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)

2025/26
SUSTAINABILITY REPORT



LIGHTNING SPEED · METICULOUS · CHANGE FOR CHALLENGE

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ABOUT THIS REPORT

Karrie International Holdings Limited (the "Company") and its subsidiaries (collectively, the "Group" or "Karrie") have been documenting sustainability-related content since the Company's listing in 1996, and began presenting it as a dedicated section in its annual report starting from fiscal year 2008/2009. The Group proactively adopts new guidelines relevant to sustainability reporting and engages independent third-party verification to ensure the readability and accuracy of its reports. In preparing the content of this Report, the Group has engaged with stakeholders including shareholders/investors, partners, employees, suppliers, regulatory authorities and the public, with the aim of accurately addressing their concerns.

Reporting Standards

This Report (the "Report") has been prepared with reference to the Global Reporting Initiative ("GRI") Standards, while also complying with Appendix C2, "Environmental, Social and Governance ("ESG") Reporting Code ("ESG Reporting Code")" of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("HKEX"), and making reference to the United Nations Sustainable Development Goals ("UNSDGs" or "SDGs") for relevant disclosures.

This Report adheres to the following reporting principles:

- Materiality: The content reported herein is determined based on the Group's assessment of the significance of various sustainability issues, combined with stakeholder opinions gathered through daily operations of relevant departments. For further details, please refer to the "Sustainability Management" section of this Report.
- Quantitative: This Report discloses key performance indicators of material issues in compliance with the aforementioned reporting standards, and provides historical data for trend comparison. For further details, please refer to the "Appendix — Key Performance Data Summary" section of this Report.
- Balance: This Report strives to present the Group's sustainability performance in an objective and balanced manner, with both positive and negative outcomes of material issues presented alongside historical data in the "Appendix — Key Performance Data Summary" section of this Report.
- Consistency: This Report adopts consistent methodologies for calculating historical data to ensure comparability across periods.

Reporting Scope

This Report covers the sustainability efforts and performance of the Group during the fiscal year 2025/2026 (i.e. from 1 April 2025 to 31 March 2026, collectively referred to as the "Reporting Year"). Based on the principle of materiality, the scope of this Report encompasses the Group's Hong Kong headquarters, its production base in Dongguan City, Guangdong Province, China (the "Dongguan production base"), its production base in Thailand (the "Thailand production base") and its Taiwan design and research & development centre. The "newly leased factory building" mentioned in the fiscal year 2024/2025 (collectively referred to as the "Prior Reporting Year") has commenced production, and the relevant data has been included in the reporting scope. The "newly purchased land in Thailand" mentioned in the Prior Reporting Year is currently under construction by contractors and has not yet commenced production; therefore, the relevant data has not been included in the reporting scope.

For details on the Group's corporate governance and financial performance, please refer to the Company's 2025/2026 Annual Report.

Contact Us

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

Corporate Sustainable Development Committee

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ABOUT KARRIE

Principal Business

The Group is principally engaged in the following businesses:

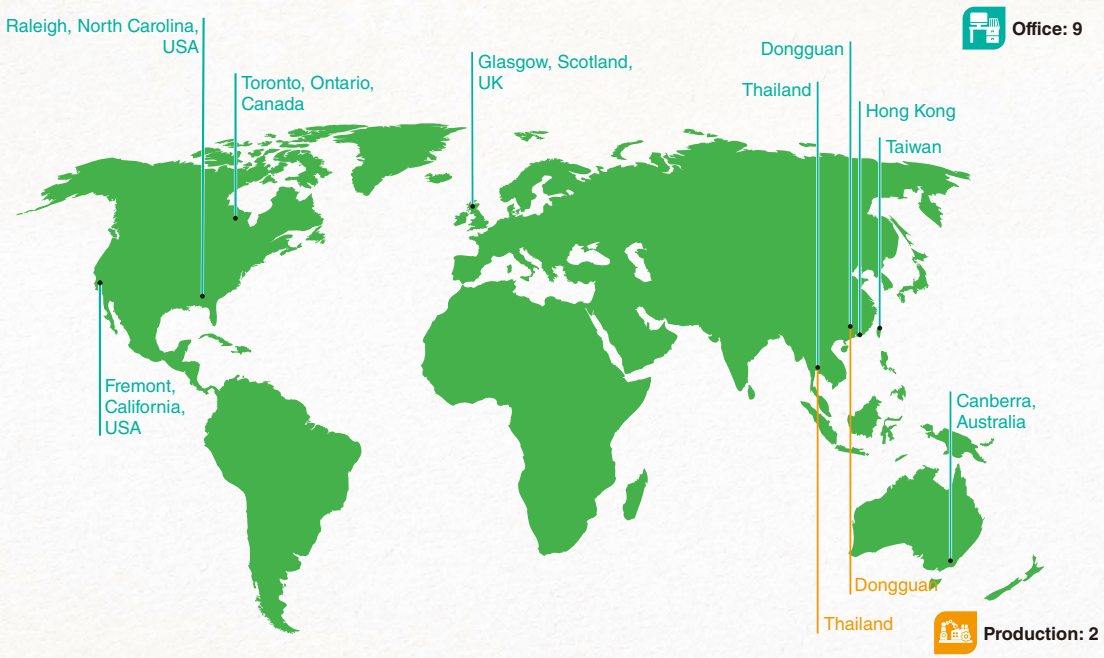


During the Year, the Group's management reviewed the reportable segments of its principal businesses and the Group's internal reporting from the perspectives of geography, products and services. After considering future strategic plans, and in order to better reflect the Group's approach to viewing its business from both product/service and market positioning perspectives, the Group decided to change its principal operating segments from the original two segments to three principal operating segments. The principal operating segments have been changed from Metal & Plastic Business and Electronic Manufacturing Services Business to Server Chassis (General and AI), EV Charger Chassis and Others, and Storage Products.

ABOUT KARRIE (CONTINUED)

Global Business Presence

The Group is headquartered in Hong Kong, with production bases established in Dongguan City, Guangdong Province and Thailand, a design and R&D centre established in Taiwan, and offices in the United States, the United Kingdom, Canada and Australia.



ESG Awards and Recognitions

CHAIRMAN'S MESSAGE



Ho Cheuk Fai Mentor
Chairman and Chief Executive Officer

Karrie upholds the philosophy of "Lightning Speed, Meticulous, Change for Challenge" to adapt to the industrial demands of the Artificial Intelligence ("AI") era and the new rhythm of supply chains. We actively engage with key stakeholders, respond at speed, cultivate with precision, and strive for transformation, to realise the vision of shared sustainable development between Karrie and its stakeholders.

Lightning Speed

With the advent of the AI era, the pace of development across all industries has accelerated. Building on nearly 20 years of automation infrastructure, Karrie has in recent years actively introduced AI applications into various aspects of its business operations, including production processes, quality control, engineering design, safety management, and administrative management, and has promoted AI application training to continuously enhance operational efficiency. Through robust and reliable product quality, as well as fast and professional customer service, Karrie has gained recognition from leading clients in the AI sector. Karrie will continue to strengthen AI applications, enhancing production efficiency and quality management standards to meet the demands for rapid responsiveness in the AI era.

Meticulous

Karrie employs a meticulous management approach to meet market needs, pursuing an internationalised and multi-site production footprint while placing a strong emphasis on multicultural integration. We are broadly strengthening our engineering service capabilities and sustainability awareness. We have engaged in in-depth collaboration with clients, suppliers and communities across relevant areas, jointly upholding the principles of integrity in business operations and undertaking initiatives including the application of low-carbon recycled raw materials, traceability control of raw materials, and supplier sustainability performance assessments, all with the goal of building a robust and sustainable value chain.

In response to the specific characteristics and functional requirements of server chassis used in the AI sector, Karrie organised training programmes during the Year to enhance the knowledge base of its marketing and engineering personnel, enabling them to quickly grasp core market and client needs. Meanwhile, with the further expansion of production capacity in Dongguan and Thailand, Karrie has achieved a more flexible and rational geographic production layout, effectively supporting the production of multiple product specifications and meeting the fast-delivery requirements of both domestic and international clients.

Change for Challenge

Karrie consistently aligns its operations with environmental responsibility and client needs. Internally, we continuously improve energy and resource efficiency; externally, we continuously develop new technologies, processes, materials and renewable energy sources to provide solutions for our clients' long-term low-carbon production models. Through climate risk analysis and in alignment with our clients' action roadmaps, Karrie has gradually established medium-to-long-term climate action plans and targets that are tailored to its own business context, and has consistently achieved improved ratings in the international CDP climate assessment programme.

Karrie has journeyed through 45 years, gradually shaping its own path of sustainability. Building on the 45th Anniversary theme "Wisdom Inherited · Journey Endures," Karrie will continue to uphold the corporate sustainability framework that has gradually taken shape through years of practice, guided by the core philosophy of "Care, Give Back, and Elevate" in serving key stakeholders including partners, talent, the environment and communities. Together with all parties, we are committed to building a sustainable future for our century-long enterprise.

Ho Cheuk Fai Mentor
Chairman and Chief Executive Officer

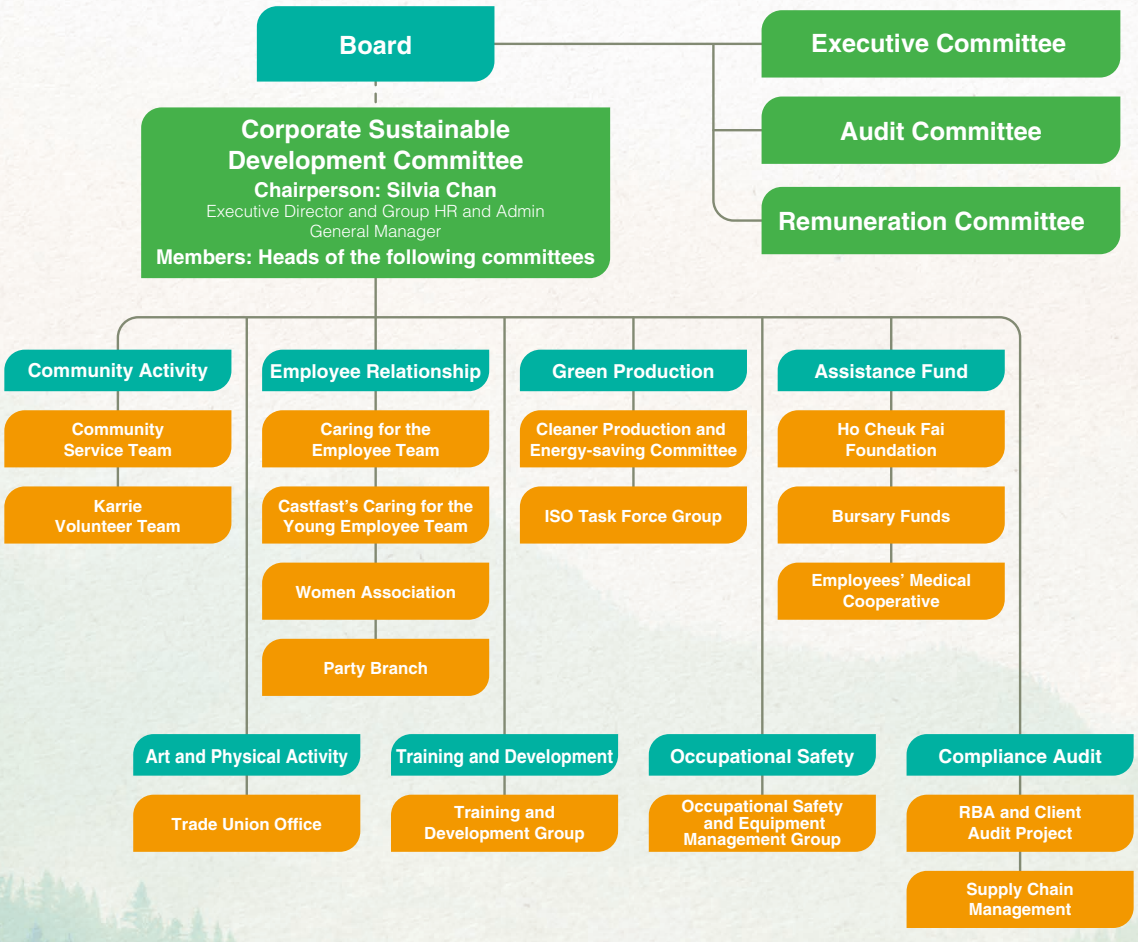
SUSTAINABILITY MANAGEMENT

Governance Model

The Group's Board of Directors serves as the highest decision-making and oversight body for sustainability matters, with overall responsibility for coordinating the Group's sustainability-related work. The Group has established a Corporate Sustainability Committee, chaired by an Executive Director, who reports annually to the Board on work progress. Committee members are heads of sustainability-related business departments, with primary responsibilities including the identification and assessment of material issues with high relevance to the Group's sustainability performance, formulation of the corporate sustainability management system and review of its effectiveness, development and implementation of sustainability strategies, and ongoing communication with stakeholders to promote the implementation of social responsibility management measures. Department-level electricity conservation KPIs have been established and subject to regular assessments during the year. The achievement of electricity conservation KPIs is linked to the performance appraisal of department heads.

The Group has arranged for the relevant Executive Director to participate in the "Certificate in Sustainability Leadership" programme organised by The Hong Kong Institute of Directors, enhancing the Board's expertise in sustainability and cascading this knowledge, together with the Group's corporate social responsibility philosophy, to every colleague.

The Group has included the supply chain management department in the Committee to further advance sustainability efforts across the supply chain. The Green Production Team, which comprises professionals with expertise in clean production, energy conservation and greenhouse gas emissions, takes the lead in identifying, assessing and responding to climate-related transition risks and opportunities. The Industrial Safety Team, which includes professionals with expertise in water and electricity utilities, building construction, equipment and machinery design, installation and retrofitting, takes the lead in identifying, assessing and responding to climate-related physical risks and opportunities. These two teams work in tandem with the supply chain management, production, training and development teams to address climate-related risks and opportunities across the entire value chain. They report progress to the Chair of the Corporate Sustainability Committee on a regular basis, and the achievement of targets influences the performance evaluation of Committee members.



SUSTAINABILITY MANAGEMENT (CONTINUED)

Risk Management

Under the oversight of the Board of Directors, the Group's Internal Audit Department conducts annual risk management reviews. It identifies current and future, internal and external, financial and non-financial risks and opportunities, establishes risk scenarios, assesses risk levels, strengthens risk response measures, and develops management strategies. Department heads participate in risk and opportunity surveys, the results of which are analysed by the Internal Audit Department, which then consolidates risk and opportunity information and response measures for reporting to management. Based on the outcomes of the risk review, relevant functional departments are responsible for implementing risk control and mitigation measures in accordance with management guidelines. The Internal Audit Department monitors and analyses the implementation of risk management initiatives across the Group and reports on risks and key internal controls to the Board of Directors and the Audit Committee. The Board of Directors discusses risk management and internal control systems with management, reviews the nature and urgency of risks, and department heads are notified of any control deficiencies for remediation to ensure that an effective system is maintained.

Stakeholder Engagement



Related Target:

- Sub-target 17.16 — Strengthening global partnerships for sustainable development, sharing knowledge, expertise and technology with industry and regional stakeholders

The Group engages with various stakeholders on an annual basis through multiple channels, including general meetings, results briefings, financial reports, company announcements, as well as ad hoc meetings with government and non-governmental organisations, supplier audits and training activities, to understand the views and needs of different stakeholder groups.

In the course of their daily work, functional departments actively collect the perspectives of relevant stakeholders on the Group's sustainability efforts. Following in-depth communication, these perspectives are reported to the Corporate Sustainability Committee, whose members assess the materiality of the issues raised and report to the Committee Chair. Adjustments to the direction of sustainability work are made in a timely and dynamic manner, and where necessary, the Board of Directors is consulted to review corporate sustainability strategies, so as to enable the Group and its stakeholders to jointly achieve sustainable development.

Shareholder/Investor

- 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)

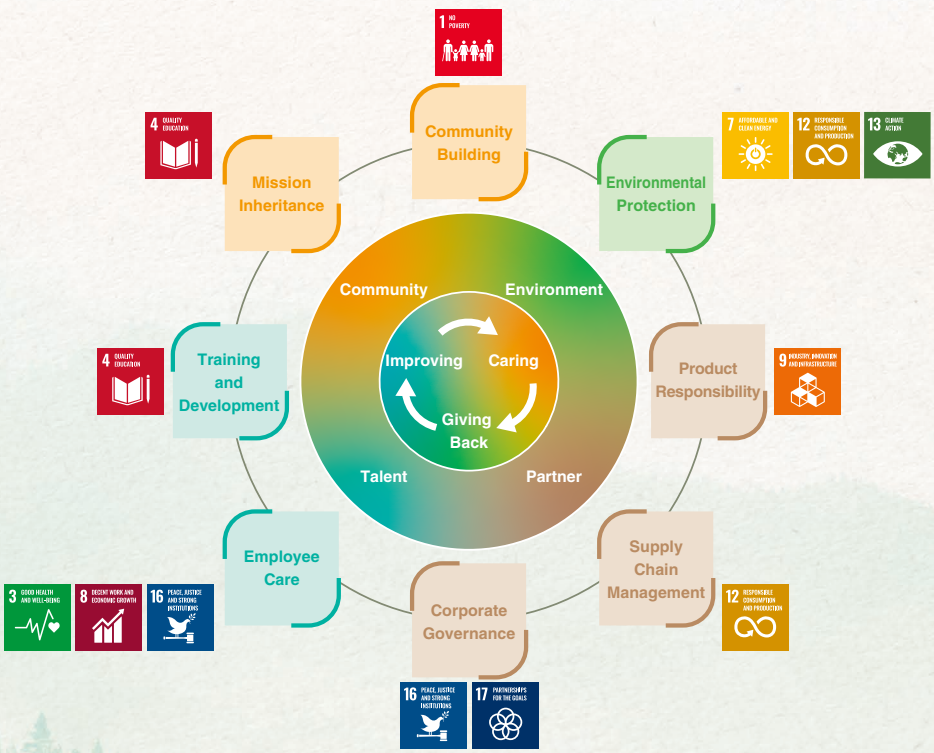
Lean Improvement

The Group continues to implement its performance management system, with each department setting performance targets on an annual basis. In addition to production and operational indicators, departmental performance management also includes targets and objectives related to environmental protection, employment, safety, quality and supplier management. During the Year, the Group set energy-saving indicators and targets for each department based on their electricity consumption patterns, and implemented performance appraisals to further drive departments to voluntarily intensify their energy conservation efforts and improve energy utilisation efficiency. Following the establishment of performance targets, the Group's Executive Director and Executive Committee review departmental performance through monthly review meetings and an annual year-end summary conference, and provide operational guidance. The achievement of annual targets serves as a consideration for employee promotions and salary adjustments in the relevant departments.

To effectively promote lean production, the Group has implemented a suggestion reward system that encourages all departments to propose improvements to daily operations, and has incorporated such proposals 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 challenges and propose improvement solutions. Many proposals have successfully optimised resource utilisation and production efficiency, enhanced product quality, strengthened workplace safety, increased automation, and reduced manual labour intensity, all of which contribute to the achievement of the Group's and its stakeholders' sustainable development goals.

Sustainability Strategy

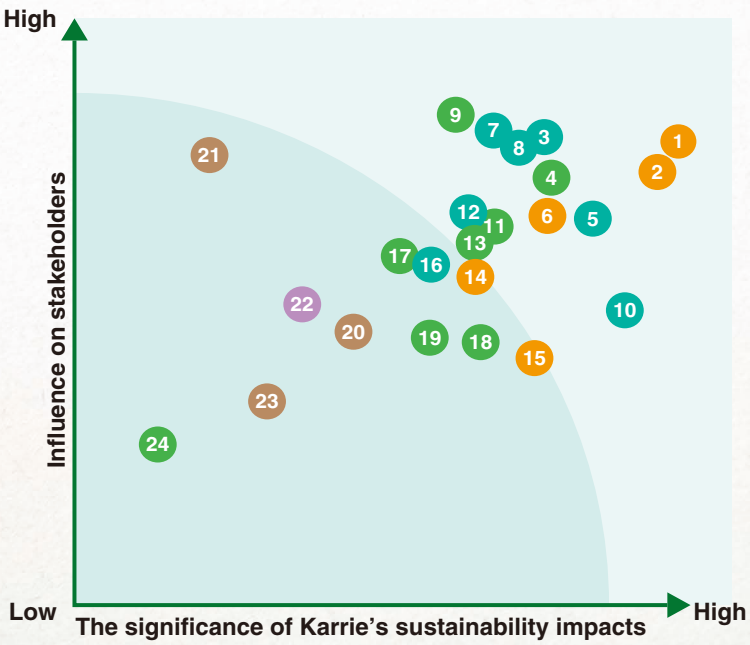
The Group integrates environmental ("E"), social ("S") and governance ("G") systems into its operations and actively fulfils its corporate social responsibility. Karrie's sustainability strategy is driven internally by the three core values of "Caring, Giving Back, and Improving" focusing on four key stakeholder groups: Environment, Partner, Talent, and Community. This is further refined into eight areas of sustainability work: Environmental Protection, Product Responsibility, Supply Chain Management, Corporate Governance, Employee Care, Training and Development, Mission Inheritance, and Community Building. At the same time, the Group has adopted the United Nations Sustainable Development Goals ("UNSDGs") as a guiding framework, identifying 10 goals to which it is committed to making a contribution.



SUSTAINABILITY MANAGEMENT (CONTINUED)

Material Topics Identification and Management

The Group regularly compiles an applicable sustainability issues pool based on its own business model, drawing from the GRI Standards, the industry issues identified by the Sustainability Accounting Standards Board (SASB) and MSCI, as well as the material issues of key clients, suppliers and industry peers. The Group assesses the extent to which each issue impacts its ability to achieve sustainable operations, and prioritises these issues by incorporating stakeholder feedback. The materiality assessment was updated during the Reporting Year. Compared with the 15 material issues identified in the Prior Reporting Year, the number remained unchanged, with only an adjustment in the ordering of issues. The former "Risk Management in Compliance" focus on compliance has been updated to "Risk Management," covering factors beyond compliance that may affect the Group's development. The former "Responsible Procurement" focus on requiring suppliers to assume corporate social responsibility during the procurement process has been updated to "Sustainable Supply Chain," encompassing the impact of external factors on suppliers and further emphasising the application of double materiality in the supply chain. The former "End-of-Life Product Management" focus on establishing recycling mechanisms to assist clients in recovering products at the end of their life cycle has been updated to "Sustainable Solutions," expanding to include support for clients in making their products more environmentally and biologically friendly at other stages of the product life cycle.



1	Employment Compliance
2	Occupational Health and Safety
3	Risk Management
4	Energy Management
5	Service and Product Innovation
6	Training and Development
7	Sustainable Supply Chain
8	Privacy and Information Security
9	Climate Change
10	Smart Manufacturing and Lean Production
11	Water Management
12	Business Ethics and Morality
13	Waste Management
14	Communication and Support
15	Equality, Diversity and Inclusion
16	Product Safety
17	Green Product Innovation
18	Recycled Material Application
19	Air Pollution
20	Intellectual Property Rights
21	Sustainable Solutions
22	Community Projects
23	Public Health Emergencies
24	Local Ecology Protection

SUSTAINABILITY MANAGEMENT (CONTINUED)

Order	Topics	Relevant Index	Main Impact Scope	Key Stakeholder Concerns/Expectations	Performance Management Indicators	Applicable Departments
1	Employment Compliance	GRI 401 Employment GRI 408 Child Labour GRI 409 Forced or Compulsory Labour HKEX B1 Employment, HKEX B4 Labour Standards	Internal, suppliers and clients	Assisting clients in safeguarding the labour rights of all workers within the supply chain	System audits	Human Resources Department, Procurement Department
2	Occupational Health and Safety	GRI 403 Occupational Health and Safety HKEX B2 Health and Safety	Internal and suppliers	Providing employees with a safe and healthy working environment	Injury rate and lost working days	All production departments, logistics and transportation departments, equipment and safety departments
3	Risk Management	GRI 2–27 Compliance with Laws and Regulations HKEX A1 Emissions B1 Employment B2 Health and Safety B4 Labour Standards B6 Product Responsibility B7 Anti-Corruption	Internal and suppliers	Maintaining compliant corporate operations, meeting the requirements of government and regulatory authorities, safeguarding shareholder/investor interests	Audit project completion rate	Internal Audit Department
4	Energy Management	GRI 302 Energy HKEX A2 Use of Resources	Internal	Enhancing operational efficiency for shareholders/investors	Energy consumption and electricity savings	Major energy-consuming production departments, equipment and safety departments
5	Service and Product Innovation	HKEX B6 Product Responsibility	Internal	Strengthening operational competitiveness, providing clients with competitive products, enhancing shareholder/ investor returns	Number of new technology developments	Engineering R&D Department
6	Training and Development	GRI 404 Training and Education HKEX B3 Development and Training	Internal and suppliers	Providing employees with opportunities for knowledge enhancement and career development	Training completion rate	Human Resources Department
7	Sustainable Supply Chain	GRI 308 Supplier Environmental Assessment GRI 414 Supplier Social Assessment HKEX B5 Supply Chain Management	Internal and suppliers	Building a supply chain that meets clients' sustainability requirements	Supplier assessment completion rate	Procurement Department
8	Privacy and Information Security	GRI 418 Customer Privacy HKEX B6 Product Responsibility	Internal, suppliers and clients	Protecting client confidential information	System health check completion rate Software audit completion rate	IT Department

SUSTAINABILITY MANAGEMENT (CONTINUED)

Order	Topics	Relevant Index	Main Impact Scope	Key Stakeholder Concerns/Expectations	Performance Management Indicators	Applicable Departments
9	Climate Change	GRI 201–2 GRI 305–1, 305–2, 305–3, 305–4, 305–5 HKEX Part D — Climate-related Disclosures	Internal, suppliers and clients	Assisting clients in achieving supply chain emission reduction targets	Energy consumption and electricity savings	Major energy-consuming production departments, equipment and safety departments
10	Smart Manufacturing and Lean Production	HKEX B6 Product Responsibility	Internal	Same as "Service and Product Innovation"	Number of lean improvement proposals Number of automation projects implemented	All departments Selected production departments
11	Water Management	GRI 303 Water and Effluents HKEX A2 Use of Resources	Internal	Enhancing operational efficiency for shareholders/investors	Water consumption Water savings	Major water-consuming production departments Equipment and safety departments Individual employees
12	Business Ethics and Morality	GRI 205 Anti-Corruption HKEX B7 Anti-Corruption	Internal, suppliers and clients	Maintaining a fair and honest cooperation environment	Audit project completion rate	Internal Audit Department
13	Waste Management	GRI 306 Waste HKEX A1 Emissions	Internal	Compliant discharge	Volume of resources recovered Volume of waste transferred	Production departments Equipment and safety departments
14	Communication and Support	HKEX B1 Employment	Internal	Maintaining good employee relations	Employee activity completion rate	All departments Administration department, staff association & promotion office
15	Equality, Diversity and Inclusion	GRI 405 Diversity and Equal Opportunity HKEX B1 Employment	Internal and suppliers	Safeguarding employee rights and interests, maintaining good employee relations	New hire retention rate	All departments Administration department, staff association & promotion office

ENVIRONMENTAL PROTECTION

- **Implementation of department-level electricity-saving KPI assessments**
- **Procurement and use of green electricity through Power Purchase Agreements ("PPAs")**
- **Installation of integrated solar-storage-charging facilities for daily living**
- **Development of a Product Carbon Footprint ("PCF") calculation model**
- **Implementation of multiple environmental measures at the Thailand production base**

- **ISO 14064 certification obtained**
- **Achieved A-rating in both CDP Climate Change and Water Security questionnaires**
- **Achieved A rating in CDP Supply Chain Engagement Assessment ("SEA")**



Our Progress

In response to the gradual refinement of localised sustainability-related regulations in Mainland China and the alignment of climate-related disclosure requirements under the Hong Kong ESG Code with international standards, combined with changes in the external competitive landscape, the Group continues to deepen its corporate climate actions and analyse climate-related risks and opportunities. Climate change knowledge is being promoted across all employees, and management's skills in climate change response are being strengthened. Department-level electricity-saving KPIs have been implemented and linked to departmental managers' performance. Through the procurement and use of green electricity via PPAs and the deployment of integrated solar-storage-charging facilities, renewable energy is being used to replace conventional energy sources. During the development of the Thailand production base, environmental considerations are prioritised and environmental measures are implemented. The Group's target is to continuously reduce greenhouse gas emission intensity in alignment with the requirements of the Science Based Targets initiative (SBTi). During the Year, the Group continued to strengthen data collection, target setting and action implementation in areas such as climate change, energy consumption and water usage. A product carbon footprint calculation model has been developed to assist clients in accounting for greenhouse gas emissions across part of the product life cycle. Greenhouse gas emissions management has been verified and certified in accordance with the ISO 14064 international standard. The Group's CDP Climate Change and Water Security ratings were both upgraded to A-, and its CDP Supply Chain Engagement Assessment achieved a A rating. We are currently planning to further deepen our efforts in waste reduction, pollution control, energy conservation and carbon reduction, while increasing the application of renewable energy. The Group will continue to uphold the philosophy of Chairman Ho Cheuk Fai Mentor: "Do everything with care and leave resources for the next generation", as we explore the path that aligns environmental protection with business development.

ENVIRONMENTAL PROTECTION (CONTINUED)

Environmental protection and sustainable development have always been key commitments of Karrie. Since 2005, the Group has established a Clean Production and Energy Conservation Committee to formulate, coordinate, supervise and execute energy conservation and green manufacturing plans. Since 2001, the Group has held the ISO 14001 Environmental Management System certification, implementing rigorous environmental management, including annual environmental aspect and impact analyses at its headquarters and production bases, setting environmental targets and corresponding improvement plans, and conducting regular audits to ensure the effectiveness of the system.

The Group strictly complies with the specialised pollution prevention regulations under the Ecological and Environmental Code of the People's Republic of China, including the Environmental Protection Law of the People's Republic of China, the Air Pollution Prevention and Control Law of the People's Republic of China, the Law on the Prevention and Control of Environmental Pollution by Solid Waste of the People's Republic of China, the Water Pollution Prevention and Control Law of the People's Republic of China, and the Noise Pollution Prevention and Control Law of the People's Republic of China, as well as Thailand's core environmental framework law — the Enhancement and Conservation of National Environmental Quality Act — and its supporting industrial pollution control regulations. The Group has installed exhaust gas and wastewater treatment facilities and implements segregated collection and disposal of solid waste. During its daily operations and annual risk management reviews, the Group monitors changes in relevant regulations and ensures their implementation in operations, so as to maintain compliance with applicable regulatory requirements.

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℃, 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 Risks and Opportunities

Based on its existing operations and future development dynamics, the Group annually conducts climate change risk and opportunity assessments for its principal operating entities with reference to the TCFD framework, and plans corresponding mitigation and adaptation measures. In this process, the Group draws on research from climate change professional institutions and peer assessments to select appropriate climate scenarios and evaluate the relevance of various climate events to our business across both the physical natural environment and the socio-economic environment under such scenarios. For relevant climate events, the Group selects monitoring indicators that can represent the development trends of those events, and projects the potential levels that these indicators may reach in the short, medium and long term to provide a more concrete description of the scenarios. The Group also establishes scoring criteria for risks and opportunities based on likelihood, impact, adaptability and resilience, and scores relevant climate events from both a risk and opportunity perspective. Those meeting the Group's predetermined score thresholds are identified as Group climate risks and Group climate opportunities. The Group analyses these identified climate risks and opportunities across its value chain to pinpoint areas requiring focused attention, designates relevant departments to set indicators and targets for these areas, and requires regular reporting to the Corporate Sustainability Committee as part of performance assessments. The results of the Group's assessment based on its existing operations and future development dynamics for the Year are set out below.

ENVIRONMENTAL PROTECTION (CONTINUED)

Scenario	Risk	Likelihood of Risk Occurrence Across Different Time Horizons[1,2]			Financial Impact	Level of Financial Impact Across Different Time Horizons[1,2]		
		Short Term	Medium Term	Long Term		Short Term	Medium Term	Long Term
PAT Scenario[3]	Physical Risk							
	Rise in Global Average Temperature	*	*	*	Increase in electricity consumption for air conditioning: none/very low	*	*	*
	Rise in Global Mean Sea Level	*	*	*	Group assets submerged by seawater: none/very low	*	*	*
	Increased Frequency of Extreme Weather Events (heavy rain, typhoons)	*	*	*	Group assets submerged by flooding due to waterlogging: none/very low	*	*	*
					Group assets destroyed by storms: none/very low	*	*	*
					Disruption to logistics and transportation: none/very low	*	*	*
	Transition Risk							
	Climate Policy Intervention	***	****	*****	Additional resources required to reduce greenhouse gas emissions from own operations: relatively low to relatively high	**	***	****
					Additional resources required to reduce greenhouse gas emissions across the upstream and downstream value chain: relatively low to relatively high	**	***	****
					Export products subject to carbon tariffs: relatively low to moderate	**	***	***
BAU Scenario[4]	Physical Risk							
	Rise in Global Average Temperature	***	***	***	Increase in electricity consumption for air conditioning: relatively low to moderate	**	***	***
	Rise in Global Mean Sea Level	*	*	*	Group assets submerged by seawater: none/very low	*	*	*
	Increased Frequency of Extreme Weather Events (heavy rain, typhoons)	**	***	***	Group assets submerged by flooding due to waterlogging: very low	*	*	*
					Group assets destroyed by storms: very low	*	*	*
					Disruption to logistics and transportation: relatively low to moderate	**	***	***
	Transition Risk							
	Climate Policy Intervention	**	***	***	Additional resources required to reduce greenhouse gas emissions from own operations: relatively low to moderate	**	***	***
					Additional resources required to reduce greenhouse gas emissions across the upstream and downstream value chain: relatively low to moderate	**	***	***
					Export products subject to carbon tariffs: relatively low to moderate	**	***	***

1 Short term (2025–2030), medium term (2031–2040), long term (2041–2060).

2 * Represents very low, ** represents relatively low, *** represents moderate, **** represents relatively high, ***** represents very high.

3 Under the PAT scenario, all sectors of society proactively or even mandatorily implement aggressive emission reduction measures and systemic transformations. Reference scenarios include IPCC RCP 1.9, IPCC SSP 1, IEA NZE, NGFS Net-Zero 2050.

4 Under the BAU scenario, all sectors of society do not adopt additional strong intervention measures and continue with the current development model. Reference: China's Dual Carbon Goals.

ENVIRONMENTAL PROTECTION (CONTINUED)

Scenario	Risk	Likelihood of Risk Occurrence Across Different Time Horizons[1,2]			Financial Impact	Level of Financial Impact Across Different Time Horizons[1,2]		
		Short Term	Medium Term	Long Term		Short Term	Medium Term	Long Term
NAT Scenario[5]	Physical Risk							
	Rise in Global Average Temperature	***	****	*****	Increase in electricity consumption for air conditioning: moderate to very high	***	****	*****
	Rise in Global Mean Sea Level	*	*	*	Group assets submerged by seawater: very low	*	*	*
	Increased Frequency of Extreme Weather Events (heavy rain, typhoons)	***	****	****	Group assets submerged by waterlogging: very low to relatively low	*	**	**
					Group assets destroyed by storms: very low to relatively low	*	**	**
					Disruption to logistics and transportation: relatively low to relatively high	**	***	****
	Transition Risk							
	Climate Policy Intervention	*	*	*	Additional resources required to reduce greenhouse gas emissions from own operations: none/very low	*	*	*
					Additional resources required to reduce greenhouse gas emissions across the upstream and downstream value chain: none/very low	*	*	*
					Export products subject to carbon tariffs: none/very low	*	*	*

Given that the Group is primarily engaged in manufacturing, the relevant climate risks and opportunities mainly arise at the Dongguan production base and the Thailand production base.

In terms of physical risks, the principal risk is the rise in global average temperature. Rising temperatures have already led to increased electricity consumption for air conditioning. If current trends continue or if emission reduction efforts remain passive, the goal of limiting warming to 1.5/2°C will become unattainable, resulting in progressively higher air-conditioning electricity consumption and increasing disruption to logistics and transportation. To address these risks, the Group will, on the one hand, strengthen the implementation of energy-saving projects, and on the other hand, gradually increase the adoption of automated production, which can reduce reliance on air conditioning. We will enhance meteorological information monitoring, flexibly adjust production scheduling, increase buffer inventory levels for raw materials, auxiliary materials and finished goods, coordinate resource allocation across production bases and partner suppliers, and maintain ongoing communication with clients.

In terms of transition risks, the principal risk is climate policy intervention. Increasing climate policy interventions from regulators and downstream value chain participants will require us to first reduce emissions from our own operations and then drive emission reductions across the value chain, while jointly addressing carbon tariffs. To address these risks, the Group has been implementing energy conservation and carbon reduction retrofitting for a number of years, with certain results already achieved, and will continue to do so while engaging the upstream and downstream value chain in coordinated action. We have already begun assisting clients with Product Carbon Footprint (PCF) assessments, and will strengthen supplier data collection and encourage suppliers to jointly set emission reduction targets and implement reduction actions. In addition, the Group has a dedicated team leading the monitoring of changes in carbon tariff systems and assessing their relevance and impact.

Furthermore, the Group will progressively strengthen the accounting and management of greenhouse gas emissions embedded in its supply chain and products, and develop low-carbon products. With respect to physical risks such as sea level rise and the increasing frequency and intensity of extreme weather events, the Group has implemented regular inspections, cleared drainage and sewage pipelines, reinforced doors, windows and outdoor facilities, and ensured the flood discharge and wind resistance capabilities of its production bases.

5 Under the NAT scenario, all sectors of society do not adopt emission reduction measures or even deny the impact of greenhouse gas emissions on climate change and extreme weather events. Reference scenarios include IPCC RCP 8.5, IPCC SSP 5, IEA STEPS, NGFS Fragmented World.

ENVIRONMENTAL PROTECTION (CONTINUED)

This year marks the Group's first in-depth application of scenario analysis to assess climate-related risks and opportunities. The above-mentioned review of climate-related risks and opportunities will be progressively refined to obtain more appropriate assessment results and enable timely action.

The funding required for the Group's climate mitigation and adaptation actions, like the energy-saving projects implemented by the Group in the past, is primarily derived from its daily operations. For details, please refer to the announcements already disclosed by the Group on the Hong Kong Stock Exchange.

As the Group's greenhouse gas emissions are mainly derived from indirect greenhouse gas emissions from purchased electricity (i.e. Scope 2 emissions), the Group has set[6] an internal carbon price of RMB8.11RMB/tCO_2e, based on the average 2025 green certificate price of RMB4.63 per certificate as published by the National Green Certificate Issuance and Trading System, and China's 2022 national average power grid emission factor of 0.5703tCO_2/MWh[7]. This internal carbon price will be applied in scenario analyses and updated from time to time to further strengthen energy conservation and emission reduction awareness across all departments.

Actions Progress

The Group communicates the importance of climate change response targets to all departments and, through periodic group training sessions and individual exchanges, assists in strengthening their professional skills in climate change response. The objective is to support each department in actively implementing improvement measures while ensuring business growth, thereby achieving the desired reduction in total greenhouse gas emissions.

At the production process improvement level, the Group is committed to providing clients with more environmentally friendly mechanical engineering solutions. Joint actions are taken by relevant departments including design, procurement, production, logistics, and equipment and energy management to reduce greenhouse gas emissions per unit of product manufactured. Initiatives already underway include:

- Development of an in-house energy monitoring and management platform to track energy consumption in production workshops, with the implementation of department-level electricity-saving KPIs and assessments linked to managers' performance;
- Monitoring of scrap material reuse rate indicators, linked to managers' performance;
- Rational layout planning based on the development status of the Thailand production base, while the Karrie Craftsman Tower continues to optimise the positioning of production workshops to reduce logistics transportation distances;
- 100% implementation of VAVE analysis to enhance material utilisation and production efficiency;
- Collaboration with clients on production trials using recycled ferrous materials (RC) and post-consumer recycled plastic granules (PCR);
- Investigation of upstream suppliers' raw material emissions;
- Application of variable-frequency air compressors, variable-frequency central air-conditioning systems, and water-efficient cooling towers at the Thailand production base.

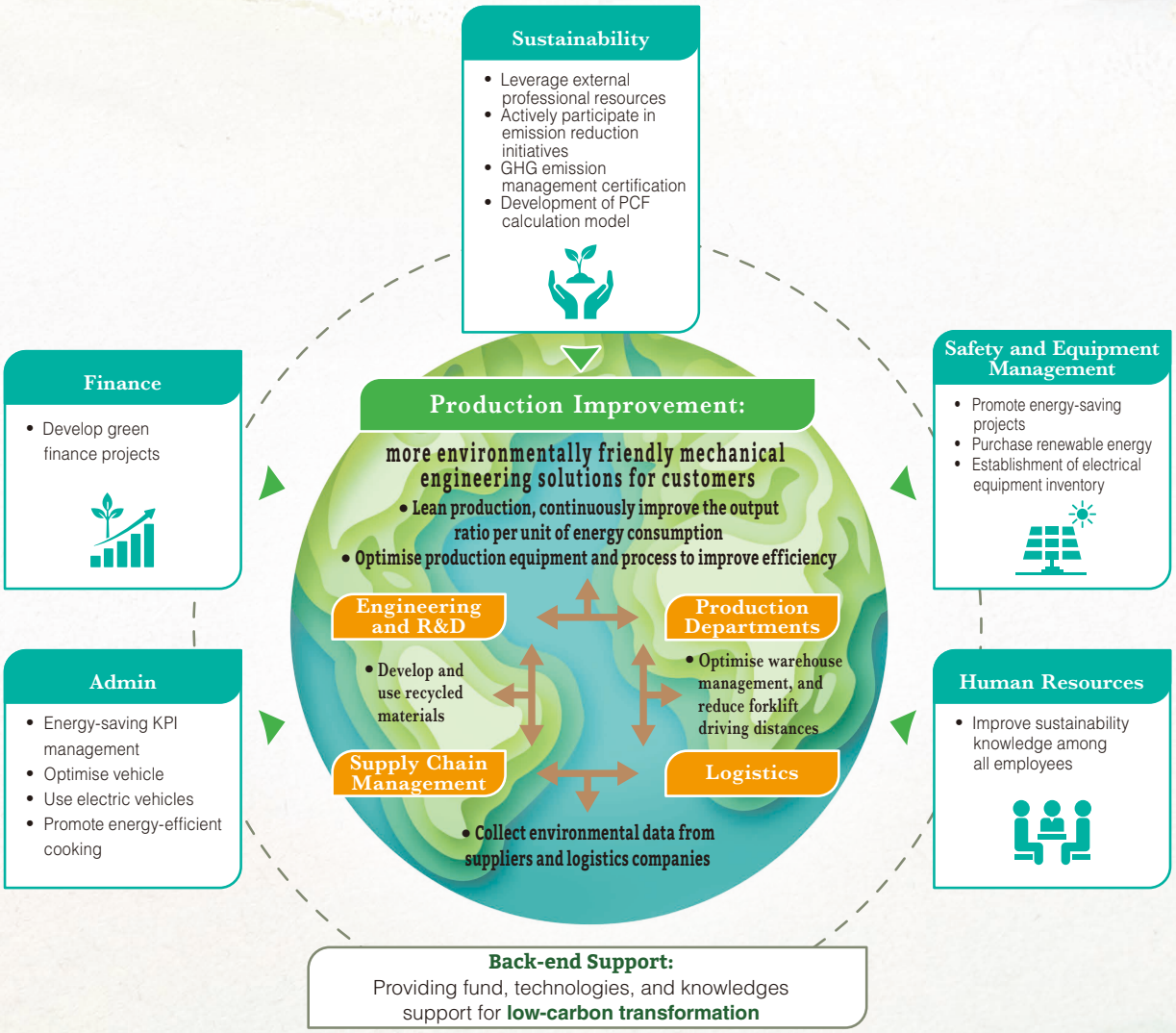
At the back-end support level, functional departments including sustainability, finance and accounting, equipment management, administration and human resources work in coordination to launch initiatives such as the introduction of green electricity and green finance, providing funding, technical expertise and knowledge support for the low-carbon transformation of production operations.

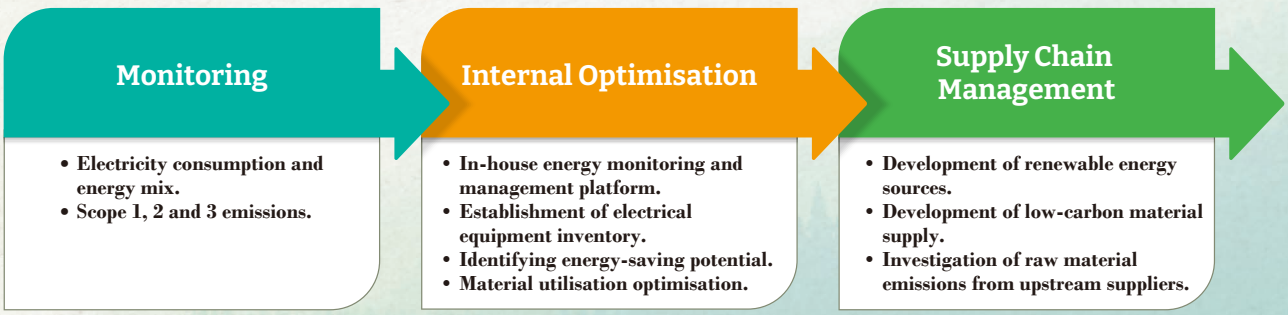
- Enhancement of climate action management, with the CDP Climate Change rating improved to A-, above industry, regional and global averages;
- Conducting Scope 3 greenhouse gas emissions inventory and developing a product greenhouse gas emission accounting model;
- Verification and certification of greenhouse gas emissions management in accordance with the ISO 14064 international standard;
- Deployment of on-site renewable energy with expansion plans in place, and procurement and use of renewable electricity through PPAs;
- Establishment of an electrical equipment inventory to identify energy-saving and consumption-reduction potential;
- Promotion of energy conservation, climate change and sustainability knowledge among all employees through various channels including induction training, thematic training and regular awareness campaigns;
- Application of LED lighting, sensor-activated switches and solar-powered lighting at the Thailand production base.

6 National Green Certificate Issuance and Trading System website: https://gec.renewable.org.cn/#/login

7 "Notice on Greenhouse Gas Emission Reporting and Verification for Key Industries for 2023–2025"

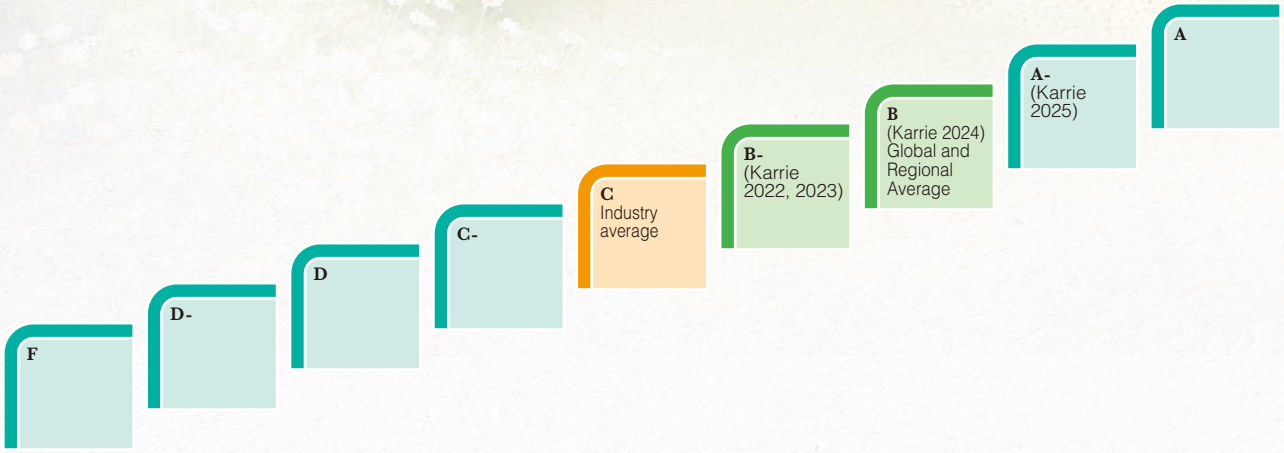
ENVIRONMENTAL PROTECTION (CONTINUED)



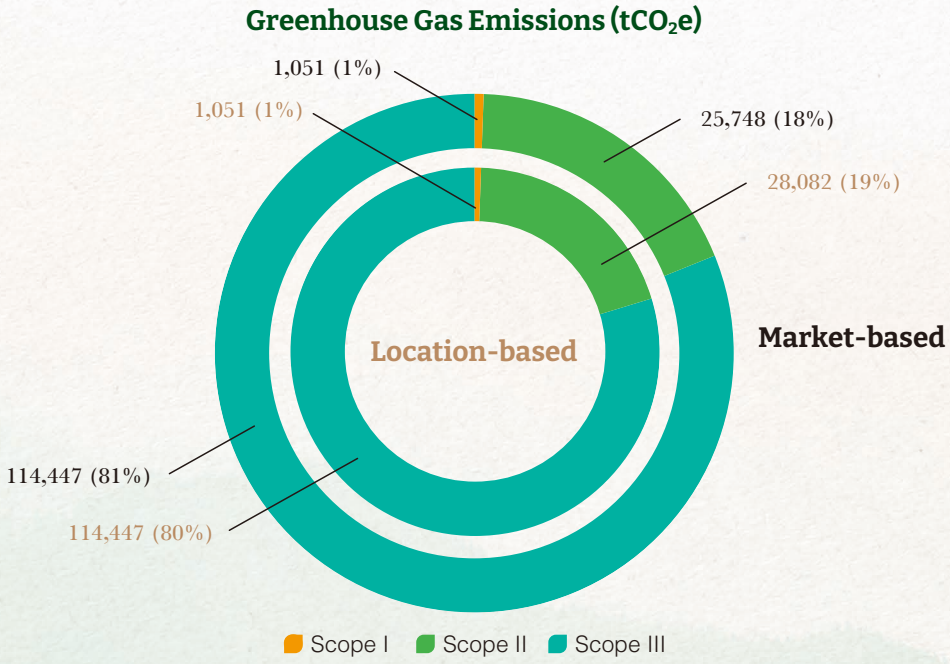


The Group has developed a greenhouse gas emission reduction roadmap that progresses through three levels: emission monitoring, internal corporate optimisation, and low-carbon supply chain development. Over the years, the Group has utilised the CDP Climate Change questionnaire to benchmark against best practices and continuously improve its management standards, while also actively responding to client initiatives to identify, assess and disclose environmental dependencies, risks, impacts and opportunities. Through years of cumulative action and continuous optimisation, the Group has advanced to a higher level in 2025, achieving an upgraded A- rating.

ENVIRONMENTAL PROTECTION (CONTINUED)



Since 2014, Karrie has conducted greenhouse gas inventories and compiled greenhouse gas reports in accordance with the ISO 14064–1 standard, with independent verification by third parties following the ISO 14064 international standard.[8] During the Year, the Group's Scope 1 direct greenhouse gas emissions amounted to 1,051 tonnes of CO_2 equivalent, and Scope 2 energy indirect greenhouse gas emissions amounted to 28,082 tonnes of CO_2 equivalent (location-based) or 25,748 tonnes of CO_2 equivalent (market-based).



Based on industrial operating revenue, the combined Scope 1 and Scope 2 greenhouse gas emission intensity was 0.0077 tonnes of CO_2 equivalent per thousand Hong Kong dollars, representing a year-on-year decrease of 4.9%.

[8] Please refer to the verification statement for the Year's GHG report at: https://www.karrie.com/pdf/GGEVS2025_en.pdf

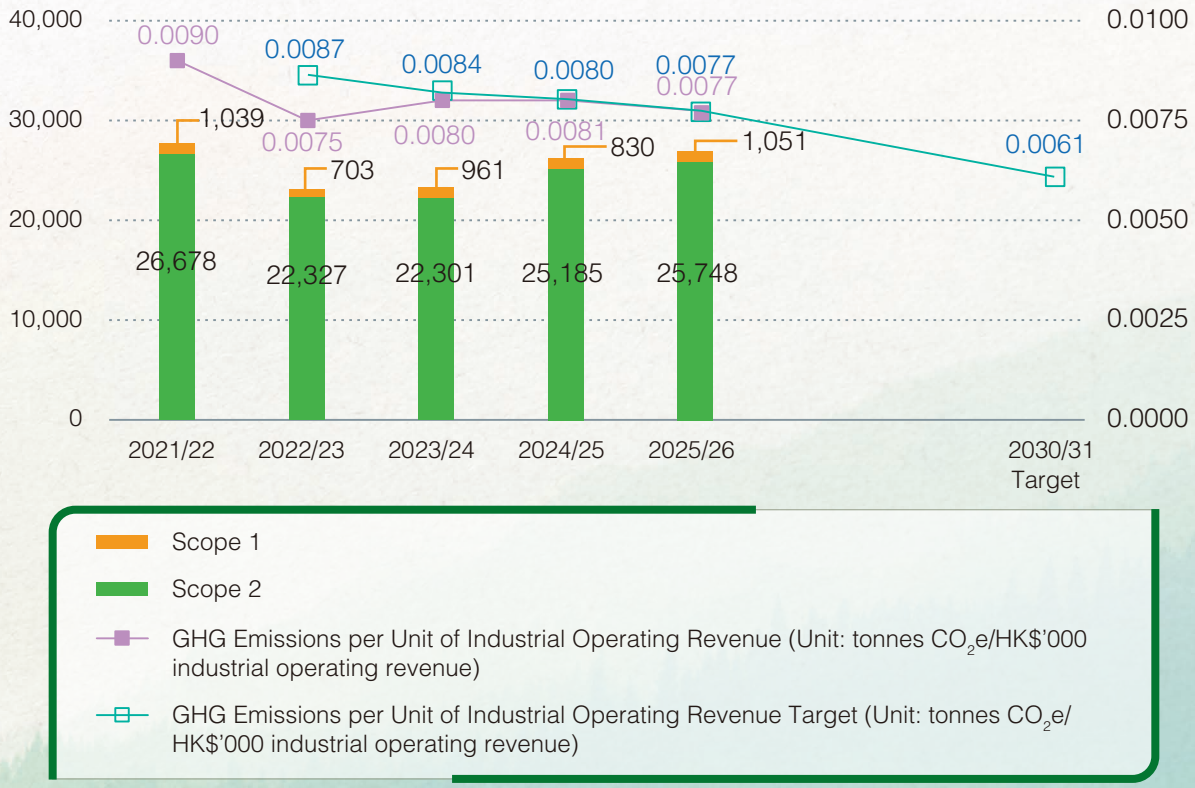
ENVIRONMENTAL PROTECTION (CONTINUED)

The Group has set a medium-to-long-term target to fully align with its clients' emission reduction goals. Assuming no significant change in market share, the Group aims to achieve an annual linear reduction of 3.33% from the 2021/22 emission intensity baseline, reaching 0.0061 tonnes of CO_2 equivalent per thousand Hong Kong dollars of operating revenue by 2030/31.

During the Year, in response to business development needs, the Karrie Craftsman Tower at the Dongguan production base in China and the Thailand production base continued to install new production equipment and auxiliary facilities to enhance production capacity. At the same time, to progressively achieve the Group's 2050 "net-zero" target, we have actively increased the proportion of renewable energy usage and continuously improved energy efficiency. During the expansion of the Dongguan and Thailand production bases, we have drawn on proven experience in energy conservation and carbon reduction to implement multiple energy optimisation initiatives, prioritising high-efficiency equipment or equipment powered by renewable energy at the design and procurement stages, so as to mitigate the impact of additional energy consumption and greenhouse gas emissions arising from the Group's business growth on achieving its emission reduction targets.

As China's key mechanisms in the green electricity and green certificate markets — including trading processes, cross-regional transmission network development, official verification and certification standards, and full life-cycle traceability systems — are progressively refined, it is anticipated that the green attributes (including environmental benefits, emission reduction value and other core indicators) embedded in the electricity that remains after consumption by various market participants and enters the shared social pool will show a gradual declining trend, while green certificate prices may gradually rise. The Group is exploring new pathways for green energy deployment that balance environmental benefits with economic value. We have already planned to install additional renewable energy facilities in the next phase of development at the Thailand production base, continuing to increase the site's self-sufficiency rate in clean electricity, and integrating the Group's 2050 "net-zero" target into its business development plans.

Greenhouse Gas Emissions (Unit: tonnes CO_2e)



ENVIRONMENTAL PROTECTION (CONTINUED)

Resources Conservation

Related Target:

- Sub-target 7.3 — Improving global energy efficiency

The Group applies lean production principles to manage the use of energy, water and raw materials at its production bases. The Administration department at the Dongguan production base collaborates with various production departments each year to develop new applications of energy-saving and water-saving technologies.

Canteen fan variable-frequency retrofit

Prior to the retrofit, the canteen fans could only operate at a fixed frequency and could not be adjusted based on the number of stoves in use, resulting in excessive ventilation that drew out more air-conditioned cool air. By retrofitting the fans with variable-frequency drives and adjusting their operating frequency according to actual operating conditions, it is estimated that approximately 60,000 kWh of electricity can be saved annually, equivalent to a reduction of approximately 33 tonnes of CO_2 equivalent per year.



Development of a solar-storage-charging system for electric vehicles

Prior to the retrofit, the EV charging stations used grid electricity to charge vehicles. After the retrofit, the system prioritises solar power generation over grid electricity for charging. It is estimated that approximately 15,000 kWh of grid electricity can be saved annually, equivalent to a reduction of approximately 9 tonnes of CO_2 equivalent per year.





In addition to the above projects, further actions were taken during the Year to reduce energy consumption and enhance employee awareness of energy conservation, including compressed air leak detection, repair and inspection, water pump replacement, canteen kitchen equipment replacement, installation of time-controlled switches on water heaters, optimisation of lighting zone controls, and regular KPI review meetings to track progress towards electricity-saving targets.

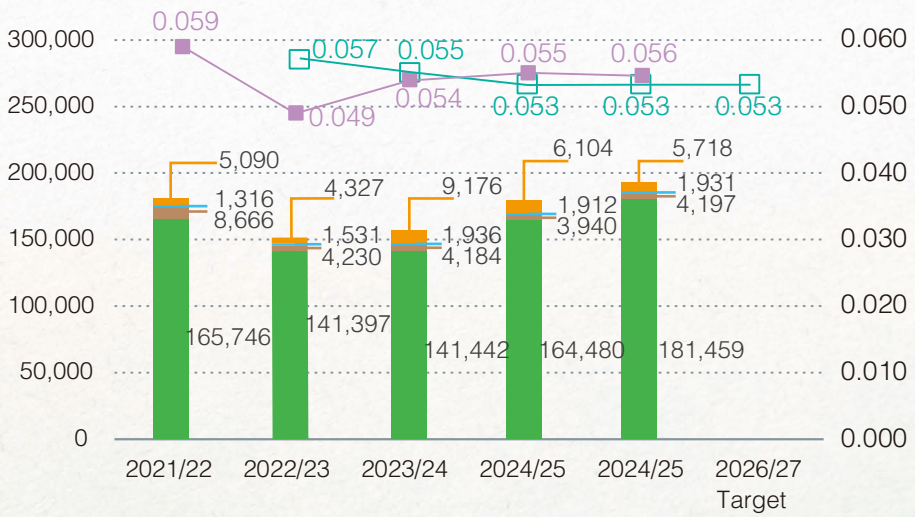
ENVIRONMENTAL PROTECTION (CONTINUED)

The Thailand base has drawn on the proven energy-saving and water-saving experience of the Dongguan base in China, and has made energy and water conservation core priority considerations during the design, equipment procurement, construction and installation stages. Currently, the Thailand production base has implemented variable-frequency air compressors, variable-frequency central air-conditioning systems, LED lighting, sensor-activated switches and solar-powered lighting. It is also working with the Dongguan base to develop a proprietary energy monitoring and management platform and to advance the installation of rooftop solar power generation facilities.

During the Year, the Group consumed a total of 193,304 GJ of energy, of which electricity accounted for 93.9%, followed by natural gas, diesel and petrol. By energy type, direct energy consumption[9] amounted to 11,924 GJ and indirect energy consumption[10] to 181,380 GJ. Based on industrial operating revenue, energy consumption intensity was 0.056 GJ per thousand Hong Kong dollars, representing a year-on-year decrease of 1.8%. At the current stage, the Group has set a target to reduce energy consumption intensity by 5.36% in the coming year to 0.053 GJ per thousand Hong Kong dollars of industrial operating revenue.

The Group plans to set future targets and indicators for the proportion of renewable energy use. As the Group's operations inevitably entail energy consumption, and the Group continues to progress towards its 2050 "net-zero" greenhouse gas emission target, future energy consumption and intensity will gradually decouple from greenhouse gas emissions and intensity. Targets will be set in alignment with Chinese and international policy trends, prioritising "carbon emission" dual control supplemented by "energy consumption" dual control.

Energy Consumption (Unit: GJ)



- Natural Gas
- Petrol
- Diesel
- Electricity
- Energy Consumption per Unit of Industrial Operating Revenue (Unit: GJ/HK$'000 industrial operating revenue)
- Energy Consumption per Unit of Industrial Operating Revenue Target (Unit: GJ/HK$'000 industrial operating revenue)

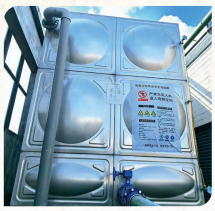
9 Direct energy refers to energy consumed directly by facilities owned or controlled by the enterprise, such as fossil fuels (natural gas, diesel, petrol, etc.) and electricity generated by the enterprise's own renewable energy generation facilities.

10 Indirect energy refers to energy purchased externally and produced by third-party entities, where emissions from energy generation occur at facilities controlled by third parties (e.g., power plants), such as purchased electricity, steam, cooling/heating.

ENVIRONMENTAL PROTECTION (CONTINUED)

Enhanced Reuse of Recycled Water

As the various floors of the Karrie Craftsman Tower at the Dongguan production base in China have gradually come into stable use, the installation of additional recycled water reuse facilities has increased the utilisation of recycled water, replacing tap water with recycled water. It is estimated that approximately 4,100 tonnes of tap water can be saved annually, while simultaneously reducing sewage discharge by approximately 3,700 tonnes per year.



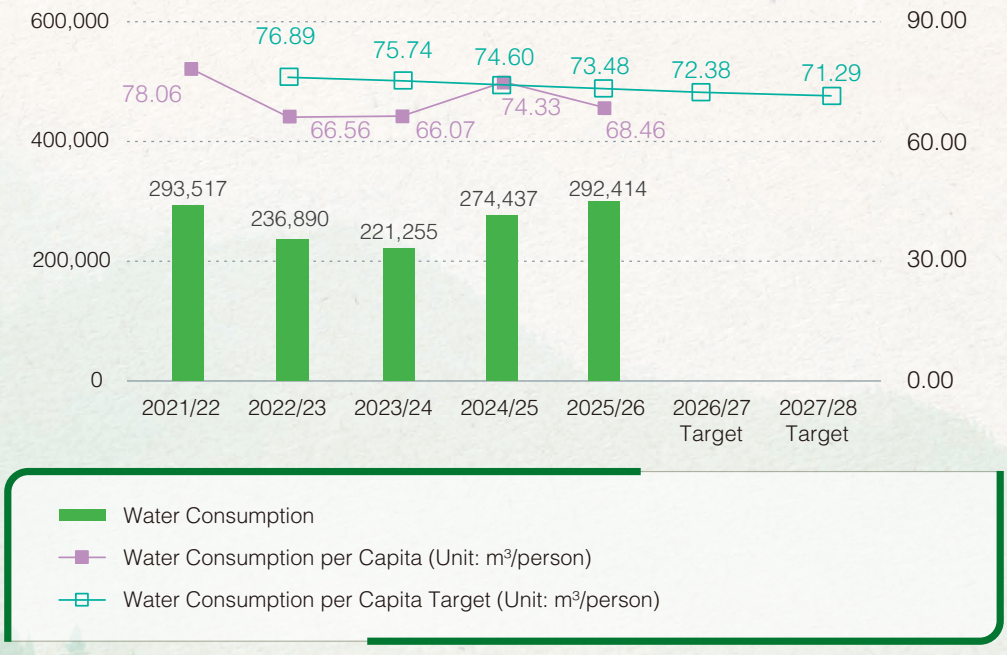
During the Year, the Group's municipal tap water consumption amounted to 292,414 cubic metres. Based on the number of employees, municipal tap water intensity was 68.46 cubic metres per person, representing a year-on-year decrease of 7.9%.

The Group's municipal water consumption is primarily used for employees' daily living purposes, followed by auxiliary production equipment and production equipment. During the Year, the continued increase in the number of employees led to higher domestic water demand. At the same time, as various departments gradually moved into the "Karrie Craftsman Tower," which was officially put into use in the year 2023/24, combined with the global warming trend, the demand for make-up water for the air-conditioning system's cooling towers increased, resulting in an overall rise in municipal water consumption during the Year. Although the increase in water demand led to higher municipal water consumption, the continuous improvement of the recycled water reuse system enabled recycled water to replace part of the municipal tap water supply to meet some water demand. In addition, enhanced monitoring of domestic water consumption for on-site accommodation during the Year helped to reduce municipal water consumption to a certain extent, ultimately resulting in a decrease in water intensity.

For the current phase, the Group maintains the water intensity target set in the prior year, aiming for a year-on-year reduction of 1.5%, with water intensity expected to decline to 71.29 cubic metres per person by 2027/28. For water intensity data calculated based on industrial operating revenue, please refer to the "Key Performance Data Summary" section.

Future plans include reaffirming water consumption quotas for on-site accommodation, strengthening employee water conservation awareness, and improving water-use fixtures and facilities to further reduce water consumption. In addition, the Thailand production base is in the process of drawing on the mature water conservation practices of the Dongguan production base in China to implement water-saving measures tailored to local conditions.

Municipal Water Consumption (Unit: m^3)



ENVIRONMENTAL PROTECTION (CONTINUED)

Emissions Control

Related Target:

- Sub-target 12.4 — Achieving environmentally sound management of chemicals and all wastes throughout their life cycle
- Sub-target 12.5 — Substantially reducing waste generation through prevention, reduction, recycling and reuse

The Group sets annual targets and monitors resource consumption on a departmental monthly basis, incorporating these into performance management to minimise waste generation. The Executive Committee oversees departmental performance and provides guidance.

The wastewater treatment centre at the Dongguan production base in China employs reverse osmosis filtration technology, enabling the internal recovery of industrial wastewater for reuse in production processes and achieving "zero discharge" of industrial wastewater. The Thailand production base is in the process of drawing on the Dongguan production base as a model, planning to strengthen its internal wastewater treatment capabilities while reducing municipal tap water intake.

Metal and plastic scrap generated during the production process is segregated and collected. After comprehensive consideration of environmental and other requirements, it is either internally reused or externally recycled.

Indicator	2025/26 Target Value	2025/26 Achieved Value	Status	2026/27 Target Value
Metal — Scrap Rate by Value (%)[11]	1.05	1.08	-2%	1.06
Plastics — Raw Material Loss Rate (%)[12]	1.50	1.20	✓	1.20

The Group collects packaging materials associated with raw materials by category and either reuses them internally or recycles them externally depending on their condition. Dedicated storage warehouses are in place at the production bases for hazardous waste, and licensed hazardous waste treatment contractors are engaged to carry out regular transfer and disposal. During the Year, the Group's production and operations remained stable, with a slight increase in both the volume of general waste recovered internally and the volume of hazardous waste transferred externally.

Indicator	2025/26 Target Value	2025/26 Achieved Value	Status	2026/27 Target Value	2027/28 Target Value
Rate of Packaging Material Internal Reuse (%)[13]	≥44.58	44.59	✓	44.58	44.59

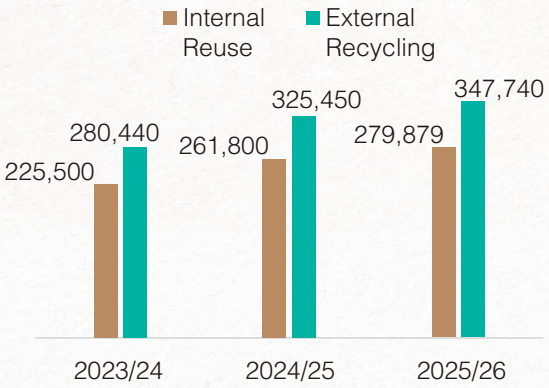
[11] Metal — Scrap Rate by Value is the ratio of the value of scrapped metal products during production to the total value of metal products.

[12] Plastics — Raw Material Loss Rate is the ratio of the quantity of scrapped plastic material during production to the quantity of raw materials consumed.

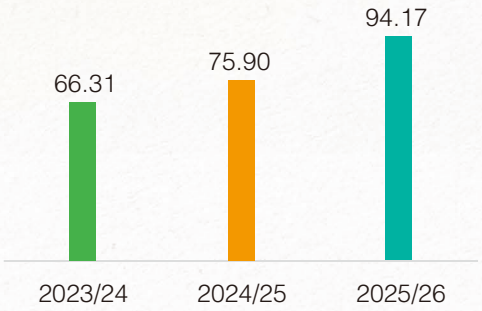
[13] Rate of Packaging Material Internal Reuse is the ratio of the quantity of waste cardboard reused internally to the total quantity of waste cardboard generated.

ENVIRONMENTAL PROTECTION (CONTINUED)

Internal Reuse and External Recycling of Waste Paper
(Unit: kg)

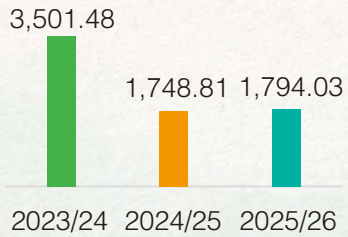


Hazardous Waste Transfer Volume
(Unit: tonne)

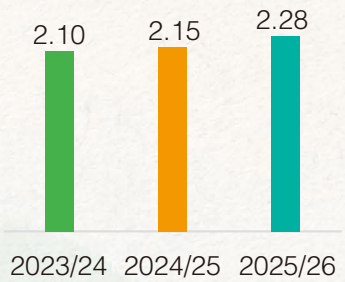


The Group has installed ventilation systems to capture and treat Volatile Organic Compounds (VOCs) generated during production. Third-party testing of exhaust gas treatment equipment is conducted regularly to ensure compliance with relevant regulatory standards. During the Year, the Group emitted 1,794.03 kg of NO_x, 2.28 kg of SO_x, and 141.11 kg of PM. The Group continued to optimise the scheduling of passenger vehicles, buses and trucks during the Year to ensure rational vehicle use, reduce energy waste and lower vehicle pollutant emissions.

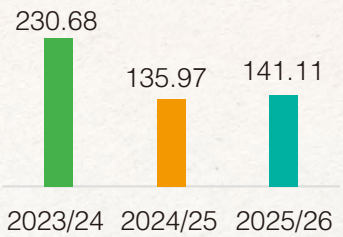
NO_x Emission
(Unit: kg)



SO_x Emission
(Unit: kg)



PM Emission
(Unit: kg)



TALENT

Employees Care

- **Organising a wide variety of employee activities to promote physical and mental well-being.**
- **Strengthening cross-cultural exchange between China and Thailand, with respect for local customs and traditions.**

Training and Development

- **Average training hours per employee reached 15.0 hours, an increase of 9% year-on-year.**
- **88.4%of active employees received training during the year.**



Our Progress

The Group continues to benchmark against the Responsible Business Alliance (RBA) Code of Conduct, using compliance as the foundation to build a positive, safe, fair, respectful, non-discriminatory and diverse working environment, and to implement various employee-friendly measures. During the Year, the Group proactively organised a diverse range of training programmes for employees, covering professional knowledge, vocational skills, management and general education, providing clear pathways for career advancement. Average training hours per employee and training participation rates continued to rise during the Year. At the same time, the Group places emphasis on employees' physical and mental wellbeing, organising a variety of employee care activities to further enrich their after-work lives.

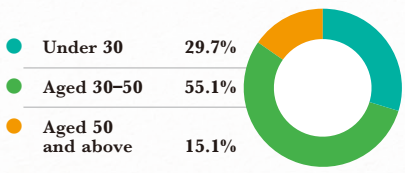
TALENT (CONTINUED)

Employee Care

The Group has established "Developing professionalism, training talent, emphasising employees' physical and mental wellbeing, and achieving a balance between work and life" as one of its corporate social responsibility missions. We treat every employee with sincerity, build a safe working environment, and foster a diverse, inclusive and supportive cultural atmosphere.

During the Year, in response to the demands of global production and capacity expansion, the Group had an average of 4,271 employees per month, an increase of 15.7% compared with the previous year. Of these, 97.3% located in Mainland China and Thailand, with 2.7% in Hong Kong, Taiwan and other regions. The age distribution was primarily concentrated in the 30–50 age group, accounting for 55.1%, with employees aged 50 and above comprising 15.1%. Female employees accounted for 36.4%. Full-time employees made up 81.8% of the workforce, while part-time and short-term contract employees accounted for 18.2%.

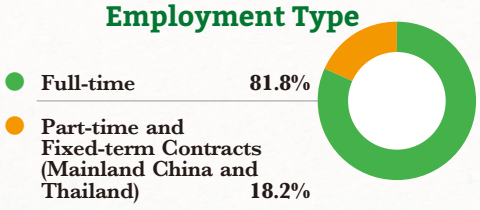
Employee Distribution by Age Group



Employee Distribution by Region



Employee Distribution by Employment Type



Employee Distribution by Gender





2025/26 Proportion of Local Personnel in Management Positions



Global vision with local roots. While respecting local cultures, the Group places great emphasis on developing local talent and actively appoints local personnel to management positions. Management roles are staffed by locally hired individuals across Mainland China, Hong Kong, Taiwan, the Thailand production base, and offices in the United States, the United Kingdom and other locations. During the Year, the proportion of locally hired personnel in management positions reached over 80%.

TALENT (CONTINUED)

Talent Management Structure

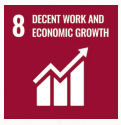
Talent management is led by the Group Human Resources and Administration General Manager. The Group Human Resources and Administration Department in Hong Kong coordinates overall management of recruitment, training and development, compensation and benefits, promotion and appraisal, occupational health and safety, and employee communication.

At the Dongguan production base, the Administration department oversees operations, comprising the Human Resources Office, Administrative Office, Logistics Support Team, Staff Association & Promotion Office and other units, covering recruitment, compensation and benefits, performance management, training and development, and employee relations. It provides living support for employees and organises a variety of recreational activities. In addition, administrative staff are assigned to each production department to collect employee feedback, which is reported to management through monthly administrative meetings to resolve issues and explain company policies and systems.

Both the Thailand production base and the Taiwan R&D Centre have their own Human Resources and Administration Departments to handle HR management and logistical arrangements. In addition, to support the continued expansion and rapid development of the Thailand production base in terms of scale and business volume, and to improve HR functions including recruitment and compensation and benefits, the Human Resources and Administration Department at the Thailand base has further sub-divided its structure into dedicated teams for recruitment, compensation and benefits, administration, human resources and translation, to ensure clear division of responsibilities within the department.

Employment Compliance

The Group safeguards employee interests, including labour rights, human rights, wages and benefits, and strictly complies with applicable employment-related laws and regulations in its operating locations, including but not limited to: the Labour Law of the People's Republic of China, the Labour Contract Law of the People's Republic of China, and the Trade Union Law of the People's Republic of China; Hong Kong's Employment Ordinance, Employees' Compensation Ordinance and Minimum Wage Ordinance; Thailand's Labour Protection Act, Civil and Commercial Code, Labour Relations Act, Social Security Act and Workmen's Compensation Act; and Taiwan's Labour Standards Act, Labour Insurance Act and Employment Service Act. The Human Resources Department closely monitors changes in relevant regulations, undergoes regular training, and updates internal HR management policies accordingly.



Related Target:

- Sub-target 8.5 — Providing decent work and fair returns for employees of different genders and age groups

Recruitment, promotion, remuneration, dismissal, retirement, training and development are all strictly based on the principle of meritocracy.

TALENT (CONTINUED)

Compensation and Benefits

Employee compensation and benefits are determined based on job responsibilities. Karrie references annual salary survey results to offer competitive remuneration packages to its employees. Statutory benefits are provided to employees in each operating location, covering working hours and statutory holidays–for example, Mandatory Provident Fund contributions for Hong Kong employees, social insurance and medical insurance for Mainland China employees, and social/employment/labour-related basic statutory insurance for employees in Thailand, Taiwan and other overseas locations. In addition, benefits exceeding statutory requirements are offered, including group medical insurance, extended paternity leave for Hong Kong male employees, a medical fund for Mainland China employees, and a children's education sponsorship fund. Furthermore, the Group distributes gifts to employees during festivals and celebratory occasions to share joy.



Karrie's "Mother's Room" and Employee Care Facilities

As a "family-friendly" employer, the Group provides wedding and childbirth congratulatory gifts to its employees. "Caring Measures for Pregnant Female Employees to Enjoy Queue-Jumping Privileges" has been formulated, which stipulates that pregnant female employees may skip queues when taking company shuttle buses, dining at the staff canteen, using lifts and in other relevant scenarios. The Group also offers paid breastfeeding leave and nursing room to support employees in caring for family members, balance their work and family life, and safeguard women's rights.



Karrie Group Share Option Grant Ceremony

Since its inception, Karrie has always regarded its employees as key stakeholders. The Group places high value on talent, viewing quality talent as an indispensable and critical element in supporting the Company's steady progress and long-term sustainable development. The Group has carefully selected a list of eligible grantees and granted share options to employees under the announced share option scheme. Eligible employees can exercise their rights in stages to subscribe for ordinary shares of the Group at an exercise price more favourable than the market price, thereby establishing a long-term incentive mechanism that shares development benefits with employees.

Equality, Diversity and Inclusion

The Group provides employees with an equal, diverse, inclusive and non-discriminatory working environment, without discrimination based on age or gender, and opposes mental or physical coercion, verbal abuse and corporal punishment. The Group respects cultural differences across regions, protects the labour rights of older and female employees, and provides equal opportunities for work and advancement. Through a variety of employee activities, the Group enables all employees to genuinely feel that their colleagues are not only workmates but also close friends and family-like companions, thereby fostering a workplace atmosphere of equality, diversity and inclusion.

As interactions and exchanges between Chinese and Thai colleagues are increasing. The Group upholds its consistently promoted work culture of equality, inclusiveness and mutual respect, actively encouraging colleagues to experience and respect the customs and traditions of both countries, fostering deeper understanding and cultural integration to generate stronger synergies. During the Year, the Group organised activities for colleagues from both locations, including management, to participate in Thai New Year celebrations. The Group also provided opportunities for colleagues from different locations to visit one another, promoting mutual understanding and tolerance.

TALENT (CONTINUED)

Concertedly Building the "Karrie" Family

During the Year, Karrie organised a wide range of employee care activities aimed at providing a positive, healthy and friendly working environment.

This year marked the 45th anniversary of Karrie's founding. The Group hosted a 45th anniversary gala dinner, inviting all employees to reflect on the Group's 45-year development journey and to move forward together towards long-term development goals. The Group once again presented the "Service Appreciation Award," offering prizes to long-serving employees who have been deeply committed to their roles over the years, recognising their lasting contributions. At the same time, the Group organised a flag-raising ceremony and tree-planting activity for the 45th anniversary, bringing together management and employees who have made outstanding contributions to the Group's development over the years to witness the achievements of 45 years of dedication, plant new saplings and embark on a new chapter of development.



Group's 45th Anniversary Celebration Gala Dinner



"Service Appreciation Award" Presentation Ceremony





Group's 45th Anniversary Flag-Raising Ceremony and Tree-Planting Activity

TALENT (CONTINUED)

Thai New Year, also known as Songkran or the Water Festival, is the most significant annual celebration for the Thai people. During the Year, the Group planned a number of festive activities in accordance with local Thai traditions, bringing Chinese and Thai colleagues together to celebrate the New Year and demonstrating a harmonious multinational workplace atmosphere. Some Thai colleagues dressed in traditional floral-patterned attire, completed Buddhist worship rituals under the guidance of local monks, and prepared clean water and meals as offerings to the monks to express their respect while receiving blessings. Following the traditional ceremonies, the Thailand production base annual dinner was held at a local restaurant, with a casual dress code of sportswear that contributed to a relaxed atmosphere. Through this event, the Company expressed its appreciation to all employees for their hard work throughout the year.









Chinese-Thai Unity in Celebrating Thai New Year



Annual Employee Chinese New Year Dinner — The Entire Group Celebrates the New Year Together

The annual Chinese New Year dinner organised by the Group is not only a time for reunion but also an occasion to express gratitude to every colleague who has dedicated their efforts throughout the year. During the Year, the Group continued the tradition of hosting employee Chinese New Year dinners, inviting all frontline employees to join the management team at the same table. The event maintained the prize structure of previous years, with table prizes and grand prizes, ensuring that every colleague received a gift in appreciation of their collective efforts in building a new chapter of the Group's development. The occasion also served as an opportunity to share the Group's latest developments with all colleagues, enabling them to gain a more comprehensive understanding of the Group's current operational status and future direction, and aligning all employees with the Company's goals.

TALENT (CONTINUED)





Gathering Together to Celebrate Employee Birthdays

To foster a warm and harmonious team atmosphere and strengthen employees' sense of belonging and corporate cohesion, the Group organises monthly birthday celebrations for employees in Dongguan, Hong Kong, Taiwan, Thailand and other regions and countries.





Karrie Lantern Festival Gala

Whether during the Chinese New Year or the Lantern Festival, family reunion remains an essential part of the celebrations. After the New Year holiday, as employees return to work from their extended breaks, the Group carefully organises Lantern Festival-themed activities each year to ease the post-holiday distance and rekindle team cohesion, allowing employees to feel the warmth of returning from family to "Karrie."

The Mid-Autumn Festival occupies an important place in traditional Chinese culture as a significant occasion symbolising family reunion. Falling at the midpoint of the annual calendar, it also represents a time when all employees have been diligently working for the greater part of the year, fully committed to the Group's operations and development.

The Group prepares employee activities and benefits for the Mid-Autumn Festival every year. This year's Mid-Autumn benefits were a special experience for most colleagues. On the one hand, the Group used its self-manufactured "Good Chair" as the medium, each carrying a unique serial number. In addition to receiving a box of mooncakes, every colleague could draw a "Good Chair" mystery box from a vending machine to participate in a lucky draw, with the winner receiving a travel prize–a programme that was very well received by employees. On the other hand, in line with the rapid business development trend, the Group integrated the resources of its two production bases in China and Thailand to strengthen interaction between the two locations. The Group's leadership led a team on a special visit to the Thailand production base to deliver hometown mooncakes and festive greetings to Karrie colleagues stationed there, while also sharing the culture and joy of the Mid-Autumn Festival with Thai colleagues.









Where There Is Karrie, There Is family – Celebrating the Mid-Autumn Festival Together in China and Thailand

TALENT (CONTINUED)




The Group organises an annual National Day cultural gala, sharing the fruits of national and corporate development with employees, while encouraging all colleagues to continue contributing to national construction and the Group's development.

National Day and Mid-Autumn Festival Cultural Gala

In today's fast-paced era, the Group understands that employees are often too occupied with work to spend sufficient time with their parents and children. The Group has therefore incorporated parent-child companionship into its employee welfare planning. Through dedicated festival-themed activities and gifts, employees can spend quality time with their families in a relaxed and joyful atmosphere, experience the warmth of family, and strike a balance between busy work life and family responsibilities. These initiatives also enhance family members' understanding of employees' contributions and the corporate operating environment, foster greater empathy and support from families, alleviate the mental burden of juggling work and family, and safeguard employees' psychological wellbeing.






"Blossoming Fingertips, The Equation of Love" – Mother's Day Event





"Water Carnival" – Parent-Child Water Fun Activity






Caring for Left-Behind Children – Parent-Child Recreational Activity





International Women's Day Gift Distribution

TALENT (CONTINUED)

Over the years, Karrie has consistently placed great importance on employees' spiritual and cultural development as well as physical fitness, continuously enriching workplace cultural and sports activities. A wide range of employee activities are organised throughout the year, including chess, badminton, billiards and table tennis competitions, as well as regular leisure and cultural events such as book-sharing sessions, karaoke, dance competitions, yoga classes and martial arts and wellness workshops, allowing all colleagues to relax and bond outside of work. Among the many employee activities, the "Karrie Cup" basketball tournament — a tradition spanning 35 years — is the grandest in scale, attracting hundreds of employee participants each session. Senior management and the leadership team attend in person to witness the event. Whether having competed in the past or now cheering for colleagues, this tradition reflects the Group's commitment to nurturing employees' cultural and sports literacy alongside professional expertise throughout its development journey. These employee activities are not only highly anticipated annual spiritual events for all Karrie members but also a core platform for the Company to demonstrate humanistic care and strengthen team cohesion.






Karrie Cup Basketball Tournament





Karrie Cup Chess Tournament






Karrie Cup Table Tennis Tournament






Karrie Cup Badminton Tournament






Karrie Cup Billiards Tournament

TALENT (CONTINUED)





Karaoke Competition





Yoga Training Classes





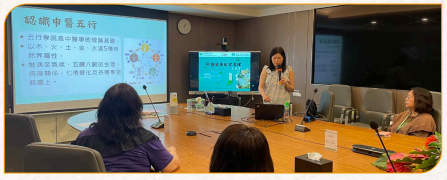
Yoga Experience Workshop





Acupressure Stress Relief Workshop





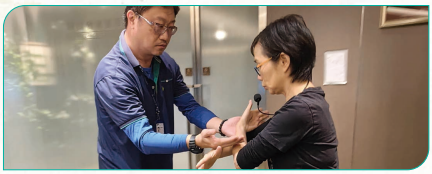
Traditional Chinese Medicine Healthy Eating Workshop



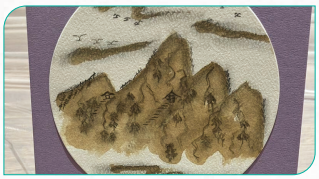


Employee Board Game Workshop

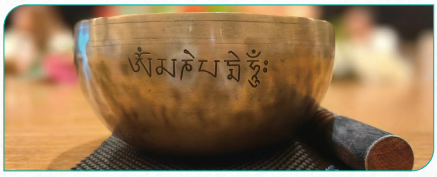
TALENT (CONTINUED)


Baduanjin and Eight-Form Tai Chi Experience Workshop


Coffee and Landscape Painting Experience Workshop


Singing Bowl Experience Workshop






Women's Breast Cancer Screening





Colleague Tea Gathering





Outdoor Team Building Activities

TALENT (CONTINUED)

Labour Standards

Karrie Group strictly complies with the policies and regulations of China and the Hong Kong Special Administrative Region regarding the prevention of child labour and forced labour, including but 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, ensuring that all employment practices meet relevant legal requirements and firmly prohibiting child labour and forced labour.



Related Target:

- Sub-target 16.2 — Ending abuse, exploitation and all forms of illegal employment of children.
- Sub-target 16.10 — Ensuring employees' right to occupational freedom in accordance with national legislation and international agreements.

In the recruitment process, the Company has implemented multiple measures to prevent the occurrence of child labour and forced labour, including but not limited to the following:

(1) **Identity Verification:** All applicants must provide valid identity documents before formal employment. The Human Resources Department must verify the authenticity of the applicant's age and other information before hiring, ensuring that no minors under the legal working age are employed.

(2) **Compliance Review:** During the recruitment process, the Company's Human Resources Department strictly monitors all recruitment procedures to ensure the absence of forced labour practices, such as confiscation of identity documents and personal materials, or restriction of personal freedom.

(3) **Communication Channels:** Karrie has installed employee suggestion boxes in work areas and employee living quarters at its Mainland production bases for employees to provide feedback, and disseminates the latest management policies and employee activity information through bulletin boards and the intranet. Through monthly plant-wide administrative meetings, the Group listens extensively to employee opinions and provides a free, respectful and supportive workplace environment.

Karrie Group has established and implemented the following mechanisms and measures to eliminate violations related to child labour or forced labour:

(1) **Supervisory Body:** The Group has established a Trade Union Committee as the working body of the Workers' Congress, responsible for overseeing the implementation of Workers' Congress resolutions, participating in the coordination of labour relations and mediating labour disputes.

(2) **Immediate Rectification:** The work of the individual concerned is stopped, and appropriate remedial measures are arranged. The Group has established a remedy system, specifying that if a case of misemployment of child labour is identified, assistance will be provided for the child's return to school and contact will be made with relevant social agencies to offer support.

(3) **System Improvement:** Based on the root causes of violations, internal management systems are reviewed and improved, enhancing compliance in recruitment processes and supply chain management to prevent recurrence of similar incidents.

(4) **Legal Action:** In the event of illegal conduct, the Group will cooperate with relevant law enforcement authorities and pursue legal responsibility against the relevant persons or partners in accordance with the law.

TALENT (CONTINUED)

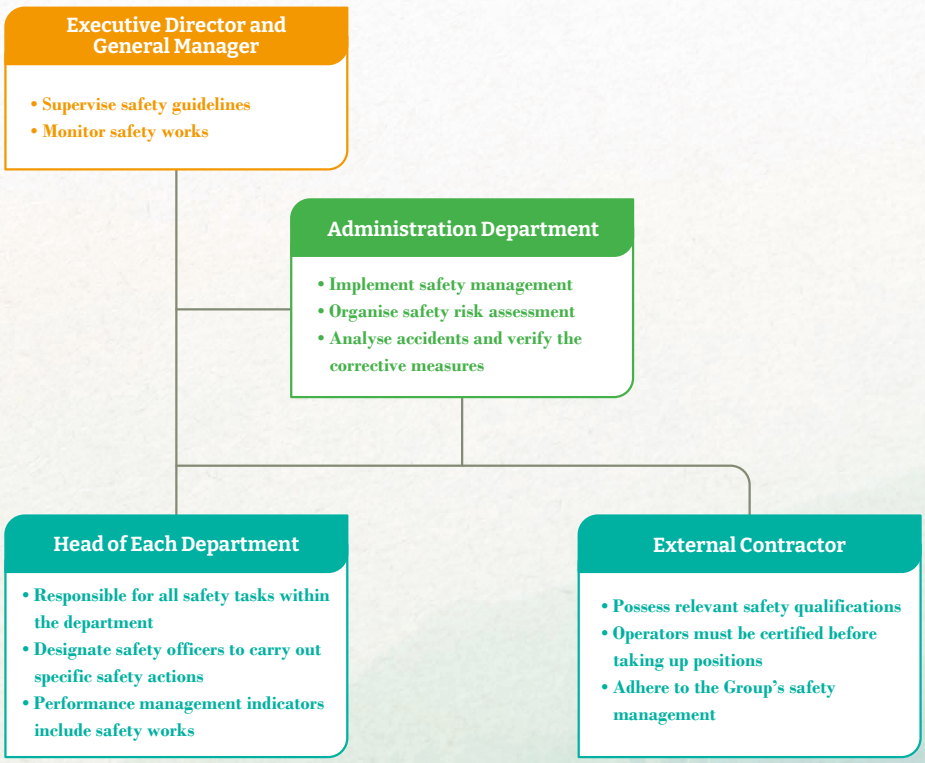
Occupational Health and Safety

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 the Prevention and Control of Occupational Diseases, Hong Kong's Occupational Safety and Health Ordinance and other relevant laws and regulations, with no records of non-compliance.

Related Target:

- Sub-target 3.4 — Cultivating employees' safety awareness, preventing occupational safety hazards and promoting employees' physical and mental wellbeing.

Safety Management Work Deployment and Target Setting: Each year, management and department heads are organised to participate in a production safety summary and outlook meeting to review the effectiveness of safety management over the past year and make work plans for the coming year. Each department establishes a production safety work plan and targets, with the responsible person signing a commitment letter and instilling responsibility requirements in all department personnel to jointly shoulder safety responsibilities. Any employee may raise opinions and suggestions on safety and health matters to the departmental safety officer, supervisor or directly to the Safety and Facility Management Group of the Administration department. The Group holds monthly plant-wide administrative meetings to report on employee opinions received during the month, with improvement measures formulated by the Safety and Facility Management Group.



TALENT (CONTINUED)

Safety Risk Management: The Group analyses the potential occupational hazards of various job types and provides appropriate personal protective equipment–including earplugs, gloves, masks and other items–to employees who may be exposed to hazards such as noise, mechanical injury and dust. Safety light curtains and AI-powered safety electronic eyes are installed to immediately halt equipment operation and trigger audible and visual alarms when personnel are detected entering the machinery's operating range, thereby minimising the risk of mechanical injury. The Safety and Facility Management Group of the Administration department regularly organises safety risk assessments across all departments to identify potential hazards and possible accidents in different job positions, workplaces and activities, evaluates the degree of risk, and reviews and revises various production safety systems and operating procedures. The "Production Safety Month" campaign is held annually to engage all employees and reinforce safety knowledge and awareness. During the year, no employees suffered from occupational diseases as a result of their work.





Production Safety Month Activities

"Production Safety Month" campaign was held during the Year. Engagement was encouraged through the presentation of safety risk cases, fun activities, and interactive Q&A sessions. In addition, a "Hidden Hazards Snapshot" initiative was launched, calling on all employees to upload potential safety risks and improvement suggestions via QR code, with commendable contributions rewarded. This Year's program also introduced topics on energy conservation, low-carbon practices, and environmental protection, encouraging employees to promote green production and lifestyles while upholding safety as the baseline.

The Group has equipped its workplaces with first-aid supplies including medicines, bandages and automated external defibrillators (AEDs), and conducts regular inspections of these supplies, instruments and equipment. Guidelines for the prevention and control of infectious or epidemic diseases such as COVID-19, influenza, dengue fever and chikungunya have been formulated and updated. Fire equipment suppliers are engaged to conduct regular inspections of fire protection systems, and employees carry out daily checks of fire-fighting equipment. Fire drills are organised annually at the Group's own facilities or through participation in building-wide drills. Operators of special equipment must hold valid certifications, with dedicated industrial safety staff monitoring their qualification status and compliance with equipment operation safety standards. All new employees are required to undergo occupational health and safety as well as fire safety training, and only those who pass the examination are formally onboarded. CPR and AED first-aid courses are organised regularly, and employees are encouraged and subsidised to attend first-aid courses provided by external professional institutions. The Group has signed the "Mental Health Workplace Charter" and organises physical and mental wellness workshops for employees.





First Aid Training

TALENT (CONTINUED)





Fire Drills and Hands-On Fire Extinguisher Training

If an employee identifies a potentially hazardous situation at a production site, they are permitted to leave the area immediately and report the matter to the responsible person as soon as it is safe to do so. The Group has established and regularly updates its "Injury Handling Procedures." In the event of a serious injury or critical condition, the injured person may be taken directly to the hospital for treatment, with reporting procedures completed afterwards. When a safety incident occurs, the relevant department, together with the Safety and Facility Management Group of the Administration department, investigates the root cause, convenes a safety review meeting and implements corrective actions. All workplace injuries are reported to regulatory authorities in accordance with local legal requirements and are subject to work injury verification. An injury report is prepared to analyse the incident, and equipment modifications are carried out based on the identified causes, accompanied by enhanced safety awareness training.

The Group's employee care extends beyond occupational health and safety in the workplace to encompass employees' physical and mental wellbeing in their personal lives. The Group publishes the corporate newsletter "Karrie Monthly" on a regular basis, which includes an employee forum section where staff can submit topics for sharing and discussion with a wider audience. In addition, the Group regularly organises cultural and sports activities, celebrates employee birthdays and hosts tea gatherings, allowing colleagues to slow down in a fast-paced era, express their thoughts and relieve work-related stress, while also collaborating with traffic police authorities to promote road safety awareness.

During the year, the Group's headquarters partnered with Hong Kong's Jinyan Medical Centre to launch the "Employee Support Service Programme," aimed at providing local colleagues with professional and fully confidential support services. The programme includes a 24-hour counselling hotline for discussing work, family, emotional and other issues; unlimited one-on-one in-person or video professional counselling; and a range of services including management consultation and outplacement and career counselling. All conversations and related records are strictly confidential, and neither the Company nor department heads have access to any information regarding employees' usage of the programme.





Employee Support Service Programme Briefing Session

TALENT (CONTINUED)

Training and Development

Employees' sense of wellbeing and belonging are important drivers of corporate development. As a globally operating enterprise, the Group provides comprehensive support to employees across all locations, organising a wide range of training, care and recreational activities.

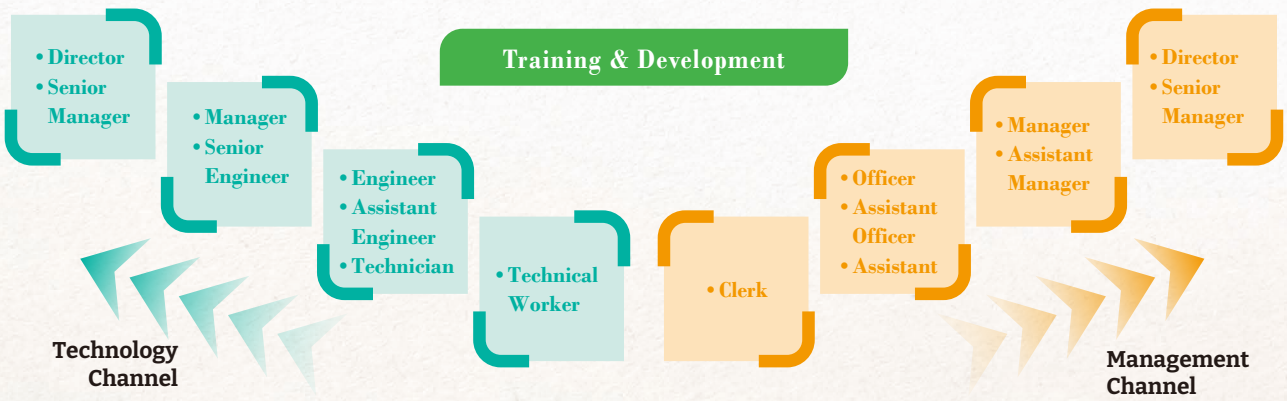
Advancement and Development

The Training, Development and Performance Team of the Human Resources Department, in alignment with the Group's corporate development strategy, implements employee training and performance management in accordance with the established "Training Policy."

Related Target:

- Sub-target 4.4 — Providing employees with training to enhance skills relevant to their work capabilities

The Group offers employees two pathways for advancement: technical knowledge enhancement and management capability development. The training system helps employees improve performance and accelerate personal growth, while laying the talent foundation for the Group's sustainable operations.



TALENT (CONTINUED)

Training programmes are divided into three categories: new employee induction training, regular training and specialised training. Induction training helps all new employees quickly understand the Group's corporate culture and values. Regular training is determined by job functions and aims to enhance professional skills. Specialised training is closely aligned with the latest development strategies and business needs, focusing on business fundamentals and enhancing job value-added.

Induction Training

- Induction Orientation
- Occupational Health and Safety
- Integrity Management
- Quality and Environmental Management Systems
- New Buddy Programme

Regular Training

- Office Software and Tools Application
- Supply Chain Management
- Engineering and Technical Skills
- System and Safety Compliance
- Leadership and Team Management

Specialised Training

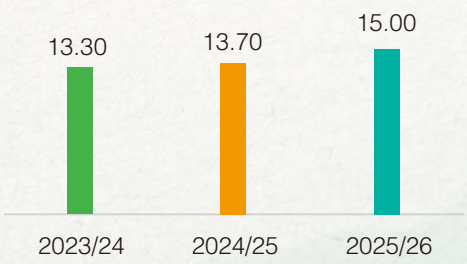
- Introduction of New Systems
- New Business Development

The Group collects training needs from all departments annually, selects courses across the various training categories based on the Group's development direction, and develops training plans. The Training, Development and Performance Team is responsible for developing training resources, including training employees to serve as internal instructors and liaising with external training providers. Departments also organise internal training as needed. Upon completion of training, the Training, Development and Performance Team conducts effectiveness assessments using methods such as tests, questionnaires, certificate verification and monitoring of daily work performance. The Group also encourages employees to pursue self-study and further education in their spare time, and rewards those who successfully improve their educational qualifications.

During the year, average training hours per employee reached 15.0 hours, with a training coverage rate of 88.4%.

Average Training Hours per Employee

(Unit: Hours)



During the year, the Group offered a range of specialised programmes, including targeted training courses for engineering staff, "Moments of Truth" training, and the Lean Improvement & Innovation Competition. Regular training courses were also provided, such as the RBA course covering the five core modules of labour rights, occupational safety and health, environmental management, business ethics and management systems; risk management courses to guide employees in identifying potential risks in daily work, establishing a comprehensive risk mindset covering prevention, response and review, strengthening risk awareness, and enhancing risk assessment and handling capabilities across departments to reduce ongoing operational risks. Other specialised training sessions covered ESG, IATF16949, ISO9001, ISO14001, Emergency Response Team (ERT) capabilities, hazardous substances, chemical and waste management, and information security and confidentiality awareness. In response to the commencement of orders and business operations in Thailand, the Group has regularly organised cross-location exchange and training, arranging for core managers from Thailand to visit the Mainland production base to gain in-depth understanding of industry and production management practices, and assigning core management and technical personnel to Thailand to impart knowledge and experience. As the Thailand production base expands, training has been more comprehensively extended to Thai colleagues, with local Thai instructors delivering locally tailored courses.

TALENT (CONTINUED)





Engineering Staff Targeted Training

During the year, the Group launched targeted training courses for engineering staff aimed at strengthening their systematic analytical methods, enhancing client communication skills, increasing accountability, considering aspects that clients may not have addressed, and designing safe, green products while unlocking the commercial potential of engineering, further supporting business development.



"Moments of Truth" Training Session

During the Year, the Group launched the "Moments of Truth" training course aimed at establishing a comprehensive customer service philosophy, enhancing service awareness, viewing issues from the customer's perspective, uncovering deeper customer needs, truly understanding and establishing shared goals aligned with customers, and creating more value for clients. The course also covered understanding the moment-of-truth scoring system and mastering the four-step behavioural model for service interactions.



Lean Improvement & Innovation Competition

During the Year, the Group held the Lean Improvement & Innovation Competition, aimed at continuously promoting standardised methods and tools for lean improvement and innovation management, and embedding sustainable operational thinking — including cost reduction, process optimisation and proactive risk control — into the daily work of all departments. The competition further drives the systematisation and normalisation of lean and innovation management, optimises internal control processes, and enhances the Group's overall operational governance efficiency.

COMMUNITY

Community Building

- **Participation in and sponsorship of diverse social responsibility programmes**
- **Regular participation in annual tree-planting activities to green the community**

Mission Inheritance

- **Participation in tertiary education scholarship and bursary programmes.**
- **Eighteen years of the Karrie "Nothing Is Impossible" programme, continuously supporting and benefiting underprivileged children.**



Our Progress

Karrie actively fulfils its social responsibilities, committed to uniting community strengths, organising meaningful interactions and conveying positive corporate values. Since 2005, Karrie has incorporated community welfare into its corporate social responsibility framework. Over the past year, Karrie has closely focused on and supported the elderly and children in the community, actively participated in international charitable projects, and encouraged employees to take part in public recreational, sports and charitable activities. At the same time, Karrie supports children's and youth education through the establishment of an education sponsorship fund. With an open, inclusive and receptive attitude, the Group warmly welcomes students from the Greater Bay Area to visit its production bases and offices, provides internship opportunities, and offers career guidance. Furthermore, through increased interaction and exchange with various community groups, the Group aims to fully listen to and gain in-depth understanding of the opinions, genuine needs and expectations of surrounding community groups regarding the Group's subsequent business development stages, including operational construction and industrial expansion.

COMMUNITY (CONTINUED)

Our Community Philosophy

Karrie upholds the spirit of doing everything with dedication to care for and support those in need. Guided by the principle of "taking from society and giving back to society," the Group is committed to harmonious and sustained growth together with the community. The Group actively participates in social services, focusing on two key areas: "Community Building" and "Mission Inheritance" making continuous contributions to disaster relief, youth education and development, and care for the elderly and vulnerable groups.

Since 2005, the Group has established a social responsibility policy, committing to allocate 0.3% of the previous year's profit annually for social responsibility purposes, with cumulative donations to date of approximately HK$10 million. Led by the Corporate Sustainability Committee, a Social Welfare Activity Team has been established at the Group's Hong Kong headquarters. On the Mainland, internal organisations including the Trade Union Communications Office and the Party Branch have been set up to engage in long-term collaboration with local welfare agencies and educational organisations.

Community Building



Related Target:

- Sub-target 1.5 — Strengthening the resilience of vulnerable and disadvantaged groups to environmental, economic and social disasters

Community Care — Bringing Festive Joy to Elderly Residents

Karrie 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, regularly organising employee volunteers to visit and spend time with the elderly, especially the lonely and widowed. During traditional festivals such as the Dragon Boat Festival, Mid-Autumn Festival, Christmas and the Chinese New Year, the Group delivers festive gift packs, daily necessities and warm greetings. Beyond fulfilling its corporate social responsibility, these visits also help the Group understand the expectations of local community residents regarding its corporate development.



Karrie Volunteers Visit Hong Kong Sheng Kung Hui Tai Wo Neighbourhood Elderly Centre



Karrie Volunteers Visit Dongguan Fenggang Elderly Home

COMMUNITY (CONTINUED)

Greening Communities — Karrie Evergreen Tree Planting Day

Karrie has always placed great importance on environmental and ecological conservation. The Company implements various green initiatives annually, including energy conservation, water conservation, pollution reduction and carbon reduction. However, the Group is deeply aware that corporate actions alone are insufficient to mitigate global environmental degradation. Therefore, the Group actively participates in a wide range of community environmental activities, uniting with all sectors of society to jointly fulfil environmental responsibilities and protect the ecosystem.

Twenty-one years is enough time to transform barren land into lush woodland. Since the first edition of the event was held in 2005, employees and their families have participated in the "Karrie Evergreen Tree Planting Day" every year. This activity is not merely a routine corporate event but a symbol of the enduring spirit passed down through generations of Karrie colleagues. This year marked the 21st edition of the "Karrie Evergreen Tree Planting Day." Looking ahead, Karrie will continue to join hands with its employees and all sectors of society, steadfastly upholding its commitment to green development and ensuring that this long-standing shared vision is passed on for generations to come.






The 21st "Karrie Evergreen Tree Planting Day"




Dongguan Production Base Party Branch Responds to Fenggang Town Party Committee's Call for Voluntary Tree Planting





"Earth Hour" Lights-Off Campaign – Switching Off Unnecessary Lights in Response to the Call








"Hong Kong Green Day" – Karrie Goes Green Campaign, Encouraging Colleagues to Wear Green Attire and Create a Green Office Atmosphere

COMMUNITY (CONTINUED)

Mission Inheritance

Related Target:

- Sub-target 4.5 — Ensuring equal access to education at all levels for vulnerable groups
- Sub-target 4.7 — Ensuring all learners acquire the necessary knowledge and skills to promote sustainable development
- Sub-target 4.a — Building and improving educational facilities that are child-, disability-and gender-sensitive

Nurturing Young Hearts, Empowering Growth

"Karrie Nothing is Impossible" project — benefit underprivileged children

"Nothing Is Impossible" is one of Karrie Group's corporate mottos, inspiring employees to approach tasks with an indomitable spirit and turn the "impossible" into the "possible." Since 2005, Karrie has partnered with the Hong Kong Sheng Kung Hui St. Christopher's Home to organise a series of children's learning and exploration activities under the "Nothing Is Impossible" theme. Through outdoor activities and adventure training — including running a market stall as young entrepreneurs, water challenges and rock climbing — children are placed in challenging environments where they can grow through pushing their limits, strengthen their willpower and courage, and build confidence to face the future.

This year marked the 18th edition of the "Nothing Is Impossible" programme, with the theme "Building the Future Together with Children." The Chinese character for "children" shares the same pronunciation as "together," symbolising that the future is built both by everyone collectively and by the children themselves, highlighting the importance of nurturing and caring for the next generation. A certificate presentation ceremony is held at the end of each programme to commend the children who have embraced the "Nothing Is Impossible" spirit and successfully completed the challenges.





The 18th Karrie "Nothing Is Impossible" Programme

Caring for Dongguan's Left-Behind Children

Karrie has established a "Caring for the Next Generation Working Committee" and has persisted in organising activities to care for left-behind children for over 18 years. The initiative aims to bridge the distance between children and their parents who have been separated for extended periods, allowing the children to visit the Longfeng Villa — a national 4A-level scenic spot in Fenggang Town, Dongguan — during the summer holidays and enjoy a joyful and heart-warming day with their parents.






Caring for Left-Behind Children – Parent-Child Recreational Activity

COMMUNITY (CONTINUED)

Collaboration with Schools to Nurture Talent

HKGCC Business-School Exchange Activity

The business-school exchange programme organised by the Chinese General Chamber of Commerce, Hong Kong (HKGCC) aims to bring together outstanding enterprises and schools to jointly organise exchange activities, guiding secondary school students to understand business operations and inspiring young people to consider their future career paths. Karrie has participated in this programme annually since 2008. Through such activities, the Group hopes to help the younger generation gain insight into the workplace and inspire them to discover their potential.

During the Year, Karrie partnered with Hong Kong's Christian and Missionary Alliance Sun Kei Secondary School for the exchange programme. Karrie staff representatives visited the campus to introduce the Company's development history, corporate culture, business model and job responsibilities, engaging with students on-site and answering their questions.





Industry and School Working Together to Inspire the Next Generation
Christian and Missionary Alliance Sun Kei Secondary School Visit to Hong Kong Headquarters

COMMUNITY (CONTINUED)

Job Shadowing Mentorship Scheme

Karrie continues to support the "Job Shadowing Mentorship Scheme" jointly organised by the Social Welfare Department of the Hong Kong Government and various organisations. The programme aims to facilitate exchanges between senior management and local young talent by pairing students with corporate executives, enabling students to gain insights into business management and industry developments. Board members and senior management of the Group have actively served as mentors, personally guiding students in their daily work, inspiring them to understand the workplace and the business world, sharing challenges and solutions they have encountered in their careers, and providing guidance to broaden the students' perspectives on future life planning. Karrie staff representatives also welcomed students for office visits, arranging for colleagues from various departments to share their work experience at different positions, helping students gain a more comprehensive understanding of corporate operations.





Industry and School Working Together to Inspire the Next Generation
Christian and Missionary Alliance Sun Kei Secondary School Visit to Hong Kong Headquarters

Bay Area Flyover Experience Plan

Organised by the Hong Kong Young Industrialists Council, the "Bay Area Flyover Experience Plan" provides internship opportunities for Hong Kong students studying at local tertiary institutions or universities in Mainland China, guiding them to gain an in-depth understanding of the management culture of Hong Kong-invested enterprises, as well as the operations and latest industrial developments of Mainland manufacturing bases. During the Year, Karrie actively participated in the programme and arranged internships for four outstanding students at its Dongguan production base.





GBA Leap Experience Programme – Inspiring Youth,
Cultivating Talent and Empowering Rising Stars to Soar Across the Bay Area

COMMUNITY (CONTINUED)

Visit by Shun Tak Fraternal Association Leung Kau Kui College

The Group's Hong Kong headquarters welcomed teachers and students from Shun Tak Fraternal Association Leung Kau Kui College for an industry-school exchange visit, providing industrial science popularisation, job practice sharing and career planning guidance for young students. The Group's Executive Director and General Manager of Human Resources and Administration shared his personal career journey, offering guidance on long-term career development, while relevant department heads also shared their career experiences and professional insights.





Shun Tak Fraternal Association Leung Kau Kui College Visit

The Chinese University of Hong Kong Faculty of Engineering Visit

During the Year, to deepen industry-academia collaboration and establish a practical learning platform for young engineering students, the Group welcomed a delegation of faculty and students from the Faculty of Engineering of The Chinese University of Hong Kong to visit the Dongguan production base. A comprehensive exchange programme was organised around automated precision manufacturing and industrial career development, allowing engineering students to experience cutting-edge manufacturing scenarios up close and address technical and career-related questions. The visit also included tours of the Group's diversified business operations and employee living facilities, presenting a complete overview of the Group's operations, and fulfilling the Group's long-term commitment to industry-academia collaboration and talent development in its social responsibility framework.





The Chinese University of Hong Kong Faculty of Engineering Visit

COMMUNITY (CONTINUED)

Industrial Collaboration

The Group actively participates in various industry organisations and serves as a board member of educational institutions, engaging in seminars and learning opportunities on business exchanges and educational development. The Group warmly welcomes industry peers for visits, sharing experiences and learning from each other's advanced management practices and technologies. At the same time, the Group actively participates in community activities in the locations where it operates, providing resource support to communities and partners.

During the Year, the Thailand production base hosted an exchange delegation from the Hong Kong Metal Association, facilitating cross-regional industry exchange activities. The visit was hosted throughout by the General Manager of the Thailand production base, together with the management team. During the meeting, the delegation was briefed on the Thailand base's development journey and core business. The two sides engaged in in-depth discussions on industry trends, technological innovation and Southeast Asian market expansion. The technical team at the Thailand base shared practical experience in smart manufacturing and green production, and the factory premises were opened for inspection and on-site visits. This visit deepened mutual understanding between the Group and industry peers, established a communication bridge for the metal industry across China, Hong Kong and Thailand, and laid the foundation for future cooperation and development between the two production bases in China and Thailand. Moving forward, the Group will continue to deepen cross-border industry exchanges, promote resource sharing and complementary strengths across industries in both locations, and further empower its global business strategy.



Thailand Production Base Hosts Hong Kong Metal Association Exchange Delegation



Dongguan Production Base Blood Donation Drive



24th Huangdong Cup Basketball Tournament – Community Basketball Tournament at Dongguan Production Base



The Group presented gifts to the teaching staff of the Hope Primary School it had previously donated to, expressing gratitude for their dedication.

OPERATION

Corporate Governance

- **Providing whistleblowing channels for employees and business partners.**

Product Responsibility

- **R&D in automation technology, with over 79 patent certificates accumulated.**
- **Development of 11 new production technologies.**

Supplier Management

- **Regular supplier audits with comprehensive ESG coverage.**
- **85% of suppliers located in Mainland China and Hong Kong, reducing transportation-related greenhouse gas emissions.**



Our Progress

To achieve sound business operations, the Group regularly monitors changes in external laws and regulations, adjusts policies and systems in a timely manner, and maintains an honest and ethical corporate governance model. To maintain its competitive edge, the Group continuously strengthens its production and technical capabilities, delivering high-quality, high-efficiency products to clients through process innovation and the development of automated solutions. In supplier management, the Group continues to rigorously enforce the new supplier review system and the regular review system for existing suppliers, while also incorporating updated external sustainability requirements into the supply chain and communicating new rules and expectations to all supplier partners.

OPERATION (CONTINUED)

Our Business Philosophy

Karrie Group has established policies, procedures and systems to ensure that its products comply with safety, quality and environmental laws. Upholding the spirit of craftsmanship, Karrie is meticulous in ensuring product safety and quality, ensuring that all products meet both internal and external standards. The Group adheres to the innovative mindset of "Right Time, Right Making" to revolutionise production capabilities and pursue continuous improvement. The Group also conducts its business with integrity, honesty and fairness in its partnerships with clients and suppliers, respects intellectual property rights, safeguards information security, and upholds the principle of mutual benefit.

Corporate Governance



Related Target:

- Sub-target 16.5 — Continuously reducing all forms of corruption and fraudulent conduct

The Group has established a diverse and balanced Board of Directors. The Company Secretary Department provides all Board members with timely information and training on corporate governance requirements. Good governance helps create long-term value. To this end, the Group has established an Executive Committee under the Board, composed of senior management from various functional departments, to oversee day-to-day operational decisions. The Group has an internal audit mechanism in place, adopting a risk management policy that includes a risk management structure and system. The Internal Audit Department conducts regular audits, analyses the major risks facing the Group and the implementation of risk management initiatives, reviews compliance in business operations, and reports to the Board of Directors and the Audit Committee.

The Group strictly complies with the provisions of the Criminal Law of the People's Republic of China concerning offences committed by personnel of non-state-owned companies and enterprises and relevant regulations prohibiting commercial bribery, as well as the requirements of the Anti-Unfair Competition Law of the People's Republic of China, Hong Kong's Prevention of Bribery Ordinance and the Personal Data (Privacy) Ordinance.

Furthermore, the Group firmly believes in the importance of honesty, integrity and fairness. To prevent employee fraud or conflicts of interest, the Group has issued the "Employee Code of Ethics and Discipline" providing clear guidance and procedures for employees to follow. The Group has also issued "Peers' Belief" letters to business partners, urging them not to offer any benefits to its employees and providing reporting channels. The Group has established policies on business entertainment, specifying hospitality standards. Employees responsible for hosting guests must ensure proper documentation of expenses and follow correct reimbursement procedures.

Code of Employee Ethical Discipline

- **Policies on acceptance of benefits and entertainment, and declaration of conflicts of interest.**
- **No direct or indirect provision of benefits to staff of partner organisations.**
- **Requirements for handling confidential information, protecting intellectual property rights and ensuring fair competition.**
- **Whistleblowing system and whistleblower protection measures.**

"Peers Belief" Letter

- **Strict prohibition on providing any form of benefit to KARRIE employees or their relatives and friends.**
- **Providing reporting channels for business partners to report KARRIE employees who solicit benefits.**

OPERATION (CONTINUED)

All new hires are required to undergo ethics and integrity management training, and existing employees receive regular reminders through company announcements. The Internal Audit Department organises multiple "Integrity and Ethics Management" internal training sessions each year, covering personnel at manager level and above, core supervisors and staff in key roles.

The Group provides whistleblowing and reporting channels for all employees, suppliers and service providers. Relevant parties may submit opinions or reports directly to the two Executive Directors and members of the Audit Committee through various channels, including in-person communication, written correspondence, telephone or email. The identity and information of all whistleblowers and those who report concerns will be kept confidential. The Group is committed to protecting whistleblowers' legitimate rights and prohibits any form of retaliation against them. If the reported matter is substantiated through investigation, the accused will be subject to disciplinary action, with more serious cases potentially resulting in termination of employment. If the misconduct is suspected to be illegal, the Group will proactively report it to local law enforcement authorities. Based on the root causes of the incident, the Group will review potential loopholes in existing policies and systems and implement timely corrective measures.

Product Responsibility

The Group provides mechanical engineering solutions to leading international technology companies. The Marketing Department, Engineering and R&D Department maintain close communication with clients, conveying client requirements to the production, environmental, safety, human resources and sustainability departments, and continuously improving the Group's business model in response to client needs.

The Group strictly complies with the contract provisions of the Civil Code of the People's Republic of China, the Product Quality Law of the People's Republic of China, and other applicable laws and regulations in its operating locations, while also adhering to client standards by adopting the Responsible Business Alliance (RBA) Code of Conduct, the EU Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH) Regulation, the Restriction of Hazardous Substances (RoHS) Directive, the Packaging and Packaging Waste Directive (PPWD), and the US Dodd-Frank Act, among other standards.

Each critical step in the manufacturing process incorporates built-in quality control mechanisms. Product quality and safety are supported by ISO 9001 and IATF 16949 certifications, as well as verification by independent third parties. The Group has established a Quality Management Committee, responsible for formulating the Company's quality policy and strategic direction, and driving quality improvement across all production departments. Within the Quality Department, a Measurement Team, ISO Team, Central Documentation Room and Incoming Quality Control (IQC) Team perform quality control functions. The Quality Department also works closely with the Marketing Department, Engineering and R&D Department, Procurement Department and various production departments to implement product safety and hazardous substance management measures.

Marketing Department	• Communicating with clients to obtain client requirements for product design and hazardous substances.
Engineering and R&D Department	• Developing new products based on client design requirements. • Providing the ISO team with the Bill of Materials (BOM) for new products.
ISO Team	• Compiling external regulatory requirements such as RoHS, REACH and client hazardous substance requirements. • Communicating requirements to the Procurement and Production Departments and monitoring implementation.
Procurement Department	• Communicating material survey requirements to suppliers and collecting hazardous substance monitoring reports. • Requiring suppliers to sign the "Declaration of Non-Use of Hazardous Substances."

OPERATION (CONTINUED)

Innovation and Intelligent Manufacturing



Related Target:

- Sub-target 9.4 — Upgrading infrastructure and retrofitting industries to make them sustainable, with increased resource-use efficiency
- Sub-target 9.5 — Enhancing scientific research and upgrading the technological capabilities of industrial sectors

The Group began introducing automated production technologies in 2007. To date, the production bases in Dongguan and Thailand are equipped with over 1,000 six-axis robotic arms, with automated optical inspection systems widely deployed, automating the majority of production processes. Automation has enabled the Group to improve product quality control and mitigate the impact of rising labour costs and shortages. The Group has also invested in associated companies to proactively develop automation technologies. The R&D outcomes are not only applied in its own factories but also provided as solutions to the wider industry.

The Group has established an R&D Project Management Committee, which is primarily responsible for R&D in product innovation, processes, automation and control systems. For in-house developed technological achievements — such as equipment, process technologies and other innovations — the Group, based on their significance, strictly follows the mandatory procedures prescribed by patent laws and regulations in filing patent applications, in order to secure full legal protection for its intellectual property rights. During the Year, the Group has been granted a cumulative total of 79 patent certificates by the China National Intellectual Property Administration, comprising 6 invention patents, 68 utility model patents and 5 design patents. The Dongguan production base has also been awarded the "High-tech Enterprise Certificate" jointly issued by the Department of Science and Technology of Guangdong Province, the Department of Finance of Guangdong Province and the Guangdong Provincial Tax Service of the State Taxation Administration.

Innovative Equipment

- AI Safety Eye system
- Application of fully automatic projection welding and fully automatic stud welding technologies
- Application of zero-mark laser welding

Innovative Processes

- Flexible vision-guided automatic riveting machine
- Application of AI-powered intelligent vision inspection
- Outdoor product waterproof sealant and water spray testing
- Automatic sealant application and related air-tightness testing
- Use of smart electric screwdrivers and related torque data collection and analysis
- AOI visual inspection for missing and incorrect components, and AI-driven appearance recognition
- Automatic cleaning of chassis enclosures
- Application of AGV for finished goods and automated packaging

OPERATION (CONTINUED)

Creating Safe and Green Products

The Group implemented the ISO 9001 Quality Management System in 1998 and has since established its quality policy. The Group strictly adheres to client and regulatory requirements in setting product safety, environmental and quality standards, and executes these through established quality assurance procedures. For example, the Group complies with REACH, RoHS, PPWD, Dodd-Frank and other standards, striving to develop products that are safe for both people and the environment throughout the entire lifecycle, from raw material extraction to product disposal.

The Group has set up inspection stations at key points throughout the production process and conducts necessary reliability tests to ensure that only conforming products are delivered. Based on the actual application scenarios of the products manufactured and client requirements, the Group carries out tests including food contact material safety, metal corrosion resistance and mechanical strength testing. Non-conforming products detected during incoming material inspection or production, or products returned by clients, are marked, segregated and disposed of in accordance with established procedures, with improvement measures implemented following the "Corrective and Preventive Action Procedure." The Group also applies scientific quality control methodologies such as risk assessment, Failure Mode and Effects Analysis (FMEA), Statistical Process Control (SPC) and Six Sigma to enhance production quality and reduce the risk of errors.

Measurement Team

- First-article inspection for all new projects.
- Calibration of in-house equipment and instruments.

ISO Team

- Coordination and implementation of ISO system across the plant.
- Monitoring the implementation of the ISO system.

Central Documentation Room

- Implementation and maintenance of the document control system in accordance with ISO standards.
- Maintenance and updating of production system information.

IQC Team

- Inspection of all incoming materials across the plant

The Group regularly organises audits to ensure that the quality management system meets requirements and is effectively implemented. Production bases conduct at least two internal audits annually, with dedicated teams reviewing quality management processes. Where non-conformities are identified, corrective actions are implemented, preventive measures are developed, and the audited departments are monitored for execution. External audits are conducted annually by independent third-party verification bodies, and clients also conduct unscheduled on-site audits.

Information Security and Customer Service

For products designed, developed or manufactured on behalf of clients, the Group maintains confidentiality in accordance with the non-disclosure agreements signed with clients, and respects the intellectual property rights of clients and third parties. All employee computer hardware and software systems are centrally managed by the IT Department, with protective mechanisms in place. Employees are not permitted to install any software on their own, eliminating the risk of unauthorised use of pirated software. Employees with access to confidential company information are required to sign confidentiality agreements and fulfil their confidentiality obligations. The Group implements information security protection from multiple aspects, including physical environment controls, employee education and network software management.

The Group strictly controls client drawings and related documents, establishing dedicated folders for each client and managing them centrally through designated professional software. Encrypted documents can only be unlocked after applying for and obtaining decryption approval. When client drawings and materials are transmitted externally, they must be encrypted through designated professional software, with encrypted files only sent to designated email addresses or accessible only by specified client computers. The designated professional software can restrict printing with watermarks, limit the number of prints and downloads, and set expiration dates. External clients must use the decryption key provided by the system to decompress and view the documents. Additionally, the Group can restrict document transmission or distribution via instant messaging applications based on client requirements.

OPERATION (CONTINUED)

Physical Environment

- Access control management.
- Security inspection of items entering and leaving the premises.
- Fire-fighting equipment installed and emergency response plans established.
- Server room temperature monitoring.

Personnel Education

- For employees in sensitive positions, confidentiality clauses are specified in their employment contracts.
- Information security training arranged for all computer users.

Network and Software

- All computers are equipped with antivirus protection.
- Regular vulnerability scanning of servers and client computers, with security updates deployed.
- Weekly inspection of server CPU load and fan operation.
- Regular data backups stored in fireproof and magnetic-proof cabinets.

In handling customer inquiries and requests, the Group has established customer complaint and product recall mechanisms, enabling clients to contact responsible personnel promptly. Within the timeframe agreed with clients, response teams from relevant departments work proactively and swiftly to resolve issues, implement internal improvement measures including product recalls, comprehensive inspections, replenishment and preventive actions, and report the handling process to clients until their satisfaction is achieved. During the Year, all customer feedback received by the Group was addressed through communication and subsequent improvement actions, resulting in client satisfaction.

Suppliers Management



Related Target:

- Sub-target 12.4 — Achieving environmentally sound management of chemicals and all wastes throughout their life cycle

In compliance with the requirements of the ISO 9001 Quality Management System and the ISO 14001 Environmental Management System, the Group assesses the environmental and social risks of different suppliers and prioritises cooperation with suppliers that have quality assurance and are supportive of environmental protection. Any potential supplier wishing to become a supply partner must first pass an assessment by the Group's supply chain team, confirming compliance with the requirements of ISO 9001, ISO 14001, IATF 16949 and various legal and regulatory standards, before being considered.

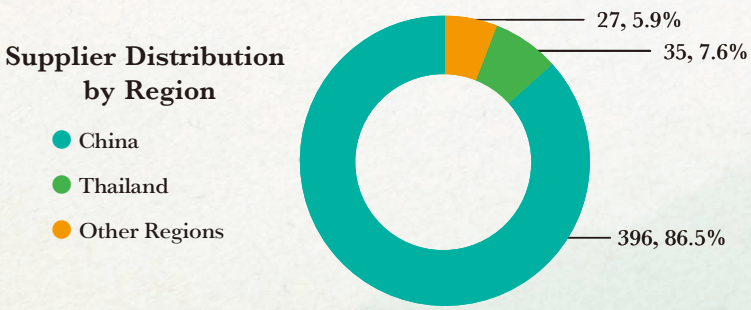
OPERATION (CONTINUED)

The Group has a centralised Procurement Department to verify the quality and safety of various materials supplied. For suppliers providing the Group with raw materials and auxiliary materials required for production, the Group has established and strictly enforces the "Supplier/Subcontractor Control Procedure" to evaluate and assess suppliers, ensuring that the products and services provided meet client requirements. All new suppliers must undergo evaluation and review by the supply chain team, including assessments of the supplier's environmental, labour and safety performance. They may only be formally approved as qualified supply partners after meeting the Group's requirements. The supplier management team conducts regular visits to major suppliers to inspect their quality and production capacity. The Group evaluates supplier performance on a monthly basis. If a supplier is rated below a certain level, procurement will be suspended and corrective actions will be required. If non-conformities persist, the supplier will be disqualified.

The Group also enters into agreements with suppliers to ensure that they comply with Karrie's and its clients' environmental standards, including compliance with environmental hazardous substance requirements such as REACH and RoHS. In accordance with the RBA Code of Conduct and the requirements of the US Dodd-Frank Act concerning conflict minerals, the Group requires suppliers to confirm that they do not use "conflict minerals" originating from the Democratic Republic of the Congo (DRC) or its neighbouring countries, including tantalum, tin, gold, tungsten, cobalt and mica. The Group uses the Conflict Minerals Reporting Template (CMRT) to conduct due diligence on suppliers involving tantalum, tin, gold, tungsten, cobalt and mica.

The Group refuses to cooperate with any supplier that may be involved in forced labour or human trafficking, and has adopted the RBA Code of Conduct as an internal standard to assess supplier labour conditions. The ISO Team of the Quality Department, together with the supplier management team, works to ensure that suppliers comply with the Group's social responsibility standards, collecting and evaluating supplier adherence to the RBA Code of Conduct. 100% of new suppliers are required to participate in the Group's RBA assessment, and all existing suppliers are required to undergo a biennial RBA survey.

The Group continues to implement a local procurement strategy to shorten raw material transportation distances, thereby reducing associated energy consumption and environmental impact. Mainland China remains the primary sourcing location, which, together with suppliers in Hong Kong, accounts for over 85% of the total number of suppliers. Through the process of new supplier engagement and regular supplier reviews, the Group has not identified any suppliers with significant environmental or social risks.



APPENDIX

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



APPENDIX (CONTINUED)

1. Key Performance Data Summary

Environmental

The scope of the following environmental data covers the Hong Kong headquarters, the Dongguan production base in Mainland China, the Thailand production base and the Taiwan design and research & development centre.

Energy Consumption	Unit	2025/26	2024/25	2023/24
Electricity	kWh	50,405,237	45,688,918	39,289,515
Diesel	Litre ("L")	110,473	103,722	110,127
Energy consumption of diesel	GJ	4,197	3,940	4,184
Petrol	L	55,018	54,483	55,172
Energy consumption of petrol	GJ	1,931	1,912	1,936
Natural gas	Cubic Meter ("m^3")	146,869	156,801	235,704
Energy consumption of natural gas	GJ	5,718	6,104	9,176
Total energy consumption	GJ	193,304	176,437	156,738
Total energy intensity (by industrial revenue)	GJ/$'000	0.056	0.055	0.054

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[14]	Unit	2025/26	2024/25	2023/24
GHG emission Scope I — direct emissions	tonne CO_2e	1,051	830	961
GHG emission Scope II — indirect emissions (Location-based)	tonne CO_2e	28,082	25,799	22,301
GHG emission Scope II — indirect emissions (Market-based)	tonne CO_2e	25,748	25,185	22,301
GHG emission Scope III — other indirect emissions	tonne CO_2e	114,447	83,161	68,496

[14] The types of greenhouse gases include: Carbon Dioxide (CO_2), Methane (CH_2), Nitrous Oxide (N_2O), Hydrofluorocarbons (HFCs), Perfluorocarbons (PFCs), Sulphur Hexafluoride (SF_6) and Nitrogen Trifluoride (NF_3); the data sources for emission factors and Global Warming Potentials (GWPs) are as follows: Guidance on Accounting and Reporting of Greenhouse Gas Emissions and Removals for Buildings (Commercial, Residential or Public Use) in Hong Kong compiled by the Environmental Protection Department and Electrical and Mechanical Services Department of the Hong Kong Special Administrative Region Government, Sustainability Reports of CLP Holdings Limited, HKEX's How to Prepare an Environmental, Social and Governance (ESG) Report, Guidelines for Accounting and Reporting of Enterprise Greenhouse Gas Emissions — Power Generation Facilities (Revised 2022) issued by the Ministry of Ecology and Environment of the People's Republic of China, Circular on the Administration of Enterprise Greenhouse Gas Emission Reporting for the Power Generation Industry for 2023–2025, Announcement on Issuing the Carbon Dioxide Emission Factors for Power Generation in 2022, carbon dioxide emission factor per unit electricity consumption in Thailand published by the Energy Policy and Planning Office (EPPO) of Thailand, Announcement from the Bureau of Energy, Ministry of Economic Affairs (Taiwan): Adjustment of the Year 113 Power Carbon Emission Factors in the Inventory and Registration System with Effect from 22 April Year 114 in accordance with figures released by the Bureau of Energy, Ministry of Economic Affairs, Greenhouse Gas Emissions Calculation Tool Guidance for Energy Consumption (Version 2.1) published by the World Resources Institute, Sixth Assessment Report of the Intergovernmental Panel on Climate Change (IPCC), and 2006 IPCC Guidelines for National Greenhouse Gas Inventories.

APPENDIX (CONTINUED)

GHG Emissions[14]	Unit	2025/26	2024/25	2023/24
Category 1	tonne CO_2e	86,796	65,377	50,079
Category 2	tonne CO_2e	7,791	4,154	8,658
Category 3	tonne CO_2e	876	1,522	1,412
Category 4 and 9	tonne CO_2e	6,585	3,874	2,483
Category 15	tonne CO_2e	2,767	2,956	3,990
Other Categories	tonne CO_2e	9,632	5,278	1,874

GHG Emissions (Market-based)	Unit	2025/26	2024/25	2023/24
Total GHG Emission — Scope III excluded	tonne CO_2e	26,799	26,015	23,262
Total GHG Emission — Scope III included	tonne CO_2e	141,246	109,176	91,757
Intensity of GHG emissions (by industrial revenue) — Scope III excluded	tonne CO_2e/$'000	0.0077	0.0081	0.0080

GHG Emissions (other types of GHG reported separately)[15]	Unit	2025/26	2024/25	2023/24
CFCs refrigerant emissions	tonne CO_2e	0	13	0
HCFCs refrigerant emissions	tonne CO_2e	0	111	92

Air Pollutants Emissions[16]	Unit	2025/26	2024/25	2023/24
Nitrogen oxides (No_x)	Kilogram ("kg")	1,794.03	1,748.81	3,501.48
Sulphur oxides (So_x)	kg	2.28	2.15	2.10
Particulates (PM)	kg	141.11	135.97	230.68

[15] 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.

[16] The emissions of NO_x, SO_x and Particulates were calculated based on the amount of fossil fuels and natural gas that 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)

Use of Resource	Unit	2025/26	2024/25	2023/24
Water consumption[17]	m^3	292,414	274,437	221,255
Intensity of water consumption (by industrial revenue)	m^3/$'000	0.084	0.085	0.074
Intensity of water consumption (by headcount)	m^3/person	68.46	74.33	66.07
Paper used (Only paper used for printing in the office is calculated)	kg	14,942	15,546	13,196
Total packaging material used for finished products — Paper[18]	tonne	4,498	2,822	2,290
Total packaging material used for finished products — Plastic[18]	tonne	616	460	273
Total packaging material used for finished products — Others	tonne	450	495	198

Effluent and Waste Management	Unit	2025/26	2024/25	2023/24
Wastewater Treatment (Only relevant data of plants in Mainland China is collected)	m^3	107,048	103,331	83,826
Total domestic waste disposed per day (Only relevant data of plants in Mainland China is collected)[19]	m^3/d	7.74	7.74	7.74
Total hazardous waste disposed (Only relevant data of plants in Mainland China is collected)	tonne	94.17	75.90	66.31
Testliner reused internally (Only relevant data of plants in Mainland China is collected)	kg	279,879	261,800	225,500
Testliner recycled externally	kg	347,740	325,450	280,440

[17] Since the Taiwan Design and R&D Center is an office-based site with relatively few staff, its main water usage is limited to restroom facilities. As the restrooms are part of the building's shared public facilities, the water consumption is minimal and difficult to obtain accurate data for. Therefore, it has not yet been included in the statistics.

[18] Higher consumption of paper and plastic packaging materials was recorded during the Year, attributable to an increase in customer orders.

[19] Estimated based on the capacity of waste collection facilities at Dongguan Production Base and the daily frequency of engaging external contractors to clear such facilities.

APPENDIX (CONTINUED)

Social

Number of Employees	2025/26	2024/25	2023/24
Average number of employees of the Group during the Year[20]	4,271	3,692	3,349
By region			
Mainland China and Thailand	4,154	3,581	3,235
Hong Kong, Taiwan and Other Regions	117	111	114
By gender			
Male	2,715	2,425	2,193
Female	1,556	1,267	1,156
By age group			
Below 30	1,270	984	814
30–50	2,355	2,149	2,059
Above 50	646	559	476
By employment type			
Full-time	3,494	3,200	3,153
Part-time	777	492	196
Proportion of senior management hired from the local community (%)			
Mainland China and Thailand	97.67	97.73	92.41
Hong Kong, Taiwan and Other Regions	100.00	100.00	88.89
Ratio of the China standard entry-level wage			
Compared to local minimum wage (Male)	1.03	1.03	1.13
Compared to local minimum wage (Female)	1.03	1.03	1.13
Ratio of the senior management			
Gender ratio of the Board members (Male:Female)	7:1	7:1	6:1

[20] Monthly average number of employees of the Group during the Year.

APPENDIX (CONTINUED)

Number and Rate (%) of Full-time Employee Turnover (Monthly Average)[21]	2025/26	2024/25	2023/24
By region			
Mainland China and Thailand	454 (10.93%)	403 (11.25%)	297 (9.18%)
Hong Kong, Taiwan and Other Regions	1 (0.85%)	2 (1.80%)	3 (2.63%)
By gender			
Male	309 (11.38%)	289 (11.88%)	203 (9.27%)
Female	146 (9.38%)	117 (9.20%)	97 (8.36%)
By age group			
Below 30	247 (19.45%)	224 (22.75%)	166 (20.41%)
30–50	194 (8.24%)	169 (7.84%)	126 (6.12%)
Above 50	14 (2.17%)	13 (2.26%)	8 (1.63%)

Number and Rate (%) of New Hires (Monthly Average)[22]	2025/26	2024/25	2023/24
By region			
Mainland China and Thailand	537 (12.93%)	419 (11.70%)	338 (10.45%)
Hong Kong, Taiwan and Other Regions	2 (1.71%)	1 (0.90%)	3 (2.63%)
By gender			
Male	348 (12.82%)	295 (12.13%)	238 (10.87%)
Female	191 (12.27%)	126 (9.90%)	103 (8.88%)
By age group			
Below 30	305 (24.01%)	231 (23.47%)	194 (23.78%)
30–50	222 (9.43%)	178 (8.26%)	142 (6.91%)
Above 50	12 (1.86%)	12 (2.05%)	5 (0.95%)

Return to Work and Retention after Maternity Leave/ Paternity Leave	2025/26	2024/25	2023/24
Number of employees who took maternity leave/paternity leave			
Male	14	14	22
Female	25	27	21
Number and rate (%) of employees who returned to work after maternity leave/paternity leave ended [23]			
Male	14 (100.00%)	14 (100.00%)	22 (100.00%)
Female	15 (100.00%)	16 (94.12%)	14 (93.33%)
Number and rate (%) of employees who remained employed for 12 months after the end of maternity leave/ paternity leave [23]			
Male	11 (78.6%)	16 (72.73%)	15 (83.33%)
Female	16 (100%)	9 (56.25%)	13 (81.25%)

[21] 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.

[22] 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.

[23] Calculation of rate of employees who returned to work after maternity leave/paternity leave ended and rate of employees who remained employed for 12 months after the end of maternity leave/paternity leave in accordance with GRI Standard GRI 401–3.

APPENDIX (CONTINUED)

Occupational Health and Safety	2025/26	2024/25	2023/24
Mainland China and Thailand			
Number and rate (%) of occupational fatalities	0 (0%)	1[a] (0.03%)	1[a] (0.03%)
Number of occupational injuries[b]	18	17	24
Rate of recorded occupational injuries (every 200,000 working hours)	0.48	0.49	0.74
Number of serious occupational injuries[24]	0	1	1
Rate of serious occupational injuries[24] (every 200,000 working hours)	0	0.03	0.03
Number of lost day	785	683	407
Occupational disease rate (%)	0%	0%	0%
Number of absentee days	30,897	27,775	24,740
Absentee rate (%)[25]	2.95%	3.10%	3.07%
Hong Kong, Taiwan and Other Regions			
Number and rate (%) of occupational fatalities	0 (0%)	0 (0%)	0 (0%)
Number of occupational injuries[b]	0	0	0
Rate of recorded occupational injuries (every 200,000 working hours)	0	0	0
Number of serious occupational injuries[24]	0	0	0
Rate of serious occupational injuries[24] (every 200,000 working hours)	0	0	0
Number of lost day	0	0	0
Occupational disease rate (%)	0%	0%	0%
Number of absentee days	264	336	347
Absentee rate (%)[25]	0.91%	1.23%	1.39%

Staff Training	2025/26	2024/25	2023/24
Total training hours	64,239.0 hours	50,475.1 hours	44,401.8 hours
Average training hours per employee (%)[26]	15.0 (88.4%)	13.7 (84.8%)	13.3 (76.1%)
By gender			
Male	13.9 (86.1%)	13.9 (82.3%)	13.3 (72.7%)
Female	17.1 (92.3%)	13.3 (88.4%)	13.1 (82.8%)
By category			
Management	27.5 (97.8%)	39.5 (95.5%)	38.7 (82.3%)
Manager and department heads	20.3 (92.8%)	25.1 (93.0%)	25.1 (80.3%)
Middle level	13.1 (92.6%)	15.2 (91.2%)	16.5 (75.6%)
Technicians and team leaders	11.5 (92.8%)	11.7 (92.8%)	12.4 (75.0%)
Frontline	15.9 (86.4%)	12.0 (79.7%)	10.7 (74.5%)

Social Responsibilities	2025/26	2024/25	2023/24
Volunteer service hours in Mainland China and Hong Kong	258.5 hours	424.0 hours	326.3 hours
Charitable and other donations (HK$)	HK$455,170	HK$416,219	HK$490,420

[a] During the year of 2024/25, an employee experienced a sudden illness and fell into a coma while at work. Pursuant to the Regulations on Work-Related Injury Insurance of the People's Republic of China, an employee who dies of a sudden illness at work hours and work post, or dies despite rescue efforts within 48 hours, shall be deemed to have sustained a work-related injury. During the year of 2023/24, one employee suffered fatal injuries due to non-compliant operations and passed away after being hospitalised. The Group expresses profound condolences over the passing of these two employees and has rendered care and support to their families. Meanwhile, safety education and supervision for serving employees will be stepped up.

[b] Pursuant to the definition of work injury under GRI 403.

[24] Definition of serious occupational injuries in accordance with GRI Standard 403 Occupational Health and Safety 2018.

[25] Absentee rate refers to the rate (percentage) of the number of absentee days/total number of working days for the employees.

[26] 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 (Fabricated metal products and iron, steel and nonferrous metal basic industries and machinery)	Karrie Industrial Company Limited	Member
Federation of Hong Kong Industries — Group 14 (Mould and die manufacturing)	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
Hong Kong Mould & Product Technology Association	Karrie International Holdings Limited	Company Member

APPENDIX (CONTINUED)

3. Awards and Recognition Received during the Year

Award Category	Organising Body	Honor/Recognition	Awarded Company
Sustainability	CDP	CDP Climate Change "A-" Rating	Karrie Industrial Company Limited
	CDP	CDP Water Security "A-" Rating	Karrie Industrial Company Limited
	CDP	CDP SEA "A" Rating	Karrie Industrial Company Limited
	Ecovadis	EcoVadis Commitment Badge	Karrie International Holdings Limited
	Hong Kong Productivity Council	ESG One Membership	Karrie International Holdings Limited
Environmental Protection	Federation of Hong Kong Industries	Hong Kong Green Organisation Certification — Energywi$e 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
Social Responsibility	UNICEF Hong Kong Committee	Breastfeeding Friendly Workplace	Karrie International Holdings Limited
	Labour Department	Good Employer Charter	Karrie International Holdings Limited
	Labour Department	Certificate of Appreciation — Greater Bay Area Youth Employment Scheme	Karrie Industrial Company 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	The Most Improved Award	Karrie International Holdings Limited
	The Hong Kong General Chamber of Small & Medium Business	Partner Employer Award — 10+ Outstanding Enterprise	Karrie International Holdings Limited
	Occupational Safety and Health Council	Mental Health-Friendly Supreme Organisation	Karrie International Holdings Limited Karrie Industrial Company Limited
	Hong Kong Council of Social Service	Caring Company 20+	Karrie International Holdings Limited
	Mandatory Provident Fund Schemes Authority	Best All-round MPF Employer	Karrie Industrial Company Limited
	Mandatory Provident Fund Schemes Authority	Good MPF Employer 10 Years	Karrie Industrial Company Limited

APPENDIX (CONTINUED)

4. Content Index

The table below provides relevant section indexes or direct explanations for each disclosure requirement under the Global Reporting Initiative ("GRI") Standards and the Hong Kong Stock Exchange's ("HKEX") Environmental, Social and Governance ("ESG") Reporting Code ("ESG Reporting Code").

Statement of use	Karrie International Holdings Limited has reported with reference to the GRI Standards for the period 1 April 2025 to 31 March 2026
GRI 1 used	GRI 1: Foundation 2021

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	CORRESPONDING SECTION/REMARK	HKEX ESG REPORTING CODE RELEVANT DISCLOSURE	PAGE
General disclosures				
GRI 2: General Disclosures 2021	**The organisation and its reporting practices**			
	2-1 Organisational details	About Karrie 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 2025/26 — Financial Highlights (Page 9-11), Chairman's Statement (Page 12-29)		3–4
	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
	2-4 Restatements of information	None		
	2-5 External assurance	Appendix: 5. Independent Assurance Statement		79–81
	Activities and workers			
	2-6 Activities, value chain and other business relationships	About Karrie Annual Report 2025/26 — Financial Highlights (Page 9-11), Chairman's Statement (Page 12-29)		3–4
	2-7 Employees	About Karrie Annual Report 2025/26 — Financial Highlights (Page 9-11), Chairman's Statement (Page 12-29)	B1.1	3–4
	2-8 Workers who are not employees	There was no workers who are not employees and whose work is controlled by the Group		
	Governance			
	2-9 Governance structure and composition	Sustainability Management — Governance Model Annual Report 2025/26 — Corporate Governance Report (Page 34-57)	D-I-19 (a)	6–8
	2-10 Nomination and selection of the highest governance body	Annual Report 2025/26 — Corporate Governance Report (Page 34-57)		
	2-11 Chair of the highest governance body	Annual Report 2025/26 — Corporate Governance Report (Page 34-57)		

APPENDIX (CONTINUED)

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	CORRESPONDING SECTION/REMARK	HKEX ESG REPORTING CODE RELEVANT DISCLOSURE	PAGE
	2–12 Role of the highest governance body in overseeing the management of impacts	Sustainability Management — Governance Model, Sustainability Strategy Annual Report 2025/26 — Corporate Governance Report (Page 58-66)	Mandatory Disclosure Requirements — Governance Structure D-I-19 (a) D-I-19 (a)(ii) D-I-19 (a)(iii)	6–11
	2–13 Delegation of responsibility for managing impacts	Sustainability Management — Governance Model, Sustainability Strategy Annual Report 2025/26 — Corporate Governance Report (Page 34-66)	Mandatory Disclosure Requirements — Governance Structure D-I-19 (a)(iii) D-I-19 (b) D-I-19 (b)(i)	6–11
	2–14 Role of the highest governance body in sustainability reporting	Sustainability Management — Governance Model, Sustainability Strategy	Mandatory Disclosure Requirements — Governance Structure	6–11
	2–15 Conflicts of interest	Operation — Corporate Governance Annual Report 2025/26 — Senior Management (Page 73-78), Report of the Directors (Page 114-119)		52–53
	2–16 Communication of critical concerns	Sustainability Management — Governance Model		6–8
	2–17 Collective knowledge of the highest governance body	Sustainability Management — Governance Model, Sustainability Strategy Annual Report 2025/26 — Corporate Governance Report (Page 36-48)		6–11
	2–18 Evaluation of the performance of the highest governance body	Annual Report 2025/26 — Corporate Governance Report (Page 34-66)		
	2–19 Remuneration policies	Annual Report 2025/26 — Corporate Governance Report (Page 28) Annual Report 2025/26 — Corporate Governance Report (Page 35-57)		
	2–20 Process to determine remuneration	Annual Report 2025/26 — Corporate Governance Report (Page 35-57)		
	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.		
	Strategy, policies and practices			
	2–22 Statement on sustainable development strategy	Chairman's Message		5
	2–23 Policy commitments	Sustainability Management — Sustainability Strategy Operation — Product Responsibility		8–11 53–56
	2–24 Embedding policy commitments	Sustainability Management — Governance Model		6–8
		Talent — Employee Caring (Employment Compliance, Concertedly Building the "Karrie" Family)		29–35
		Operation — Corporate Governance		52–53
	2–25 Processes to remediate negative impacts	Sustainability Management Talent — Employee Caring (Labour Standards)		6–11
	2–26 Mechanisms for seeking advice and raising concerns	Operation — Corporate Governance		52–53

APPENDIX (CONTINUED)

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	CORRESPONDING SECTION/REMARK	HKEX ESG REPORTING CODE RELEVANT DISCLOSURE	PAGE
	2–27 Compliance with laws and regulations	Sustainability Management — Sustainability Strategy Operation — Corporate Governance		8–11
	2–28 Membership associations	Appendix — 2. Memberships		65
	Stakeholder engagement			
	2–29 Approach to stakeholder engagement	Sustainability Management — Governance Model	Mandatory Disclosure Requirements — Reporting Principles (Materiality)	6–8
	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.		
Material topics				
GRI 3: Material Topics 2021	3–1 Process to determine material topics	Sustainability Management — Governance Model, Sustainability Strategy	Mandatory Disclosure Requirements — Reporting Principles (Materiality) D-I-19 (b)(ii)	6–11
	3–2 List of material topics	Sustainability Management — Sustainability Strategy	Mandatory Disclosure Requirements — Reporting Principles (Materiality)	8–11
Climate Change				
GRI 3: Material Topics 2021	3–3 Management of material topics	Environmental Protection — Responding to Climate Change	D-I-19 (b)(ii)	13–19
GRI 201: Economic Performance 2016	201–2 Financial implications and other risks and opportunities due to climate change	Environmental Protection — Responding to Climate Change	D-II-20 (a), D-II-20 (b), D-II-20 (c), D-II-20 (d) D-II-21 (a), D-II-21 (b), D-II-22 (b), D-II-24 (a), D-II-24 (b), D-II-25 (a), D-II-25 (b)	13–19
GRI 305: Emissions 2016	305–1 Direct (Scope 1) GHG emissions	Environmental Protection — Responding to Climate Change Key Performance Data Summary	D-IV-28 (a)	13–19 59–60
	305–2 Energy indirect (Scope 2) GHG emissions	Environmental Protection — Responding to Climate Change Key Performance Data Summary	D-IV-28 (b)	13–19 59–60
	305–3 Other indirect (Scope 3) GHG emissions	Environmental Protection — Responding to Climate Change Key Performance Data Summary	D-IV-28 (c)	
	305–4 GHG emissions intensity	Environmental Protection — Responding to Climate Change Key Performance Data Summary		13–19 59–60
	305–5 Reduction of GHG emissions	Environmental Protection — Responding to Climate Change		13–19
HKEX ESG Reporting Code	A1.5 Description of emission target(s) set and steps taken to achieve them	Environmental Protection — Responding to Climate Change	A1.5	13–19

APPENDIX (CONTINUED)

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	CORRESPONDING SECTION/REMARK	HKEX ESG REPORTING CODE RELEVANT DISCLOSURE	PAGE
	D-I-19 (a), D-I-19 (a)(iv), D-II-22 (a), D-II-23, D-II-26 (a), D-II-26 (b), D-III-27 (a), D-III-27 (b), D-III-27 (c), D-IV-34, D-IV-35, D-IV-37, D-IV-38 (c), D-IV-38 (d), D-IV-39, D-IV-40 (a), D-IV-40 (b), D-IV-40 (c)	Environmental Protection — Responding to Climate Change	D-I-19 (a), D-I-19 (a) (iv), D-II-22 (a), D-II-23, D-II-26 (a), D-II-26 (b), D-III-27 (a), D-III-27 (b), D-III-27 (c), D-IV-34, D-IV-35, D-IV-37, D-IV-38 (c), D-IV-38 (d), D-IV-39, D-IV-40 (a), D-IV-40 (b), D-IV-40 (c)	13–19
	D-IV-29 (a), D-IV-29 (b), D-IV-29 (c), D-IV-29 (d), D-IV-36	Environmental Protection — Responding to Climate Change Key Performance Data Summary	D-IV-29 (a), D-IV-29 (b), D-IV-29 (c), D-IV-29 (d), D-IV-36	13–19 59–60
	D-IV-30, D-IV-31, D-IV-32, D-IV-33	Environmental Protection — Responding to Climate Change Only qualitative analysis has been conducted so far; quantitative analysis will be carried out in due course.	D-IV-30, D-IV-31, D-IV-32, D-IV-33	13–19
	D-IV-38 (a)	For the purposes of the targets currently set by the Group, we consider that there is no need at this stage to engage an independent third party to verify the targets.	D-IV-38 (a)	
	D-IV-38 (b)	Sustainability Management — Governance Model, Sustainability Strategy	D-IV-38 (b)	6–11
	D-IV-40 (d)	No	D-IV-40 (d)	
	D-IV-40 (e)	No plans to utilise carbon credits for carbon offsetting in the short term.	D-IV-40 (e)	
Business Ethics and Morality				
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Management Operation — Corporate Governance	B7 Anti-corruption: General Disclosure, B7.2	6–11 52–53
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. Sustainability Management Operation — Corporate Governance Annual Report 2025/26 — Corporate Governance Report (Page 59-60)		6–11 52–53
	205-2 Communication and training about anti-corruption policies and procedures	Operation — Corporate Governance 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.		52–53
	205-3 Confirmed incidents of corruption and actions taken	Operation — Corporate Governance	B7 Anti-corruption: General Disclosure, B7.1 No corruption proceedings were instituted against the Group or any of its employees during the Year.	52–53
HKEX ESG Reporting Code	B7.3 Description of anti-corruption training provided to directors and staff	Operation — Corporate Governance	B7.3	52–53

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GRI STANDARD/ OTHER SOURCE	DISCLOSURE	CORRESPONDING SECTION/REMARK	HKEX ESG REPORTING CODE RELEVANT DISCLOSURE	PAGE
Employment Compliance				
GRI 3: Material Topics 2021	3–3 Management of material topics	Sustainability Management Talent — Employee Caring (Employment Compliance, Concertedly Building the "Karrie" Family)	B1 Employment: General Disclosure B4 Labour Practice: General Disclosure, B4.1, B4.2	6–11 27–35
GRI 401: Employment 2016	401–1 New employee hires and employee turnover	Appendix: 1. Key Performance Data Summary	B1.2	62–64
	401–2 Benefits provided to full-time employees that are not provided to temporary or parttime employees	Talent — Employee Caring (Employment Compliance, Concertedly Building the "Karrie" Family) Annual Report 2025/26 — Consolidated Financial Statements (Page 274) 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	27–35
	401–3 Parental leave	Talent — Employee Caring (Employment Compliance, Concertedly Building the "Karrie" Family) Appendix: 1. Key Performance Data Summary All full-time employees have the right to take maternity leave or paternity leave	B1 Employment: General Disclosure	27–35 62–64
GRI 408: Child Labor 2016	408–1 Operations and suppliers at significant risk for incidents of child labor	Talent — Employee Caring (Employment Compliance, Concertedly Building the "Karrie" Family) Operation — Suppliers Management The Group does not have operational sites or suppliers with significant risks of child labour	B4.1, B4.2	27–35 56–57
GRI 409: Forced or Compulsory Labor 2016	409–1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Talent — Employee Caring (Employment Compliance, Concertedly Building the "Karrie" Family) Operation — Suppliers Management The Group does not have operational sites or suppliers with significant risks of forced labour	B4.1, B4.2	27–35 56–57
Energy Management				
GRI 3: Material Topics 2021	3–3 Management of material topics	Sustainability Management Environmental Protection — Resources Conservation	A2 Use of Resources: General Disclosure A3 The Environment and Natural Resources: General Disclosure, A3.1	6–11 20–22
GRI 302: Energy 2016	302–1 Energy consumption within the organisation	Environmental Protection — Resources Conservation Appendix: 1. Key Performance Data Summary	A2.1	20–22 59–61
	302–2 Energy consumption outside of the organisation	Due to incomplete information, disclosure is omitted. 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

APPENDIX (CONTINUED)

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	CORRESPONDING SECTION/REMARK	HKEX ESG REPORTING CODE RELEVANT DISCLOSURE	PAGE
	302–5 Reductions in energy requirements of products and services	Environmental Protection — Resources Conservation	A2.3	20–22
Water Management				
GRI 3: Material Topics 2021	3–3 Management of material topics	Sustainability Management Environmental Protection — Resources Conservation	A2 Use of Resources: General Disclosure A3 The Environment and Natural Resources: General Disclosure, A3.1	6–11 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 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 A3 The Environment and Natural Resources: General Disclosure, A3.1	20–22
	303–3 Water withdrawal	Environmental Protection — Resources Conservation Appendix: 1. Key Performance Data Summary	A2.2	20–22 59–61
	303–4 Water discharge	Environmental Protection — Resources Conservation Appendix: 1. Key Performance Data Summary	A2.2	20–22 59–61
Waste Management				
GRI 3: Material Topics 2021	3–3 Management of material topics	Sustainability Management Environmental Protection — Resources Conservation, Emissions Control	A1 Emissions: General Disclosure, A3 The Environment and Natural Resources: General Disclosure, A3.1	6–11 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 Appendix: 1. Key Performance Data Summary	A1.3, A1.4	23–24 59–61
	306–4 Waste diverted from disposal	Environmental Protection — Emissions Control Appendix: 1. Key Performance Data Summary	A1.3, A1.4	23–24 59–61
	306–5 Waste directed to disposal	Environmental Protection — Emissions Control Appendix: 1. Key Performance Data Summary	A1.3, A1.4	23–24 59–61

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GRI STANDARD/ OTHER SOURCE	DISCLOSURE	CORRESPONDING SECTION/REMARK	HKEX ESG REPORTING CODE RELEVANT DISCLOSURE	PAGE
Occupational Health and Safety				
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Management Talent — Employee Caring (Occupational Health and Safety)	B2 Health and Safety: General Disclosure, B2.3	6–11 37–39
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Talent — Employee Caring (Occupational Health and Safety)	B2 Health and Safety: General Disclosure, B2.3	37–39
	403-2 Hazard identification, risk assessment, and incident investigation	Talent — Employee Caring (Occupational Health and Safety) Potential risks, including machinery-related injuries, chemical-related injuries, and traffic accidents, have all been covered in the scope of safety management.		37–39
	403-3 Occupational health services	Talent — Employee Caring (Concertedly Building the "Karrie" Family, Occupational Health and Safety)	B2.3	29–35 37–39
	403-4 Worker participation, consultation, and communication on occupational health and safety	Talent — Employee Caring (Occupational Health and Safety) 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.		37–39
	403-5 Worker training on occupational health and safety	Talent — Employee Caring (Occupational Health and Safety)	B2.3	37–39
	403-6 Promotion of worker health	Talent — Employee Caring (Occupational Health and Safety)		37–39
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Talent — Employee Caring (Occupational Health and Safety)	B2.3	37–39
	403-8 Workers covered by an occupational health and safety management system	Talent — Employee Caring (Occupational Health and Safety) 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.		37–39
	403-9 Work-related injuries	Talent — Employee Caring (Occupational Health and Safety) Appendix: 1. Key Performance Data Summary During the Year, there were no non-employees who have suffered occupational injuries at the Group's workplace	B2.1, B2.2	37–39 62–64
	403-10 Work-related ill health	Talent — Employee Caring (Occupational Health and Safety)		37–39
Risk Management				
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Management Environmental Protection Operation — Corporate Governance		6–11 12–24 52–53

APPENDIX (CONTINUED)

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	CORRESPONDING SECTION/REMARK	HKEX ESG REPORTING CODE RELEVANT DISCLOSURE	PAGE
HKEX ESG Reporting Code	A1 Emission: General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Environmental Protection	A1 Emission: General Disclosure	12–24
	B1 Employment: General Disclosure Information on: (a) the policies; and (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. Talent — Employee Caring (Employment Compliance, Occupational Health and Safety) Operation — Corporate Governance, Product Responsibility	B1 Employment: General Disclosure	27–28 37–39 52–56
	B2 Health and Safety: General Disclosure Information on: (a) the policies; and (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 — Employee Caring (Occupational Health and Safety)	B2 Health and Safety: General Disclosure	37–39
	B4 Labour Standards: General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Talent — Employee Caring (Labour Standards)	B4 Labour Standards: General Disclosure	36

APPENDIX (CONTINUED)

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	CORRESPONDING SECTION/REMARK	HKEX ESG REPORTING CODE RELEVANT DISCLOSURE	PAGE
	B6 Product Responsibility: General Disclosure Information on: (a) the policies; and (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.	Operation — Product Responsibility	B6 Product Responsibility: General Disclosure	53–56
	B7 Anti-corruption: General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Operation — Corporate Governance	B7 Anti-corruption: General Disclosure	52–53
Privacy and Information Security				
GRI 3: Material Topics 2021	3–3 Management of material topics	Sustainability Management Operation — Product Responsibility	B6 Product Responsibility: General Disclosure, B6.2, B6.5	6–11 53–56
GRI 418: Customer Privacy 2016	418–1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Operation — Product Responsibility 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	53–56
Service and Product Innovation				
GRI 3: Material Topics 2021	3–3 Management of material topics	Sustainability Management Operation — Product Responsibility	B6 Product Responsibility: General Disclosure	6–11 53–56
Internal Management Indicator	Number of new technology innovation	Operation — Product Responsibility	B6.3	53–56
Communication and Support				
GRI 3: Material Topics 2021	3–3 Management of material topics	Sustainability Management Talent — Employee Caring (Employment Compliance, Concertedly Building the "Karrie" Family)	B1 Employment: General Disclosure	6–11 29–35
Smart Manufacturing and Lean Production				
GRI 3: Material Topics 2021	3–3 Management of material topics	Sustainability Management Operation — Product Responsibility	B6 Product Responsibility: General Disclosure	6–11 53–56

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GRI STANDARD/ OTHER SOURCE	DISCLOSURE	CORRESPONDING SECTION/REMARK	HKEX ESG REPORTING CODE RELEVANT DISCLOSURE	PAGE
Internal Management Indicator	Number of lean operation proposals Number of automated projects imported	Operation — Product Responsibility	B6 Product Responsibility: General Disclosure	53–56
Green Product Innovation				
GRI 3: Material Topics 2021	3–3 Management of material topics	Sustainability Management Operation — Product Responsibility	B6 Product Responsibility: General Disclosure	6–11 53–56
HKEX ESG Reporting Code	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	53–56
Sustainable Supply Chain				
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	6–11 56–57
GRI 308: Supplier Environmental Assessment 2016	308–1 New suppliers that were screened using environmental criteria	Operation — Suppliers Management		56–57
	308–2 Negative environmental impacts in the supply chain and actions taken	Operation — Suppliers Management		56–57
GRI 414: Supplier Social Assessment 2016	414–1 New suppliers that were screened using social criteria	Operation — Suppliers Management All new suppliers must complete evaluation and screening using the RBA Code of Conduct adopted by the Group.		56–57
	414–2 Negative social impacts in the supply chain and actions taken	Operation — Suppliers Management		56–57
HKEX ESG Reporting Code	B5.1 Number of suppliers by geographical region	Operation — Suppliers Management	B5.1	56–57
Equality, Diversity and Inclusion				
GRI 3: Material Topics 2021	3–3 Management of material topics	Sustainability Management Talent — Employee Caring (Employment Compliance, Concertedly Building the "Karrie" Family)	B1 Employment: General Disclosure	6–11 27–35
GRI 405: Diversity and Equal Opportunity 2016	405–1 Diversity of governance bodies and employees Talent — (Employee Composition)	Talent — Employee Caring (Talent Management Structure, Employment Compliance, Concertedly Building the "Karrie" Family) Appendix: 1. Key Performance Data Summary Annual Report 2025/26 — Corporate Governance Report (Page 40-42)	B1.1, B1.2	27–35 62–64
	405–2 Ratio of basic salary and remuneration of women to men	Talent — Employee Caring (Employment Compliance, Concertedly Building the "Karrie" Family) Appendix: 1. Key Performance Data Summary Annual Report 2025/26 — Corporate Governance Report (Page 48-53)	B1 Employment: General Disclosure	27–35 62–64

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GRI STANDARD/ OTHER SOURCE	DISCLOSURE	CORRESPONDING SECTION/REMARK	HKEX ESG REPORTING CODE RELEVANT DISCLOSURE	PAGE
Training and Development				
GRI 3: Material Topics 2021	3–3 Management of material topics	Sustainability Management Talent — Training and Development	B3 Development and Training: General Disclosure	6–11 40–42
GRI 404: Training and Education 2016	404–1 Average hours of training per year per employee	Appendix: 1. Key Performance Data Summary	B3.2	62–64
	404–2 Programs for upgrading employee skills and transition assistance programs	Talent — Training and Development 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.	B3 Development and Training: General Disclosure	40–42
	404–3 Percentage of employees receiving regular performance and career development reviews	Mainland employees at Level 5 or above and all employees in Hong Kong will receive annual performance evaluations.		
HKEX ESG Reporting Code	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	62–64
Other HKEX ESG Reporting Code Disclosures				
HKEX ESG Reporting Code	Mandatory Disclosure Requirements — Reporting Principles 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 Sustainability Management — Governance Model Appendix: 1. Key Performance Data Summary	Mandatory Disclosure Requirements — Reporting Principles	2 6–8 59–64
	A1.1The types of emissions and respective emissions data. 305–7 Nitrogen oxides (NO_x), sulfur oxides (SO_x), and other significant air emissions	Environmental Protection — Emissions Control Appendix: 1. Key Performance Data Summary	A1.1 As variations in production will lead to fluctuations in VOCs emissions and continuous monitoring of such emissions has not yet been adopted, accurate data for disclosure is not currently available.	23–24 59–61
	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 Appendix: 1. Key Performance Data Summary	A1.3	23–24 59–61

APPENDIX (CONTINUED)

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	CORRESPONDING SECTION/REMARK	HKEX ESG REPORTING CODE RELEVANT DISCLOSURE	PAGE
	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 Appendix: 1. Key Performance Data Summary	A1.4	23–24 59–61
	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	59–61
	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 — Product Responsibility	B6.3	53–56
	B6.4 Description of quality assurance process and recall procedures	Operation — Product Responsibility	B6.4	53–56
	B8 Community Investment: General Disclosure 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	43–50
	B8.1 Focus areas of contribution	Community	B8.1	43–50
	B8.2 Resources contributed to the focus area.	Community Appendix: 1. Key Performance Data Summary	B8.2	43–50 64

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5. Independent Assurance Statement

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Independent Assurance Statement

TÜV Rheinland Hong Kong Ltd. ("TUV Rheinland") was engaged by Karrie International Holdings Limited ("Karrie" or the "Group") to perform an independent limited assurance engagement on the sustainability information disclosed in its *2025/26 Sustainability Report* (the "Report"). The reporting period of the Report is from 1 April 2025 to 31 March 2026.

The scope of this Report encompasses the Group's principal operating entities, including the Group's Hong Kong headquarters, its production base in Dongguan City, Guangdong Province, China (the "Dongguan production base"), its production base in Thailand (the "Thailand production base"), and its Taiwan design and research & development centre. During the Reporting Year, the newly leased factory building in Thailand commenced production, and the relevant data has been included within the reporting scope. The newly purchased land in Thailand remains under construction and has not commenced production; therefore, the relevant data has not been included in the reporting scope.

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

Scope and Subject Matter
The scope of this limited assurance engagement covers the selected sustainability information disclosed in the *2025/26 Sustainability Report* of Karrie International Holdings Limited for the reporting period from 1 April 2025 to 31 March 2026.

The subject matter of our assurance engagement includes, but is not limited to:

- Governance-related information, including the ESG governance structure, sustainability management, corporate governance, compliance and risk management, business ethics and anti-corruption, data security, supply chain management, and related management approaches;
- Environmental performance information, including climate change response, energy management, water resources management, waste management, environmental management, greenhouse gas emissions, and other relevant environmental performance indicators;
- Social performance information, including employment and labour practices, equality, diversity and inclusion, employee training and development, occupational health and safety, community investment, product and service responsibility, customer rights and interests protection, and other relevant social performance indicators; and
- Qualitative disclosures, including the sustainability policies, management systems, objectives, initiatives, programmes, practices and case studies disclosed in the Report.

This assurance engagement is limited to the sustainability information disclosed in the Report and has been conducted in accordance with the assurance scope described above. Accordingly, our work does not extend to the assurance of financial information contained in the Report, information outside the Report, or information contained in external websites or other documents referred to in the Report. Furthermore, this assurance engagement does not include an assessment of the achievability of any forward-looking information disclosed in the Report, including strategies, objectives, commitments, forecasts, plans, expectations, scenario analyses or other forward-looking statements. Such forward-looking statements are subject to inherent uncertainties and assumptions, and actual results may differ materially from those expressed or implied in such statements.

Reporting Criteria
The Report has been prepared by Karrie International Holdings Limited with reference to the Global Reporting Initiative ("GRI") Standards, while also complying with Appendix C2 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "ESG Reporting Code"). In preparing the Report, the Group has taken into account the characteristics of its business operations and the concerns of its stakeholders, and has applied the four reporting principles of Materiality, Quantitative, Balance and Consistency as set out in the ESG Reporting Code.

The above reporting criteria constitute the criteria against which this assurance engagement was performed. We evaluated the sustainability information disclosed in the Report against these reporting criteria to determine whether such information has been prepared and presented, in all material respects, in accordance with the applicable reporting criteria.

Level of Assurance
This assurance engagement was conducted to provide limited assurance in accordance with ISAE 3000 (Revised). A limited assurance engagement involves fewer procedures than a reasonable assurance engagement in relation to risk assessment procedures (including obtaining an understanding of internal control) and the procedures performed in response to the assessed risks. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than that which would have been obtained had a reasonable assurance engagement been performed.

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Responsibilities of the Company and TÜV Rheinland

Responsibilities of the Company

The management of Karrie International Holdings Limited is responsible for the preparation of the *2025/26 Sustainability Report* based on the reporting criteria described above, and for ensuring that the information disclosed in the Report is true, accurate and complete, in all material respects. This responsibility includes designing, implementing and maintaining appropriate internal controls relevant to the preparation and presentation of the Report to ensure that it is free from material misstatement, whether due to fraud or error. Management is also responsible for ensuring the accuracy and completeness of the sustainability information disclosed, including the collection, compilation, calculation and disclosure of sustainability performance data and other relevant information, and that the statements and assertions contained in the Report are reasonably supported.

Responsibilities of TÜV Rheinland

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 this assurance engagement in accordance with ISAE 3000 (Revised). This Standard requires that we plan and perform the assurance engagement to obtain limited assurance as to 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 evaluation of management systems and processes:**
   - Reviewed the relevant policies, processes and control measures used to generate, compile and report the selected sustainability information; and
   - Assessed the appropriateness of the reporting criteria adopted.
2. **Interviews and discussions:**
   - Conducted interviews with management and relevant personnel responsible for the preparation, compilation and disclosure of the sustainability information; and
   - Obtained an understanding of the methodologies, data sources and key assumptions adopted in the preparation of the sustainability information.
3. **Data testing and analytical procedures:**
   - Performed substantive testing on a sample basis of the selected sustainability information to verify its accuracy and completeness; and
   - Performed analytical procedures to assess the consistency and reasonableness of the disclosed information.
4. **Site visits and observations:**
   - Conducted site visits to selected operating locations, including offices and factories, to observe the data collection and reporting processes; and
   - Reviewed relevant supporting documents and records available on site.
5. **Review of disclosures:**
   - Assessed the overall presentation, structure and internal consistency of the Report; and
   - Assessed whether the relevant disclosures were prepared in accordance with the established reporting criteria.

Limitation of the Assurance Engagement

Our assurance work is subject to the following limitations:

- **Scope limitation:** This assurance engagement is limited to the selected sustainability performance indicators and related disclosures described in the section entitled "Scope and Subject Matter". Our assurance conclusion applies only to the information within the scope of this assurance engagement and should not be regarded as an evaluation of other information contained in the Report or of the overall sustainability performance of Karrie International Holdings Limited.
- **Limitations of sampling:** Our assurance procedures included sample-based testing of the information supporting the selected sustainability performance indicators. Owing to the inherent limitations of sampling, our assurance conclusion is based on the samples selected and there remains a possibility that certain material misstatements or omissions may not be detected.
- **Limitations on the availability of information:** Our assurance procedures were based on the data, information and relevant materials provided to us by Karrie International Holdings Limited during the assurance engagement. Limitations in the availability of such data or information may affect the completeness of our assurance work.
- **Reliance on information provided:** This assurance engagement relies on the accuracy and completeness of the data and other relevant information provided by Karrie International Holdings Limited. We did not independently verify all underlying data. Accordingly, our assurance conclusion is based on the information provided by Karrie International Holdings Limited and the assurance procedures we performed.

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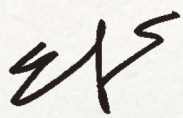
- **Forward-looking information:** This assurance engagement does not include an assessment of the achievability of any forward-looking information disclosed in the Report, including objectives, plans, forecasts, commitments, expectations or scenario analyses. Such information is subject to inherent uncertainties, and actual results may differ materially from those anticipated. Accordingly, we do not provide any assurance conclusion on future performance or the achievement of related objectives.

Assurance Conclusion
Based on the assurance procedures we performed and the evidence we obtained, nothing has come to our attention that causes us to believe that the selected sustainability information disclosed in the *2025/26 Sustainability Report* of Karrie International Holdings Limited is materially misstated or has not been prepared and presented, in all material respects, in accordance with the reporting criteria described above.

Independence and Competence
We adhere to TÜV Rheinland's internal policies and procedures to maintain independence, objectivity and professional competence in all assurance engagements. All members of the assurance team involved in this engagement are independent of Karrie International Holdings Limited, and appropriate measures have been taken to identify, assess and manage potential conflicts of interest. Our team possesses the necessary professional qualifications, technical expertise and experience in sustainability assurance and maintains current knowledge of applicable standards, regulatory requirements and industry best practices through continuous professional development. This assurance engagement was conducted in accordance with TÜV Rheinland's internal quality management procedures, the requirements of ISAE 3000 (Revised) and applicable professional ethical requirements.

Statement of Use and Liability
This Independent Assurance Statement has been prepared solely in accordance with the terms of our engagement with Karrie International Holdings Limited and is intended solely for its use. Our work has been undertaken solely to enable us to state those matters that we are required to state in this Independent Assurance Statement and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than Karrie International Holdings Limited for our work, this Independent Assurance Statement or the conclusions we have reached.

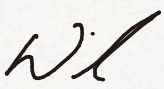
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TÜV Rheinland Hong Kong Ltd.
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21 July 2026

This Independent Assurance Statement has been prepared solely for Karrie International Holdings Limited for inclusion in its publicly released 2025/26 Sustainability Report, and may not be suitable for any other purpose. Except for disclosure as part of the publicly released 2025/26 Sustainability Report, and unless otherwise required by laws and regulations, this Independent Assurance Statement shall not be distributed, disclosed, copied or quoted, in whole or in part, without the prior written consent of TÜV Rheinland Hong Kong Ltd.