

WLS Holdings Limited

**WLS Holdings Limited
Environmental, Social and Governance Report
2017/2018**



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APPROACH

With integrity and purpose, WLS Holdings Limited (hereafter called as “the Company”) together with its subsidiaries (hereafter referred as “WLS”) (Stock code: 8021) is committed to improving business performance to maximize stakeholder’s value without compromising the environmental and social aspect, in the hope that it can bring positive impact on both the Company and the community.

WLS looks at issues that may post reputational impact or risk to the Company in the short, medium or long term. Issues that are important to the stakeholders, such as environmental conservation, product responsibility and supply chain management which are also crucial to WLS. The Company actively explore opportunities with a focus on comprehensive work ethic to ensure the continued success and growth that will benefit suppliers, consumers and the environment of the Company.

The ESG report emphasizes the balance between business needs, social demand and environmental concerns. The integration of sustainability into the Company’s business strategy as well as daily operations is a must. To deal with issues effectively, understanding and interaction with its employees, consumers and stakeholders are of the highest priority. WLS believe that the thoughtful management of ESG issues is an essential part of long-term success in a rapidly changing world. With careful and better understanding of ESG risks and opportunity, WLS can leverage on its resources and capability to drive business success. In addition, WLS believe that its expertises, capital, capabilities, and ownership model can be part of the solution to some of the challenges that communities around the world are already facing, such as the waste management and human resources management. WLS believe the key to success is to make informed decisions by thoroughly and carefully considering ESG issues.

Finally, the sustainability strategy approaches help the company to achieve the following goals:

1. To achieve environmental sustainability
2. To respect human rights and social culture
3. To engage with stakeholders
4. To nurture and empower our employees
5. To sustain local communities

ABOUT THIS REPORT

ABOUT THIS REPORT

This report communicates WLS's effort and achievement in social responsibility and sustainable development from the reporting period, 1 May 2017 to 30 April 2018 ("Financial Year 2017-2018"). The ESG data of the period from 1 May 2016 to 30 April 2017 ("Financial Year 2016-2017") is also included in this ESG Report for comparison purpose. The report is divided into two parts, the first part highlights the environmental initiatives carried out by the Company. The latter part elaborates on the social impact brought. It presents WLS's progress in its way towards creating sustainable value for its shareholders and other stakeholders. It allows us to conduct thorough performance review and evaluation for enhancing results in the future.

Scope of the Report

This report has been prepared in accordance with the Environmental, Social and Governance Reporting Guide in Appendix 20 to the Rules Governing the Listing of Securities on GEM ("GEM Listing Rules") on the Stock Exchange of Hong Kong Limited ("Stock Exchange"). This report describes in detail the sustainable development vision, strategy and core competency of the Company. Apart from that, it evaluates WLS's ESG performance in its daily operations in Hong Kong as well as the business activities conducted by its representatives and warehouses.

To facilitate strategy formulation, the Company communicates with its stakeholders regularly to identify associated sustainability issues. Based on the feedback given, the material ESG issues identified are those which have or may have a significant impact on:

- Hong Kong construction industry;
- The current or future environment or society;
- Our financial performance or operations; or
- Our stakeholders' assessments, decisions and actions.

Amidst all the uncertainties the Company may face, it will continue to strengthen existing monitoring and reporting system to reinforce our commitment to sustainable development.

Feedback

Feedback form is published online to enable readers of this report to provide their comments on ESG improvements. Although there were no specific programmes to engage stakeholders outside of the Company when this Report was being prepared, the Company has included the key issues which are of concern to different stakeholder based on the Company continual engagement with them. Comments and suggestions regarding the ESG performance of WLS are always welcome and can be sent to WLS's Company Website.

ABOUT WLS

OUR BUSINESS

As the leading scaffolding and fitting out services provider in Hong Kong, WLS also taps into other areas. Our businesses focus on the followings:

- i) provision of scaffolding services for construction and buildings work; and
- ii) provision of fitting out services for construction and buildings work; and
- iii) gondolas, parapet railings and access equipment installation and maintenance services; and
- iv) money lending business; and
- v) securities brokerage and margin financing; and
- vi) securities investment business; and
- vii) assets management business

With the competitive advantage of service excellency, the Company maintains a leading position in the market.

VISION

To be innovation and safety-oriented leading corporate conglomerate whose trademark is a guarantee of excellence.

MISSION

To satisfy customer's need through motivated employees and to promote continuous improvement and after-sales services thereby obtaining attractive reward and reputation in the market.

BOARD OF DIRECTORS

As of the date of this report, the Board consists of:

Executive Directors

Dr. So Yu Shing
Mr. Kong Kam Wang
Ms. Lai Yuen Mei, Rebecca
Mr. So Wang Chun, Edmond
Mr. Yuen Chun Fai

Independent Non-Executive Directors

Mr. Law Man Sang
Ms. Lam Wai Yu
Mr. Lo Ka Ki

OUR STAKEHOLDERS

WLS always thrive to meet the expectation of our stakeholders and believe that stakeholders play a crucial role for sustaining the success. In order to promote mutual understanding, the Company has established a sophisticated communication system to engage with different stakeholders.

Building on the insight gained from the stakeholders, the Company formulates policies and business strategies accordingly to maximize stakeholder's value.

Stakeholders	Possible concerned issues	Communication and responses
HKEx	Compliance with listing rules and to provide timely and accurate announcements	Meetings, training, roadshows, workshops, programs, website updates and announcements
Government	Compliance with laws and regulations for tax and social welfare	Interaction and visits, government inspections, submission of tax returns and other information
Sub-contractors/Suppliers	Payment schedule, stable demand	Site visits, suppliers assessment
Investors	Corporate governance system, business strategies and performance, investment returns	Seminars, interviews, shareholders' meetings, financial reports or operation reports for investors, media and analysts
Media & Public	Corporate governance, environmental protection, human rights	Newsletters on the Company's web announcement site
Customers	Product quality, delivery times, reasonable prices, service value, labour protection and work safety	Site visits, after-sales services
Employees	Rights and benefits, employee compensation, training and development, work hours, working environment	Union activities, trainings, interviews for employees, internal memos, employee suggestion boxes
Community	Community environment, employment and community development, social welfare	Community activities, employee voluntary activities and community welfare subsidies and donations

SECTION A: ENVIRONMENTAL

WLS focuses on upholding high service quality standards, while being responsible to its people, the community and the environment. As WLS believes it is not just an ethical obligation, but a gateway to business success, therefore, WLS makes every effort to integrate sustainability into the core of its business. Beyond regulatory compliance, WLS has adopted the principal of “Avoidance, Reduction and Reuse” to manage and minimize the environmental impacts. A series of green initiatives have been rolled out in both the office and the site projects to lower carbon footprint.

For the year ended 30 April 2018, there was no material non-compliance issue with relevant laws and regulations related to the environment.

ASPECT A1: EMISSIONS

WLS have implemented eco-friendly measures to reduce the carbon footprint during the business operations, and optimised the use of resources whenever possible.

During the Financial Year 2017-2018, WLS had 2 warehouses in Yuen Long and one office in Wong Chuk Hang. In the warehouse, the trucks caused most of the air emission and greenhouse gas emission while transporting construction materials. Meanwhile, the use of electricity and water in both warehouses and the office constituted the composition of scope 2 and scope 3 greenhouse gas. The emission intensity in the Financial Year 2017-2018 and 2016-2017 were calculated based on the number of employees, which were 86 and 83 respectively.

Emissions

The emission data indicates both the emissions of air pollutants and greenhouse gases. The emissions of air pollutants, which included nitrogen oxides (“NOx”), Sulphur oxides (“SOx”) and respiratory suspended particles (“RSP”) were mainly generated by usage of trucks for the transportation of construction materials.

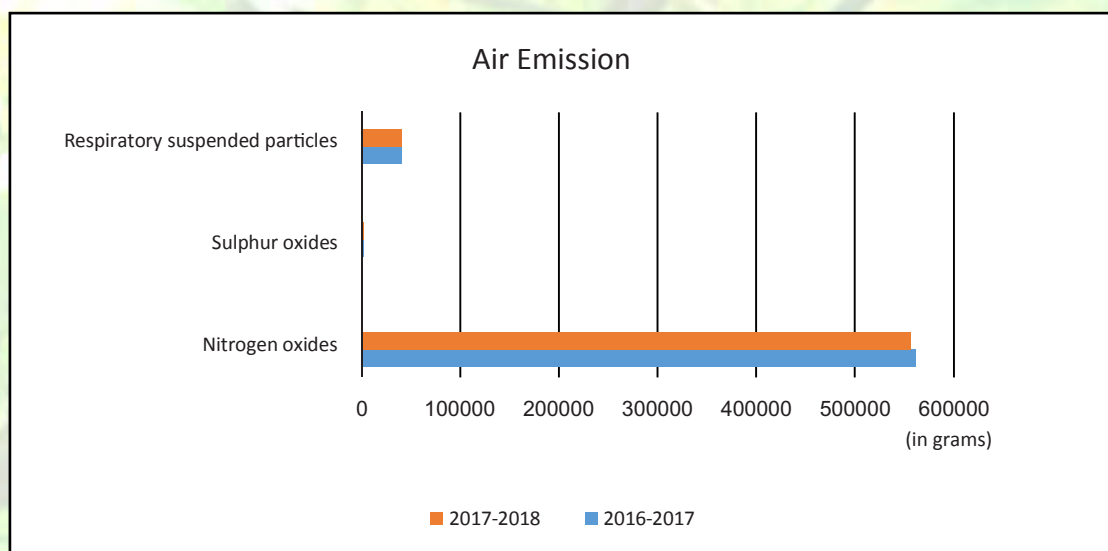
Due to the limitation of collecting data, the calculation of distances travelled by the trucks of the Company for the period of May 2016 to December 2017 were merely by estimation of 8,204 km per month. Therefore, the data of respiratory suspended particles and nitrogen oxides were estimated emission figures. As for the remaining three months, January 2018 to April 2018, the figures were calculated based on the actual travel distance.

In the future, the Company will continue its effort in collecting the actual data, with the aim of monitoring the efficiency and the impact brought.

The emissions of air pollutants for the Financial Year 2016-2017 and 2017-2018 were illustrated below:

Air Emission	2016-2017	2017-2018	Compared to last year
Nitrogen oxides (g)	560,396	555,426	-1%
Sulphur oxides (g)	745	755	+1%
Respiratory suspended particles (g)	40,295	39,938	-1%
Total (g)	601,436	596,119	-1%

SECTION A: ENVIRONMENTAL (Continued)



Due to the continuous efforts in improving the transportation routes, the overall air emission was experienced a slight, meaningful reduction. In future, the Company will closely monitor the efficiency and the impact arise from the transportation.

The emission intensity of air emission for the Financial Year 2016-2017 and 2017-2018 were 7,246g per employee and 6,932g per employee respectively, which was a 4% decrease per employee.

Due to the continuous efforts in improving the transportation routes, WLS had successfully maintained the air emission at the similar level, in which it only fluctuates at around $\pm 1\%$ compared to last year.

Building on the success being achieved, WLS will continue to strategize environmentally-friendly policies such as using cleaner source of fuel to alleviate environmental impact.

Greenhouse gas emission

The greenhouse gas emissions by the Company were mainly released from fuel consumption, electricity consumption, electricity used for fresh water and sewage processing by the Water Services Department and Drainage Services Department. The operations of WLS produced 189 tonnes of carbon dioxide equivalent emissions in the Financial Year 2017-2018.

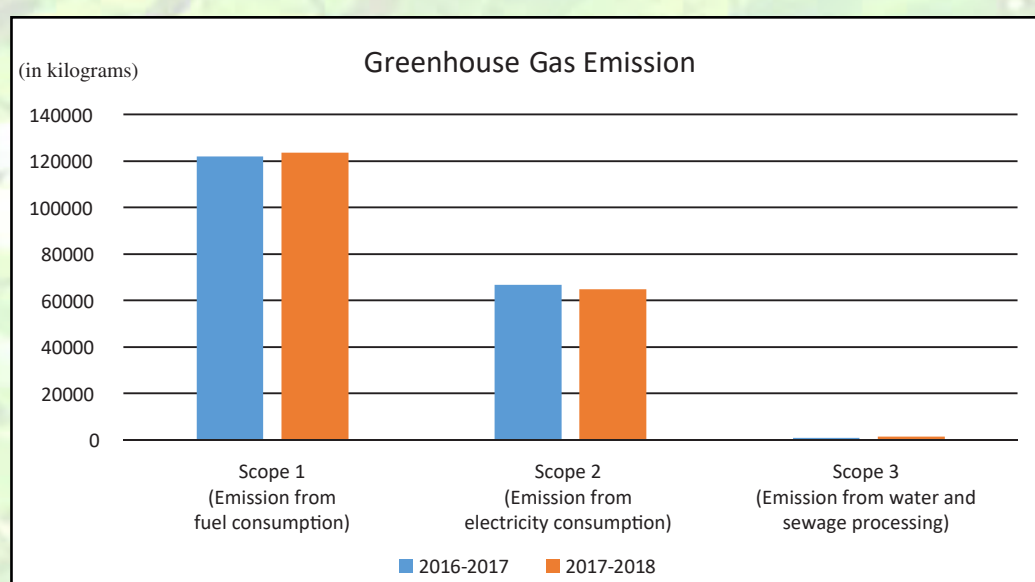
Although WLS experienced a slight decrease of 0.5% in the total carbon emissions compared to the Financial Year 2016-2017, the energy-saving and environmental sustainability initiatives still played an important role in further curbing the greenhouse effect.

SECTION A: ENVIRONMENTAL (Continued)

Given to the nature of WLS, which was principally engaged in construction and building works, the largest contributor to the Group's carbon emission is fuel usage by trucks for transporting the construction materials. As there were more construction works in the Financial Year 2017-2018, the demand of trucks are more frequent, which led to higher fuel usage. Furthermore, as WLS has 2 warehouses in Yuen Long and 1 office in Wong Chuk Hang, the consumption of electricity is relatively high. Through promotion and education on energy saving, it strengthens employees' awareness to lower the unnecessary electricity consumption. Due to the business activities of WLS, no material portion of discharges of water was resulted. The emission intensity of greenhouse gas emission in the Financial Year 2016-2017 and the Financial Year 2017-2018 were 2.3 tonnes per employee and 2.2 tonnes per employee, which was a 4% decrease per employee.

In the coming years, WLS will continue to explore strategies to support environmental conservation in innovative ways.

The following graph indicate the total green house gas emission of WLS:



Scope 1 Emission

Scope 1 emission was positively correlated to the usage of fuel by transportation. Aforementioned, the route-planning was similar, and thus the usage of oil and emission level.

Scope 1	2016-2017	2017-2018	Comparison
CO ₂ (kg)	121,007	122,623	+1%
CH ₄ (kg)	141	143	+1%
N ₂ O (kg)	1,033	1,047	+1%
Total (kg)	122,181	123,813	+1%

With the Company's planning and determination in execution, the greenhouse gas including carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O) has successfully maintained at the similar level, which it only had a slight increase of 1%.

The emission intensity of scope 1 emission in the Financial Year 2016-2017 and the Financial Year 2017-2018 were 1,472 kg per employee and 1,440 kg per employee, which was 2% of decrease.

SECTION A: ENVIRONMENTAL (Continued)

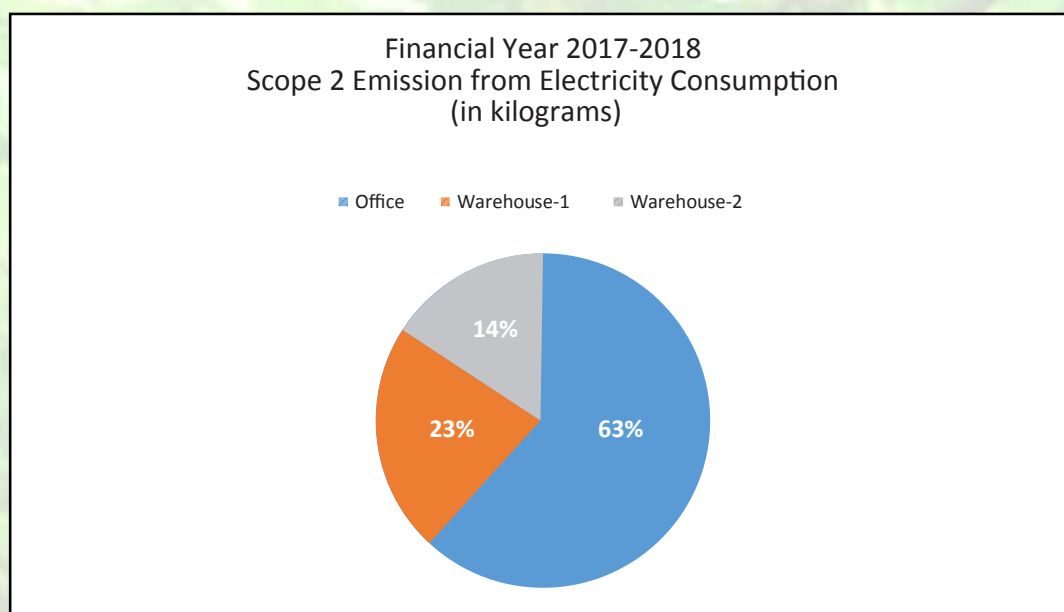
Scope 2 Emission

Scope 2 emission was directly associated with electricity consumption. WLS comprised of the largest proportion in electricity consumption, in light of that, a series of initiatives have been carried out in the office to alleviate the impact brought.

The environmental policies stated that:

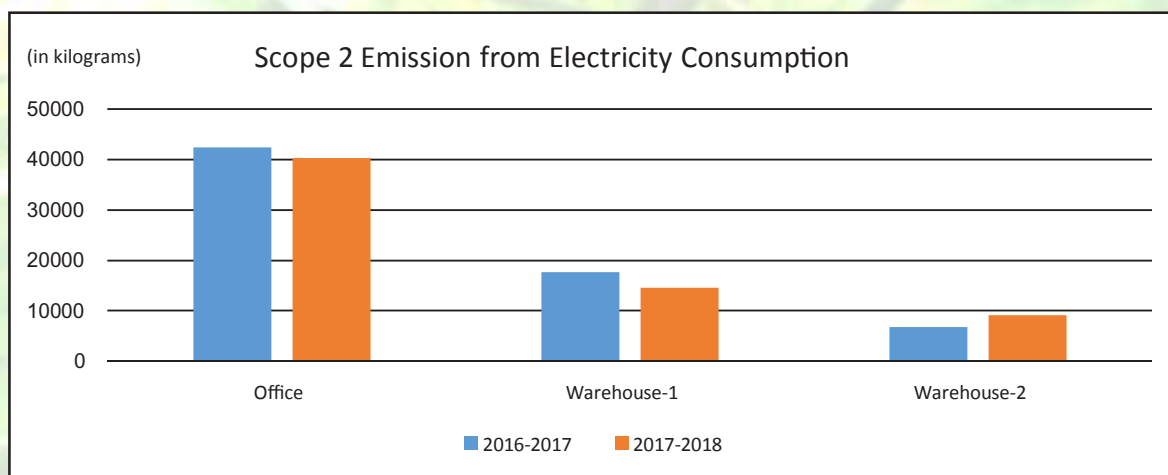
1. Employees were required to switch off lights when out for work and meeting
2. Switching off the computer after work
3. Energy saving mode is also auto set for all computers/photocopiers
4. Installing energy-efficient electronic appliances and light bulbs progressively

All the tiny efforts added up to the success of energy conservation. The Company cultivates green mind set to our employees, and promoting energy conservation in the office and warehouses. The electricity consumption of the office and the electricity consumption per employee have successfully dropped by approximately 4% and 8% simultaneously.



WLS had 2 warehouses in Yuen Long and 1 office in Wong Chuk Hang. The warehouses were used to store the construction materials, and only a few employees worked in there, therefore, the needs for lighting and air-conditioning were less demanding, when compared with the needs in office. Nevertheless, WLS always concerns for reducing the usage of electricity in warehouses and office.

SECTION A: ENVIRONMENTAL (Continued)



As the electricity consumption were 5% and 17% lower for office and warehouse 1 respectively from Financial Year 2016-2017 to Financial Year 2017-2018, the emission was also lowered. For warehouse 2, the consumption was slightly increased, the rise of electricity consumption by warehouse 2 has compensated the drops by office and warehouse 1, in which the overall emission was reduced by 4%.

The emission intensity of scope 2 emission in the Financial Year 2016-2017 and the Financial Year 2017-2018 were 805 kg per employee and 744 kg per employee, which was a 8% reduction.

Electricity consumption still played an important role in further curbing the greenhouse effect. In the coming years, WLS will continue to explore possible ways to conserve energy in both office and the warehouses.

Scope 3 Emission

Scope 3 emission, generated indirectly due to the waste water treatment, comprised the least contribution to the total greenhouse gas emission due to the business nature of the Company.

	Scope 3 Emission
2016-2017	1,053 kg
2017-2018	1,223 kg
Compared to last year	+16%

For the Financial Year 2017-2018, the water consumption level has increased by 16%. The management was aware of the rise in water consumption because of the water pipe leakage accident in the period of February 2018 to April 2018. The Company will closely monitor and regularly check the water pipes to prevent similar incident from happening again. Nonetheless, the management of the Company is target to achieve outstanding result in reducing emission.

SECTION A: ENVIRONMENTAL (Continued)

The emission intensity of scope 3 emission in the Financial Year 2016-2017 and the Financial Year 2017-2018 were 13 kg per employee and 14 kg per employee.

Waste management

For the waste generation, the Company actively promotes material conservation and has implemented policies to reduce wastes at source throughout business activities. WLS encourages employees to minimise waste by evaluating operations and ensure they are as efficient as possible.

Construction Material

Following good planning and practices to reduce waste generation at source, WLS reviewed and kept track of the non-hazardous waste disposal to ensure the waste level was kept to the minimal. Reducing the burden on waste disposal, WLS had made accurate prediction on the raw materials needed, and thus lowering the waste disposal rate. In the Financial Year 2017-2018, 578 tonnes of rubbish was disposed.

The disposal intensity of construction materials in the Financial Year 2017-2018 were 6.7 tonnes per employee. Meanwhile, due to the restriction in collecting disposal data, there were no data regarding waste disposal in the Financial Year 2016-2017 for comparison.

No harmful wastes were generated during the year because of the business nature. The construction materials used in the construction sites were usually metal tubes and bamboo. WLS has introduced the Metal-Bamboo Matrix System Scaffold (MBMSS) since 1999. This MBMSS has many advantages in both bamboo and metal scaffolding. As the mixed metal and bamboo tubes are much more stable, durable and not easily damaged by construction-site workers, it can produce less construction waste to protect the environment. Meanwhile, the disposal of bamboo will still be considered as non-hazardous waste in the foreseeable future. Yet, due to difficulties of calculating the recycling rate of metal tubes and bamboo, no statistics were shown on the disposal rate.

Waste water

Other than the waste water generated from treating water by Water Supplies Department, no other waste water were generated from the warehouses and the office.

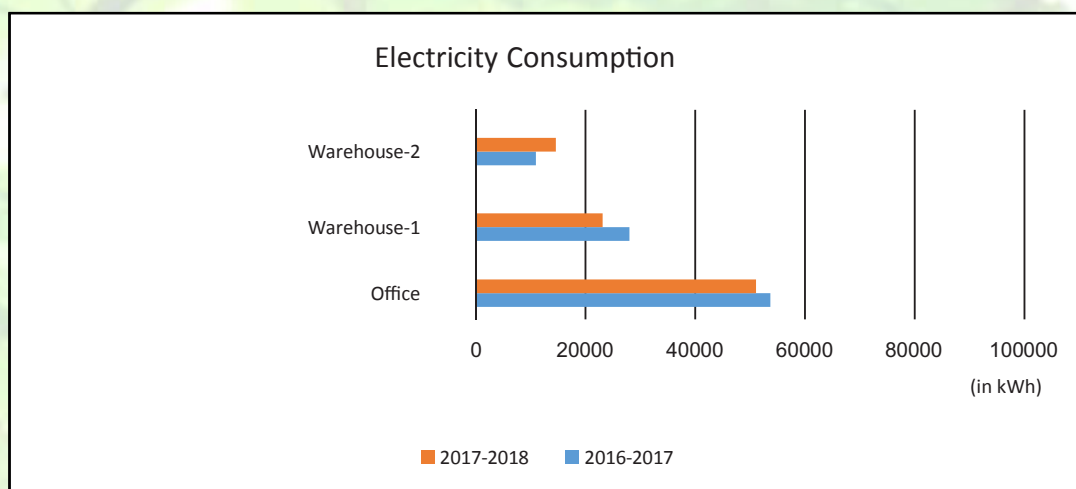
SECTION A: ENVIRONMENTAL (Continued)

ASPECT A2: USE OF RESOURCES

Green and low-carbon is the only way of sustainable development of our society. The Company had been committed to becoming a resource-saving and environment-friendly enterprise to promote environmental protection. WLS had been actively strengthened the energy-saving procedures in order to reduce emission, and adhered to reduce energy consumption as a green construction company.

Electricity Consumption

WLS placed great emphasis on reducing energy consumption and building a green and low carbon image. The Company required employees to switch off office electronic facilities such as lighting, business and computer equipment during unattended hours in the relevant office or working areas. Furthermore, it encouraged employees to set the temperature of the air-conditioning systems for the working areas within optimal temperature level or turned off all the lights when leaving the working areas or the office at night.



The total energy consumption in the Financial Year 2017-2018 was approximately 88,587 kWh. When compared to 92,404 kWh in the Financial Year 2016-2017, which had achieved 4% of improvement. The electricity consumption in the office was made the most because most of the staff work in the office. The management of the Company was pleased that the success lied in the improved environmental mind-set of employees to conserve energy and the energy-efficient machines.

The electricity consumption in the Financial Year 2016-2017 was 1,113 kWh per employee while it was 1,030 kWh per employee in Financial Year 2017-2018.

Water Consumption

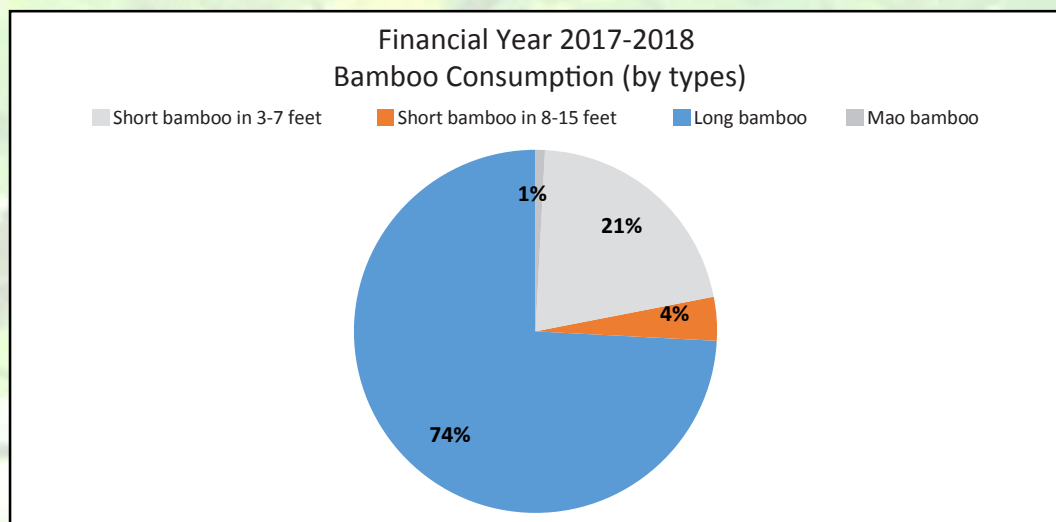
The construction and building works for scaffolding, fitting out and gondola services were not particularly water-intensive due to the nature of the business and no water was consumed on the construction sites.

The water consumption in the Financial Year 2017-2018 was 1,747m³ and the water consumption intensity per employee was 20m³. A slight increase of 12% of water consumption per employee had been recorded, that was due to the water pipes leakage accident occurred in the warehouse. Nevertheless, with the forward-looking plans to use water efficiently, WLS was still optimistic and committed to further bring down the water consumption level.

SECTION A: ENVIRONMENTAL (Continued)

Bamboo Consumption

For the scaffolding business, these were four categories of bamboo that WLS used in the Financial Year 2017-2018, which were: Short bamboo in 3-7 feet, Short bamboo in 8-15 feet, Long bamboo and Mao bamboo.

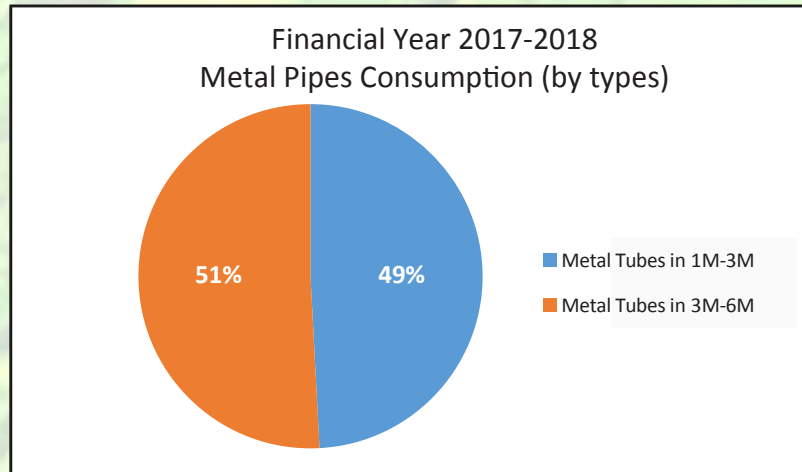


In the Financial Year 2017-2018, because of the nature of the construction buildings, 74% of bamboo consumed was long bamboo other 21% of bamboo consumed was short bamboo in 3-7 feet. The average monthly bamboo used in construction sites was around 30,827. With the burden usage of construction materials, the effort of reusing materials were highly encouraged by the Company. The bamboo was durable in nature and the recycling rate could be up to 20%. Due to the restriction in data collection, only the bamboo usage in Financial Year 2017-2018 was disclosed.

In the future, the Company will continue its effort in collecting the bamboo consumption data, with the aim of monitoring the efficiency and making meaningful improvement on the reusing of construction materials.

SECTION A: ENVIRONMENTAL (Continued)

Metal Tubes Consumption



In the Financial Year 2017-2018, metal tubes used in construction sites were classified into two categories: metal tubes in 1-3 meters and metal tubes in 3-6 meters. Due to the frequent usage and high demand on the construction sites, the consumption of these two categories of metal tubes were accounted for 49% and 51% for metal tubes in 1-3 meters and metal tubes in 3-6 meters respectively. The average monthly usage of metal pipes in the Financial Year 2017-2018 were about 26,550. Due to the restriction in data collection, only the metal tubes usage in Financial Year 2017-2018 was disclosed and were also durable in nature that it could be used for several years.

Reuse of Material

Waste generation can also be reduced by reusing useful materials. For the gondola business, the unused gondolas which still had residual value, their motors would be sold for environmental purpose. Other than that, for the scaffolding business, when projects were completed, bamboo and metal tubes from different construction sites were sent back to the warehouses for reuse after checking on their quality.

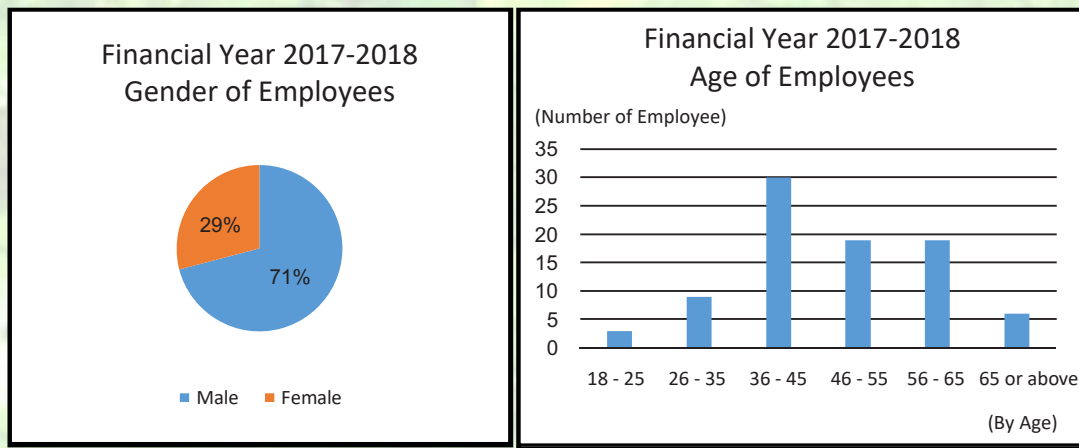
ASPECT A3: THE ENVIRONMENTAL AND NATURAL RESOURCES

The Company believed that the organization should strike a balance between economic development and social and environmental development. To achieve sustainability, all the aspects should be considered thoroughly without compromising each other. To conclude, all parties, including suppliers, customers, and different stakeholders should work hand in hand towards this long-term goal.

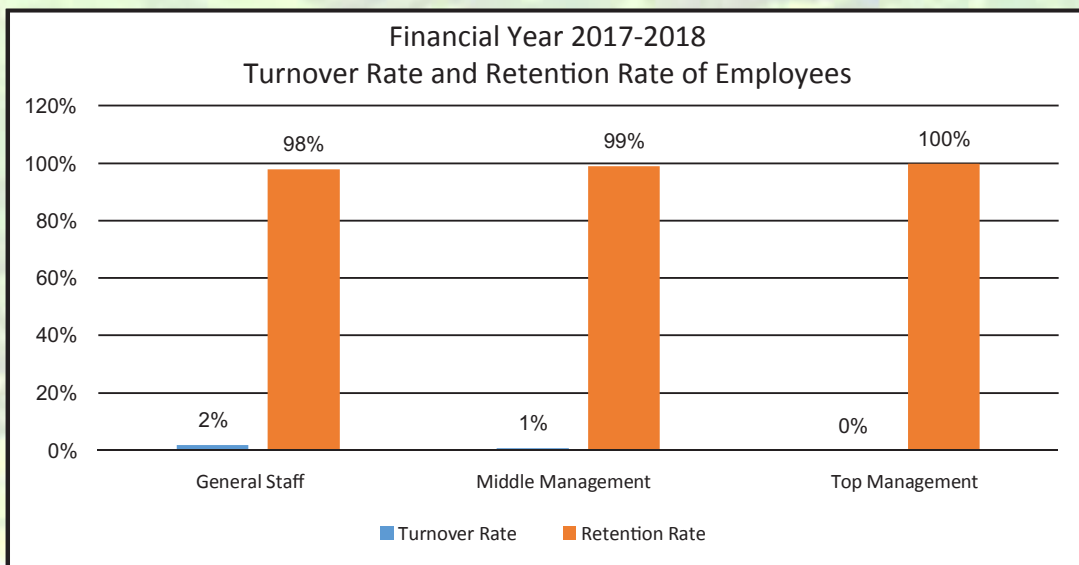
SECTION B: SOCIAL

EMPLOYEE INDICATORS

WLS believed that continued business success relies on the full contribution and support of its employees. The Company is dedicated to promoting equal opportunities. All employees are hired on the basis of experience, training, and potential for growth. There shall be no discrimination based on religion, age, gender, race or national origin. It is the express intent of WLS to ensure that equal treatment is provided to its employees in all promotions and determination of wages, benefits, terms and conditions of employment.



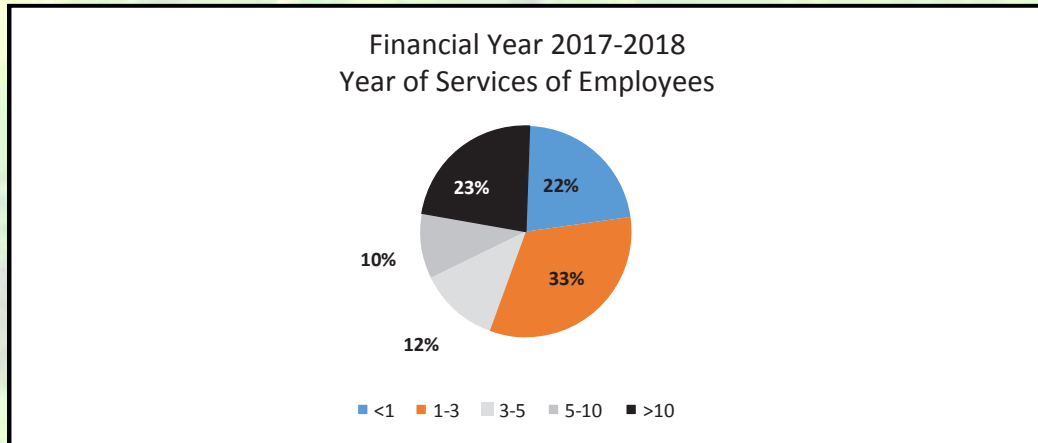
The Company had 86 employees as at 30 April 2018, in which female comprised of 29% while male comprised of 71%. Considering the nature of the industry, as construction industry, it is normal to have a higher male-to-female employee ratio. The Company is considered to maintain a gender-balanced hierarchy, with no discrimination against gender.



In the highly mobile industry, WLS maintained a healthy and stable monthly employees turnover rate of 2.8%, whilst the monthly employees turnover rate in the Financial Year 2016-2017 was about 2.9%.

SECTION B: SOCIAL (Continued)

Furthermore, the 1% turnover rate of our senior management and the middle management has indicated that the stable management hierarchy was able to ensure effective operation and loyalty of the Company.



Moreover, 45% of staff has worked with the Company for more than 3 years and some even has worked up to 10 years or above. Maintaining stable employees structure enable sustainable development of the Company with our friendly HR policies and happy working environment. In future, WLS will take all the measures to combat the challenge of attracting and retaining a talented workforce.

To strengthen the bonding with employees, WLS often organized gathering events such as Christmas Party and Lunar New Year's Party, to enable the employees and the management to connect with each other.



SECTION B: SOCIAL (Continued)

DIVERSITY & INCLUSION

The Company was dedicated to promoting equal opportunities. All employees were hired on the basis of experience and skill sets. There shall be no discrimination based on religion, age, sex, race or national origin. It is the express intent of the WLS to ensure that equal opportunity was provided to employees in all promotions, wages, benefits, terms and conditions of employment.

In the Financial Year 2017-2018, around 27% of WLS's employees were came from different region other than Hong Kong:

Region	Number of Staff
Nepal	13
Africa	2
India	1
Mainland	2
France	1
Pakistan	2
Philippines	2
Hong Kong	63
Total Number of Staff	86

BENEFITS AND WELFARE

WLS considers its employees as the key to sustainable business growth and hence it offers competitive remuneration package to employees, including mandatory retirement funds, insurance, annual leaves. Moreover, discretionary bonus maybe granted to eligible employees based on the Company and individual performance. The promotion of the Group's employees are subject to regular review. The Group has established objective performance indicators for annual performance evaluation. Based on the evaluation result, it offers rewards to employees in encouraging continuous improvement.

The Group strictly complies with the Employment Ordinance (Chapter 57, Laws of Hong Kong) and other labour legislations in Hong Kong and adopts the respective standards as its minimum standards for labor protection and welfare. Base on such rules and regulations, the issues relating to employees' personal information, compensation and dismissal, recruitment, working hours, rest periods and other benefits are all stated in the Company Staff Handbook. WLS fully comply with labor laws and relevant legislations that prohibits child labor and forced labor. Before joining the Company, candidates are required to present their identity documents to prove they have already reached the legal working age.

To avoid non-compliance with Mandatory Provident Fund Schemes Ordinance (Chapter 485) and law by Inland Revenue Department, enrolment were filed to the MPF trustee and Inland Revenue Department on a timely basis. The Company was also dedicated to comply with the Companies Ordinance, Inland Revenue Ordinance, Minimum Wages Ordinance, the Personal Data Privacy Ordinance and other relevant rules and regulations.

SECTION B: SOCIAL (Continued)

HEALTH AND SAFETY

The Group strives to provide a healthy and safe working environment for its employees. As such, WLS pledges full compliance with all applicable occupational health and safety legislations and has implemented an effective and safe working environment for its employees. At the construction sites, safety warnings, banners and slogans are put up. First-aid boxes are placed in all offices, warehouses and construction sites. The Company employed 6 Site Agents and Safety Supervisors to oversee the safety of construction sites. They were required to draft the safety plan and follow the instruction of the Method Statement for each construction sites.

All employees are required to comply with Company Safety Manual. Before the commencement of the construction works, workers were required to attend the safety induction session, to learn the necessary knowledge and skill and to adapt the right attitude to safety. Safety Supervisors performed regularly site visit and prepared Safety Inspection Report for recording potential safety issues. Safety meeting were held internally in the Company to discuss the major safety issues and remediation results.

Besides, WLS put high emphasis on site workers recruitment by obtaining their Safety Training Certificate and Construction Worker Registration Card to check if they were qualified to work on site.

The Company maintained a record of zero fatality or permanent disablement cases in the Financial Year 2017-2018. 4 people were injured at work in which the total labour hour lost due to injuries comprises of 3,321 hours. In future, the Company will take more focus to ensure the health and safety of its employees.



SECTION B: SOCIAL (Continued)

TRAINING AND DEVELOPMENT

In the competitive environment, continuing staff development and training are crucial to enhance employees' capability. The Company has committed to providing on-the-job education and training to its employees, such as safety courses and education seminar, in order to enhance their skills and knowledge. Furthermore, WLS continues to encourage its staff to pursue continuing education to enhance and maintain their proficiency by obtaining appropriate certification for their professional skills or qualifications.

In particularly, training courses were provided to the employees to promote safety awareness and technical skills in the operation of scaffolding and gondola businesses. Furthermore, WLS encouraged and supported staff to take up external trainings or professional qualifications courses to further improve their capability and skills.

Financial Year 2017-2018 Employees Training Hours by Gender

Female

31
Hours

Male

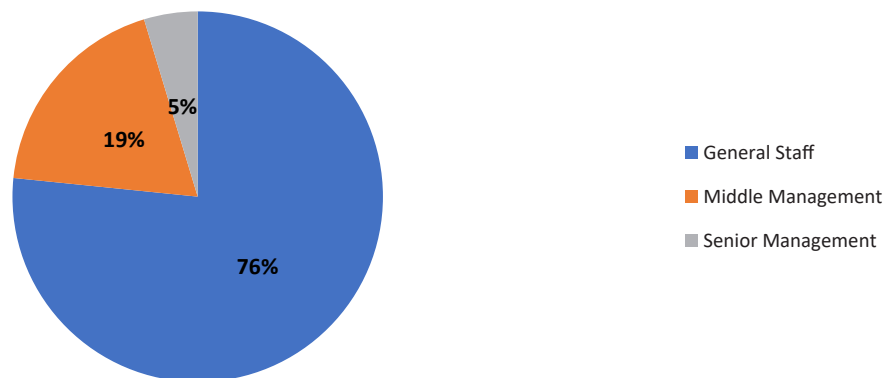
55
Hours

Total

86
Hours

Due to the nature of the business, all workers who mostly were male, were required to attend safety training courses. Therefore, the training hours for male in Financial Year 2017-2018 were higher than the training hours for female.

Financial Year 2017-2018 Employees Training Hours by Employee Categories



Not only the training were provided to the general staff, middle management and senior management were also involved in the training session. The middle management and the senior management received 20 training hours in total.

SECTION B: SOCIAL (Continued)

SUPPLY CHAIN MANAGEMENT

The responsibility of the Company extends to all parties who contributed to the success of the Company, which included sub-contractors and suppliers. To express the vision on sustainability of WLS, it is dedicated to build a long-term relationship with existing business partners. WLS has developed comprehensive system to conduct procedures to select and evaluate suppliers in the view of pursuing sustainability goal.

To reduce operation risk, the Company has avoided excessive reliance on small number of suppliers and sub-contractors. WLS maintains and updates its own suppliers and sub-contractors list regularly in order to ensure sustainable procurement. By this mean, it conducts selection and evaluation procedures annually to assess suppliers and sub-contractors based on certain criteria including but not limited to price, quality, sale return arrangement, safety certificates and delivery condition. Priorities are given to the suppliers and sub-contractors who embraced quality and fulfilled satisfying safety requirements. For those suppliers whose quality and safety could not meet the standard, the Company will remove them from the list.

In the Financial Year 2017-2018, the Company had 63 suppliers in total, in which 55 were based in Hong Kong, and 8 were based in Mainland. For certain major raw materials, such as bamboo and gondolas, WLS continuously developed long term relationships with several esteemed suppliers. In the future, the Company will always look for potential good suppliers and sub-contractors and maintain long term relationship with the existing customers.



PRODUCT AND SERVICE RESPONSIBILITY

The Company has set up internal procedures and manuals to ensure the high level of product and service quality. All material licences, certificates and approvals are obtained for carrying on its business activities.

Customers' thoughts and feedback are the keys to moving corporate sustainable development forward. The Company has been committed to building a good product recall system and customer feedback channel in order to protect the rights and interests of the customers and to ensure that customers' feedback is received properly by the relevant departments. WLS believes that customer loyalty comes from customer appreciation and recognition.

SECTION B: SOCIAL (Continued)

Quality Assurance

WLS is committed to delivering high-quality services to its customers and thus WLS are proud to announce that it maintained a zero record of major accident. In the Financial Year 2017-2018, WLS received 36 complaints from the customers and all the complaints have been addressed within a month.

Customers could expressed their complaints to the site managers and even senior management. Once complaints have been received, site managers would carry out rectification work. CEO of the Company would also follow up the case in person, to strength the quality control.

Customer Privacy Protection

The Company has standard management approach on handling important and confidential information by authorised personnel only most importantly.

Protecting customers' data were of the top priority. All of the documents related to customer data were encrypted and only specific personnel who know the password can access to the information. As for the money lending business, application forms were handled by the Compliance Officer. Without acknowledgement of the Compliance Officer, no one was allowed to access to the file. On the other hand, tender documents for the scaffolding, fitting art and gondola business were stored in the file cabinets of the Executive director's room. The above measures were effective in preventing customer privacy leakage.

In the Financial Year 2017-2018, there was no complaints concerning breaches of customer privacy or losses of customers.

Intellectual Property Right

WLS takes pride in innovative invention on the scaffolding system. With the Company's constant effort, it has successfully obtained several patents in different countries including United Kingdom, China and Hong Kong. The Company has outsourced the patents management to external legal counsel to ensure on the expiry date of the patents and monitored if anyone infringed our copyrights. In the Financial Year 2017-2018, the Company did not receive any complaints concerning copyright infringement.

ANTI-CORRUPTION & WHISTLE-BLOWING

The Company was highly cautious about the misconduct related to bribery and conflict of interest. WLS prohibits corruption practices by all means. All employees including the Directors must follow policy on the acceptance of benefits stipulated, which employees must not request any advantage from and/or offer any advantage to people who have a stake in our business such as customers, suppliers, contractors, authorities, or any other stakeholders.

SECTION B: SOCIAL (Continued)

For the money lending business, the Company adopts rigorous borrowing requirements in order to comply with the anti-money laundering regulations in Hong Kong. For each case, during the screening section, assets verification and legal search are performed. The Compliance Officer of the licensed corporation would handle all the loan application documents.

In the Financial Year 2017-2018, WLS received no concluded corruption case was reported.

COMMUNITY INVESTMENT

As a responsible enterprise, WLS engages in ongoing community work to contribute to the wellbeing of our community. This year, the Company had made a considerable contribution to the community in different aspects through different ways such as organising community activities, employees' voluntary works and making donations, through these activities, the Group gets to understand more about the need of the Society.

The Chairman of the Group, Dr. So Yu Shing, who is keen on participating in charity events to help those who are in needs, was the chairman of St. John Ambulance Brigade, H.K.I.C., Officers' Mess in 2016. St. John Ambulance Brigade provides first aid service, dental service for the persons with special needs and youth service.

In the Financial Year 2017-2018, the Company had invested more in community service, and supported various organizations with different objectives and donated \$199,000 to four charity organizations, namely Live in Harmony Fund Limited, Shui On Secure Club, Rainbow Foundation Limited and Hong Kong St. John ambulance, aiming to improve the livelihood of the community.

In the future, the company will continue to obtain the social license to operate to better serve the interest of the company.



ENVIRONMENTAL DATA

A1.Emissions		Year ended 30 April 2018	Year ended 30 April 2017	Unit
Air emissions (Total)		596,119	601,436	g
Nitrogen Oxides		555,426	560,396	g
Sulphur Oxides		755	745	g
Respiratory Suspended Particles		39,938	40,295	g
Greenhouse gas emissions (Total)		189,013	190,022	kg
Scope 1	Emissions from Fuel Consumption	123,813	122,181	kg
	CO ₂	122,623	121,007	kg
	CH ₄	143	141	kg
	N ₂ O	1,047	1,033	kg
Scope 2	Emissions from Electricity Consumption	63,977	66,788	kg
Scope 3	Emissions from Water and Sewage Processing	1,223	1,053	kg
Waste Management		NA	NA	NA
Construction Material		578	NA	tonnes

A2.Use of Resources	Year ended 30 April 2018	Year ended 30 April 2017	Unit
Energy consumption	88,587	92,404	'000 kWh
Water consumption	1,747	1,505	m ³

B. Social	Year ended 30 April 2018	Year ended 30 April 2017
Total number of employees	86	83
By Gender		
Male	61	60
Female	25	23
By age group		
Under 18	0	0
18 to 25	3	2
26 to 35	9	14
36 to 45	30	24
46 to 55	19	21
56 to 65	19	17
65 or above	6	5

ENVIRONMENTAL DATA (Continued)

Employment turnover		
% of monthly employee turnover (Total)	3%	3%
General staff	2%	2%
Middle management	1%	1%
Senior management	0%	0%

Health and Safety Indicators		
Number of reported injuries	4	3
Number of lost hours	3,321	2,951

Development and Training Indicators		
Total number of hours of internal training received by employees	86	123
Average hours of training per employee	1	1
Trained employees by employee category (total)	13	40
General staff	7	8
Middle Management	4	27
Senior Management	2	5

Supply Chain Indicators		
Total number of suppliers	63	64

Product Responsibility		
Total number of products subject to recalls for safety and health reason	NA	NA
Total number of compliants received	36	2
Total number of legal dispute case	0	0

Anti-corruption Indicators		
Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of cases	0	0

Community Indicators		Units: HKD
Community investment	199,000	121,000

ESG REPORTING GUIDE & REFERENCE

A. Environmental	Reference in this report
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A1. Emissions	Page #
Policies and 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.	6-11
KPI A1.1 The types of emissions and respective emission data.	6-7
KPI A1.2 Greenhouse gas emission in total (in tonnes) and where appropriate, intensity (e.g per unit of production volume, per facility).	7-11
KPI A1.3 Total hazardous waste produced (in tonnes) and where appropriate, intensity (e.g per unit of production volume, per facility).	NA
KPI A1.4 Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g per unit of production volume, per facility).	11
KPI A1.5 Description of measures to mitigate emissions and results achieved.	7-11
KPI A1.6 Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved.	11

A2. Use of Resources	Page #
Policies on the efficient use of resources, including energy, water and other raw materials.	12-14
KPI A2.1 Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	12
KPI A2.2 Water consumption in total and intensity (e.g. per unit of production volume, per facility).	12
KPI A2.3 Description of energy use efficiency initiatives and results achieved.	12
KPI A2.4 Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved.	NA
KPI KA2.5 Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	NA

A3. The Environment and Natural Resources	Page #
Policies on minimizing the issuer's significant impact on the environment and natural resources.	6-14
KPI A3.1 Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	6-14

ESG REPORTING GUIDE & REFERENCE (Continued)

B. Social	Reference in this Report
B1. Employment	Page #
Policies and compliance with laws and regulations relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	15-17
KPI B1.1 Total workforce by gender, employment type, age group and geographical region.	15-17
KPI B1.2 Employment turnover rate by gender, age group and geographical region.	15
B2. Health and Safety	Page #
Policies and compliance with laws and regulations relating to providing a safe working environment and protecting employees from occupational hazards.	18
KPI B2.1 Fatality number and rate.	NA
KPI B2.2 Lost days due to work injury.	18
KPI B2.3 Description of occupational health and safety measures adopted how they are implemented and monitored.	18
B3. Development and training	Page #
Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	19
KPI B3.1 The percentage of employees trained by gender and employee category (e.g. senior management, middle management, etc.).	NA
KPI B3.2 The average training hours completed per employee by gender and employee category.	NA
B4. Labour standards	Page #
Policies and compliance with laws and regulations relating to preventing child and forced labour.	17
KPI B4.1 Description of measures to review employment practices to avoid child and forced labour.	17
KPI B4.2 Description of steps taken to eliminate such practices when discovered.	NA
B5. Supply chain management	Page #
Policies on managing environmental and social risks of the supply chain.	20
KPI B5.1 Number of suppliers by geographical region.	20
KPI B5.2 Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	20

ESG REPORTING GUIDE & REFERENCE (Continued)

B6. Product responsibility	Page #
Policies; and compliance with laws and regulations relating to health and safety. Advertising, labeling and privacy matters relating to products and services provided and method of redress.	20-21
KPI B6.1 Percentage of total products sold or shipped subject to recalls for safety and health reasons.	NA
KPI B6.2 Number of products and service related complaints received and how they are dealt with.	21
KPI B6.3 Description of practices relating to observing and protecting intellectual property rights.	21
KPI B6.4 Description of quality assurance process and recall procedures.	NA
KPI B6.5 Description of consumer data protection and privacy policies, how they are implemented and monitored.	21

B7. Anti-corruption	Page #
Policies and compliance with laws and regulations relating to bribery, extortion, fraud and money laundering.	21-22
KPI B7.1 Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	22
KPI B7.2 Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	21-22

B8. Community investment	Page #
Policies on community engagement to understand the needs of the communities where we operate and to ensure that our activities take into consideration the communities' interests.	22
KPI B8.1 Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	22
KPI B8.2 Resources contributed (e.g. money or time) to the focus area.	22