safety                 |
| 18 | Air Pollution                  |
| 19 | Green Product Innovation       |
| 20 | Intellectual Property Rights   |
| 21 | Regional Development Support   |
| 22 | Individual Consumer Protection |
| 23 | Youth Education                |
| 24 | Community Projects             |
| 25 | Public Health Emergencies      |
| 26 | Industry Collaboration         |
| 27 | End-of-Life Product Management |
| 28 | Local Ecology Protection       |

## SUSTAINABILITY MANAGEMENT (CONTINUED)

| Order | Topics                                  | Relevant Index                                                                                                                                                                       | Main Impact Scope                 | Concerns and Expectations of stakeholders                                                                                             | Management Indicator                                                          | Relevant Department                                                                              |
|-------|-----------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|
| 1     | Employment Compliance                   | GRI 401 Employment<br>GRI 408 Child Labour<br>GRI 409 Forced or Compulsory Labour<br>HKEX B1 Employment B4 Labor Standards                                                           | Internal, suppliers and customers | Assist customers in safeguarding the rights and interests of all workers in the supply chain                                          | Administration audit                                                          | Human Resources Department                                                                       |
| 2     | Occupational Health and Safety          | GRI 403 Occupational Health and Safety<br>HKEX B2 Health and Safety                                                                                                                  | Internal and suppliers            | Provide a safe and healthy working environment for employees                                                                          | Injury rate<br>Loss time                                                      | All production departments, Quality and Logistic Department, Safety and Equipment Department     |
| 3     | Energy Management                       | GRI 302 Energy<br>HKEX A2 Use of Resources                                                                                                                                           | Internal                          | Improve operational efficiency for shareholders                                                                                       | Energy consumption<br>Energy saving rate                                      | All production departments, Safety and Equipment Department                                      |
| 4     | Responsible Procurement                 | GRI 308 Supplier Environmental Assessment<br>GRI 414 Supplier Social Assessment<br>HKEX B5 Supply Chain Management                                                                   | Internal and suppliers            | Build a supply chain that meets customer's sustainability development requirements                                                    | Completion rate of supplier audits                                            | Procurement Department                                                                           |
| 5     | Business Ethics and Morality            | GRI 205 Anti-corruption<br>HKEX B7 Anti-corruption                                                                                                                                   | Internal, suppliers and customers | Maintain a fair and honest cooperative environment                                                                                    | Completion rate of audit items                                                | Internal Audit Department                                                                        |
| 6     | Privacy and Information Security        | GRI 418 Customer Privacy<br>HKEX B6 Product Responsibility                                                                                                                           | Internal, suppliers and customers | Protect customer confidential information                                                                                             | Completion rate of system screening<br>Completion rate of software inspection | IT Department                                                                                    |
| 7     | Climate Change                          | GRI 201-2<br>GRI 305-1、305-2、305-3、305-4、305-5<br>HKEX A4 Climate Change                                                                                                             | Internal, suppliers and customers | Assist customers in achieving supply chain emission reduction goals                                                                   | Energy consumption<br>Energy saving rate                                      | All production departments, Safety and Equipment Department                                      |
| 8     | Smart Manufacturing and Lean Production | HKEX B6 Product Responsibility                                                                                                                                                       | Internal                          | Improve business competitiveness, provide customers with superior product, and increase shareholder returns                           | Number of lean operation proposals<br>Number of automated projects imported   | All departments<br>Some manufacturing departments                                                |
| 9     | Service and Product Innovation          | HKEX B6 Product Responsibility                                                                                                                                                       | Internal                          | Ditto                                                                                                                                 | Number of new technology R&D                                                  | Engineering and R&D Department                                                                   |
| 10    | Training and Development                | GRI 404 Training and Education<br>HKEX B3 Development and Training                                                                                                                   | Internal and suppliers            | Provide employees with knowledge enhancement and development opportunities                                                            | Training completion rate                                                      | Human Resources Department                                                                       |
| 11    | Risk Management in Compliance           | GRI 2-27 Compliance with laws and regulations<br>HKEX A1 Emission<br>B1 Employment<br>B2 Health and Safety<br>B4 Labour Standards<br>B6 Product Responsibility<br>B7 Anti-corruption | Internal and suppliers            | Maintain compliance with regulations and meet the requirements of government and regulatory agencies to protect shareholder interests | Completion rate of audit items                                                | Internal Audit Department                                                                        |
| 12    | Water Management                        | GRI 303 Water Resource and Wastewater<br>HKEX A2 Use of Resource                                                                                                                     | Internal                          | Improve operational efficiency for shareholders                                                                                       | Water consumption<br>Water saving                                             | Production departments with water use<br>Safety and Equipment Department<br>Employee individuals |
| 13    | Diversity and Inclusion                 | GRI 405 Diversity and Equal Opportunity<br>HKEX B1 Employment                                                                                                                        | Internal and suppliers            | Protect employee rights and maintain good employee relations                                                                          | New hire retention rate<br>Activities completion rate                         | All departments                                                                                  |
| 14    | Communication and Support               | HKEX B1 Employment                                                                                                                                                                   | Internal                          | Maintain good employee relations                                                                                                      | Activities completion rate                                                    | All departments<br>Trade Union Office of Administration Department                               |
| 15    | Waste Management                        | GRI 306 Waste<br>HKEX A1 Emissions                                                                                                                                                   | Internal                          | Emission compliance                                                                                                                   | Number of recycled and transferred                                            | Production departments<br>Safety and Equipment Department                                        |

# ENVIRONMENTAL PROTECTION

- **Establish and assess department-level electricity-saving KPIs, and purchase and use green electricity through the Power Purchase Agreement (“PPA”) model**
- **Both the CDP Climate Change Questionnaire and the Water Security Questionnaire have obtained a B result**

## Our Progress

In face of changing external competitive environment and continuous improvement and orderly operation of relevant sustainability norms in Mainland China, the Group deepens the corporate climate action, continues to analyse climate risks and opportunities, promotes climate change awareness among all employees and strengthens skills of management in dealing with climate change. The Group strives to establish department-level energy-saving KPIs and assess corresponding achievements, and link the performance of department managers to them. The Group purchases and uses green electricity through the PPA model. Leveraging years of experience accumulated in energy-saving, environmental protection, and emission reduction, and combining it with Thailand's geographical factors, policy support, etc., the Group laid an eco-friendly foundation for the production base in Thailand. The Group's goal is to continuously reduce energy consumption and the intensity of greenhouse gas (“GHG”) emissions in line with science-based targets. During the Year, the Group, leveraging its years of experience in participating in CDP, specifically strengthened data collection, target setting, and planning actions in aspects such as climate change, energy and water consumption, improving the CDP climate change rating to a B. Additionally, the Group participated for the first time in a water security questionnaire and also achieved a B rating in that aspect. Currently, the Group is planning to improve the monitoring, statistical, and analysis systems for product-level greenhouse gas emission data. The Group will continue to uphold the philosophy of the Chairman, Ho Cheuk Fai Mentor: **“Do everything with care and leave resources for the next generation”**, as the Group explores the path that aligns environmental protection with business development.

## ENVIRONMENTAL PROTECTION (CONTINUED)

Environmental protection and sustainable developments remain a key commitment at Karrie, with establishment of a Cleaner Production and Energy-conservation Committee since 2005, to formulate, coordinate, supervise and execute energy saving and green manufacturing initiatives. As attested by the ISO14001 environmental management system certificate since 2001, the Group has been strictly implementing environmental management practices. This includes conducting annual environmental factor and impact analysis at both the headquarters and the production bases, setting environmental targets, developing corresponding improvement plans, and conducting regular audits to ensure the effectiveness of the system.

The Group strictly adheres to relevant applicable management-related laws and regulations in China, including the “Environmental Protection Law of the People’s Republic of China”, “Law of the People’s Republic of China on the Prevention and Control of Atmospheric Pollution”, “Law of the People’s Republic of China on the Prevention and Control of Solid Waste Pollution”, “Law of the People’s Republic of China on the Prevention and Control of Water Pollution”, and “Law of the People’s Republic of China on the Prevention and Control of Noise Pollution”. The Group has established facilities for the treatment of exhaust gas and wastewater, and implements the proper collection and disposal of solid waste. There were no violations of the aforementioned laws and regulations during the Year.

## Responding to Climate Change



### Relevant goal:

- Target 13.3 — Improve capacity on climate change mitigation, adaptation, impact reduction and early warning.

### Commitment

The Group supports global actions to control global warming to no more than 1.5°C, and is in the process of setting medium-term and long-term emission reduction targets in accordance with the Science-Based Targets Initiative (“SBTi”), aiming to achieve net-zero emissions by 2050 or earlier, in line with the global emission reduction trend.

### Climate Risk

The Group conducts climate change risk assessments in accordance with the recommendations of the Task Force on Climate-related Financial Disclosures (“TCFD”) and planning relevant mitigation measures. The Group is gradually strengthening the accounting and management of greenhouse gas emissions associated with the supply chain and products, and developing low-carbon products. To address physical risks such as sea-level rise, increased frequency, and intensity of extreme weather events, the Group has implemented regular inspections, clearance of sewage and rainwater pipes, reinforcement of doors, windows, and outdoor facilities to ensure the flood control and wind resistance capabilities of our production bases.

## ENVIRONMENTAL PROTECTION (CONTINUED)

| Scenario                   |                                                                                                                                                                            | Risk                                                                                                                                           | Business Impact                                                                                                                                                                            | Financial Impact |
|----------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|
| BAU<br>(Business As Usual) | Physical                                                                                                                                                                   |                                                                                                                                                |                                                                                                                                                                                            |                  |
|                            | <ul style="list-style-type: none"> <li>Frequency of heavy rain, typhoons, and extreme weather events has significantly increased, and sea levels are rising</li> </ul>     | <ul style="list-style-type: none"> <li>Lead to frequent flooding and inundation</li> </ul>                                                     | Hinder logistics transportation and affect the delivery schedule of goods                                                                                                                  | Strong           |
|                            | <ul style="list-style-type: none"> <li>Number of hot days has significantly increased</li> </ul>                                                                           | <ul style="list-style-type: none"> <li>Significant increase in demand for air conditioning</li> </ul>                                          | Increase electricity consumption for air conditioning                                                                                                                                      | Medium           |
|                            | Policy                                                                                                                                                                     |                                                                                                                                                |                                                                                                                                                                                            |                  |
|                            | <ul style="list-style-type: none"> <li>Major economies are maintaining their current emission reduction policies</li> </ul>                                                | <ul style="list-style-type: none"> <li>Fossil fuels continue to dominate as the main energy source</li> </ul>                                  | Greenhouse gas emissions from the production process of products have not been reduced, resulting in the imposition of carbon tariffs on exports to some districts like the European Union | Medium           |
| 1.5–2<br>Celsius<br>Degree |                                                                                                                                                                            | <ul style="list-style-type: none"> <li>Increase in fuel demand</li> </ul>                                                                      | Electricity costs have increased                                                                                                                                                           | Mild             |
|                            | Physical                                                                                                                                                                   |                                                                                                                                                |                                                                                                                                                                                            |                  |
|                            | <ul style="list-style-type: none"> <li>Frequency of heavy rain, typhoons, and extreme weather events has increased slightly, and sea levels have slightly risen</li> </ul> | <ul style="list-style-type: none"> <li>Higher frequency of flooding and inundation</li> </ul>                                                  | Have impact on logistics transportation                                                                                                                                                    | Mild             |
|                            | <ul style="list-style-type: none"> <li>A slight increase in the number of hot days</li> </ul>                                                                              | <ul style="list-style-type: none"> <li>Increase in demand for air conditioning</li> </ul>                                                      | Electricity cost for air conditioning has increased                                                                                                                                        | Mild             |
|                            | Policy                                                                                                                                                                     |                                                                                                                                                |                                                                                                                                                                                            |                  |
|                            | <ul style="list-style-type: none"> <li>Major economies are adopting proactive emission reduction policies</li> </ul>                                                       | <ul style="list-style-type: none"> <li>Companies need to rapidly reduce emissions to achieve “net-zero” emission by 2050 or earlier</li> </ul> | If the emission reduction pace is slow, it may result in carbon tax payments and reduced orders                                                                                            | Strong           |
|                            |                                                                                                                                                                            | <ul style="list-style-type: none"> <li>The demand for energy-saving technologies in the market is growing rapidly</li> </ul>                   | If products fail to meet market demands, it will lead to a decrease in orders                                                                                                              | Strong           |
|                            |                                                                                                                                                                            | <ul style="list-style-type: none"> <li>There is a sharp increase in the demand for renewable energy</li> </ul>                                 | The cost of electricity procurement is increasing                                                                                                                                          | Medium           |

## ENVIRONMENTAL PROTECTION (CONTINUED)

### Action Progress

The Group has communicated the importance of climate targets to all departments and is strengthening their professional skills in climate change response through irregular centralised training and individual communication. The goal is to assist various departments in actively implementing improvement measures while ensuring business development, in order to achieve the expected reduction in the total amount of greenhouse gases.

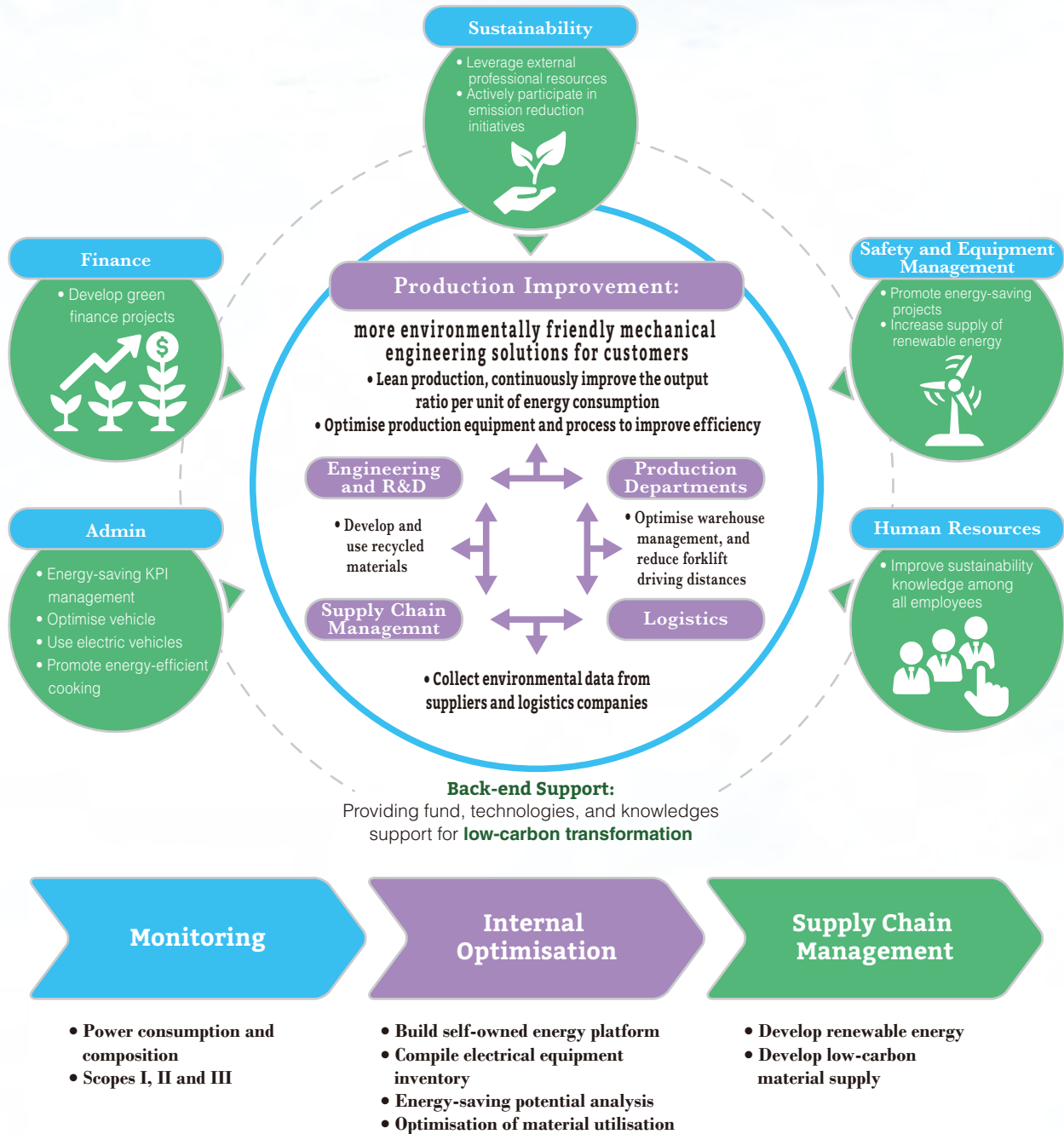
On the improvement of production plans, the Group is dedicated to creating more environmentally friendly mechanical engineering solutions for customers. Actions taken by departments such as design, procurement, production, logistics, equipment and energy management include:

- Building an in-house energy monitoring and management platform to monitor the energy consumption per unit of output in the production workshop. Pilot the setting and assessment of department-level energy-saving key performance indicators ("KPIs"), monitor the reuse rate indicator of scraps, and link them to the performance of managers;
- Making a reasonable layout in accordance with the development of the production base in Thailand. At the same time, continue to improve the layout of production workshops in the "Karrie Craftsmanship Tower" to reduce internal logistics transportation distance;
- 100% implementation of Value Analysis/Value Engineering ("VAVE") to enhance material utilisation and production efficiency;
- Collaborating with customers to conduct trials production with steel with recycled content ("RC") and Post-Consumer Recycled ("PCR") plastics; and
- Investigating the carbon emissions of raw materials from upstream suppliers.

On the backend support side, functional departments such as sustainability, finance, equipment management, administration, and human resources are working together to implement projects including the adoption of green energy and green finance. They provide financial, technical, and knowledge support for the low-carbon transformation at the production level.

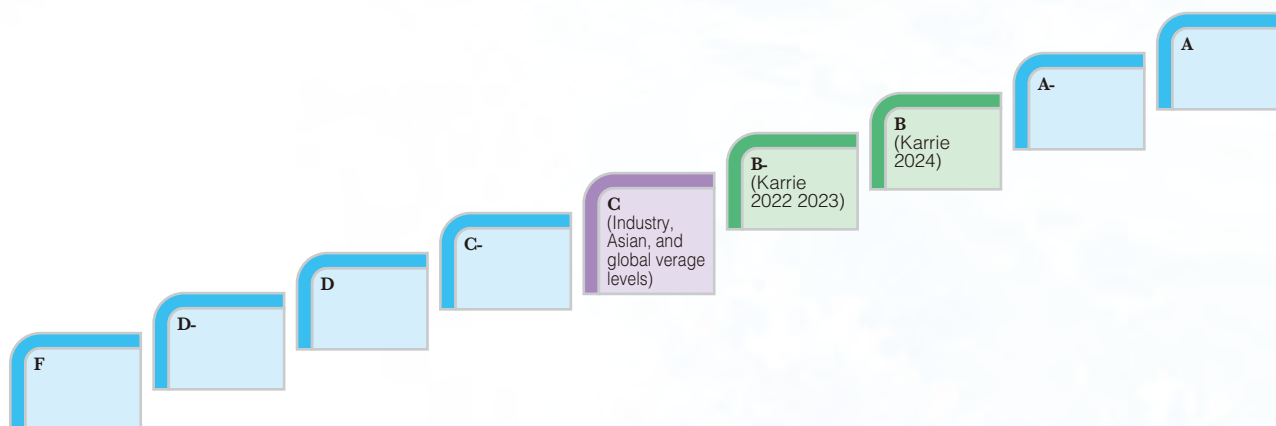
- Optimising climate action management, improving to B in the CDP Climate Change Questionnaire, the result is higher than the average levels of the industry, region, and the globe;
- Conducting a greenhouse gas emission scope III inventory and improving the product greenhouse gas emission accounting system;
- Applying on-site renewable energy and formulating an expansion plan, while purchasing and using renewable electricity through the PPA model;
- Creating an inventory of electrical equipment and identifying energy-saving and consumption-reduction potential of the equipment; and
- Conducting comprehensive training to promote energy-saving and climate change awareness among all employees.

## ENVIRONMENTAL PROTECTION (CONTINUED)

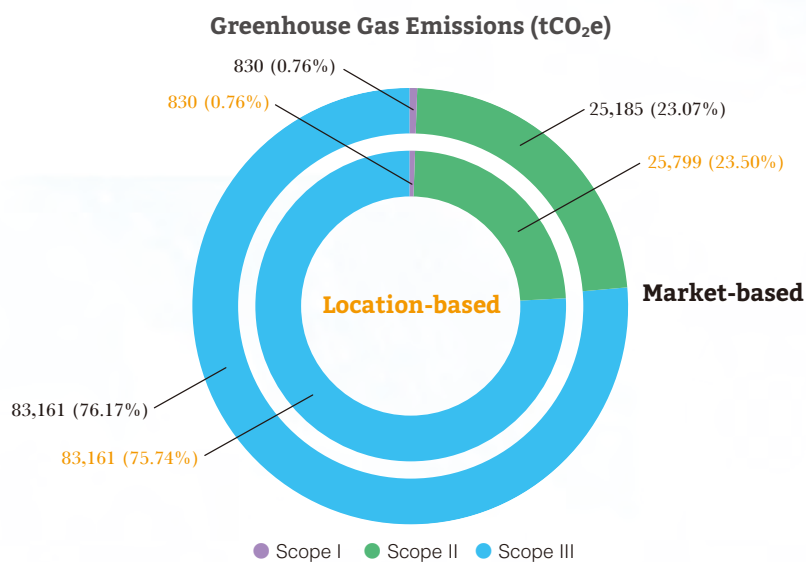


The Group has developed a roadmap for greenhouse gas emission reduction, focusing on three levels: monitoring emissions, internal optimisation, and developing a low-carbon supply chain. The Group has utilised the CDP Climate Change Questionnaire to benchmark against excellent management models, striving to continuously improve our management level. At the same time, the Group has also actively responded to customer initiatives by identifying, assessing, and disclosing environmental dependencies, risks, impacts, and opportunities. Through years of accumulated actions and continuous optimisation, the Group further advanced to a B level in the year of 2024.

## ENVIRONMENTAL PROTECTION (CONTINUED)

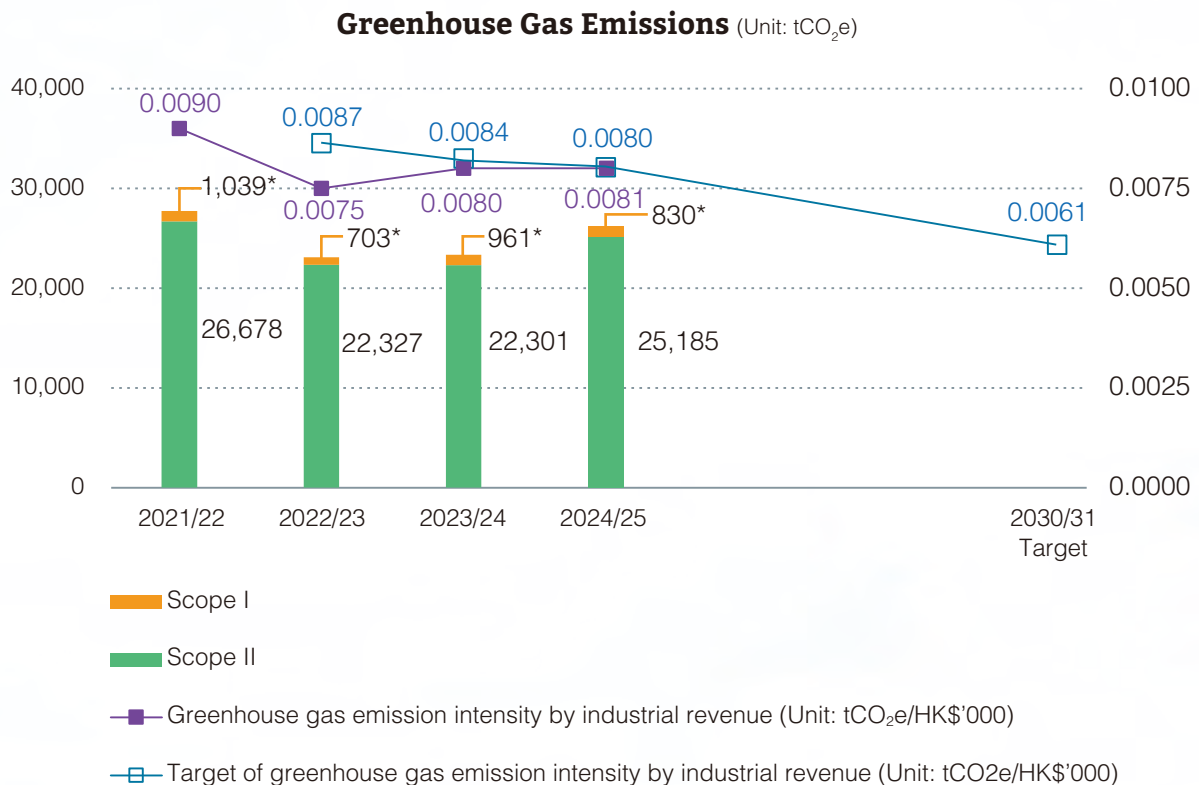


Karrie has been monitoring greenhouse gas emissions in accordance with the ISO14064–1 standard and preparing greenhouse gas reports that have been independently verified by a third party since 2014. During the Year, the Group emitted 830 tCO<sub>2</sub>e of Scope I Direct Emissions and 25,799 tCO<sub>2</sub>e of Scope II Indirect Emissions (Location-based) or 25,185 tCO<sub>2</sub>e of Scope II Indirect Emissions (Market-based).



## ENVIRONMENTAL PROTECTION (CONTINUED)

The greenhouse gas emission intensity by industrial revenue was 0.0081 tCO<sub>2</sub>e/HK\$'000, representing a 1.1% increase compared to the previous year. During the Year, new production equipment and supporting facilities were successively installed in “Karrie Craftsmanship Tower” in the Yuquan production base in Mainland China, and in the production base in Thailand. Before the new equipment was stably put into use, energy was required, resulting in a slight increase in the greenhouse gas emission intensity. At the same time, due to the gradually stabilised production, the Group’s active increase in the proportion of renewable energy use, and the improvement of energy use efficiency, the upward trend of greenhouse gas intensity has significantly weakened. Within this year, the Group has formulated medium-and long-term goals to fully align with customers’ emission reduction targets. Without significant changes in the Group’s market share in the customer market, based on the emission intensity in the 2021/22 financial year, the Group aims to achieve a linear annual reduction of 3.33%, with the target of reducing it to 0.0061 tCO<sub>2</sub>e/HK\$'000 of industrial revenue in the 2030/31 financial year.



\* The Group further identified the types of GHG. The Scope I emissions in recent years were adjusted accordingly. Please refer to the “Key Performance Data Summary” section for details.

## ENVIRONMENTAL PROTECTION (CONTINUED)

### Resources Conservation



#### Relevant goal:

- Target 7.3 — Improve global energy efficiency.

Adhering to the principles of lean production, the Group manages the use of energy, water resources, and raw materials at its production bases. The Administration Department and various production departments at the Dongguan production base collaborate to develop new energy-saving and water-saving technology applications on an annual basis. The implemented projects within the Year result in an annual energy saving of 600,000 kilowatt-hours.

#### Reconstruction of Injection Molding Exhaust Air Shaft

Before transformation, rectangular cement ventilation shafts were used as air ducts for injection molding waste gas collection. An air duct connecting the fan and waste gas treatment facility, with enhanced airtightness, replaced the original shaft-type air duct. This optimised waste gas collection, saving about 500,000 kilowatt-hours of electricity annually, is equivalent to reducing about 290 tons of CO<sub>2</sub>e emissions per year.



#### Optimisation of Screen Printing Waste Gas Collection System Operation

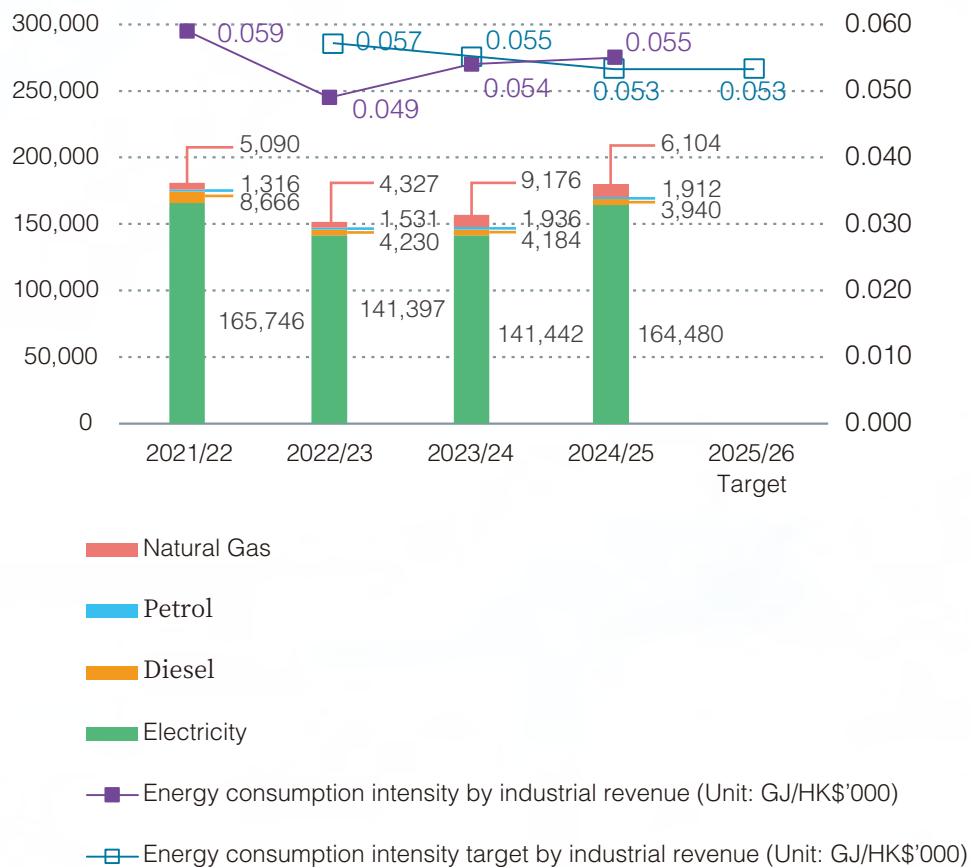
The screen printing waste gas exhaust vent air collection hoods were transformed into ones with freely adjustable direction, distance, and height. Separate air valves were installed to strengthen waste gas outlet switch management for non-operating machines. This reduces the number of operating exhaust fans and cold air exhaust while ensuring waste gas collection. It can save about 90,000 kilowatt-hours of electricity annually, equivalent to reducing about 50 tons of CO<sub>2</sub> equivalent emissions per year.



## ENVIRONMENTAL PROTECTION (CONTINUED)

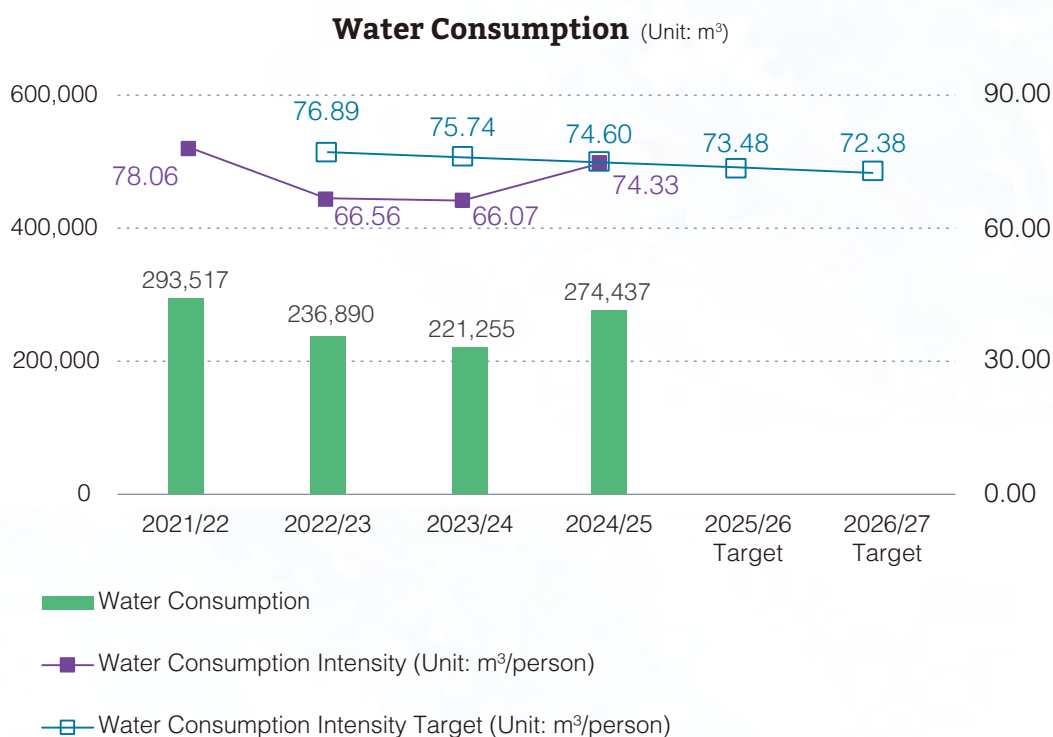
During the Year, the Group consumed 176,437 GJ of energy, of which electricity consumption accounted for 93.2%, followed by natural gas, 3.5%, diesel at 2.2% and petrol at 1.1%. Calculated by industrial revenue, the energy consumption intensity was 0.055 GJ/HK\$'000, with a year-on-year increase of 1.8%, which was consistent with the trend and factors affecting greenhouse gas emissions except for the change of renewable energy using proportion. Meanwhile, due to Thailand's higher demand for air-conditioning use due to climate factors, the electricity consumption for air-conditioning at the Thailand production base is higher than that at the Yuquan production base under the same circumstances. In line with the adjustment of the greenhouse gas emission target, the Group has adjusted its overall energy target. In the initial stage, the energy target is to decline linearly in synchronisation with the greenhouse gas emission reduction target. Then, adjustments will be made depending on the energy-saving space. At present, the target is to reduce the energy consumption intensity in the next year by 3.33% compared with this year, to 0.053 GJ/HK\$'000 industrial revenue.

**Energy Consumption** (Unit: GJ)



## ENVIRONMENTAL PROTECTION (CONTINUED)

During the Year, the Group consumed 274,437 m<sup>3</sup> water. The water consumption intensity by headcount was 74.33 m<sup>3</sup>/person. The water consumption of the Group is mainly used in the daily lives of employees, followed by in equipment. This Year, due to the increase in the number of employees, the demand for water has increased. At the same time, various departments have moved into the “Karrie Craftsmanship Tower” which was officially put into use last year. Coupled with the global warming trend, the demand for water in the cooling towers of the air-conditioning systems has increased, resulting in an increase in water consumption this year. During the Year, the Group optimised the selection of water intensity indicator. Based on the water consumption intensity in the 2021/22 financial year, the Group aims to decrease by 1.5% year by year, with the target of reducing it to 72.38 m<sup>3</sup>/person in the 2026/27 financial year. For data on water consumption intensity by industrial revenue, please refer to the “Key Performance Data Summary” section.



### Reclaimed Water Reused to Sewage Treatment reagents.

The sewage treatment facilities in the factory need to use water to prepare sewage treatment reagents to reduce the content of pollutants in the sewage. This plan uses reclaimed water (treated sewage) instead of tap water in the preparation process. It can save approximately 720 tons of tap water and reduce approximately 650 tons of sewage discharge annually.



## ENVIRONMENTAL PROTECTION (CONTINUED)

### Emissions Control



#### Relevant goals:

- Target 12.4 — Achieve the environmentally sound management of chemicals and all wastes throughout their life cycle.
- Target 12.5 — Substantially reduce waste generation through prevention, reduction, recycling and reuse.

The Group sets annual targets and monitors the consumption of resources on a monthly basis by department, which is incorporated into performance management, to reduce waste generation. The Executive Committee oversees the performance of each department and provides guidance for their work.

Metal and plastic scraps left over from production processes are collected separately for internal reuse or external recycling after comprehensive consideration of requirements in terms of environmental protection and other aspects.

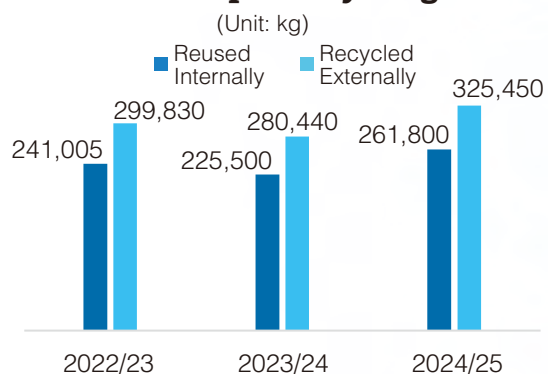
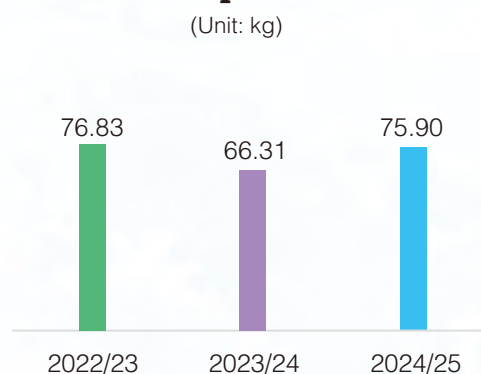
| Indicators                               | 2024/25 Target | 2024/25 Performance | Achievement | 2025/26 Target |
|------------------------------------------|----------------|---------------------|-------------|----------------|
| Metal — scrap metal rate (%)             | 0.53           | 1.11                | —*          | 1.05           |
| Plastic — scrap rate of raw material (%) | 1.90           | 1.52                | ✓           | 1.50           |

\* Due to change in calculation method of the Metal — scrap metal rate in 2024/25, relevant data in above table are for disclosure only and not for comparison.

Packaging materials which come together with raw materials, are collected separately for internal reusing or external recycling based on their condition. Specified warehouses are designated within the production bases for storing hazardous waste, and qualified contractors are entrusted to handle the regular transfer and disposal of hazardous waste. During the Year, the Group maintained a stable production and operation situation. The internal recycling volume of general waste and the external transfer volume of hazardous waste experienced a slight increase. The Sewage Treatment Centre of the Yuquan production base, equipped with reverse osmosis filtration, is able to recycle wastewater for production, achieving a “zero discharge” of industrial wastewater.

| Indicators                                    | 2024/25 Target | 2024/25 Performance | Achievement | 2025/26 Target | 2026/27 Target |
|-----------------------------------------------|----------------|---------------------|-------------|----------------|----------------|
| Rate of packaging material internal reuse (%) | ≥44.56         | 44.58               | ✓           | 44.58          | 44.58          |

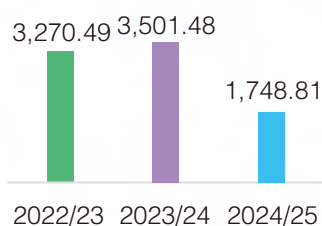
## ENVIRONMENTAL PROTECTION (CONTINUED)

**External and Internal Waste Paper Recycling****Hazardous Waste Disposal**

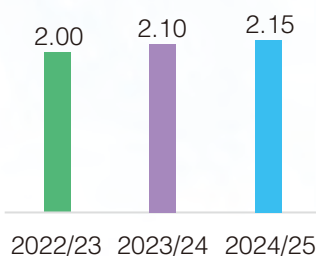
The Group has established a ventilation system to collect volatile organic compounds ("VOCs") generated during the production process. The Group regularly entrusts third parties to conduct emission testing on waste gas treatment equipment to ensure compliance with relevant laws, regulations and standards. The Group emitted 1,748.81 kg of nitrogen oxides("NOx"), 2.15 kg of sulphur oxides("SOx") and 135.97 kg of particulate matter("PM") during the Year. During the Year, the Group further identified the types of vehicles and the fuels used by them. In accordance with the relevant guidelines of the HKEX, the applicable emission factors for NOx, SOx and PM from vehicle exhausts were adopted. At the same time, the Group continuously optimised the scheduling of passenger cars, buses, trucks and other vehicles, aiming to arrange vehicle usage demands reasonably, and reduce energy waste and lower vehicle pollutant emissions.

**NOx Emission**

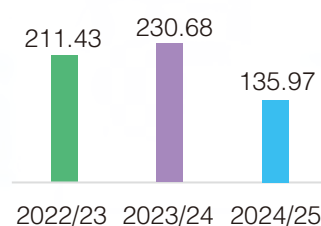
(Unit: kg)

**SOx Emission**

(Unit: kg)

**PM Emission**

(Unit: kg)



# TALENTS

## Caring for the Employee

- **Organise various employee activities to promote the physical and mental wellbeing**
- **Continuous decrease in the occupational injury rate for three consecutive years**

## Training and Development

- **The average training hours reached 13.7 hours, representing a year-on-year increase of 3%**
- **84.4% of employees received training during the Year**

### Our Progress

The Group continues to align with the Responsible Business Alliance (“RBA”) Code of Conduct, establishing a fair, non-discriminatory, and respectful work environment, and implementing various employee-friendly measures and initiatives. Throughout the Year, the Group actively organised diverse training programmes for employees, covering professional knowledge, vocational skills, management, and general education. These programmes aim to provide a clear career advancement path. During the Year, the average training hours per employee and the proportion of employees receiving training continued to increase. Additionally, the Group has developed diverse employee activities to further enrich their leisure time and promote their physical and mental well-being.

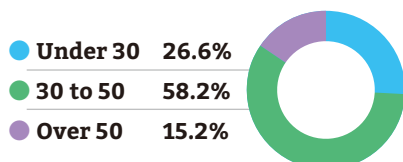
## TALENTS (CONTINUED)

### Caring for the Employee

The Group has established “development of professionals, training of talents, emphasis on the physical and mental health of employees, and work-life balance” as part of Karrie’s CSR mission. The Group treats all employees sincerely, continually maintaining a safe workplace, and providing a diverse, inclusive and supportive working environment.

During the Year, in response to the increasing global demand and to expand production capacity, the Group maintained an average monthly workforce of 3,692 employees, representing a 10.2% increase compared to the previous Year. Of these, 94.7% were based in Mainland China, 2.7% in Hong Kong, 2.3% in Thailand, and 0.3% across Taiwan, the United States, the United Kingdom, and Canada. The workforce was primarily aged between 30 and 50, accounting for 58.2%, with employees over 50 years old making up 15.2%. Female employees constituted 34.3% of the total workforce. Full-time employees accounted for 86.7%, while part-time and short-term contract employees made up 13.3%.

#### Numbers of Employees (by Age Group)

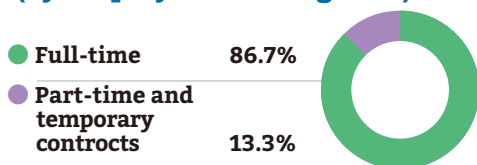


#### Number of Employees (by Locations)

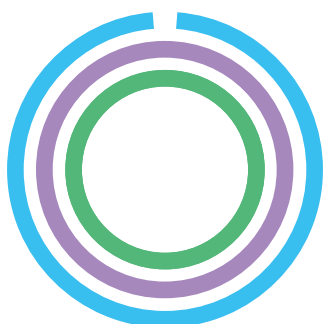


|           |       |
|-----------|-------|
| Mainland  | 94.7% |
| Hong Kong | 2.7%  |
| Thailand  | 2.3%  |
| Others    | 0.3%  |

#### Numbers of Employees (by Employment Categories)



#### Number of Employees (by Gender)



#### 2024/25 Proportion of Local Employees in Management Positions

|           |       |
|-----------|-------|
| Mainland  | 97.6% |
| Hong Kong | 100%  |
| Others    | 100%  |

With a global perspective, the Group emphasises respect for local cultures while prioritising the development of local talent actively and promoting local professionals to management positions. In Mainland China, Hong Kong, Taiwan, Thailand, the United States, and the United Kingdom, Karrie employs local people to take on management roles. During the Year, more than 95% of employees at the management level were locals.

## TALENTS (CONTINUED)

### Talent Management Structure

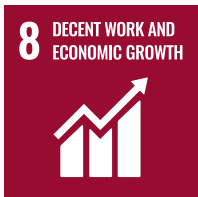
The talent management work is led by the Group Human Resources and Administration General Manager, and the Group Human Resources and Administration Department is responsible for the management of recruitment, training and development, salary and welfare, promotion assessment, occupational health and safety, employee communication and other related areas.

The Administration Department coordinates the human resource affairs of the production base in Dongguan, together with the Human Resources Department, Administrative Office, Rear Services Group, Staff Association & Promotion Office and other committees. These units are responsible for recruitment, compensation and benefits, performance management, training and development, as well as employee relations, providing support for employees' daily life and organising various cultural and recreational activities. All departments set up administrative clerk to collect employees' opinions and provide feedback to managers through monthly administrative meetings, in which the Group collectively discusses and solves problems encountered by employees, and explains the Company's policies to employees at the same time.

Both the Thailand production base and the Taiwan are equipped with Human Resources and Administration Departments, which handle human resource affairs and logistical arrangements.

### Employment Compliance

The Group protects employee interests, including labour rights, human rights, wages, and benefits while strictly complying with the applicable employment laws and regulations of operating locations, including but not limited to the Labour Law of the PRC, the Labour Contract Law of the PRC, the Trade Union Law of the PRC, the Employment Ordinance, Employees' Compensation Ordinance, and the Minimum Wage Ordinance in Hong Kong. The human resources team follows up on the changes in employment-related laws and regulations, attends regular training and updates the internal system of human resources management.



#### Relevant goal:

- Provide decent work and fair compensation for employees of different genders and age groups

During the process of recruitment, selection, appointment, promotion, training and development, the Group adheres to the principles of equal opportunity.

**Compensation and Benefits:** Based on job responsibilities, the Group references annual salary survey results to provide employees with competitive remuneration packages. Statutory benefits are provided to employees in different operating locations, ensuring compliance with labour regulations, such as work hours and statutory holidays. For instance, Mandatory Provident Fund ("MPF") contributions are arranged for employees in Hong Kong, while social insurance and medical insurance are provided for employees in Mainland China. In addition, the Group offers benefits that go beyond legal requirements, including group medical insurance, extended paternity leave for male employees in Hong Kong, medical funds, and educational assistance funds for employees' children in Mainland China. Additionally, the Group emphasizes the balance between employees' work and personal lives. As a "Family-friendly Employer", the Group also provides marriage and childbirth gifts, sets up breastfeeding rooms, and supports employees in caring for their family members.

## TALENTS (CONTINUED)



Organise MPF seminars for Hong Kong employees at offices in both Hong Kong and Dongguan



Karrie "Mother's Room" and Employee Wellness Facilities

**Equal Opportunity and Diversity:** The Group provides employees with an equal, diverse, and non-discriminatory work environment, to ensure no differentiation based on age or gender. The Group also respects cultural differences across regions, protecting the labour rights of employees of all age groups and female employees, and offers equal opportunities for employment and promotion to elder and female employees.



Karrie's founder, chairman, and CEO, Ho Cheuk Fai Mentor, and the director, Ms. Ho Po Chu, visited employees at the Thailand production base, participating in traditional Thai rituals of paying respect to Buddha, which demonstrates respect for local cultural traditions

## TALENTS (CONTINUED)



Karrie Group organises monthly birthday celebrations for employees in Dongguan, Hong Kong, Taiwan, Thailand, and other regions and countries



On International Women's Day, Karrie Group invited the Fenggang Medical Team from Dongguan to organise a knowledge seminar and provide free medical consultations for female employees



International Women's Day Special Event at the Hong Kong Office — Natural Handmade Soap Workshop

## TALENTS (CONTINUED)

### Labour Standards

Karrie Group strictly adheres to policies and regulations in China and the Hong Kong regarding the prevention of child labour and forced labour. These include, but are not limited to, the labour Law of the People's Republic of China, the Law of the People's Republic of China on the Protection of Minors, Hong Kong's Employment Ordinance, and the Guardianship of Minors Ordinance. The Group ensures that all employment practices comply with relevant applicable legal requirements and is firmly committed to eradicating any instances of child labour and forced labour.



#### Relevant goal:

- Target 16.2 — End abuse, exploitation, and all forms of illegal employment of children.
- Target 16.10 — Ensure the protection of employees' occupational freedom and rights in accordance with national legislation and international agreements.

During the recruitment process, Karrie Group implements multiple measures to prevent the occurrence of child labour and forced labour, slavery and human trafficking, including but not limited to:

- (1) **Identity Verification:** All applicants must provide valid identification documents before being officially hired. The Human Resources Department verifies the authenticity of the applicant's age and other information to ensure that no individuals below the legal working age are employed.
- (2) **Compliance Review:** The Human Resources Department strictly monitors the recruitment process for all positions to ensure compliance. This includes preventing practices such as withholding identification documents, restricting personal freedom, or other forms of forced labour.
- (3) **Communication Channel:** Suggestion boxes are set up in the working areas and employee living areas of the production facilities in mainland China for employees to provide feedback. The Group announces the latest management regulations and employee activity information to employees through bulletin boards and the intranet. Through monthly administrative meetings, the Group extensively listens to employee opinions and provides optimisation measures or support as needed.

Karrie Group has established the following mechanisms and measures to eliminate incidents of child labour or forced labour:

- (1) **Supervisory Unit:** The Group has set up a Trade Union Committee as the Staff Representative Assembly. This committee is responsible for supervising the implementation of resolutions, mediating labour disputes, and coordinating labour relations.
- (2) **Immediate Rectification:** The Group shall suspend the work activities of the individuals involved and arrange appropriate remedial actions. The Group has set remedial actions policy for cases involving child labour, while the company will assist the individual in returning to school for education and contact relevant social organisations to provide support.
- (3) **System Improvement:** The Group reviews and refines internal management systems to address the root causes of violations. Enhancing compliance in recruitment processes and supply chain management aims to prevent the recurrence of similar incidents.
- (4) **Legal Actions:** If illegal activities are involved, the Group will cooperate with relevant enforcement authorities to hold the responsible individuals or partners accountable under the law.

## TALENTS (CONTINUED)

### Occupational Health and Safety

The Group strictly complies with the Production Safety Law of the People's Republic of China, the Law of the People's Republic of China on Prevention and Control of Occupational Diseases, Hong Kong's Occupational Safety and Health Ordinance, and other relevant laws and regulations. The Group has maintained a clean record with no violations of these regulations.

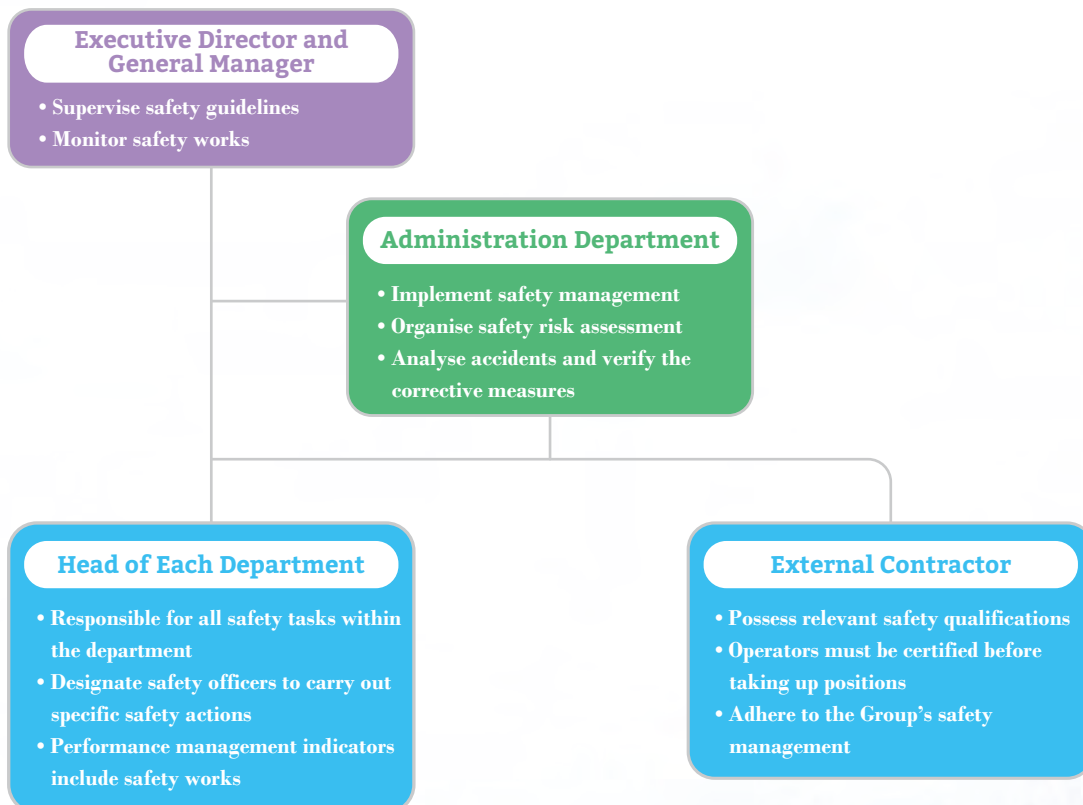
#### 3 GOOD HEALTH AND WELL-BEING



#### Relevant goal:

- Target 3.4 — Foster safety awareness among employees, preventing occupational safety hazards, and promote employees' physical and mental well-being.

**Safety Work Arrangement and Goal Setting:** The Group organises a safety production summary and outlook meeting every year for the management team and department heads to review the effectiveness of safety management work in the past year and make work arrangements for the coming year. Each department sets safety goals and plans, and the responsible person signs a commitment letter and instills the responsibility requirements for all personnel to jointly assume safety responsibilities in the department. Any employee can raise concerns about safety and health matters with the department safety officer, supervisor, or directly to the Safety and Facility Management Group of the Administration Department. The Group holds a monthly administrative meeting for the entire production base to report on employee feedback received that month and to develop improvement measures by the Safety and Facility Management Group.



## TALENTS (CONTINUED)

**Safety Risks Management:** The Group analyses the potential occupational hazards that may occur in various positions and provides appropriate personal protective equipment for employees who may be exposed to dangers such as noise, mechanical injuries and dust, including earplugs, gloves, masks, etc. Karrie also installs safety light curtains. When personnel are detected to have entered the working area of the machinery, the operation will be immediately suspended, minimising the chances of mechanical injuries. The Administration Department and Safety & Facility Management Group organise safety risk assessments for all departments to participate regularly, identify potential hazards and accidents in different positions, places and activities, evaluate the degree of danger, and review and revise the safety production policies and operating procedures. During the Year, the Group did not receive any reports of employees suffering from occupational diseases.

The Group's production bases and offices are equipped with essential first-aid supplies such as medicines, bandages, and automated external defibrillator ("AED"), with regular inspections conducted to ensure the validity and functionality of these items. The Group has also developed and regularly updates guidelines for the prevention of infectious diseases such as COVID-19 and influenza. Fire safety is prioritised by arranging periodic inspections of fire systems by certified suppliers and organising annual fire drills for employees in production bases and office buildings. All new employees must undergo occupational health, safety, and fire training, passing an examination before formally starting their roles. In addition, the Group regularly organises CPR and AED first-aid courses and encourages employees to attend first-aid training offered by external professional organisation', with financial support provided. To promote mental health, the Group has signed the Hong Kong Mental Health Commission's "Mental Health Workplace Charter", and organises wellness workshops focusing on employees' physical, mental, and emotional well-being.

The Group has developed the Work Injury Treatment Procedure and regularly updates it. If employees find any injury risks in the factory, they can leave in time and report it to their supervisors when being safe. If there is a serious work-related injury or illness, the patients shall be directly sent to the hospital for treatment, and the case can be reported later. When an accident occurs, relevant parties, including Safety & Facility Management Group, will be responsible for investigating the cause of the accident, holding a safety review meeting and rectifying the existing safety problems. All work-related injuries are reported to regulatory authorities in accordance with local laws and regulations and related assessment is implemented. Work-related injury reports will be prepared to analyse the causes of accidents. The equipment will be rectified and the safety training will be strengthened based on the causes of accidents.



The Dongguan production base holds a "Safety Production Month" event, organising safety knowledge competitions and safety drills



Dongguan and Hong Kong regularly conduct first-aid knowledge training



Fire drills are conducted at the Dongguan production base

## TALENTS (CONTINUED)

### Training and Development

The Group recognises that human resources are a key driver of sustainable corporate development and continues to place great emphasis on talent acquisition and development. As a global enterprise, the Group provides employees across all regions with abundant training resources and equal opportunities for advancement.

### Advancement and Development

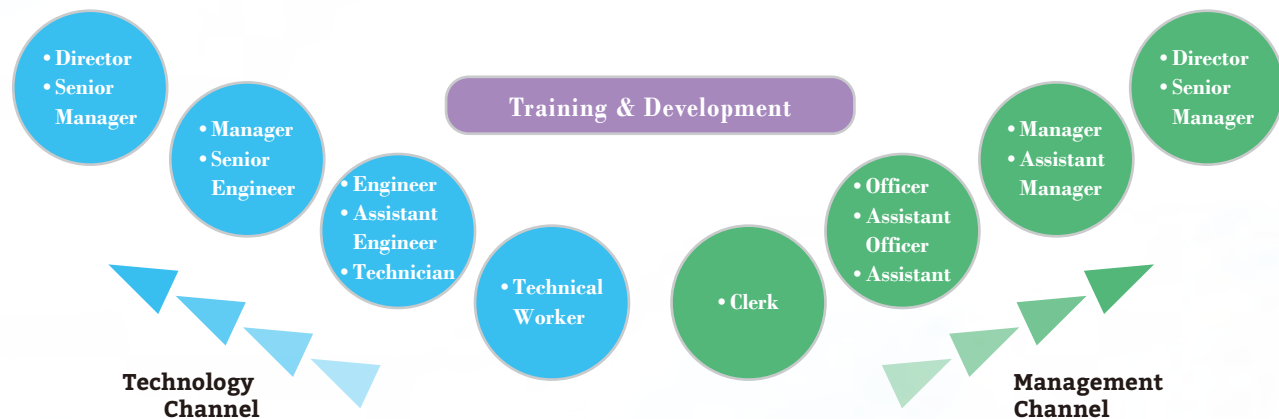
In line with the corporate development strategy, the training, development and performance group executes the training programme and performance evaluation according to the Training and Development Policy.



#### Relevant goal:

- Target 4.4 — Provide relevant training and skills to employee for achieving success at work

The Group provides employees with two key development pathways: technical knowledge enhancement and management skill improvement. Through training system, the Group supports employees in improving their performance.



The training programmes are divided into three categories: Job Orientation for New Employees, Regular Training, and Specialised Courses. Job Orientation helps all new employees quickly understand the Group's corporate culture and values. Regular Training is tailored to job functions and aims to enhance professional skills. Specialised Courses are aligned with real-time development strategies and business needs, focusing on business-oriented initiatives. The Group has established the "Employee's Juniors Program" and "Summer Internship Program," which recruit employees' relatives' children and college students for summer internships, respectively. Furthermore, the Group has introduced "Trainee Programs" for engineers professionals, and other roles to cultivate engineering talents.

#### Job Orientation

- Onboarding Training
- Occupational Health and Safety
- Ethics and Integrity Management
- Quality and Environment Management System
- Mentoring Programme

#### General Training

- Office Applications and Tools
- Supply Chain Management
- Engineering Technology
- System Safety Management
- Leadership and Management

#### Specific Courses

- New System Introduction
- New Business Development

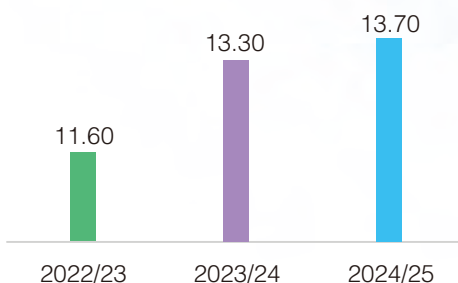
## TALENTS (CONTINUED)

The Group collects training demands from various departments every year, selects courses in various training categories and arranges training plans in combination with corporate development. The training, development and performance group is responsible for developing training resources, including cultivate internal lecturers and contacting external institutions to carry out training courses. Meanwhile, each department also organise internal training programmes in accordance with work needs. The training, development and performance group will conduct an examination paper, questionnaire, check the certificates, and assess the work performance to evaluate training implementation. The Group also encourages employees to continue studies in spare time, and rewards employees who have upgraded their academic qualifications.

During the Year, the average training hours per employee reached 13.7 hours, and the percentage of employees who received training accounted for 84.8%, showing steady improvement year by year.

### Employee Average Training Hours

(Unit: Hour)



During the Year, the Group introduced various distinctive courses, for example, comprehensive business management simulation course, enhancing core managers' understanding of holistic business operations and streamline departmental functions; AI application training, popularising AI tools, enhancing overall workforce efficiency, while guiding employees in the correct usage to safeguard company information security. Furthermore, in response to the steadily increase of Thai orders and business volume, the Group regularly organised personnel exchange training between the two locations, arranging for Thai core managers to visit mainland production bases for an in-depth understanding of industry and production management characteristics. Chinese core managers and technical employees were also dispatched to Thailand to impart knowledge and expertise.



Professional skills and knowledge improvement —  
Production skill training



Fostering continual improvement mindset —  
Six Sigma Training

## TALENTS (CONTINUED)



Leadership and Management Skill Improvement — Comprehensive Business Management Simulation Course



Collaborative Operations Capability Enhancement — Chinese and Thailand Management Skills and Production Technology Exchange



Corporation Sustainability Conception Improvement — ESG Course



Digital Efficiency Enhancement — AI Software Practical Training

## TALENTS (CONTINUED)

### Concertedly Building the “Karrie” Family

#### Caring Activities for Employees

Regularly organise various physical and mental health seminars, workshops, and daily caring activities.

#### Recreational Activities

Arrange diverse activities such as sports events, literary competitions, festival celebration, enhancing team cohesion and diversity.

During the Year, Karrie organised a variety of activities aimed at creating a positive, healthy, and friendly working environment.



Karrie Cup Billiards Competition



Friendship basketball Match with the Huangdong Village community



Yoga experience classes at the Hong Kong headquarters with professional instructors invited through the Hong Kong Occupational Safety and Health Council



Mother's Day Flower Arrangement Event



Annual Youth Social Gathering

## TALENTS (CONTINUED)



National Day Gala



Karrie Cup Basketball Tournament



Singing Bowl Workshop to promote mental health and inner peace



Pastel Harmony Painting Workshop

## TALENTS (CONTINUED)



Karrie Cup Karaoke Competition



Karrie Cup Badminton Competition



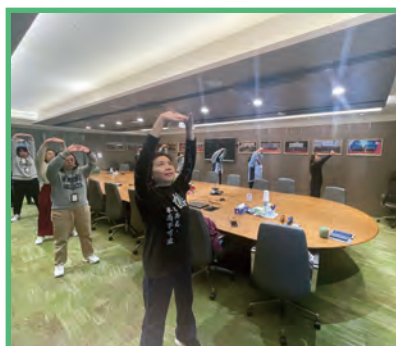
Karrie Cup Dance Competition



Healthy Cooking Workshop to encourage nutritious eating habits



Board Game Workshop



Office Eight Brocades Qigong Workshop

## TALENTS (CONTINUED)



Annual Dinner to celebrate Chinese New Year with global staff



Snake Year Lantern Festival Celebration, including dumpling making and lantern painting



The annual Lean Improvement & Innovation Competition embodies the spirit of craftsmanship. It aims to continuously advance knowledge and skills, improve product and service quality, and encourage innovative management concepts



Workplace Makeup and Smart Dressing Course



Karrie Cup Chess Competition

# COMMUNITY

## Community Building

- **Participating in and sponsoring diverse social public welfare project**
- **Organising annual tree-planting activities to promote greening in the community**

## Mission Inheritance

- **Supporting higher education scholarship programmes**
- **Support the “Karrie Nothing is Impossible” project to continuously benefit underprivileged children**

### Our Progress

Karrie actively embraces social responsibility, striving to unite community strength, organises meaningful interactions, and promotes positive corporate values. Since 2005, Karrie has incorporated community welfare into its corporate social responsibility framework. Over the past year, Karrie has closely supported and cared for the elderly and children in the community, actively participated in international charity projects, and encouraged employees to enthusiastically join public wellness and charity activities. In addition, Karrie supports children's and youth education by establishing scholarship funds. With an open, inclusive, and welcoming attitude, Karrie warmly hosted Greater Bay Area students visiting its production bases and offices, offering internship opportunities and sharing career advice.

## COMMUNITY (CONTINUED)

### Our Community Commitment

Karrie, adhering to the spirit of caring and love for those in need, upholds the principle of “Giving Back to Society”. The Group actively participates in social services, focusing on two key areas: “Community Building” and “Mission Inheritance.” It consistently contributes to youth education and development, and the care of the elderly and underprivileged communities.

Since 2005, the Group has established corporate social responsibility policies, allocating 0.3% of the previous year's profits to serve the community every year, and has donated more than HK\$9 million. Following the lead of the Corporate Sustainable Development Committee, the Group has set up the community service team in Hong Kong, and the Staff Association & Promotion Office and the Party Branch in Mainland China. Karrie has long-term cooperation with local social welfare institutions and educational organisations.

### Community Building



#### Relevant goal:

- Target 1.5 — Assist vulnerable groups and individuals in need to enhance their resilience against environmental, economic, and social disasters.

### Community Care — Bringing Festive Joy to Elderly Residents

The Group has maintained a long-term partnership with the Hong Kong Sheng Kung Hui Tai Wo Neighbourhood Elderly Centre and the Dongguan Fenggang Elderly Home for many years. The company regularly organises volunteers among employees to visit elderly. During traditional festivals such as Dragon Boat Festival, Mid-Autumn Festival, Christmas, and Spring Festival, Karrie volunteers deliver gifts and daily necessities to the elderly.



Karrie volunteers visited the HKSKH Tai Wo Neighbourhood Elderly Centre

## COMMUNITY (CONTINUED)



Karrie volunteers visited the Fenggang Elderly Home



### Greening Communities — Karrie Evergreen Tree Planting Day

The Group has placed great importance on environmental and ecological conservation. Every spring, the Group leads employees in tree planting activities to contribute to greening initiatives. During the Year, the Group participated in the “Hong Kong Tree Planting Day 2025” event organised by Bank of China (Hong Kong), Concerted Efforts Resource Centre, and GREEN FUN. The event drew over 2,000 participants, including the Chief Executive of the Hong Kong Special Administrative Region, the People’s Liberation Army Garrison in Hong Kong, the Liaison Office of the Central People’s Government, the Ministry of Foreign Affairs, and various organisations. They all joined together to plant trees in Tai Tong, Yuen Long.



## COMMUNITY (CONTINUED)

### Mission Inheritance



#### Relevant goals:

- Target 4.5 — Ensure equal access to all levels of education for vulnerable groups
- Target 4.7 — Ensure that all learners acquire the knowledge and skills needed to promote sustainable development
- Target 4.a — Build and upgrade education facilities that are inclusive and considerate of the needs of children, persons with disabilities, and gender equality

### Nurturing Young Hearts, Empowering Growth

#### “Karrie Nothing is Impossible” project — benefit underprivileged children

“Nothing is Impossible” as one of Karrie’s corporate mottos, aims to inspire employees to tackle “impossible” tasks with unwavering determination and resilience. Since 2005, Karrie has collaborated with the HKSKH St. Christopher’s Home to organise a series of educational and exploratory activities for children, centred around the theme of “Nothing is Impossible”. The goal is to help grassroots children in the Hong Kong community embrace Karrie’s spirit of “Nothing is Impossible” fostering their determination and perseverance to overcome challenges. During the Year, a series of activities was launched, including young reporter training and short film production, adventure training camps, parent-child adventure challenges in Macau, and community facility explorations, aiming to cultivate positive thinking in grassroots children and encourage an optimistic attitude when facing setbacks.



### Caring for Dongguan’s Left-Behind Children

Karrie established the “Caring for the Next Generation Working Committee,” which has consistently organised activities to support left-behind children for over 18 years. The initiative aims to bridge the gap between children and their parents who are separated due to work, fostering closer family bonds. During the summer holidays, children are invited to spend a joyful and heartwarming day with their parents at the national 4A scenic spot, Longfeng Villa, in Fenggang Town, Dongguan.



## COMMUNITY (CONTINUED)

### Collaboration with Schools to Nurture Talent HKGCC Business-School Partnership Programme

The Hong Kong General Chamber of Commerce (“HKGCC”) organises the Business-School Partnership Programme, which aims to bring together outstanding companies and schools to host collaborative exchange activities. The programme gradually introduces high school students to business operations and inspires them to explore potential career paths. Since 2008, Karrie Group has participated in this programme annually. During the Year, Karrie was paired with Hong Kong True Light Middle School and Pui Kiu College. Representatives from Karrie visited the campuses to introduce students to the company’s corporate culture, business model, and job responsibilities. The sessions provided an opportunity for direct interaction, where students engaged in discussions and had their questions answered.



### Job Shadowing Mentorship Scheme

Karrie Group continues to support the “Job Shadowing Mentorship Scheme,” jointly organised by the Hong Kong government’s Social Welfare Department and various organisations. Members of the board and senior management actively participate as mentors, providing students with hands-on guidance during their daily office routines. Through this guided mentorship, students gain insights into the workplace and the business world, while mentors share the challenges they’ve faced in their careers and the solutions they’ve developed, offering valuable knowledge and inspiration for students’ future plans. In addition, Karrie employees welcome students to visit the office, where colleagues from various departments share their work experiences, helping students gain a more comprehensive understanding of corporate operations.



## COMMUNITY (CONTINUED)

### Bay Area Flyover Experience Plan

Organised by the Hong Kong Young Industrialists Council, the “Bay Area Flyover Experience Plan” offers internship opportunities for Hong Kong students studying in local tertiary institutions or mainland universities. The programme aims to help students gain a deeper understanding of the management culture of Hong Kong-funded enterprises, as well as the operations of mainland manufacturing bases and the latest industrial developments. During the Year, Karrie Group actively participated in the programme, hosting three outstanding students from Beijing Sport University, City University of Hong Kong, and Hong Kong Metropolitan University. The students were assigned to relevant departments and positions to gain hands-on experience in their respective fields.



### HKUST Capstone Project — Environmental Collaboration

Karrie collaborated with students from the Hong Kong University of Science and Technology (“HKUST”) on the “Capstone Project,” with this year’s theme focusing on the “Product Carbon Footprint Calculation System.” The project centred on key areas such as product carbon emissions measurement and low-carbon supply chains. Through methods like data modeling, case studies, industry research, and computer programming, the students developed tools such as a programme for efficiently identifying purchased materials in the material inventory and an automated worksheet for calculating product carbon emissions. The project not only enhanced Karrie’s ESG initiatives but also demonstrated the company’s commitment to social responsibility. By nurturing talent from Hong Kong’s universities, the collaboration showcased the mutual benefits of this partnership and its value in creating a win-win outcome.



## COMMUNITY (CONTINUED)

### Visit by Shun Tak Fraternal Association Leung Kau Kui College

Teachers and students from Shun Tak Fraternal Association Leung Kau Kui College visited Karrie Group's Hong Kong headquarters, where members of the board and management representatives from departments such as Human Resources, Finance, ESG, and Corporate Communications provided in-depth explanations of departmental and job operations. They also offered valuable career advice to inspire and guide the students.



### Industrial Collaboration

Karrie actively participates in various industry organisations and serves as a board member of academic institutions, engaging in discussions and learning on topics such as business exchange and educational development. The Group warmly welcomes visits from industry peers, sharing experiences and learning from advanced management practices and scientific technologies. Through these efforts, Karrie provides resource support to the community and its partners, fostering mutual growth and collaboration.



Karrie Group participated as a mentor enterprise in the SME Support programme of the Hong Kong Awards for Environmental Excellence ("HKAEE"), organised by the Hong Kong Productivity Council. As part of the programme, Karrie was paired with SME participants to provide guidance and facilitate exchanges on ESG-related practices

## COMMUNITY (CONTINUED)



Karrie has actively implemented initiatives across the three areas of "Community Care", "Employee Care", and "Environmental Care". Recognizing its efforts, Karrie was invited by its partner, SKH St. Christopher's Home, to participate in this year's "S+ Summit and Expo" as well as the "Caring Company Partnership Connection" event

### Other Community Charity Activities:



Karrie's volunteer team participated in the Meal Box Programme, assisting in meal preparation and distributing over 120 meal boxes to underprivileged individuals



Green Action Low-Carbon Living Seminar X Eco-Friendly Mosquito Coil Workshop

## COMMUNITY (CONTINUED)



Orbis 奧比斯  
15+ years of partnership  
嘉利國際控股有限公司  
Karrie International Holdings Limited

Share the Joy of Sight!  
支持「2024奧比斯世界視覺日」  
捐款用作國際及地區性救盲經費，齊齊為視障人士帶來希望和改變。

# 愛眼齊撐 世界視覺日

嘉利愛心募款現正開始!

凡捐款者獲奧比斯精心設計的限量版小確幸紀念襟章一枚，捐款達1,000元或以上者亦有慈善扣稅用收條  
截止至：2024年9月9日  
報名：請致電集團人力資源及行政部 內線60-878  
或電郵rebeccawong@karrie.com

DONATE

On Orbis World Sight Day 2024, Karrie conducted a fundraising campaign to support blindness prevention



嘉利國際控股有限公司  
Karrie International Holdings Limited  
15+ years of partnership  
GREEN COUNCIL  
環保委員會

商界ESG活動  
可持續發展，企業社會責任

# 綠續回贈

與嘉利一起推動回收，積分變善舉!

嘉利響應環保促進會 (GREEN COUNCIL) 倡議，邀請員工及親友共同參與《綠續回贈》計劃。由現在起，於「綠在區區」回收時，出示嘉利專屬QR-Code作儲分，嘉利與員工共同努力累積的積分，將可兌換日用品捐贈基層民眾，與企業共同行義，關懷及回饋社會，更有機會參與派發活動!

「綠在區區」——由環保署創立以支援社區回收，提供多達170個公共收集點，包括11個回收環保站、40個回收便利點、超過130個回收流動點及超過100個公共屋邨智能廚餘回收桶予民眾處理回收物。

記得出示QR CODE啦

查詢：請致電集團人力資源及行政部內線60-878 (Rebecca)

"Green Rewards Programme" organised by Hong Kong Green Council, converting recycling points into essential supplies for grassroots communities



Karrie employees and their families participated in the International White Cane Day 2024 Charity Walk and Carnival organised by the Hong Kong Blind Union, assisting visually impaired individuals, experiencing blindfolded walking and photography, and deepening their understanding of the challenges faced by the visually impaired

## COMMUNITY (CONTINUED)



Karrie actively responded to the global environmental campaign “Earth Hour” by turning off all non-essential lighting and electrical equipment at its Hong Kong offices and Yuquan plant for one hour, supporting energy conservation and carbon reduction



At the “Say Yes To Breastfeeding” Recognition Ceremony, Karrie was commended for its efforts in supporting the welfare of female employees who have given birth, demonstrating its commitment to employee health and a family-friendly environment through enhanced breastfeeding facilities (mother’s rooms) and policies



Karrie supported the Greeners Action Lai See Packet Reuse and Recycling Red Packet Campaign

# OPERATION

## Corporate Governance

- **Provide clear whistleblowing channels for employees and business partners**

## Product Responsibility

- **Research and development of automation technology, authorised more than 63 patents**
- **Created 10 new production technologies during the Year**

## Suppliers Management

- **Regular supplier audit covering ESG aspects**
- **85% of the suppliers are located in Mainland China and Hong Kong, beneficial to reducing the GHG emissions from the transportation**

### Our Progress

To achieve sustainable operations, the Group regularly monitors any changes in external laws and regulations, and adjusts policies and systems in a timely manner to maintain an honest and upright corporate governance model. In order to keep a competitive advantage, the Group continues to strengthen its production capabilities, and create products for customers with high quality and efficiency through process innovation and automation solutions. In terms of supplier management, the Group continues to strictly implement the new supplier audit and existing supplier regular review systems, and updates them in conjunction with external sustainability norms, instilling new rules and requirements in all business partners.

## OPERATION (CONTINUED)

### Our Business Philosophy

At Karrie Group, a regime of practices, procedures and processes has been instituted to align its products with safety, quality and environmental laws. Adhering to the “Craftsmanship Spirit”, Karrie is meticulous about product safety and quality to ensure that all products meet internal and external standards. Adhering to the innovative idea of “adapting to the situations”, Karrie pursues technological advancement and strives for excellence. The Group also works with clients and suppliers in an honest and fair way, respects the intellectual property rights of all parties, ensures information security, and creates a win-win situation.

### Corporate Governance



#### Relevant goal:

- Target 16.5 — Persistently reduce corruption and bribery in all their forms.

The Group has built up a diverse and balanced Board of Directors. The Company’s Secretary Department assists all Board members with the updating of corporate governance requirements and training in a timely manner. An Executive Committee composed of our professional management team has been set up to deal with daily operations. The Internal Audit Department conducts regular audits to identify and analyse the major risks faced by the Company and the risk management projects, reviews the operational compliance, and reports to the Board and the Audit Committee.

The Group has strictly complied with the provisions of the Criminal Law of the PRC on crimes involving staff of non-state-owned companies and enterprises and the prohibition of commercial bribery, as well as the relevant requirements of the Anti-Unfair Competition Law of the PRC, Prevention of Bribery Ordinance, Personal Data (Privacy) Ordinance and Anti-Money Laundering and Counter-Terrorist Financing Ordinance in Hong Kong, Organic Act on Anti-Corruption and Anti-Money Laundering Act in Thailand.

Recognising the importance of honesty, integrity and fairness, the Group has issued an “Code of Employee Ethical Discipline” directive to our staff members with clear instructions for them to observe the Group’s policies on prevention of frauds and conflicts of interest as well as the related procedures to follow. The Group has also issued a letter named “Peers’ Belief” to remind its business partners not to provide any benefits to its employees and provided a whistleblowing channel. The Group has set rules and standards for regulating business entertainment. Employees in charge of hospitality must ensure that the bill is clear and follow the standardised reimbursement procedure.

#### Code of Employee Ethical Discipline

- Policies governing the acceptance of benefits and hospitality, as well as the declaration of conflicts interest.
- It is forbidden to provide benefits directly or indirectly to any staff of the business partner.
- Requirements for the handling of confidential information, protection of intellectual property rights and protection of fair competition, etc..
- Whistleblowing system and measures to protect whistleblowers.

#### “Peers’ Belief” Letter

- It is strictly prohibited to convey any benefits to the employees of the Group and their relatives and friends.
- It provides a channel for partners to report any employee of the Group who is seeking benefits.

## OPERATION (CONTINUED)

All new employees must receive ethics and integrity management training while existing employees get regular reminders through company announcements and other channels. The Internal Audit Department organises internal trainings on ethics and integrity management several times a year, covering employees at manager level or above or in core positions.

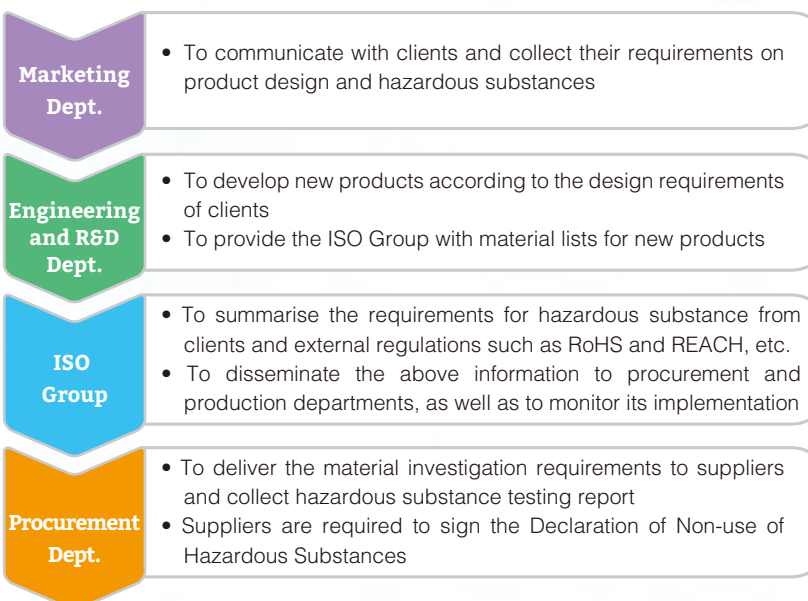
The Group has established a whistleblowing system for all employees, suppliers and service providers. They can directly report their concerns to two executive directors and the Audit Committee members through different channels, such as face-to-face, by letter, telephone, or email. The identities and information of whistleblowers will be kept confidential, and the Group will protect their legitimate rights and interests and prohibit retaliation against them. If a report is confirmed to be true after the investigation, the person concerned will be disciplined, or even terminated if the case is found to be very serious. If it is suspected of violating the law, the Group will report it to the local authority immediately. With the use of the whistleblowing system, the Group can check potential loopholes in the current policies and take timely corrective measures.

### Product Responsibility

The Group provides international leading technology enterprises with mechanical engineering solutions. The Marketing Department and Engineering and R&D Department maintain close communication with customers, transfer customer needs to relevant departments, such as Production, Environmental Protection, Safety and Human Resources, and cooperate with customers to continuously improve the corporate operation.

The Group strictly abides by the Contracts Chapter of the Civil Code of the PRC, the Product Quality Law of the PRC and other local laws and regulations, and adopts the Responsible Business Alliance ("RBA") Code of Conduct, the European Union's Registration, Evaluation, Authorisation, and Restriction of Chemicals ("REACH"), Restriction of Hazardous Substances Directive ("RoHS"), Packaging and Packaging Waste Directive ("PPWD") and the American Dodd-Frank Act ("Dodd-Frank") in accordance with clients' requirements.

Every key step of our manufacturing process has a built-in quality control mechanism. The quality and safety of our products are backed by ISO9001 and IATF16949 and other independent third-party validation. The Quality Management Committee has been established by the Group, and is responsible for formulating the corporate quality policies and improving the quality management of all production departments. The Quality Department is composed of Measurement Team, ISO Task Force Group, Central Documentation Team and IQC Group, and is responsible for quality control. The Quality Department also works closely with the Marketing Department, Engineering and R&D Department, Procurement Department, and other production departments to ensure product safety and control hazardous substances.



## OPERATION (CONTINUED)

### Innovation and Intelligent Manufacturing



#### Relevant goals:

- Target 9.4 — Upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency.
- Target 9.5 — Enhance scientific research and upgrade the technological capabilities of industrial sectors.

The Group has introduced automatic production technology since 2007. After years of development, the production bases in Dongguan and Thailand have been equipped with more than 1,000 six-axis robot arms and AOI systems, which realise automation in most manufacturing processes. Automation helps the Group to improve product quality control, and mitigate the impact of rising labour costs and labour shortage. The Group also invests in affiliated companies to develop automation technology. The R&D results are not only applied in its factory, but also provided relevant solutions for the industry.

The Group has established the R&D Project Management Committee, responsible for the innovation in new products, production technologies, automation and control systems, has obtained 63 patent certificates issued by the China National Intellectual Property Administration. The production base in Dongguan has also been awarded the “High and New Tech Enterprise Certificate” jointly by the Department of Science and Technology of Guangdong Province, the Department of Finance of Guangdong Province and the Guangdong Provincial Tax Service, State Taxation Administration.

#### Innovative Equipment

- CNC AI Security System
- Platform-based automatic polishing

#### Innovative Production Technology

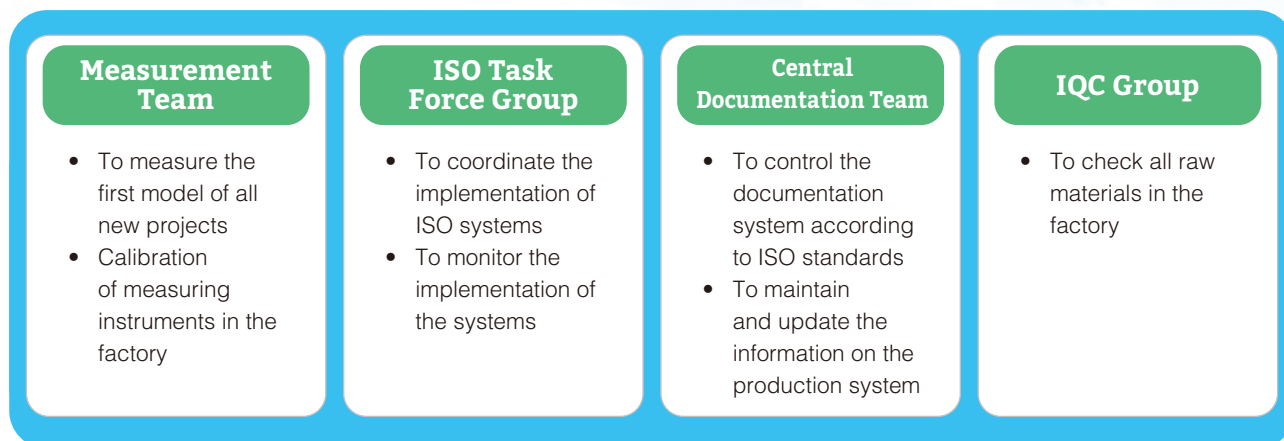
- Laser automatic filling welding
- Platform-based automatic tapping
- Platform-based guide rail die blanking
- Platform-based automatic silver oil coating
- Platform-based UV printing
- Platform-based multi-faceted and multicolored silk screen printing
- OCP fully automatic assembly
- High-precision logo pasting on curved surface

### Creating Safe and Green Products

Since 1998, the Group has introduced the ISO Quality Management System (“ISO9001”). The Group’s quality policy is “to manufacture products that meet customers’ requirements with the most effective cost; all our employees uphold the quality-first working spirit, comprehensively enforce the quality system that has been put in place and strive for continual improvements to meet expectations of customers”. The Group has developed product safety, environmental protection and quality standards in strict compliance with customer and regulatory requirements, and controls quality in accordance with the established procedures. For example, in compliance with regulations such as REACH, RoHS, PPWD, and Dodd–Frank, the Group is committed to creating products that are safe for both humans and the environment throughout the process from raw material extraction to product disposal.

Inspection points are set up in key production processes, and reliability tests are carried out to ensure the quality of the products delivered. Based on the application scenarios of the OEM products and clients’ requirements, the Group conducts testing on food contact safety, metal rust resistance, mechanical strength, etc. Unqualified materials and products found in procurement or production or the products returned by customers will be recorded, isolated and disposed of according to a standard procedure, and improvement measures will be implemented according to the Corrective and Preventive Measures Procedure. The Group also adopts scientific quality management methods, such as risk assessment, FMEA, SPC, and 6 Sigma, to improve product quality and minimise the risks of errors.

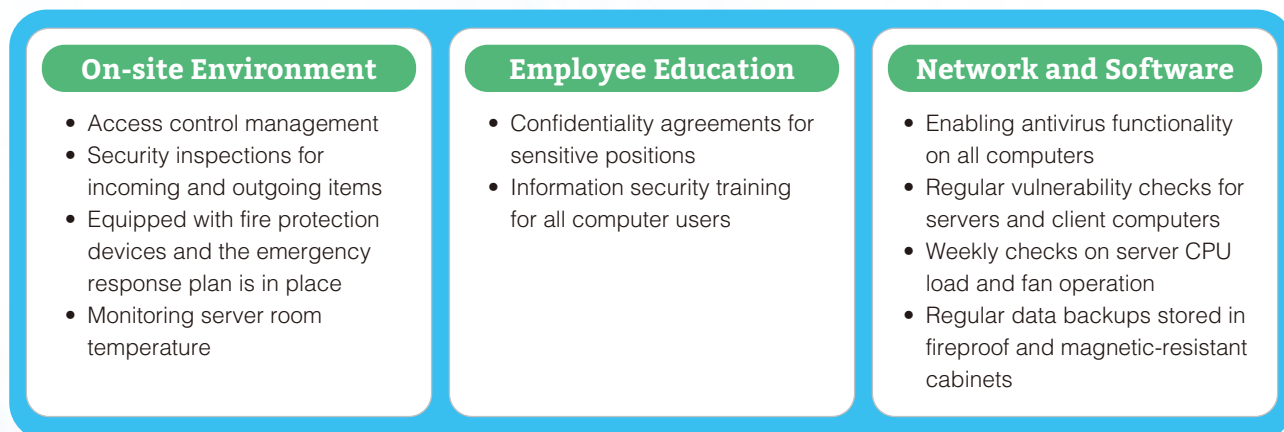
## OPERATION (CONTINUED)



The Group regularly conducts quality audits to ensure that the quality management system meets the relevant requirements and is effectively implemented. Production plants conduct internal quality audits at least twice a year and set up task forces to review the quality management process. If any nonconformity is found, corrective and preventive measures will be formulated and implemented by the audited department. The external quality audit is conducted annually by an independent third-party audit organisation and there are on-site audits by customers from time to time.

### Information Security and Customer Service

The Group will keep products designed, developed or processed for customers confidential in accordance with the agreements signed with customers, respect the intellectual property rights of customers and third parties and protect our rights through patent application. All employee computers' hardware and software systems are managed by the IT Department, and protective measures are in place to prevent employees from installing any software by themselves, in order to eliminate the possibility of using pirated software. Employees who require access to the Company's confidential information, need to sign an agreement with the Company and fulfill the confidentiality responsibility. The Group implements information security works covering physical control, employee education and network and software.



In dealing with client communication, the Group has established a client complaint and product reclaim mechanism so that clients can contact the responsible persons in the first instance. Special client service teams will respond actively and handle problems within the time permitted by clients, carry out improvement actions internally, which include product reclaim, thorough checking, replenishment, implementation of remedies and preventive measures, and report the treatment to clients until they are satisfied. During the Year, the Group received a total of five customer complaints, all of which were resolved through communication with the customers and subsequent improvement work, resulting in customer satisfaction.

## OPERATION (CONTINUED)

### Suppliers Management



#### Relevant goal:

- Target 12.4 — Achieve the environmentally sound management of chemicals and all wastes throughout their life cycle

In order to comply with the regulations of ISO 9001 and ISO 14001, the Group assesses the environmental and social risks of different suppliers, and prefers suppliers with quality guarantees and environmental protection commitments.

A Central Procurement Department has been formed to ensure the quality and safety of the diverse materials from our suppliers. To ensure the products and services provided are in line with the requirements of clients, the Group has established and implemented Supplier Control Procedures to strictly evaluate and assess suppliers who provide raw materials and auxiliary materials. All new suppliers will be evaluated and reviewed by the supply chain team, which includes an assessment of suppliers' environmental, labour, and safety performance. Only those who meet the Group's requirements can become qualified supply partners. The supply chain team regularly visits major suppliers and evaluates their quality status and productivity. The Group evaluates suppliers' performance by month. When a supplier is rated lower than a certain level, the procurement will be suspended and improvement measures will be required. In the case of continuous non-conformance, the supplier will be disqualified.

The Group has also signed agreements with suppliers to ensure that they comply with the environmental protection standards of the Group and clients, including the requirements for environmentally hazardous substances specified in REACH, RoHS, etc. According to the minerals regulations in conflicting regions of the RBA Code of Conduct and the American Dodd-Frank Act, suppliers must confirm that they have not used the conflict minerals, including tantalum, tin, gold, tungsten, cobalt and mica produced by the Democratic Republic of Congo ("DRC") or its neighbouring countries. The Group conducts due diligence for suppliers involved in tantalum, tin, gold, tungsten, cobalt, and mica using the Conflict Minerals Reporting Template ("CMRT").

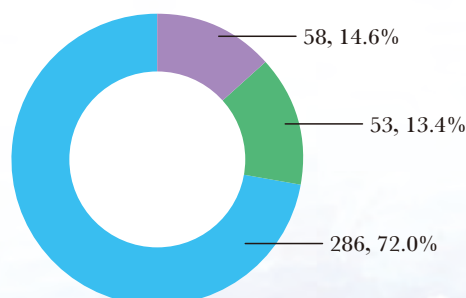
The Group refuses to cooperate with any supplier who may be involved in forced labour or human trafficking and adopts the RBA Code of Conduct as an internal standard to evaluate the labour conditions of suppliers. The Quality Department's ISO Task Force Group works with the Supplier Management Team to supervise suppliers' compliance with the Group's social and environmental responsibility standards and to collect and evaluate their compliance with the RBA Code of Conduct. 100% of new suppliers are required to participate in the Group's RBA investigation and evaluation, while all existing suppliers are required to complete the Group's RBA investigation every two years.

The Group continues to implement local procurement strategies to reduce the transportation of raw materials and the corresponding energy consumption and environmental impact. The Mainland China is still the main procurement location of the Group, together with suppliers from Hong Kong, accounting for more than 85% of the total number of suppliers. Through the process of new supplier assessment or regular supplier reviews, the Group has not identified any suppliers with significant environmental or social risks.

#### Number of Suppliers

(by region)

- Mainland China
- Hong Kong
- Others



# APPENDIX

1. **Key Performance Data Summary**
2. **Memberships**
3. **Awards and Recognition Received during the Year**
4. **Content Index**
5. **Verification Statement**

## APPENDIX (CONTINUED)

### 1. Key Performance Data Summary

#### Environmental

The scope of the following environmental data included the Hong Kong headquarters, the Yuquan production base in Fenggang, Dongguan, the Thailand production base and the Taiwan design and research centre. Main operating sites of the Group were included.

| Energy Consumption                             | Unit                            | 2024/25    | 2023/24    | 2022/23    |
|------------------------------------------------|---------------------------------|------------|------------|------------|
| Electricity                                    | kWh                             | 45,688,918 | 39,289,515 | 39,276,959 |
| Diesel                                         | Litre ("L")                     | 103,722    | 110,127    | 111,349    |
| Energy consumption of diesel                   | GJ                              | 3,940      | 4,183.65   | 4,230.07   |
| Petrol                                         | L                               | 54,483     | 55,172     | 43,641     |
| Energy consumption of petrol                   | GJ                              | 1,912      | 1,935.97   | 1,531.36   |
| Natural gas                                    | Cubic Meter ("m <sup>3</sup> ") | 156,801    | 235,704    | 111,156    |
| Energy consumption of natural gas              | GJ                              | 6,104.42   | 9,176.19   | 4,327.41   |
| Total energy consumption                       | GJ                              | 176,436.62 | 156,738.06 | 151,485.89 |
| Total energy intensity (by industrial revenue) | GJ/\$'000                       | 0.055      | 0.054      | 0.049      |

During the Year, the Group purchased and used electricity generated from renewable energy. Therefore, for the Scope II greenhouse gas emissions, both the location-based accounting method and the market-based accounting method in the "GHG PROTOCOL — SCOPE 2 GUIDANCE" were adopted for accounting. The results of the two accounting methods are listed below respectively.

| GHG Emissions <sup>1</sup>                                  | Unit                    | 2024/25 | 2023/24 | 2022/23 | 2021/22 |
|-------------------------------------------------------------|-------------------------|---------|---------|---------|---------|
| GHG emission Scope I — direct emissions                     | tonne CO <sub>2</sub> e | 830     | 961     | 703     | 1,039   |
| GHG emission Scope II — indirect emissions (Location-based) | tonne CO <sub>2</sub> e | 25,799  | 22,301  | 22,327  | 26,678  |
| GHG emission Scope II — indirect emissions (Market-based)   | tonne CO <sub>2</sub> e | 25,185  | 22,301  | 22,327  | 26,678  |
| GHG emission Scope III — other indirect emissions           | tonne CO <sub>2</sub> e | 83,161  | 68,496  | /       | /       |

<sup>1</sup> The types of GHG include: carbon dioxide ("CO<sub>2</sub>"), methane ("CH<sub>4</sub>"), nitrous oxide ("N<sub>2</sub>O"), hydro-fluorocarbons ("HFCs"), per-fluorocarbons ("PFCs"), sulfur hexafluoride ("SF<sub>6</sub>") and nitrogen trifluoride ("NF<sub>3</sub>"). Emission factors and global warming potential ("GWP") calculations and data sources are derived from the Accounting and Reporting Guidelines for Greenhouse Gas Emissions and Deductions for Hong Kong Buildings (Commercial, Residential or Public Use) by Environmental Protection Department and the Electrical and Mechanical Services Department, the sustainability reports of CLP Holdings Limited, the How to Prepare an ESG Report by HKEX, the Accounting Methods and the Accounting Methods and Reporting Guidelines for Greenhouse Gas Emissions of Enterprises for Power Generation Facilities (2022 Revision), the Notice on Doing a Good Job in 2023–2025 Reporting and Management of Greenhouse Gas Emissions of Power Generation Enterprises and the Announcement on the Release of the Carbon Dioxide Emission Factor of Electricity in 2022 by the Ministry of Ecology and Environment of PRC, the carbon dioxide emission factor per kilowatt-hour of electricity consumed in Thailand announced by the Energy Policy and Planning Office ("EPPO") of Thailand, the Adjustment of the Carbon Emission Coefficient of Electricity in the 113th Year of the Inventory Registration System by the Bureau of Energy, Ministry of Economic Affairs of Taiwan, effective from the date of announcement (April 22, 2025) as announced by the Bureau of Energy, Ministry of Economic Affairs, the GHG Protocol Tool for Energy Consumption in China (ver. 2.1) by World Resources Institute, the Sixth Climate Change Assessment Report ("AR6") and the 2006 IPCC Guidelines for National Greenhouse Gas Inventories by IPCC.

## APPENDIX (CONTINUED)

| GHG Emissions <sup>1</sup>      | Unit                    | 2024/25 | 2023/24 | 2022/23 | 2021/22 |
|---------------------------------|-------------------------|---------|---------|---------|---------|
| Category 1                      | tonne CO <sub>2</sub> e | 65,377  | 50,079  | /       | /       |
| Category 2                      | tonne CO <sub>2</sub> e | 4,154   | 8,658   | /       | /       |
| Category 3                      | tonne CO <sub>2</sub> e | 1,522   | 1,412   | /       | /       |
| Categories 4 and 9 <sup>2</sup> | tonne CO <sub>2</sub> e | 3,874   | 2,483   | /       | /       |
| Category 15 <sup>3</sup>        | tonne CO <sub>2</sub> e | 2,956   | 3,990   | /       | /       |
| Other Categories <sup>4</sup>   | tonne CO <sub>2</sub> e | 5,278   | 1,874   | /       | /       |

| GHG Emissions <sup>1</sup> (Market-based)                               | Unit                           | 2024/25 | 2023/24 | 2022/23 | 2021/22 |
|-------------------------------------------------------------------------|--------------------------------|---------|---------|---------|---------|
| Total GHG Emission — Scope III excluded                                 | tonne CO <sub>2</sub> e        | 26,015  | 23,262  | 23,030  | 27,717  |
| Total GHG Emission — Scope III included                                 | tonne CO <sub>2</sub> e        | 109,176 | 91,757  | /       | /       |
| Intensity of GHG emissions (by industrial revenue) — Scope III excluded | tonne CO <sub>2</sub> e/\$'000 | 0.0081  | 0.0080  | 0.0075  | 0.0090  |

| GHG Emissions <sup>1</sup> (other types of GHG reported separately) <sup>5</sup> | Unit                    | 2024/25 | 2023/24 | 2022/23 | 2021/22 |
|----------------------------------------------------------------------------------|-------------------------|---------|---------|---------|---------|
| CFCs refrigerant emissions                                                       | tonne CO <sub>2</sub> e | 13      | 0       | 8       | 0       |
| HCFCs refrigerant emissions                                                      | tonne CO <sub>2</sub> e | 111     | 92      | 37      | 28      |

<sup>2</sup> Categories 4 and 9 were estimated based on the material weight and the maximum transportation distance.

<sup>3</sup> Category 15 was estimated based on the latest annual data of the invested enterprise.

<sup>4</sup> Data for some categories in other categories were calculated through estimation.

<sup>5</sup> Other types of GHG reported separately: According to the GHG PROTOCOL — A Corporate Accounting and Reporting Standard (Revised Edition), GHGs other than the above seven categories shall not be included in Scope I, Scope II, or Scope III, but may be reported separately.

## APPENDIX (CONTINUED)

| Air Pollutants Emissions          | Unit            | 2024/25  | 2023/24  | 2022/23  |
|-----------------------------------|-----------------|----------|----------|----------|
| Nitrogen oxides (NO) <sup>6</sup> | Kilogram ("kg") | 1,748.81 | 3,501.48 | 3,270.49 |
| Sulphur oxides (SO) <sup>6</sup>  | kg              | 2.15     | 2.10     | 2.00     |
| Particulates (PM) <sup>6</sup>    | kg              | 135.97   | 230.68   | 211.43   |

| Use of Resource                                                       | Unit                   | 2024/25   | 2023/24   | 2022/23   |
|-----------------------------------------------------------------------|------------------------|-----------|-----------|-----------|
| Water consumption                                                     | m <sup>3</sup>         | 274,437   | 221,255   | 236,890   |
| Intensity of water consumption (by industrial revenue)                | m <sup>3</sup> /\$'000 | 0.085     | 0.074     | 0.077     |
| Intensity of water consumption (by headcount)                         | m <sup>3</sup> /person | 74.33     | 66.07     | 66.56     |
| Paper used (Only paper used for printing in the office is calculated) | kg                     | 15,546.20 | 13,195.56 | 14,206.27 |
| Total packaging material used for finished products — Paper           | tonne                  | 2,822     | 2,290     | 2,246     |
| Total packaging material used for finished products — Plastic         | tonne                  | 460       | 273       | 323       |
| Total packaging material used for finished products — Others          | tonne                  | 495       | 198       | 125       |

| Effluent and Waste Management                                                                       | Unit              | 2024/25 | 2023/24 | 2022/23 |
|-----------------------------------------------------------------------------------------------------|-------------------|---------|---------|---------|
| Wastewater Treatment                                                                                | m <sup>3</sup>    | 103,331 | 83,826  | 92,779  |
| Total domestic waste disposed per day (Only relevant data of plants in Mainland China is collected) | m <sup>3</sup> /d | 7.74    | 7.74    | 7.74    |
| Total hazardous waste disposed (Only relevant data of plants in Mainland China is collected)        | tonne             | 75.90   | 66.31   | 76.83   |
| Testliner reused internally (Only relevant data of plants in Mainland China is collected)           | kg                | 261,800 | 225,500 | 241,005 |
| Testliner recycled externally                                                                       | kg                | 325,450 | 280,440 | 299,830 |

<sup>6</sup> The emissions of NO<sub>x</sub>, SO<sub>x</sub> and Particulates were calculated based on the amount of fossil fuels and natural gas that were used by The Group; relevant calculations and data sources are derived from the EMFAC-HK Vehicle Emission Calculation by the H.K. Environmental Protection Department, the Vehicle Emission Modeling Software — MOBILE6.1 by the U.S. Environmental Protection Agency, the EMEP/EEA Air Pollutant Emission Inventory Guidebook — 2019 by European Environmental Agency, and the Accounting Methods for Investigation of Pollution Emissions and Manual of Emission Factors by the Ministry of Ecology and Environment of PRC.

## APPENDIX (CONTINUED)

## Social

| Number of Employees                                                       | 2024/25 | 2023/24 | 2022/23 |
|---------------------------------------------------------------------------|---------|---------|---------|
| Average number of employees of the Group during the Year <sup>7</sup>     | 3,692   | 3,349   | 3,559   |
| <b>By region</b>                                                          |         |         |         |
| Mainland China                                                            | 3,495   | 3,198   | 3,434   |
| Hong Kong                                                                 | 100     | 102     | 103     |
| Others                                                                    | 97      | 49      | 22      |
| <b>By gender</b>                                                          |         |         |         |
| Male                                                                      | 2,425   | 2,193   | 2,309   |
| Female                                                                    | 1,267   | 1,156   | 1,250   |
| <b>By age group</b>                                                       |         |         |         |
| Below 30                                                                  | 984     | 814     | 904     |
| 30–50                                                                     | 2,149   | 2,059   | 2,233   |
| Above 50                                                                  | 560     | 476     | 422     |
| <b>By employment type</b>                                                 |         |         |         |
| Full-time                                                                 | 3,200   | 3,153   | 3,457   |
| Part-time                                                                 | 492     | 196     | 102     |
| <b>Proportion of senior management hired from the local community (%)</b> |         |         |         |
| Mainland China                                                            | 97.62   | 94.83   | 95.83   |
| Hong Kong                                                                 | 100.00  | 83.33   | 83.33   |
| Others                                                                    | 100.00  | 83.33   | 83.33   |
| <b>Ratio of the China standard entry-level wage</b>                       |         |         |         |
| Compared to local minimum wage (Male)                                     | 1.03    | 1.13    | 1.13    |
| Compared to local minimum wage (Female)                                   | 1.03    | 1.13    | 1.13    |
| <b>Ratio of the senior management</b>                                     |         |         |         |
| Gender ratio of the Board members (Male:Female)                           | 7:1     | 6:1     | 8:1     |

<sup>7</sup> Monthly average number of employees of the Group during the reporting year.

## APPENDIX (CONTINUED)

| Number and Rate (%) of Full-time Employee Turnover (Monthly Average) <sup>8</sup>                                                     |              |              |              |
|---------------------------------------------------------------------------------------------------------------------------------------|--------------|--------------|--------------|
|                                                                                                                                       | 2024/25      | 2023/24      | 2022/23      |
| <b>By region</b>                                                                                                                      |              |              |              |
| Mainland China                                                                                                                        | 395 (11.3%)  | 295 (9.22%)  | 318 (9.26%)  |
| Hong Kong and Others                                                                                                                  | 10 (4.96%)   | 5 (3.33%)    | 3 (2.67%)    |
| <b>By gender</b>                                                                                                                      |              |              |              |
| Male                                                                                                                                  | 289 (11.88%) | 203 (9.27%)  | 230 (9.98%)  |
| Female                                                                                                                                | 117 (9.20%)  | 97 (8.36%)   | 91 (7.26%)   |
| <b>By age group</b>                                                                                                                   |              |              |              |
| Below 30                                                                                                                              | 224 (22.75%) | 166 (20.41%) | 158 (17.49%) |
| 30–50                                                                                                                                 | 169 (7.84%)  | 126 (6.12%)  | 159 (7.10%)  |
| Above 50                                                                                                                              | 13 (2.26%)   | 8 (1.63%)    | 5 (1.09%)    |
| Number and Rate (%) of New Hires (Monthly Average) <sup>9</sup>                                                                       |              |              |              |
|                                                                                                                                       | 2024/25      | 2023/24      | 2022/23      |
| <b>By region</b>                                                                                                                      |              |              |              |
| Mainland China                                                                                                                        | 405 (11.59%) | 333 (10.40%) | 281 (8.18%)  |
| Hong Kong and Others                                                                                                                  | 15 (7.41%)   | 8 (5.17%)    | 4 (3.20%)    |
| <b>By gender</b>                                                                                                                      |              |              |              |
| Male                                                                                                                                  | 295 (12.13%) | 238 (10.87%) | 208 (9.01%)  |
| Female                                                                                                                                | 126 (9.90%)  | 103 (8.88%)  | 77 (6.15%)   |
| <b>By age group</b>                                                                                                                   |              |              |              |
| Below 30                                                                                                                              | 231 (23.47%) | 194 (23.78%) | 150 (16.63%) |
| 30–50                                                                                                                                 | 178 (8.26%)  | 142 (6.91%)  | 133 (5.96%)  |
| Above 50                                                                                                                              | 12 (2.05%)   | 5 (0.95%)    | 1 (0.32%)    |
| Return to Work and Retention after Maternity Leave/<br>Paternity Leave                                                                |              |              |              |
|                                                                                                                                       | 2024/25      | 2023/24      | 2022/23      |
| <b>Number of employees who took maternity leave/<br/>paternity leave</b>                                                              |              |              |              |
| Male                                                                                                                                  | 14           | 22           | 18           |
| Female                                                                                                                                | 27           | 21           | 27           |
| <b>Number and rate (%) of employees who returned to work<br/>after maternity leave/paternity leave ended<sup>10</sup></b>             |              |              |              |
| Male                                                                                                                                  | 14 (100.00%) | 22 (100.00%) | 14 (77.78%)  |
| Female                                                                                                                                | 16 (94.12%)  | 14 (93.33%)  | 25 (92.59%)  |
| <b>Number and rate (%) of employees who remained<br/>employed for 12 months after the end of maternity leave/<br/>paternity leave</b> |              |              |              |
| Male                                                                                                                                  | 16 (72.73%)  | 15 (83.33%)  | 18 (81.82%)  |
| Female                                                                                                                                | 9 (56.25%)   | 13 (81.25%)  | 8 (44.44%)   |

<sup>8</sup> Monthly turnover rate (%) of a type of employee = monthly average number of that type of employee turned over/monthly average number of that type of employee.

<sup>9</sup> Monthly new hires rate (%) of a type of employee = monthly average number of that type of employee new hired/monthly average number of that type of employee.

<sup>10</sup> Number and rate (%) of employees who returned to work after maternity leave/paternity leave ended were calculated according to the GRI 401–3.

## APPENDIX (CONTINUED)

| Occupational Health and Safety                                       | 2024/25                 | 2023/24        | 2022/23        |
|----------------------------------------------------------------------|-------------------------|----------------|----------------|
| <b>Mainland China</b>                                                |                         |                |                |
| Number and rate (%) of occupational fatalities                       | 1 <sup>a</sup> (0.029%) | 1 (0.031%)     | 0 (0%)         |
| Number of occupational injuries                                      | 30                      | 36             | 36             |
| Rate of recorded occupational injuries (every 200,000 working hours) | 0.86                    | 0.90           | 1.05           |
| Number of serious occupational injuries                              | 1                       | 1              | 3              |
| Rate of serious occupational injuries (every 200,000 working hours)  | 0.03                    | 0.03           | 0.09           |
| Number of lost day                                                   | 833                     | 511            | 1,317          |
| Occupational disease rate (%)                                        | 0%                      | 0%             | 0%             |
| Number of absentee days                                              | 27,775                  | 24,740         | 38,248         |
| Absentee rate (%) <sup>11</sup>                                      | 3.19%                   | 3.10%          | 4.47%          |
| <b>Hong Kong and others</b>                                          |                         |                |                |
| Number and rate (%) of occupational fatalities                       | 0 (0%)                  | 0 (0%)         | 0 (0%)         |
| Number of occupational injuries                                      | 0                       | 0              | 2              |
| Rate of recorded occupational injuries                               | 0                       | 0              | 1.66           |
| Number of serious occupational injuries                              | 0                       | 0              | 0              |
| Rate of serious occupational injuries                                | 0                       | 0              | 0              |
| Number of lost day                                                   | 0                       | 0              | 90.5           |
| Occupational disease rate (%)                                        | 0%                      | 0%             | 0%             |
| Number of absentee days                                              | 336                     | 347            | 315            |
| Absentee rate (%) <sup>11</sup>                                      | 0.67%                   | 1.03%          | 1.05%          |
| <b>Staff Training</b>                                                |                         |                |                |
| Total training hours                                                 | 50,475.1 hours          | 44,401.8 hours | 41,323.7 hours |
| Average training hours per employee (%) <sup>12</sup>                | 13.7 (84.4%)            | 13.3 (76.1%)   | 11.6 (97.5%)   |
| <b>By gender</b>                                                     |                         |                |                |
| Male                                                                 | 13.9 (82.3%)            | 13.3 (72.7%)   | 11.9 (97.9%)   |
| Female                                                               | 13.3 (88.4%)            | 13.1 (82.8%)   | 11.1 (96.8%)   |
| <b>By category</b>                                                   |                         |                |                |
| Management                                                           | 39.5 (95.5%)            | 38.7 (82.3%)   | 28.5 (94.9%)   |
| Manager and department heads                                         | 25.1 (93.0%)            | 25.1 (80.3%)   | 20.5 (97.8%)   |
| Middle level                                                         | 15.2 (91.2%)            | 16.5 (75.6%)   | 16.4 (93.2%)   |
| Technicians and team leaders                                         | 11.7 (92.8%)            | 12.4 (75.0%)   | 13.2 (99.1%)   |
| Frontline                                                            | 12.0 (79.7%)            | 10.7 (74.5%)   | 9.0 (97.6%)    |
| <b>Social Responsibilities</b>                                       |                         |                |                |
| Volunteer service hours in Mainland China and Hong Kong              | 424.0 hours             | 326.3 hours    | 150.0 hours    |
| Charitable and other donations (HK\$)                                | HK\$416,219             | \$490,420      | \$699,010      |

<sup>a</sup> During the Year, of 2024/25, an employee experienced a sudden illness and fell into a coma while at work. Unfortunately, the employee passed away after being taken to the hospital. According to the People's Republic of China's "Work Injury Insurance Regulations," this incident is considered a work-related injury. The group deeply mourns the unfortunate death of the employee and offers care and support to their family. The company will enhance safety education and provide information on health check-ups for employees in response to this incident.

<sup>11</sup> Absentee rate refers to the rate (percentage) of the number of absentee days/total number of working days for the employees.

<sup>12</sup> Average training hours completed per employee = total training hours/total number of employees; Training rate = number of employees getting trained during the Year (only counting the employees still on job at the end of the year)/total number of employees at the end of the Year.

## APPENDIX (CONTINUED)

### 2. Memberships

| Name of Institution/Association                                                                                                                 | Member Company                        | Class of Membership                                  |
|-------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------|------------------------------------------------------|
| The Hong Kong General Chamber of Commerce                                                                                                       | Karrie Industrial Company Limited     | Full Member                                          |
| The Hong Kong Chinese Importers' & Exporters' Association                                                                                       | Karrie International Holdings Limited | Life Member                                          |
| The Chinese Manufacturers' Association of Hong Kong                                                                                             | Karrie Industrial Company Limited     | Basic Member                                         |
| Federation of Hong Kong Industries                                                                                                              | Karrie Industrial Company Limited     | Member                                               |
| Federation of Hong Kong Industries — Group 7<br>(Fabricated metal products and iron, steel and nonferrous metal basic industries and machinery) | Karrie Industrial Company Limited     | Member                                               |
| The Hong Kong Management Association                                                                                                            | Karrie International Holdings Limited | Member                                               |
| Hong Kong Institute of Human Resource Management                                                                                                | Karrie Industrial Company Limited     | Corporate Member                                     |
| The Hong Kong Polytechnic University                                                                                                            | Karrie International Holdings Limited | Honorary Life Vice President of the PolyU Foundation |
| The Hong Kong Metals Manufacturers Association                                                                                                  | Karrie International Holdings Limited | Company Member                                       |
| The Hong Kong Institute of Directors (HKIoD)                                                                                                    | Karrie International Holdings Limited | Member                                               |

## APPENDIX (CONTINUED)

## 3. Awards and Recognition Received during the Year

| Award Category                     | Organising Body                                                                                                   | Honor/Recognition                                                                | Awarded Company                                                                              |
|------------------------------------|-------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|
| Sustainability                     | Hong Kong Productivity Council                                                                                    | ESG One Membership                                                               | Karrie International Holdings Limited                                                        |
| Federation of Hong Kong Industries | Federation of Hong Kong Industries                                                                                | Hong Kong Green Organisation Certification — Energywise Certificate (Good Level) | Karrie International Holdings Limited                                                        |
|                                    | Federation of Hong Kong Industries                                                                                | BOCHK Corporate Low-Carbon Environmental Leadership Awards                       | Karrie International Holdings Limited & Dongguan Feng Gang Caston Metal & Plastics Co., Ltd. |
|                                    | Hong Kong Environment and Ecology Bureau, Department of Industry and Information Technology of Guangdong Province | Hong Kong-Guangdong Cleaner Production Excellent Partner (manufacturing)         | Karrie International Holdings Limited & Dongguan Feng Gang Caston Metal & Plastics Co., Ltd. |
| Social Responsibility              | UNICEF Hong Kong Committee                                                                                        | Breastfeeding Friendly Workplace                                                 | Karrie International Holdings Limited                                                        |
|                                    | Labour Department                                                                                                 | Good Employer Charter                                                            | Karrie International Holdings Limited                                                        |
|                                    | Employees Retraining Board                                                                                        | ERB Manpower Developer                                                           | Karrie International Holdings Limited                                                        |
|                                    | Federation of Hong Kong Industries                                                                                | Outstanding Caring Award                                                         | Karrie International Holdings Limited                                                        |
|                                    | Federation of Hong Kong Industries                                                                                | Federation of Hong Kong Industries                                               | Karrie International Holdings Limited                                                        |
|                                    | The Hong Kong General Chamber of Small & Medium Business                                                          | Partner Employer Award-10+ Outstanding Enterprise Recognition                    | Karrie International Holdings Limited                                                        |
|                                    | Mandatory Provident Fund Schemes Authority                                                                        | Best All-round MPF Employer                                                      | Karrie Industrial Co. LTD                                                                    |
|                                    | Mandatory Provident Fund Schemes Authority                                                                        | Good MPF Employer 10 Years                                                       | Karrie Industrial Co. LTD                                                                    |
| Technical Support                  | Dell Technologies                                                                                                 | Outstanding Quality Performance — Best in Class Award                            | Karrie International Holdings Limited                                                        |

## APPENDIX (CONTINUED)

### 4. Content Index

This report was prepared in accordance with the GRI Standards and “ESG Reporting Guide” issued by the Stock Exchange of Hong Kong. The Table below provides cross-references to related chapters or direct explanations in respect of each disclosure requirement.

|                                   |                                                                                                                                     |
|-----------------------------------|-------------------------------------------------------------------------------------------------------------------------------------|
| Statement of use                  | Karrie International Holdings Limited has reported with reference to the GRI Standards for the period 1 April 2024 to 31 March 2025 |
| GRI 1 used                        | GRI 1: Foundation 2021                                                                                                              |
| Applicable GRI Sector Standard(s) | Not applicable                                                                                                                      |

| GRI STANDARD/<br>OTHER SOURCE   | DISCLOSURE                                                           | LOCATION/REMARK                                                                                                                                                                                                                                                                                           | HKEX ESG REPORTING GUIDE RELEVANT DISCLOSURE           | PAGE           |
|---------------------------------|----------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------|----------------|
| General disclosures             |                                                                      |                                                                                                                                                                                                                                                                                                           |                                                        |                |
| GRI 2: General Disclosures 2021 | <b>The organisation and its reporting practices</b>                  |                                                                                                                                                                                                                                                                                                           |                                                        |                |
|                                 | 2-1 Organisational details                                           | About Karrie<br>The Company is a limited liability company incorporated in Bermuda, and was listed on the main board of the Stock Exchange of Hong Kong in 1996. Annual Report 2024/25 — Financial Highlights (Page 9–11), Chairman’s Statement (Page 12–25)                                              |                                                        | 4–5            |
|                                 | 2-2 Entities included in the organisation’s sustainability reporting | About this Report                                                                                                                                                                                                                                                                                         | Mandatory Disclosure Requirements — Reporting Boundary | 2              |
|                                 | 2-3 Reporting period, frequency and contact point                    | About this Report                                                                                                                                                                                                                                                                                         |                                                        | 2–3            |
|                                 | 2-4 Restatements of information                                      | Environmental Protection — Responding to Climate Change<br>Appendix: 1. Key Performance Data Summary<br>The Report adjusts the GHG emissions from 2021/22 to 2024/25 in accordance with the seven types of GHG defined in the Kyoto Protocol to the United Nations Framework Convention on Climate Change |                                                        | 18–19<br>57–58 |
|                                 | 2-5 External assurance                                               | Appendix: 5. Verification Statement                                                                                                                                                                                                                                                                       |                                                        | 77–80          |
|                                 | <b>Activities and workers</b>                                        |                                                                                                                                                                                                                                                                                                           |                                                        |                |
|                                 | 2-6 Activities, value chain and other business relationships         | About Karrie<br>Annual Report 2024/25 — Financial Highlights (Page 9–11), Chairman’s Statement (Page 12–25)                                                                                                                                                                                               |                                                        | 4–5            |
|                                 | 2-7 Employees                                                        | About Karrie<br>Annual Report 2024/25 — Financial Highlights (Page 9–11), Chairman’s Statement (Page 12–25)                                                                                                                                                                                               | B1.1                                                   | 4–5            |
|                                 | 2-8 Workers who are not employees                                    | There was no workers who are not employees and whose work is controlled by the Group                                                                                                                                                                                                                      |                                                        |                |
|                                 | <b>Governance</b>                                                    |                                                                                                                                                                                                                                                                                                           |                                                        |                |
|                                 | 2-9 Governance structure and composition                             | Sustainability Management — Governance Model<br>Annual Report 2024/25 — Corporate Governance Report (Page 31–52)                                                                                                                                                                                          |                                                        | 8–10           |
|                                 | 2-10 Nomination and selection of the highest governance body         | Annual Report 2024/25 — Corporate Governance Report (Page 31–52)                                                                                                                                                                                                                                          |                                                        |                |
|                                 | 2-11 Chair of the highest governance body                            | Annual Report 2024/25 — Corporate Governance Report (Page 31–52)                                                                                                                                                                                                                                          |                                                        |                |

## APPENDIX (CONTINUED)

| GRI STANDARD/<br>OTHER SOURCE           | DISCLOSURE                                                                       | LOCATION/REMARK                                                                                                                                   | HKEX ESG REPORTING GUIDE RELEVANT DISCLOSURE             | PAGE                   |
|-----------------------------------------|----------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------|------------------------|
|                                         | 2-12 Role of the highest governance body in overseeing the management of impacts | Sustainability Management — Governance Model, Sustainability Strategy<br>Annual Report 2024/25 — Corporate Governance Report (Page 53–60)         | Mandatory Disclosure Requirements — Governance Structure | 8–12                   |
|                                         | 2-13 Delegation of responsibility for managing impacts                           | Sustainability Management — Governance Model, Sustainability Strategy<br>Annual Report 2024/25 — Corporate Governance Report (Page 31–60)         | Mandatory Disclosure Requirements — Governance Structure | 8–12                   |
|                                         | 2-14 Role of the highest governance body in sustainability reporting             | Sustainability Management — Governance Model, Sustainability Strategy                                                                             | Mandatory Disclosure Requirements — Governance Structure | 8–12                   |
|                                         | 2-15 Conflicts of interest                                                       | Operation — Corporate Governance<br>Annual Report 2024/25 — Senior Management (Page 67–73), Report of the Directors (Page 109–114)                |                                                          | 51–52                  |
|                                         | 2-16 Communication of critical concerns                                          | Sustainability Management — Governance Model                                                                                                      |                                                          | 8–10                   |
|                                         | 2-17 Collective knowledge of the highest governance body                         | Sustainability Management — Governance Model, Sustainability Strategy<br>Annual Report 2024/25 — Corporate Governance Report (Page 31–42)         |                                                          | 8–12                   |
|                                         | 2-18 Evaluation of the performance of the highest governance body                | Annual Report 2024/25 — Corporate Governance Report (Page 31–60)                                                                                  |                                                          |                        |
|                                         | 2-19 Remuneration policies                                                       | Annual Report 2024/25 — Chairman's Statement (Page 23–24) Annual Report 2024/25 — Corporate Governance (Page 31–53)                               |                                                          |                        |
|                                         | 2-20 Process to determine remuneration                                           | Annual Report 2024/25 — Corporate Governance Report (Page 31–53)                                                                                  |                                                          |                        |
|                                         | 2-21 Annual total compensation ratio                                             | Due to confidentiality restrictions, the disclosure of this item is omitted as the median employee income is considered confidential information. |                                                          |                        |
| <b>Strategy, policies and practices</b> |                                                                                  |                                                                                                                                                   |                                                          |                        |
|                                         | 2-22 Statement on sustainable development strategy                               | Chairman's Message                                                                                                                                |                                                          | 6–7                    |
|                                         | 2-23 Policy commitments                                                          | Sustainability Management — Sustainability Strategy<br>Operation — Product Responsibility                                                         |                                                          | 10–12<br>52–54         |
|                                         | 2-24 Embedding policy commitments                                                | Sustainability Management — Governance Model<br>Talent — Caring for Employees (Employment Compliance)<br>Operation — Corporate Governance         |                                                          | 8–10<br>27–29<br>51–52 |
|                                         | 2-25 Processes to remediate negative impacts                                     | Sustainability Management<br>Environment                                                                                                          |                                                          | 8–12<br>13–24          |
|                                         | 2-26 Mechanisms for seeking advice and raising concerns                          | Operation — Corporate Governance                                                                                                                  |                                                          | 51–52                  |
|                                         | 2-27 Compliance with laws and regulations                                        | Sustainability Management — Sustainability Strategy<br>Operation — Corporate Governance                                                           |                                                          | 10–12<br>51–52         |
|                                         | 2-28 Membership associations                                                     | Appendix — 2. Memberships                                                                                                                         |                                                          | 63                     |

## APPENDIX (CONTINUED)

| GRI STANDARD/<br>OTHER<br>SOURCE   | DISCLOSURE                                                                           | LOCATION/REMARK                                                                                                                                                                                                                                                                                                                                   | HKEX ESG REPORTING GUIDE RELEVANT DISCLOSURE                           | PAGE  |
|------------------------------------|--------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------|-------|
| <b>Stakeholder engagement</b>      |                                                                                      |                                                                                                                                                                                                                                                                                                                                                   |                                                                        |       |
|                                    | 2-29 Approach to stakeholder engagement                                              | Sustainability Management — Governance Model                                                                                                                                                                                                                                                                                                      | Mandatory Disclosure Requirements — Reporting Principles (Materiality) | 8-9   |
|                                    | 2-30 Collective bargaining agreements                                                | Within the Year, the Group did not have any effective collective contracts. The Group had previously signed a collective contract with the union, which expired in 2018. As the relevant contents were already protected by laws and regulations, the employees and company representatives agreed to terminate the contract through negotiation. |                                                                        |       |
| <b>Material topics</b>             |                                                                                      |                                                                                                                                                                                                                                                                                                                                                   |                                                                        |       |
| GRI 3: Material Topics 2021        | 3-1 Process to determine material topics                                             | Sustainability Management — Governance Model, Sustainability Strategy                                                                                                                                                                                                                                                                             | Mandatory Disclosure Requirements — Reporting Principles (Materiality) | 8-12  |
|                                    | 3-2 List of material topics                                                          | Sustainability Management — Sustainability Strategy                                                                                                                                                                                                                                                                                               | Mandatory Disclosure Requirements — Reporting Principles (Materiality) | 10-12 |
| <b>Climate Change</b>              |                                                                                      |                                                                                                                                                                                                                                                                                                                                                   |                                                                        |       |
| GRI 3: Material Topics 2021        | 3-3 Management of material topics                                                    | Environmental Protection — Responding to Climate Change                                                                                                                                                                                                                                                                                           | A4 Climate Change: General Disclosure                                  | 14-19 |
| GRI 201: Economic Performance 2016 | 201-2 Financial implications and other risks and opportunities due to climate change | Environmental Protection — Responding to Climate Change                                                                                                                                                                                                                                                                                           | A4.1                                                                   | 14-19 |
| GRI 305: Emissions 2016            | 305-1 Direct (Scope 1) GHG emissions                                                 | Environmental Protection — Responding to Climate Change                                                                                                                                                                                                                                                                                           | A1.2                                                                   | 14-19 |
|                                    | 305-2 Energy indirect (Scope 2) GHG emissions                                        | Environmental Protection — Responding to Climate Change                                                                                                                                                                                                                                                                                           | A1.2                                                                   | 14-19 |
|                                    | 305-3 Other indirect (Scope 3) GHG emissions                                         | Environmental Protection — Responding to Climate Change                                                                                                                                                                                                                                                                                           |                                                                        |       |
|                                    | 305-4 GHG emissions intensity                                                        | Environmental Protection — Responding to Climate Change                                                                                                                                                                                                                                                                                           | A1.2                                                                   | 14-19 |
|                                    | 305-5 Reduction of GHG emissions                                                     | Environmental Protection — Responding to Climate Change                                                                                                                                                                                                                                                                                           | A1.5                                                                   | 14-19 |
| HKEX ESG Reporting Guide           | A1.5 Description of emission target(s) set and steps taken to achieve them           | Environmental Protection — Responding to Climate Change                                                                                                                                                                                                                                                                                           | A1.5                                                                   | 14-19 |

## APPENDIX (CONTINUED)

| GRI STANDARD/<br>OTHER SOURCE             | DISCLOSURE                                                                                              | LOCATION/REMARK                                                                                                                                                                                                                                                                                                                                                                                                                                          | HKEX ESG REPORTING GUIDE RELEVANT DISCLOSURE                                            | PAGE          |
|-------------------------------------------|---------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------|---------------|
| <b>Business Ethics and Morality</b>       |                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                         |               |
| GRI 3: Material Topics 2021               | 3-3 Management of material topics                                                                       | Sustainability Management<br>Operation — Corporate Governance                                                                                                                                                                                                                                                                                                                                                                                            | B7 Anti-corruption: General Disclosure, B7.2                                            | 8-12<br>51-52 |
| GRI 205: Anti-corruption 2016             | 205-1 Operations assessed for risks related to corruption                                               | All operational sites conduct an annual review of the effectiveness of their risk management<br>Sustainability Management<br>Operation — Corporate Governance<br>Annual Report 2024/25 — Corporate Governance Report (Page 54-55)                                                                                                                                                                                                                        |                                                                                         | 8-12<br>51-52 |
|                                           | 205-2 Communication and training about anti-corruption policies and procedures                          | Operation — Corporate Governance<br>All Board members and employees are required to receive information and training on integrity and ethics, and all partners are required to sign a code of ethics agreement.                                                                                                                                                                                                                                          |                                                                                         | 51-52         |
|                                           | 205-3 Confirmed incidents of corruption and actions taken                                               | Operation — Corporate Governance                                                                                                                                                                                                                                                                                                                                                                                                                         | B7 Anti-corruption: General Disclosure, B7.1                                            | 51-52         |
| HKEX ESG Reporting Guide                  | B7.3 Description of anti-corruption training provided to directors and staff                            | Operation — Corporate Governance                                                                                                                                                                                                                                                                                                                                                                                                                         | B7.3                                                                                    | 51-52         |
| <b>Employment Compliance</b>              |                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                         |               |
| GRI 3: Material Topics 2021               | 3-3 Management of material topics                                                                       | Sustainability Management<br>Talent — Caring for Employees (Labour Standards)                                                                                                                                                                                                                                                                                                                                                                            | B1 Employment: General Disclosure<br>B4 Labour Practice: General Disclosure, B4.1, B4.2 | 8-12<br>30    |
| GRI 401: Employment 2016                  | 401-1 New employee hires and employee turnover                                                          | Appendix: 1. Key Performance Data Summary                                                                                                                                                                                                                                                                                                                                                                                                                | B1.2                                                                                    | 61            |
|                                           | 401-2 Benefits provided to full-time employees that are not provided to temporary or parttime employees | Talent — Caring for Employees (Employment Compliance)<br>Annual Report 2024/25 — Consolidated Financial Statements (Page 130-132)<br>The Group provides statutory benefits for part-time employees, while full-time employees can additionally enjoy benefits that are more favorable than statutory benefits, including extended maternity leave, cooperative medical funds, children's education funds, and some employees are entitled stock options. | B1 Employment: General Disclosure                                                       | 27-29         |
|                                           | 401-3 Parental leave                                                                                    | Talent — Caring for Employees (Employment Compliance)<br>Appendix: 1. Key Performance Data Summary<br>All full-time employees have the right to take maternity leave or paternity leave                                                                                                                                                                                                                                                                  | B1 Employment: General Disclosure                                                       | 27-29<br>61   |
| GRI 408: Child Labour 2016                | 408-1 Operations and suppliers at significant risk for incidents of child labour                        | Talent — Caring for Employees (Labour Standards)<br>Operation — Suppliers Management<br>The Group does not have operational sites or suppliers with significant risks of child labour                                                                                                                                                                                                                                                                    | B4.1, B4.2                                                                              | 30<br>55      |
| GRI 409: Forced or Compulsory Labour 2016 | 409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour         | Talent — Caring for Employees (Labour Standards)<br>Operation — Suppliers Management<br>The Group does not have operational sites or suppliers with significant risks of forced labour                                                                                                                                                                                                                                                                   | B4.1, B4.2                                                                              | 30<br>55      |

## APPENDIX (CONTINUED)

| GRI STANDARD/<br>OTHER SOURCE     | DISCLOSURE                                                       | LOCATION/REMARK                                                                                                                                                                                                          | HKEX ESG REPORTING GUIDE RELEVANT DISCLOSURE                                                                        | PAGE           |
|-----------------------------------|------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------|----------------|
| <b>Energy Management</b>          |                                                                  |                                                                                                                                                                                                                          |                                                                                                                     |                |
| GRI 3: Material Topics 2021       | 3-3 Management of material topics                                | Sustainability Management<br>Environmental Protection — Resources Conservation                                                                                                                                           | A2 Use of Resources: General Disclosure<br>A3 The Environment and Natural Resources: General Disclosure, A3.1       | 8-12           |
| GRI 302: Energy 2016              | 302-1 Energy consumption within the organisation                 | Environmental Protection — Resources Conservation<br>Appendix: 1. Key Performance Data Summary                                                                                                                           | A2.1                                                                                                                | 20-22<br>57-59 |
|                                   | 302-2 Energy consumption outside of the organisation             | Due to incomplete information, disclosure is omitted.<br>The accurate calculation of the data requires data collection from suppliers and service providers. The Group is currently developing a data collection method. |                                                                                                                     |                |
|                                   | 302-3 Energy intensity                                           | Environmental Protection — Resources Conservation                                                                                                                                                                        | A2.1                                                                                                                | 20-22          |
|                                   | 302-4 Reduction of energy consumption                            | Environmental Protection — Resources Conservation                                                                                                                                                                        | A2.3                                                                                                                | 20-22          |
|                                   | 302-5 Reductions in energy requirements of products and services | Environmental Protection — Resources Conservation                                                                                                                                                                        | A2.3                                                                                                                | 20-22          |
| <b>Water Management</b>           |                                                                  |                                                                                                                                                                                                                          |                                                                                                                     |                |
| GRI 3: Material Topics 2021       | 3-3 Management of material topics                                | Sustainability Management<br>Environmental Protection — Resources Conservation                                                                                                                                           | A2 Use of Resources: General Disclosure<br>A3 The Environment and Natural Resources: General Disclosure, A3.1       | 8-12<br>20-22  |
| GRI 303: Water and Effluents 2018 | 303-1 Interactions with water as a shared resource               | Environmental Protection — Resources Conservation                                                                                                                                                                        | A2 Use of Resources: General Disclosure, A2.4<br>A3 The Environment and Natural Resources: General Disclosure, A3.1 | 20-22          |
|                                   | 303-2 Management of water discharge-related impacts              | Environmental Protection — Resources Conservation                                                                                                                                                                        | A2 Use of Resources: General Disclosure, A2.4<br>A3 The Environment and Natural Resources: General Disclosure, A3.1 | 20-22          |
|                                   | 303-3 Water withdrawal                                           | Environmental Protection — Resources Conservation                                                                                                                                                                        | A2.2                                                                                                                | 20-22<br>57-59 |
|                                   | 303-4 Water discharge                                            | Environmental Protection — Resources Conservation<br>Appendix: 1. Key Performance Data Summary                                                                                                                           | A2.2                                                                                                                | 20-22<br>57-59 |
|                                   | 303-5 Water consumption                                          | Environmental Protection — Resources Conservation<br>Appendix: 1. Key Performance Data Summary                                                                                                                           | A2.2                                                                                                                | 20-22<br>57-59 |

## APPENDIX (CONTINUED)

| GRI STANDARD/<br>OTHER SOURCE                | DISCLOSURE                                                                                    | LOCATION/REMARK                                                                                                                                                                                                                                                                                                                                          | HKEX ESG REPORTING GUIDE RELEVANT DISCLOSURE                                                         | PAGE          |
|----------------------------------------------|-----------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|---------------|
| <b>Waste Management</b>                      |                                                                                               |                                                                                                                                                                                                                                                                                                                                                          |                                                                                                      |               |
| GRI 3: Material Topics 2021                  | 3-3 Management of material topics                                                             | Sustainability Management<br>Environmental Protection — Resources Conservation, Emissions Control                                                                                                                                                                                                                                                        | A1 Emissions: General Disclosure, A3 The Environment and Natural Resources: General Disclosure, A3.1 | 8-12<br>20-24 |
| GRI 306: Waste 2020                          | 306-1 Waste generation and significant waste-related impacts                                  | Environmental Protection — Resources Conservation, Emissions Control                                                                                                                                                                                                                                                                                     | A1 Emissions: General Disclosure, A3 The Environment and Natural Resources: General Disclosure, A3.1 | 20-24         |
|                                              | 306-2 Management of significant waste-related impacts                                         | Environmental Protection — Resources Conservation, Emissions Control                                                                                                                                                                                                                                                                                     | A1 Emissions: General Disclosure, A3 The Environment and Natural Resources: General Disclosure, A3.1 | 20-24         |
|                                              | 303-3 Waste generated                                                                         | Environmental Protection — Emissions Control<br>Appendix: 1. Key Performance Data Summary                                                                                                                                                                                                                                                                | A1.3, A1.4                                                                                           | 23-24<br>59   |
|                                              | 306-4 Waste diverted from disposal                                                            | Environmental Protection — Emissions Control<br>Appendix: 1. Key Performance Data Summary                                                                                                                                                                                                                                                                | A1.3, A1.4                                                                                           | 23-24<br>59   |
|                                              | 306-5 Waste directed to disposal                                                              | Environmental Protection — Emissions Control<br>Appendix: 1. Key Performance Data Summary                                                                                                                                                                                                                                                                | A1.3, A1.4                                                                                           | 23-24<br>59   |
| <b>Occupational Health and Safety</b>        |                                                                                               |                                                                                                                                                                                                                                                                                                                                                          |                                                                                                      |               |
| GRI 3: Material Topics 2021                  | 3-3 Management of material topics                                                             | Sustainability Management<br>Talent — Caring for Employees (Occupational Health and Safety)                                                                                                                                                                                                                                                              | B2 Health and Safety: General Disclosure, B2.3                                                       | 8-12<br>31-32 |
| GRI 403: Occupational Health and Safety 2018 | 403-1 Occupational health and safety management system                                        | Talent — Caring for Employees (Occupational Health and Safety)                                                                                                                                                                                                                                                                                           | B2 Health and Safety: General Disclosure, B2.3                                                       | 31-32         |
|                                              | 403-2 Hazard identification, risk assessment, and incident investigation                      | Talent — Caring for Employees (Occupational Health and Safety)<br>Potential risks, including machinery-related injuries, chemical-related injuries, and traffic accidents, have all been covered in the scope of safety management.                                                                                                                      |                                                                                                      | 31-32         |
|                                              | 403-3 Occupational health services                                                            | Talent — Caring for Employees (Occupational Health and Safety)                                                                                                                                                                                                                                                                                           | B2.3                                                                                                 | 31-32         |
|                                              | 403-4 Worker participation, consultation, and communication on occupational health and safety | Talent — Caring for Employees (Occupational Health and Safety)<br>Each department has administrative personnel responsible for collecting employee feedback. Monthly administrative meetings are held to provide feedback to management and collectively discuss solutions to problems encountered by employees, including safety policies and measures. |                                                                                                      | 31-32         |
|                                              | 403-5 Worker training on occupational health and safety                                       | Talent — Caring for Employees (Occupational Health and Safety)                                                                                                                                                                                                                                                                                           | B2.3                                                                                                 | 31-32         |

## APPENDIX (CONTINUED)

| GRI STANDARD/<br>OTHER<br>SOURCE     | DISCLOSURE                                                                                                                                                                                                                                                                                                          | LOCATION/REMARK                                                                                                                                                                                                                                                                                                                                                                                                                           | HKEX ESG<br>REPORTING<br>GUIDE RELEVANT<br>DISCLOSURE | PAGE                   |
|--------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------|------------------------|
|                                      | 403-6 Promotion of worker health                                                                                                                                                                                                                                                                                    | Talent — Caring for Employees (Occupational Health and Safety)                                                                                                                                                                                                                                                                                                                                                                            |                                                       | 31-32                  |
|                                      | 403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships                                                                                                                                                                                                 | Talent — Caring for Employees (Occupational Health and Safety)                                                                                                                                                                                                                                                                                                                                                                            | B2.3                                                  | 31-32                  |
|                                      | 403-8 Workers covered by an occupational health and safety management system                                                                                                                                                                                                                                        | Talent — Caring for Employees (Occupational Health and Safety)<br>All employees of the Group and people who enter the Group's workplace are covered by the Group's health and safety management system. The relevant management system follows the ISO 45001 Occupational Health and Safety Management System and is developed in accordance with the Responsible Business Alliance ("RBA") Code of Conduct and has been reviewed by RBA. |                                                       | 31-32                  |
|                                      | 403-9 Work-related injuries                                                                                                                                                                                                                                                                                         | Talent — Caring for Employees (Occupational Health and Safety)<br>Appendix: 1. Key Performance Data Summary<br>During the Year, there were no non-employees who have suffered occupational injuries at the Group's workplace                                                                                                                                                                                                              | B2.1, B2.2                                            | 31-32<br>62            |
|                                      | 403-10 Work-related ill health                                                                                                                                                                                                                                                                                      | Talent — Caring for Employees (Occupational Health and Safety)                                                                                                                                                                                                                                                                                                                                                                            |                                                       | 31-32                  |
| <b>Risk Management in Compliance</b> |                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                       |                        |
| GRI 3: Material Topics 2021          | 3-3 Management of material topics                                                                                                                                                                                                                                                                                   | Sustainability Management<br>Environment — (Management Structure & System)<br>Operation — Corporate Governance                                                                                                                                                                                                                                                                                                                            |                                                       | 8-12<br>20-24<br>51-52 |
| HKEX ESG Reporting Guide             | A1 Emission: General Disclosure<br>Information on:<br>(a) the policies; and<br>(b) compliance with relevant laws and regulations that have a significant impact on the issuer<br>relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste. | Environment — (Management Structure & System)                                                                                                                                                                                                                                                                                                                                                                                             |                                                       | 20-24                  |

## APPENDIX (CONTINUED)

| GRI STANDARD/<br>OTHER SOURCE | DISCLOSURE                                                                                                                                                                                                                                                                                                                                                         | LOCATION/REMARK                                                                                                                                                                                                           | HKEX ESG REPORTING GUIDE RELEVANT DISCLOSURE  | PAGE           |
|-------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------|----------------|
|                               | B1 Employment: General Disclosure<br>Information on:<br>(a) the policies; and<br>(b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare. | There were no violations of laws and regulations in the social and economic fields during this Year.<br>Talent — Caring for Employees (Employment Compliance)<br>Operation — Corporate Governance, Product Responsibility | B1 Employment: General Disclosure             | 27–29<br>51–54 |
|                               | B2 Health and Safety: General Disclosure<br>Information on:<br>(a) the policies; and<br>(b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.                                                                        | Talent — Caring for Employees (Occupational Health and Safety)                                                                                                                                                            | B2 Health and Safety: General Disclosure      | 31–32          |
|                               | B4 Labour Standards: General Disclosure<br>Information on:<br>(a) the policies; and<br>(b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.                                                                                                                              | Talent — Caring for Employees (Labour Standards)                                                                                                                                                                          | B4 Labour Standards: General Disclosure       | 30             |
|                               | B6 Product Responsibility: General Disclosure<br>Information on:<br>(a) the policies; and<br>(b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.                           |                                                                                                                                                                                                                           | B6 Product Responsibility: General Disclosure | 51–52          |

## APPENDIX (CONTINUED)

| GRI STANDARD/<br>OTHER<br>SOURCE               | DISCLOSURE                                                                                                                                                                                                                                       | LOCATION/REMARK                                                                                                                                                                                                                               | HKEX ESG REPORTING GUIDE RELEVANT DISCLOSURE              | PAGE          |
|------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------|---------------|
|                                                | B7 Anti-corruption: General Disclosure<br>Information on:<br>(a) the policies; and<br>(b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering. |                                                                                                                                                                                                                                               | B7 Anti-corruption: General Disclosure                    | 52–54         |
| <b>Privacy and Information Security</b>        |                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                               |                                                           |               |
| GRI 3: Material Topics 2021                    | 3–3 Management of material topics                                                                                                                                                                                                                | Sustainability Management<br>Operation — Product Responsibility                                                                                                                                                                               | B6 Product Responsibility: General Disclosure, B6.2, B6.5 | 8–12<br>52–54 |
| GRI 418: Customer Privacy 2016                 | 418–1 Substantiated complaints concerning breaches of customer privacy and losses of customer data                                                                                                                                               | Operation — Product Responsibility<br>During the Year, the Group had no confirmed cases concerning breaches of customer privacy and losses of customer data, and there were no complaints received from external or regulatory organisations. | B6.2                                                      | 52–54         |
| <b>Service and Product Innovation</b>          |                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                               |                                                           |               |
| GRI 3: Material Topics 2021                    | 3–3 Management of material topics                                                                                                                                                                                                                | Sustainability Management<br>Operation — Product Responsibility                                                                                                                                                                               | B6 Product Responsibility: General Disclosure             | 8–12<br>52–54 |
| Internal Management Indicator                  | Number of new technology innovation                                                                                                                                                                                                              | Operation — Product Responsibility                                                                                                                                                                                                            | B6.3                                                      | 52–54         |
| <b>Communication and Support</b>               |                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                               |                                                           |               |
| GRI 3: Material Topics 2021                    | 3–3 Management of material topics                                                                                                                                                                                                                | Sustainability Management                                                                                                                                                                                                                     | B1 Employment: General Disclosure                         | 8–12          |
|                                                |                                                                                                                                                                                                                                                  | Talent — Caring for Employees (Employment Compliance)                                                                                                                                                                                         |                                                           | 27–29         |
|                                                |                                                                                                                                                                                                                                                  | Talent — Caring for Employees (Labour Standards)                                                                                                                                                                                              |                                                           | 30            |
|                                                |                                                                                                                                                                                                                                                  | Talent — Caring for Employees (Occupational Health and Safety)                                                                                                                                                                                |                                                           | 31–32         |
|                                                |                                                                                                                                                                                                                                                  | Concertedly Building the “Karrie” Family                                                                                                                                                                                                      |                                                           | 36–39         |
| <b>Smart Manufacturing and Lean Production</b> |                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                               |                                                           |               |
| GRI 3: Material Topics 2021                    | 3–3 Management of material topics                                                                                                                                                                                                                | Sustainability Management<br>Operation — Product Responsibility                                                                                                                                                                               | B6 Product Responsibility: General Disclosure             | 8–12<br>52–54 |
| Internal Management Indicator                  | Number of lean operation proposals<br>Number of automated projects imported                                                                                                                                                                      | Operation — Product Responsibility                                                                                                                                                                                                            | B6 Product Responsibility: General Disclosure             | 52–54         |

## APPENDIX (CONTINUED)

| GRI STANDARD/<br>OTHER SOURCE                   | DISCLOSURE                                                                                                                              | LOCATION/REMARK                                                                                                                                                                                      | HKEX ESG REPORTING GUIDE RELEVANT DISCLOSURE                     | PAGE                    |
|-------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------|-------------------------|
| <b>Green Product Innovation</b>                 |                                                                                                                                         |                                                                                                                                                                                                      |                                                                  |                         |
| GRI 3: Material Topics 2021                     | 3-3 Management of material topics                                                                                                       | Sustainability Management Operation — Product Responsibility                                                                                                                                         | B6 Product Responsibility: General Disclosure                    | 8-12<br>52-54           |
| HKEX ESG Reporting Guide                        | A3.1 Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them | Operation — Product Responsibility Environment — Environmental Protection (Responding to Climate Change)                                                                                             | B6.3                                                             | 52-54<br>14-19          |
| <b>Responsible Procurement</b>                  |                                                                                                                                         |                                                                                                                                                                                                      |                                                                  |                         |
| GRI 3: Material Topics 2021                     | 3-3 Management of material topics                                                                                                       | Sustainability Management Operation — Suppliers Management                                                                                                                                           | B5 Supply Chain Management: General Disclosure, B5.2, B5.3, B5.4 | 8-12<br>55              |
| GRI 308: Supplier Environmental Assessment 2016 | 308-1 New suppliers that were screened using environmental criteria                                                                     | Operation — Suppliers Management                                                                                                                                                                     |                                                                  | 55                      |
|                                                 | 308-2 Negative environmental impacts in the supply chain and actions taken                                                              | Operation — Suppliers Management                                                                                                                                                                     |                                                                  | 55                      |
| GRI 414: Supplier Social Assessment 2016        | 414-1 New suppliers that were screened using social criteria                                                                            | Operation — Suppliers Management<br>All new suppliers must complete evaluation and screening using the RBA Code of Conduct adopted by the Group.                                                     |                                                                  | 55                      |
|                                                 | 414-2 Negative social impacts in the supply chain and actions taken                                                                     | Operation — Suppliers Management                                                                                                                                                                     |                                                                  | 55                      |
| HKEX ESG Reporting Guide                        | B5.1 Number of suppliers by geographical region                                                                                         | Operation — Suppliers Management                                                                                                                                                                     | B5.1                                                             | 55                      |
| <b>Diversity and Inclusion</b>                  |                                                                                                                                         |                                                                                                                                                                                                      |                                                                  |                         |
| GRI 3: Material Topics 2021                     | 3-3 Management of material topics                                                                                                       | Sustainability Management Talent — Caring for Employees (Employment Compliance)                                                                                                                      | B1 Employment: General Disclosure                                | 8-12<br>27-29           |
| GRI 405: Diversity and Equal Opportunity 2016   | 405-1 Diversity of governance bodies and employees                                                                                      | Talent — Caring for Employees<br>Talent — Caring for Employees (Employment Compliance)<br>Appendix: 1. Key Performance Data Summary Annual Report 2024/25 — Corporate Governance Report (Page 36-37) | B1.1, B1.2                                                       | 26-32<br>27-29<br>60-61 |
|                                                 | 405-2 Ratio of basic salary and remuneration of women to men                                                                            | Talent — Caring for Employees (Employment Compliance)<br>Appendix: 1. Key Performance Data Summary Annual Report 2024/25 — Corporate Governance Report (Page 43-48)                                  | B1 Employment: General Disclosure                                | 27-29<br>60             |

## APPENDIX (CONTINUED)

| GRI STANDARD/<br>OTHER SOURCE                     | DISCLOSURE                                                                                                                                                                                                                                           | LOCATION/REMARK                                                                                                                                                                                                                                                                                                                                                                                                                                                             | HKEX ESG REPORTING GUIDE RELEVANT DISCLOSURE                | PAGE            |
|---------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------|-----------------|
| <b>Training and Development</b>                   |                                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                             |                 |
| GRI 3: Material Topics 2021                       | 3–3 Management of material topics                                                                                                                                                                                                                    | Sustainability Management<br>Talent — Training and Development                                                                                                                                                                                                                                                                                                                                                                                                              | B3 Development and Training: General Disclosure             | 8–12<br>33–35   |
| GRI 404: Training and Education 2016              | 404–1 Average hours of training per year per employee<br>404–2 Programme for upgrading employee skills and transition assistance programmes<br>404–3 Percentage of employees receiving regular performance and career development reviews            | Appendix: 1. Key Performance Data Summary<br><br>Talent — Training and Development<br>The Group provides re-employment opportunities for retired employees based on job requirements and individual employee wishes. In the event of business adjustments, the Group provides affected employees with the opportunity to transfer to other positions.<br>Mainland employees at Level 5 or above and all employees in Hong Kong will receive annual performance evaluations. | B3.2<br><br>B3 Development and Training: General Disclosure | 62<br><br>33–35 |
| HKEX ESG Reporting Guide                          | B3.1 The percentage of employees trained by gender and employee category (e.g. senior management, middle management)                                                                                                                                 | Appendix: 1. Key Performance Data Summary                                                                                                                                                                                                                                                                                                                                                                                                                                   | B3.1                                                        | 62              |
| <b>Other HKEX ESG Reporting Guide Disclosures</b> |                                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                             |                 |
| HKEX ESG Reporting Guide                          | Mandatory Disclosure Requirements — Reporting Principles<br>A description of, or an explanation on, the application of the following Reporting Principles, including materiality, quantitative and consistency, in the preparation of the ESG report | About this Report<br>Sustainability Management — Governance Model<br>Appendix: 1. Key Performance Data Summary                                                                                                                                                                                                                                                                                                                                                              | Mandatory Disclosure Requirements — Reporting Principles    | 2–3             |
|                                                   | A1.1 The types of emissions and respective emissions data.<br>305–7 Nitrogen oxides (“NO <sub>x</sub> ”), sulfur oxides (“SO <sub>x</sub> ”), and other significant air emissions                                                                    | Environmental Protection — Emissions Control<br>Appendix: 1. Key Performance Data Summary                                                                                                                                                                                                                                                                                                                                                                                   | A1.1                                                        | 23–24<br>57–59  |
|                                                   | A1.3 Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).                                                                                                                | Environmental Protection — Emissions Control<br>Appendix: 1. Key Performance Data Summary                                                                                                                                                                                                                                                                                                                                                                                   | A1.3                                                        | 23–24<br>57–59  |
|                                                   | A1.4 Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).                                                                                                                | Environmental Protection — Emissions Control<br>Appendix: 1. Key Performance Data Summary                                                                                                                                                                                                                                                                                                                                                                                   | A1.4                                                        | 23–24<br>57–59  |

## APPENDIX (CONTINUED)

| GRI STANDARD/<br>OTHER SOURCE | DISCLOSURE                                                                                                                                                                                                                           | LOCATION/REMARK                                                                                       | HKEX ESG REPORTING GUIDE RELEVANT DISCLOSURE | PAGE        |
|-------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------|----------------------------------------------|-------------|
|                               | A1.6 Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them                                                                                 | Environmental Protection — Emissions Control                                                          | A1.6                                         | 23–24       |
|                               | A2.5 Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced                                                                                                         | Appendix: 1. Key Performance Data Summary                                                             | A2.5                                         | 59          |
|                               | B6.1 Percentage of total products sold or shipped subject to recalls for safety and health reasons                                                                                                                                   | During the Year, the Group did not have any products subject to recalls for safety and health reasons | B6.1                                         |             |
|                               | B6.3 Description of practices relating to observing and protecting intellectual property rights.                                                                                                                                     | Operation — Our Business Philosophy<br>Operation — Product Responsibility                             | B6.3                                         | 51–54       |
|                               | B6.4 Description of quality assurance process and recall procedures                                                                                                                                                                  | Operation — Our Business Philosophy<br>Operation — Product Responsibility                             | B6.4                                         | 51–54       |
|                               | B8 Community Investment: General Disclosure<br>Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests | Community                                                                                             | B8 Community Investment: General Disclosure  | 41          |
|                               | B8.1 Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport)                                                                                                                      | Community                                                                                             | B8.1                                         | 41–49       |
|                               | B8.2 Resources contributed (e.g. money or time) to the focus area                                                                                                                                                                    | Community<br>Appendix: 1. Key Performance Data Summary                                                | B8.2                                         | 41–49<br>62 |

## 5. Verification Statement



### Independent Assurance Statement

TÜV Rheinland has been engaged by Karrie International Holdings Limited ("Karrie") to provide independent limited assurance on selected environmental and social data and disclosures presented in the Environmental, Social, and Governance (ESG) Report 2024/25 ("ESG Report" or "the report") for the year ended 31st March 2025. The report has been prepared by Karrie in accordance with the ESG Reporting Guide V5.0 of The Stock Exchange of Hong Kong Limited, the Global Reporting Initiative (GRI) Standards, and includes disclosures related to the United Nations Sustainable Development Goals (UNSDGs).

Our responsibility is to express a conclusion on the selected information based on our assurance engagement. This engagement was conducted in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised), "Assurance Engagements Other than Audits or Reviews of Historical Financial Information," issued by the International Auditing and Assurance Standards Board.

### Scope and Subject Matter

The scope of our assurance engagement, as agreed with Karrie, includes the following subject matter:

- The report's alignment with the Global Reporting Initiative (GRI) Standard;
  - Greenhouse gas (GHG) emissions inventory, including Scope 1, Scope 2, and Scope 3 emissions, as per GHG Protocol; and
  - The Key Performance Indicators (KPIs) outlined in the ESG Reporting Guide V5.0 of The Stock Exchange of Hong Kong Limited.
- |                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ol style="list-style-type: none"> <li>1. Mandatory Disclosure Requirements               <ol style="list-style-type: none"> <li>a. Governance Structure</li> <li>b. Reporting Principles</li> <li>c. Reporting Boundary</li> </ol> </li> <li>2. Environmental               <ol style="list-style-type: none"> <li>a. Emissions</li> <li>b. Use of Resources</li> <li>c. The Environment and Natural Resources</li> <li>d. Climate Change</li> </ol> </li> </ol> | <ol style="list-style-type: none"> <li>3. Social               <ol style="list-style-type: none"> <li>a. Employment and Labour Practices                   <ol style="list-style-type: none"> <li>i. Employment</li> <li>ii. Health and Safety</li> <li>iii. Development and Training</li> <li>iv. Labour Standards</li> </ol> </li> <li>b. Operating Practices                   <ol style="list-style-type: none"> <li>i. Supply Chain Management</li> <li>ii. Product Responsibility</li> <li>iii. Anti-corruption</li> </ol> </li> <li>c. Community                   <ol style="list-style-type: none"> <li>i. Community Investment</li> </ol> </li> </ol> </li> </ol> |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

### Level of Assurance

Our engagement was designed to provide limited assurance as defined by ISAE 3000 (Revised). A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks. Consequently, the level of assurance provided is lower than that which would be provided had a reasonable assurance engagement been performed.



## **Responsibilities of Karrie and TÜV Rheinland**

### **Karrie's Responsibilities:**

Karrie is responsible for the preparation and presentation of the ESG Report in accordance with the ESG Reporting Guide (Version 5.0) of The Stock Exchange of Hong Kong Limited, the Global Reporting Initiative (GRI) Standards, and the Greenhouse Gas (GHG) Inventory based on the GHG Protocol. This responsibility includes the design, implementation, and maintenance of internal controls relevant to the preparation of the ESG Report and GHG inventory to ensure that it is free from material misstatement, whether due to fraud or error.

### **TÜV Rheinland's Responsibilities:**

Our responsibility is to express a limited assurance conclusion on the selected information based on the procedures we have performed and the evidence we have obtained. We conducted our engagement in accordance with ISAE 3000 (Revised). This standard requires that we plan and perform the engagement to obtain limited assurance about whether the selected information is free from material misstatement.

## **Summary of Work Performed**

Our assurance procedures included, but were not limited to, the following:

### **1. Understanding and Assessment of Systems and Processes:**

- Reviewing the systems and processes used to generate, aggregate, and report the selected information.
- Evaluating the appropriateness of the reporting criteria used.

### **2. Interviews and Discussions:**

- Conducting interviews with key personnel responsible for the management and reporting of the selected information.
- Discussing the methods and assumptions used to prepare the ESG data and the Greenhouse Gas Inventory.

### **3. Data Testing and Analytical Procedures:**

- Performing sample-based substantive testing of the selected information to verify its accuracy and completeness.
- Conducting analytical procedures to assess the consistency and reasonableness of the reported data.

### **4. Site Visits and Observations:**

- Visiting selected sites to observe data collection and reporting processes.
- Reviewing relevant documentation and records.

### **5. Review of Disclosures:**

- Review the disclosure content and relevant supporting documents to ensure compliance with the requirements of the ESG Reporting Guide V5.0, and to reference the Global Reporting Initiative (GRI) Standards as a basis.
- Reviewing the GHG inventory based on the GHG Protocol.



## Limitations

Our assurance engagement is subject to the following limitations:

- **Scope of Work:** Our work was limited to the selected ESG indicators and narratives specified in the scope section. Our conclusions apply solely to these specific indicators and narratives and should not be inferred to apply to other information or the company's overall sustainability performance.
- **Sampling Limitation:** We tested samples of data underlying the selected ESG indicators. Due to the nature of sampling, our findings are based on a subset of the total data population, which introduces the risk that some material misstatements or omissions may not have been detected.
- **Data Availability:** Our assurance procedures were based on the data and information made available by Karrie at the time of our review. Any limitations in data availability could impact the comprehensiveness of our assurance.
- **Correctness of Data Provided:** Our assurance engagement relied on the accuracy and completeness of the data provided by Karrie. We did not independently verify the correctness of all the data provided; our assurance is based on the premise that the data and information supplied are accurate and complete to the best of Karrie's knowledge and belief.
- **Projection of Results:** Our engagement did not evaluate the achievability of forward-looking statements such as targets or projections. These statements are subject to uncertainties and risks that may cause actual results to differ materially. Therefore, our conclusions do not provide assurance on future performance or the realization of these statements.

## Findings

For the Greenhouse Gas (GHG) Inventory, based on the procedures performed and evidence obtained, we noted the following:

- **Scope 1 and Scope 2 Emissions:** The calculation methods, processes, and reported results for Scope 1 and Scope 2 emissions are in alignment with the requirements of the GHG Protocol in all material respects. No issues were identified that would have a significant impact on the reliability of the reported data.
- **Scope 3 Emissions:** The overall approach to reporting Scope 3 emissions is consistent with the GHG Protocol; however, we identified the following areas for improvement:
  - o **Emission Factor Usage:** There is room for improvement in the selection of certain emission factors, which may deviate from the GHG Protocol's best practices. However, the impact of these deviations is minimal and does not constitute a material misstatement in the overall emissions data.

## Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the selected information in Karrie International Holdings Limited's ESG Report for the year ended 31st March 2025 is not prepared, in all material respects, in accordance with the ESG Reporting Guide (Version 5.0) of The Stock Exchange of Hong Kong Limited.

For Greenhouse Gas (GHG) emissions, based on our limited assurance review, we have not identified any matters that cause us to believe that Karrie International Holdings Limited's Scope 1, Scope 2, and Scope 3 GHG emissions data for the period under review have not been prepared, in all material respects, in accordance with the GHG Protocol. We recommend that Karrie International Holdings Limited refer to best practices outlined in the GHG Protocol to progressively improve data quality.

This report has been prepared with reference to the Global Reporting Initiative (GRI) Standards.

### Independence and Competence

We adhere to TÜV Rheinland's internal procedures to ensure independence and competence in all assurance engagements. Each team member confirms their independence from Karrie, and we conduct thorough checks to identify and mitigate potential conflicts of interest. Regular training ensures that our team remains knowledgeable about independence standards.

Our team members hold relevant professional qualifications and undergo continuous professional development to stay updated with current standards and best practices. With extensive experience in ESG assurance, our team is well-equipped to handle complex engagements. Our assurance team operates under strict quality management procedures and adheres to TÜV Rheinland's internal ethical and professional standards, as well as ISAE 3000 (Revised).

### Statement of Use and Liability

Our independent assurance report is made solely to Karrie in accordance with the terms of our engagement. Our work has been undertaken so that we might state to Karrie those matters we are required to state in this report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Karrie for our work, for this report, or for the conclusions we have formed.

### Copyright and Intellectual Property Rights

This assurance report is the intellectual property of TÜV Rheinland. It is intended solely for the use of Karrie and may not be distributed or disclosed to any third parties without our prior written consent, except as required by law or regulation. Any use or reliance on this report by third parties is done at their own risk. TÜV Rheinland shall not be responsible for any loss, damage, or expense incurred by any third party arising from such use or reliance.



**Mr. Ryan Foo**

Lead Verifier  
Corporate Sustainability Services



**Mr. Wai Kwok Wong**

Technical Reviewer  
Global Technical Manager — ESG and Sustainability Assurance



**Mr. Winlon Tsui**

Vice General Manager  
Corporate Sustainability Services

TÜV Rheinland Hong Kong Ltd.  
<http://www.tuv.com>  
28 July 2025

This report is intended solely for the use of Karrie International Holdings Limited and may not be suitable for other purposes. The distribution or disclosure of this report to third parties is subject to our prior written consent, and we do not accept or assume responsibility to anyone other than Karrie International Holdings Limited for our work, this report, or the conclusions we have formed.