

WLS Holdings Limited

**WLS Holdings Limited
Environmental, Social and Governance Report
2019/2020**



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ABOUT WLS HOLDINGS LIMITED

OUR BUSINESS

WLS Holdings Limited (the “Company” or the “WLS”, together with its subsidiaries, the “Group”) is listed on GEM of the Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The principal activities of the Group are as followings:

- i) provision of scaffolding, fitting out and other auxiliary services for construction and buildings work;
- ii) money lending business;
- iii) securities investment business; and
- iv) assets management business.

With the competitive advantage of service excellence, 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 (the “board”)

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

Executive Directors

Dr. So Yu Shing (Chairman)
Mr. Kong Kam Wang (Chief Executive Officer)
Ms. Lai Yuen Mei, Rebecca
Mr. So Wang Chun, Edmond
Mr. Tse Fung Chun

Independent Non-Executive Directors

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

ABOUT THIS REPORT

About this Report

This Report communicates WLS's effort and achievement in social responsibility and sustainable development from the reporting year, 1 May 2019 to 30 April 2020 (the "Reporting Year"). For comparison purpose, the ESG data of the year from 1 May 2018 to 30 April 2019 (the "Last Year") is also included in this ESG Report. 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. 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

Comments and suggestions regarding the ESG performance of WLS are always welcome and can be sent to WLS's Company Website.

APPROACH

With integrity and purpose, WLS 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 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.

This 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 believes 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 believes that its expertise, 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 believes 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

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, prevention of tax evasion, and social welfare.	Interaction and visits, government inspections, submission of tax returns and other information.
Sub-contractors/Suppliers	Payment schedule, and stable demand.	Site visits, and supplier assessment.
Investors	Corporate governance system, business strategies and performance, and investment returns.	Organizing and participating in seminars, interviews, shareholders' meetings, issuing of financial reports and/or operation reports for investors, media and analysts.
Media & Public	Corporate governance, environmental protection, and human rights.	Issue of newsletters on the Company's website.
Customers	Product quality, delivery times, reasonable prices, service value, labor protection, and work safety.	Site visits, and after-sales services.
Employees	Rights and benefits, employee compensation, training and development, work hours, and work environment.	Union activities, trainings, interviews for employees, employee handbooks, internal memos, and employee suggestion boxes.
Community	Community environment, employment and community development, and social welfare.	Community activities, employee voluntary activities, community welfare subsidies and charitable 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 that it is not just an ethical obligation, it is also 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 2020, there was no material non-compliance issue with relevant laws and regulations related to the environment.

A.1 EMISSIONS

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

During the Reporting Year, WLS had 2 warehouses in Yuen Long (in which 1 warehouse was shut down since September 2019) and 1 principle office in Wong Chuk Hang. In the warehouses, the 3 trucks of the Company caused most of the air emissions and greenhouse gas emissions while transporting construction materials to each of the project sites which were manpower-based. Meanwhile, the use of electricity and water consumed by its employees in both warehouses and the office constituted the composition of scope 2 and scope 3 greenhouse gas emissions. To unify the factor of labor in air emissions as well as scopes 1, 2 and 3 of greenhouse gas emissions, the emission intensity of both emissions during the Reporting Year and Last Year were calculated based on the number of employees, which were 73 and 93 respectively.

Air Emissions

The emissions 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 trucks during the transportation of construction materials.

The emissions of air pollutants for the Reporting Year and the Last Year were illustrated below:

Air Emissions	Year ended 30 April 2020	Year ended 30 April 2019	Variance
NOx (g)	471,431	529,947	-11%
SOx (g)	690	760	-9%
RSP (g)	33,898	38,105	-11%
Total (g)	506,019	568,812	-11%

SECTION A: ENVIRONMENTAL (Continued)

Due to the continuous efforts in improving transportation routes and collecting actual operational data, the overall air emission was experienced a meaningful reduction of approximately 11% compared to the Last Year. In addition, the social movement in 2019 and the outbreak of the novel coronavirus disease (“COVID-19”) have also posed adverse impacts on the Company’s projects, and hence reduced emissions from the logistics. During the Reporting Year, the total air emissions produced by the Group amounted to approximately 506,019 grams (Last Year: 568,812 grams). In future, the Company will closely monitor the efficiency and the impact arise from the transportation on regular basis.

The emission intensity of air emissions for the Reporting Year and the Last Year were approximately 6,932 grams per employee and approximately 6,116 grams per employee respectively, which represented an approximately 13% increase per employee during the Reporting Year due to a decrease in number of employee.

Building on the successful reduction in total air emissions achieved, WLS will continue to strategize environmental-friendly policies such as using cleaner source of fuel to alleviate environmental impact.

Greenhouse Gas Emissions

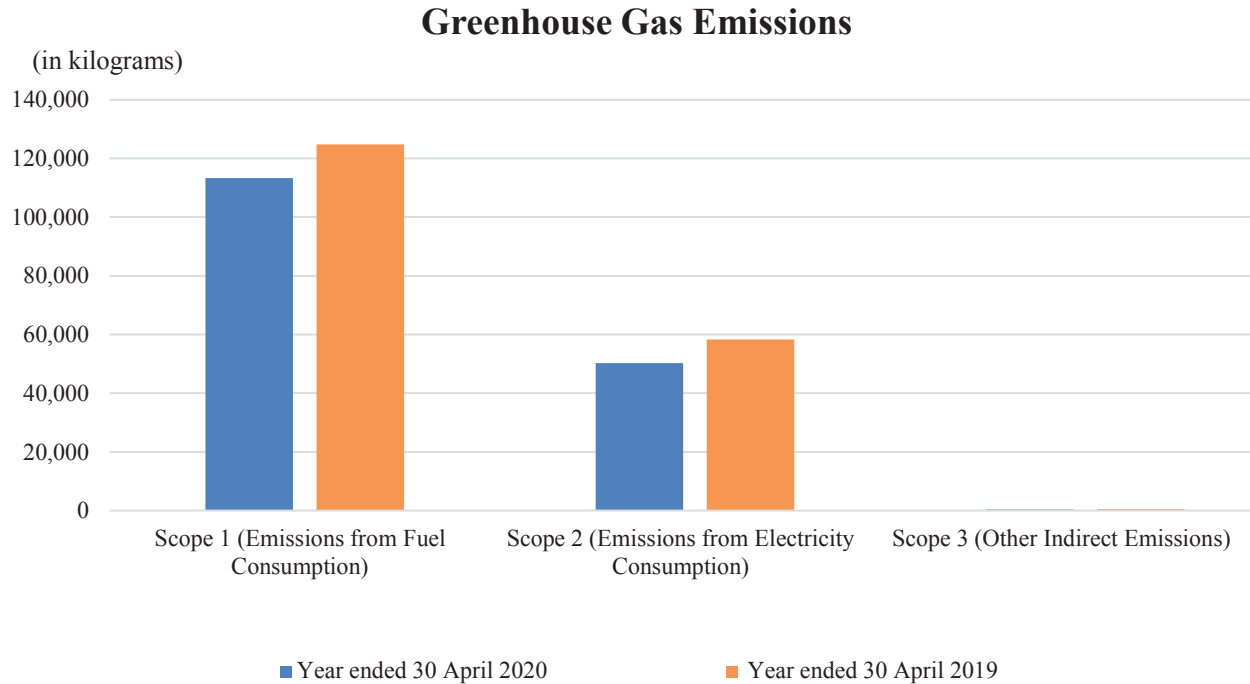
The greenhouse gas emissions by the Company were mainly produced from fuel consumption, electricity consumption, electricity used for fresh water and sewage processing by the Water Supplies Department and Drainage Services Department. WLS had produced approximately 164 tonnes of carbon dioxide equivalent emissions in the Reporting Year (Last Year: 183 tonnes).

Although WLS experienced a reduction of approximately 11% in the total carbon emissions compared to the Last Year, the energy-saving and environmental sustainability initiatives still played an important role in further curbing the greenhouse effect.

Given to the nature of WLS, which is principally engaged in construction and building works, the largest contributor to the Group’s carbon emissions is fuel usage by trucks for transporting the construction materials. With the adverse impacts from social movement and COVID-19 on its business, the Group’s fuel consumption level has decreased compared to the Last Year. Besides, through promotion and education on energy saving, employees’ awareness is strengthened to lower the unnecessary electricity consumption. The consumption level of electricity has reduced by 14% compared with the Last Year, which was mainly caused by the shutdown of a warehouse in Yuen Long. Due to the business activities of WLS, no material discharge of water was resulted. The emission intensity of greenhouse gas emissions in the Reporting Year and the Last Year were approximately 2,242 kg per employee and approximately 1,972 kg per employee respectively, which was an approximately 14% increase per employee due to a decrease in number of employee.

SECTION A: ENVIRONMENTAL (Continued)

In the coming years, WLS will continue to explore strategies to support environmental conservation in innovative ways. The following graph indicates the total greenhouse gas emissions of WLS for the Reporting Year and the Last Year:



Scope 1 Emissions

Scope 1 emissions was positively correlated to the usage of fuel by transportation. With the Company's planning and determination in execution, the greenhouse gas emissions including carbon dioxide (CO₂), methane (CH₄) and nitrous oxide (N₂O) have experienced a reduction of 9% compared to the Last Year. As aforementioned, while the route-planning was similar, the Group's business was adversely impacted by the social movement and COVID-19, resulting in reduced usage of oil and emissions level. The table below indicates the type of scope 1 greenhouse gas emissions produced by the Company:

Scope 1	Year ended 30 April 2020	Year ended 30 April 2019	Variance
CO ₂ (kg)	112,073	123,380	-9%
CH ₄ (kg)	130	144	-10%
N ₂ O (kg)	957	1,053	-9%
Total (kg)	113,160	124,577	-9%

The emission intensities of scope 1 emissions in the Reporting Year and the Last Year were approximately 1,550 kg per employee and approximately 1,340 kg per employee respectively, which was approximately 16% of increase.

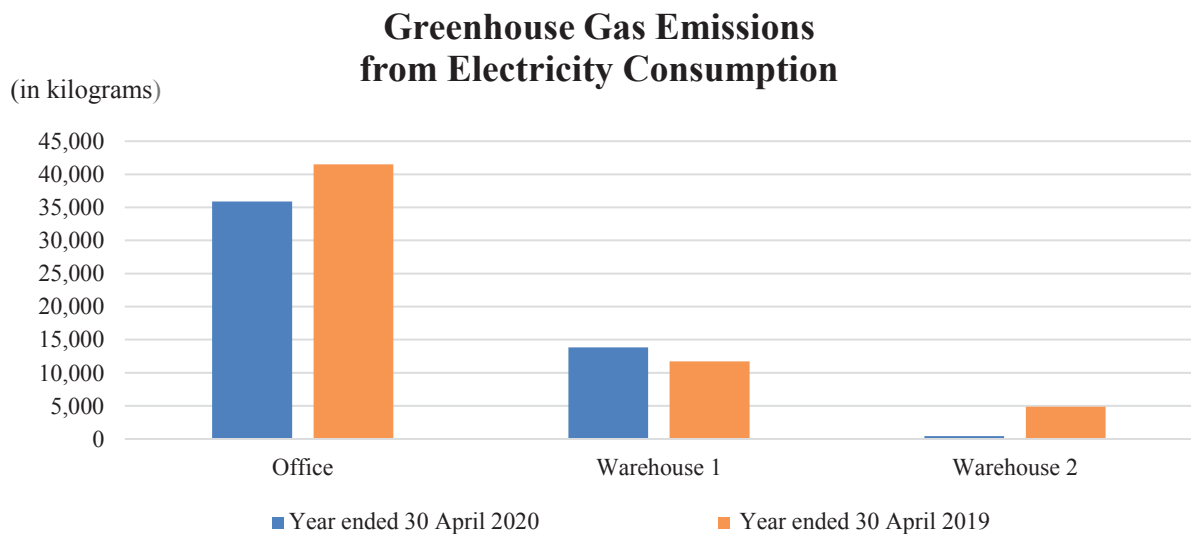
SECTION A: ENVIRONMENTAL (Continued)

Scope 2 Emissions

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

The environmental policies stated that:

1. Employees were required to switch off lights and air-conditioners when out for work and finished meeting;
2. Temperature of air-conditioners should always be set at 25 ° C;
3. Switching off the computer after work;
4. Energy saving mode is also auto set for all computers/photocopiers; and
5. Installing energy-efficient electronic appliances and light bulbs progressively.



SECTION A: ENVIRONMENTAL (Continued)

All the tiny efforts added up to the success of energy conservation. The Company cultivated green mind set to our employees, and promoted energy conservation in the office and warehouses. During the Reporting Year, the total greenhouse gas emissions from electricity consumption for the office and the 2 warehouses¹ amounted to approximately 50,175 kg² (Last Year: 58,223 kg). The Company has achieved energy reduction compared to the Last Year, representing decrease for approximately 14% which could be mainly attributed to the shutdown of a warehouse in Yuen Long since September 2019, followed by the overall reduced electricity consumption at the office and warehouses.

The emission intensities of scope 2 emissions in the Reporting Year and the Last Year were approximately 687 kg per employee and approximately 626 kg per employee respectively, which represented an approximately 10% increase.

Besides, the 2 warehouses in Yuen Long were used to store the construction materials, with only a few employees. Therefore, the needs for lighting and air-conditioning were less demanding, compared with the needs in the office. Nevertheless, WLS always concerns for reducing the usage of electricity in the warehouses and office.

Reducing the electricity consumption always plays 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 the office and warehouses.

Scope 3 Emissions

Scope 3 emissions, generated indirectly due to the fresh water processed³ and sewage treated⁴, comprised the least contribution to the total greenhouse gas emissions due to the business nature of the Company.

	Scope 3 Emissions
Year ended 30 April 2020 ⁵	338 kg
Year ended 30 April 2019	562 kg
Variance	-40%

For the Reporting Year, the water consumption level has reduced by approximately 40%, which was due to the decreased consumption together with the shutdown of one warehouse since September 2019. There has been cases of high level of water consumption caused by water pipe leakage in previous years. Since then, the Company has conducted close monitoring and regular checks on the water pipes, preventing unnecessary water consumption and the corresponding emissions. In the upcoming future, the management of the Company targets to achieve an outstanding result in reducing emission.

¹ Due to the difficulty in obtaining the electricity bills, electricity consumption of one warehouse from July 2019 to September 2019 was estimated on a pro rata basis based on the actual consumption from May 2019 and June 2019.

² The latest carbon emission factors announced by CLP Holdings Limited and HK Electric Investments Limited were 0.50 kgCO₂e/kWh and 0.81 kgCO₂e/kWh respectively.

³ The latest unit electricity consumption factor for fresh water processed announced by the Water Supplies Department was 0.606 kWh/m³.

⁴ The latest unit electricity consumption factor for sewage treated announced by the Drainage Services Department was 0.28 kWh/m³.

⁵ Due to the difficulty in obtaining water bills, the water consumption of one warehouse from October 2019 to April 2020 was estimated on a pro rata basis based on the actual consumption from May 2019 to September 2019; and the water consumption of another warehouse from June 2019 to September 2019 was estimated on a pro rata basis based on the actual consumption from May 2019.

SECTION A: ENVIRONMENTAL (Continued)

The emission intensities of scope 3 emissions in the Reporting Year and the Last Year were approximately 5 kg per employee and approximately 6 kg per employee respectively, showing a reduction of approximately 17%.

Waste Management

For the waste management, the Company actively promoted material conservation and has implemented policies to reduce wastes at source throughout its business activities. WLS encouraged its employees to minimise waste by evaluating operations and ensure that they were as efficient as possible. Due to the business activities of the Company, no significant hazardous waste was produced during the Reporting Year.

Construction Material

Following good planning and practices to reduce waste production at source, WLS reviewed and kept track of its non-hazardous waste disposal to ensure that the waste production level was kept to the minimal. During the Reporting Year, approximately 1,043 tonnes of non-hazardous waste was disposed at landfills (Last Year: 868 tonnes). Compared with Last Year, the non-hazardous waste disposal level has increased by approximately 20%. The disposal intensity of construction materials during the Reporting Year was 14.3 tonnes per employee (Last Year: 9.3 tonnes per employee), representing a 54% increase compared to that of the Last Year.

The management was aware of the rise in waste disposal level because of the clearance of obsolescent construction materials in one of the warehouses that has ceased to operate since September 2019, leading to an increase of waste disposal level compared to the Last Year.

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. MBMSS has many advantages compared to bamboo or 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 the difficulties of obtaining 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 fresh water treatment by the Water Supplies Department, no other sewage was produced from the warehouses and office.

SECTION A: ENVIRONMENTAL (Continued)

A.2 USE OF RESOURCES

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

Electricity Consumption

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

Electricity Consumption



The total energy consumption for the office and the 2 warehouses in the Reporting Year was approximately 72,897 kWh. When compared to approximately 85,032 kWh in the Last Year, there was a decrease of approximately 14%. The electricity consumption in the office had the higher consumption because most of the staff worked in the office, while the consumption of one warehouse had dropped significantly as it has ceased to operate since September 2019. The management of the Company was pleased that the success laid in the improved environmental mind-set of employees to conserve energy and the energy-efficient machines. The electricity consumption intensity in the Reporting Year was approximately 998 kWh per employee while it was approximately 914 kWh per employee in the Last Year, with an increase of approximately 9% per employee due to the decrease in number of employee.

SECTION A: ENVIRONMENTAL (Continued)

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.

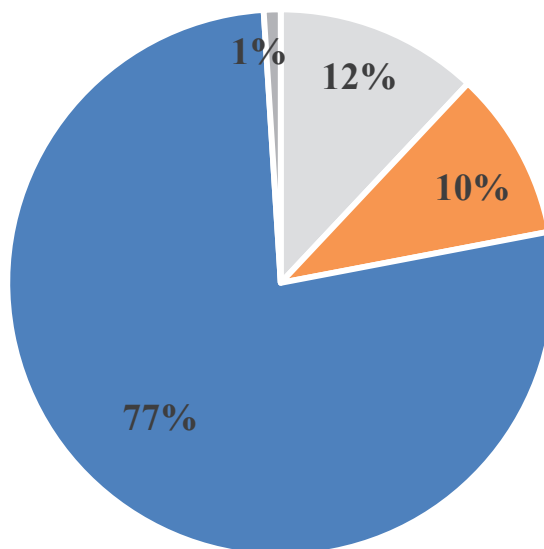
The water consumption of the Company during the Reporting Year was approximately 545 m³ (Last Year: 905 m³) and the water consumption intensity per employee was approximately 7 m³ (Last Year: 10 m³). A significant decrease of 30% of water consumption per employee had been recorded, which could be attributed to the shutdown of a warehouse as well as a reduced water consumption overall. On top of these, water pipes have been closely monitored and checked to prevent leakage accident from occurring again in the Reporting Year. During the Reporting Year, our water was sourced from the relevant governmental bodies, thus there was no water supply issue encountered. With the forward-looking plans to use water efficiently, WLS was still optimistic and committed to further bring down the water consumption level.

Bamboo Consumption

For the scaffolding business, there were four categories of bamboo that WLS used in the Reporting Year, namely Short bamboo in 2-7 feet⁶, Short bamboo in 8-18 feet, Long bamboo and Mao bamboo.

Bamboo Composition (by types)

■ Short bamboo in 2-7 feet ■ Short bamboo in 8-18 feet ■ Long bamboo ■ Mao bamboo



During the Reporting Year, because of the nature of the construction of the Company, approximately 77% of bamboo consumed was long bamboo, approximately 12% of bamboo consumed was Short bamboo in 2-7 feet, approximately 10% of bamboo consumed was Short bamboo in 8-18 feet, and only 1% Mao bamboo was consumed.

⁶ During the Reporting Year, there were Short bamboo in 2 feet used in the construction site. Therefore, this category was extended to 2-7 feet, different from the category of short bamboo 3-7 feet disclosed in our last ESG report.

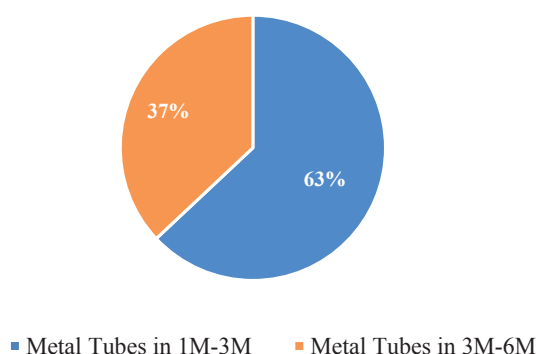
SECTION A: ENVIRONMENTAL (Continued)

During the Reporting Year, the monthly average number of bamboo used in construction sites was approximately 20,990 (Last Year: 37,505), which has significantly decreased by 44% in consumption compared to the Last Year. In the view of the management, the main reason of considerable decrease in bamboo consumption was the disruption of construction projects caused by the social movement and COVID-19. As a result, demand for materials would be lowered, leading to the reduced bamboo consumption in the Reporting Year.

Metal Tubes Consumption

For the scaffolding business, there were two categories of metal tubes that WLS used in the Reporting Year, namely Metal tubes in 1M-3M and Metal tubes in 3M-6M.

Metal Tubes Composition (by types)



During the Reporting Year, due to the frequent usage and high demand in the construction sites, the consumption of these two categories of metal tubes were accounted for approximately 63% and approximately 37% for Metal Tubes in 1M-3M and Metal Tubes in 3M-6M respectively.

The monthly average number of metal pipes used in the Reporting Year was approximately 12,719 (Last Year: 16,112), with a decrease of approximately 21% compared with the Last Year. According to management, decreased consumption in metal pipes was mainly attributed to the disruption in projects caused by the social movement and COVID-19 compared with the Last Year.

With the burden usage of construction materials, the effort of reusing materials was highly encouraged by the Company. In future, the Company will closely monitor the efficiency of material usage and making meaningful improvement on the reuse of construction materials.

SECTION A: ENVIRONMENTAL (Continued)

Reuse of Material

Waste generation can also be reduced by reusing useful materials. For the gondola business, the motors of unused gondolas, which still had residual value, would be resold 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 quality checks.

Packaging Material

Since the Company's principal activities focused on the provision of construction work service and money lending service, there was no significant packaging materials consumption identified by the Company during the Reporting Year.

A.3 THE ENVIRONMENTAL AND NATURAL RESOURCES

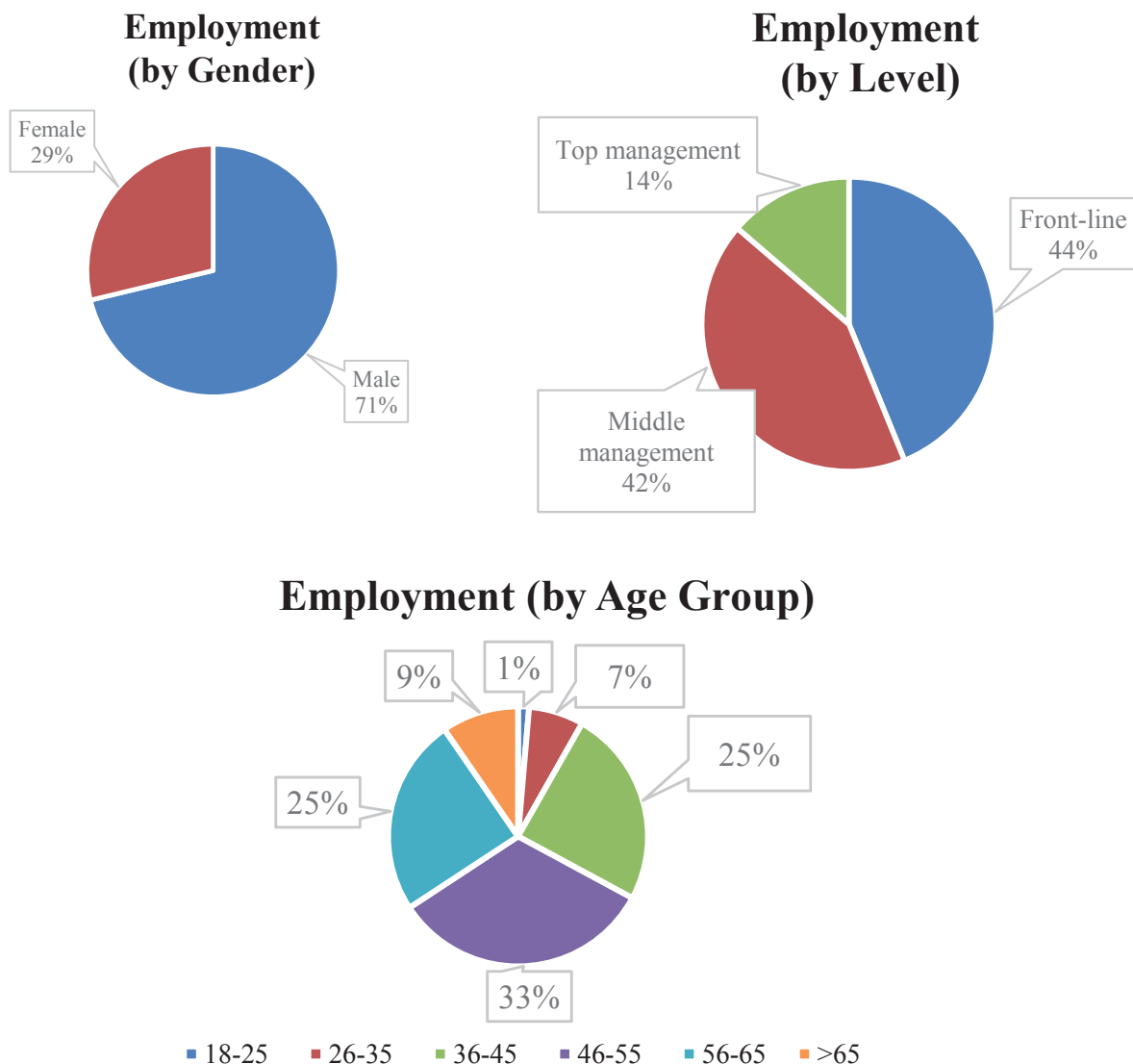
The Company believes that an organization should strike a balance between economic development and social and environmental development. To achieve sustainability, all the above aspects should be considered thoroughly without compromising each other. To conclude, all parties, including suppliers, customers,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

SECTION B: SOCIAL

B.1 EMPLOYMENT

WLS believes 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.

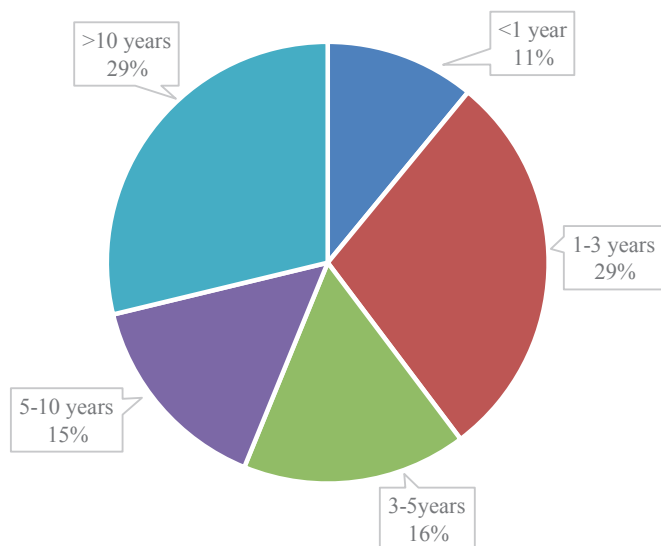
The Company had 73 employees as at 30 April 2020, in which female comprised of 29% while male comprised of 71% of the total number of employees. Considering the nature of the construction industry, it was normal to have a higher male-to-female employee ratio. In addition, among our employees, we maintained a total number of 32 front-line staff including site workers, 31 middle management and 10 top management which provided a healthy management hierarchy. The age distribution of our 73 employees were concentrated between age groups of 36 to 45, 46 to 55 and 56 to 65 where both of the age groups of 36 to 45 and 56 to 65 were consisted of approximately one-fourth of the total employee number, and the age group of 46 to 55 was consisted of approximately one-third of the total employee number. The Company was considered to maintain a harmonious workplace with no discrimination.



SECTION B: SOCIAL (Continued)

In the highly mobile industry, WLS maintained a healthy and stable monthly employee turnover rate of 3% during the Reporting Year, whilst the monthly employee turnover rate in Last Year was about 2%. Furthermore, during the Reporting Year, the number of turnovers of our front-line staff and middle management were 13 and 17 respectively, with no turnover of our top management, which had indicated that the stable management hierarchy was able to ensure effective operation and loyalty of the Company. Considering turnover situation by gender, the recorded number of turnovers for male and female employees were 22 and 8 respectively. Moreover, 60% of the total employees had worked for the Company for more than 3 years, of which 29% of the total workforce had worked 10 years or more. Maintaining stable employment structure enabled sustainable development of the Company with our friendly HR policies and happy work environment. In the upcoming future, WLS will take all the measures to combat the challenge of attracting and retaining a talented workforce.

**Employment
(by Years of Service)**



To strengthen the bonding with employees, WLS often organized gathering events such as Lunar New Year's Party and Mid-autumn Festival Party in order to have a good bonding and connection between the employees and the management.



Lunar New Year's Party



Mid-autumn Festival Party

SECTION B: SOCIAL (Continued)

Diversity & Inclusion

The Company is dedicated to promoting equal opportunities. All employees are 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 WLS to ensure that equal opportunities were provided to employees in all promotions, wages, benefits, terms and conditions of employment.

As at 30 April 2020, approximately 19% of WLS's employees came from different regions other than Hong Kong:

Region	Number of Staff
Hong Kong	59
India	1
Mainland China	3
Nepal	9
The Philippines	1
Total Number of Staff	73

Benefits and Welfare

WLS considers its employees as the key to sustainable business growth and hence it offers competitive remuneration package to its employees, including mandatory retirement funds, employee compensation insurance, medical allowance and annual leaves. Moreover, discretionary bonus may be granted to eligible employees based on the Company's and employees' individual performance. The promotion of the Group's employees is 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 labor legislations in Hong Kong and adopts the respective standards as its minimum standards for labor protection and welfare. Based 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.

To avoid non-compliance with Mandatory Provident Fund Schemes Ordinance (Chapter 485) and law by Inland Revenue Department, enrolments were filed to the MPF trustee and Inland Revenue Department on a timely basis. The Company is 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)

B.2 HEALTH AND SAFETY

The Group strives to provide a healthy and safe work 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 work environment. At the construction sites, safety warnings, banners and slogans are put up. First-aid boxes are placed in all office, warehouses and construction sites. As at 30 April 2020, the Company employed 5 Site Agents and Supervisors, and 1 Safety Officer to oversee the safety matters of construction sites. They were required to draft the safety plan and follow the safety instruction stated in the Method Statement for each construction site.

All employees are required to comply with Company Safety Manual. Before the commencement of the construction works, workers are required to attend the safety induction session, to ensure that they are familiar with the required knowledge and skills of the safety procedures. Safety Officer performs regularly site visits and prepares Safety Inspection Reports for recording potential safety issues. If any deficiencies are spotted, follow-up actions will be taken and results will be noted in the report for future alert. Regular safety meetings are held internally in the Company to discuss the major safety issues and remediation results.

Besides, WLS puts high emphasis on recruitment procedures of site workers. Personal Health Record with assessment performed by the Site Officer is required from every site worker to ensure that they are able to work in the construction environment. Safety Training Certificate and Construction Worker Registration Card are required from the applicants during the recruitment process to ensure that they are qualified to work in the construction field.

Moreover, a Safety and Health Policy has been posted in the office to alert all employees about their responsibilities of upholding the safety and health of themselves and of others whom may be adversely affected by their misconduct or negligence at work.

The Company maintained a record of zero fatality or permanent disablement cases during the Reporting Year. During the Reporting Year, there were 2 cases of work injury occurred with a number of 1,926 lost labor hours reported. In future, the Company will focus more on the health and safety issues of its employees. The Company's ultimate objective is targeted at zero accident and zero injury rate during its operations, so as to emulate the Company as the symbol of quality, safety and efficiency.

WLS strictly complies with relevant laws and regulations relating to providing a safe work environment and protecting employees from occupational hazards.

SECTION B: SOCIAL (Continued)

B.3 DEVELOPMENT AND TRAINING

In the competitive environment, continuing staff development and trainings 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 seminars, 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.

Regular training courses are provided to the employees to promote safety awareness and technical skills for the operations of scaffolding and gondola businesses by the Company. WLS encourages and supports staff to take up external trainings or professional qualification courses to further improve their capabilities and skills.

During the Reporting Year, the total number of trained employees was 29, of which 15 front-line workers from construction sites and 12 middle-management employees and 2 top-management employees from office. The percentages of number of employees trained over the total number of that employment category were 47%, 39% and 20% for front-line workers, middle-management employees and top-management employees respectively. In addition, among the trained 29 employees, there were 25 males and 4 females, constituted of 48% and 19% of the whole population of male and female employees.

During the Reporting Year, the total number of training hours of the aforementioned trainings was 178 hours, including 152 hours and 26 hours for male and female employees, respectively. The average numbers of training hours per male and female employees were 6 hours and 7 hours, respectively. With respect to employee category, the total training hours comprised of 120 hours, 55 hours and 3 hours for front-line workers, middle-management employees and top-management employees, respectively. Furthermore, the average numbers of training hours per the above three categories were 8 hours, 5 hours and 2 hours, respectively.

B.4 LABOR STANDARD

WLS fully complies with labor laws and relevant legislations that prohibit child labor and forced labor. We are delighted to announce that we have not encountered any major risks in human rights and employment matters so far. The Company guarantees that no employee is made to work against his/her will, or to work under forced labor, or is subject to coercion related to work. Recruitment of child labor is strictly prohibited. Before joining the Company, candidates are required to present their identity documents to prove that they have already reached the legal working age. The Human Resources Department will keep a close eye on the recruitment procedures to prevent any cases of child labor or forced labor to occur. Through the whistle-blowing mechanism, employees can voice out any injustice they face. The Management will investigate into the reported cases and take follow-up actions if necessary.

SECTION B: SOCIAL (Continued)

B.5 SUPPLY CHAIN MANAGEMENT

The responsibility of the Company extends to all parties who have contributed to the success of the Company, which include 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 and sub-contractors in the view of pursuing sustainability goal.

To reduce operational risk, the Company has avoided excessive reliance on a small number of suppliers and sub-contractors. WLS maintains and updates its own approved suppliers and sub-contractors list regularly in order to ensure sustainable procurement. WLS conducts initial assessment for new potential suppliers and sub-contractors in terms of quality and price, and engages them only if they have a satisfying initial assessment result. In addition, WLS conducts evaluation procedures annually to assess existing suppliers and sub-contractors based on certain criteria including but not limited to quality, sale return arrangement, safety requirement and delivery condition. Priorities are given to the suppliers and sub-contractors who embrace quality and fulfil the Company's safety requirements. For those suppliers and sub-contractors who could not meet the standards, the Company would remove them from the approved list.

During the Reporting Year, the Company maintained an approved suppliers and sub-contractors list with 71 being approved suppliers and sub-contractors in total, of which 61 based in Hong Kong, 9 based in Mainland and 1 based in Korea. For certain major raw materials and products, such as bamboo and gondolas, WLS continuously develops long term relationships with several esteemed suppliers and sub-contractors. In future, the Company will always look for potential good suppliers and sub-contractors and maintain long term relationship with the existing ones.

B.6 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.

The Company places significant emphasis on the customers' responses and feedbacks, for the sake of the corporate sustainable development. The Company has been committed to building a good product recall system and several customer feedback channels in order to protect the rights and interests of the customers and to ensure that customers' feedbacks are received properly by the relevant departments. WLS believes that customer loyalty comes from customer appreciation and recognition.

During the Reporting Year, there were 48 cases of customer complaint reported. The complaint cases were addressed and handled by the Company case by case within one-month period. WLS strictly complies with the relevant laws and regulations relating to health and safety, advertising, labelling and privacy matters, of products and services provided and methods of redress.

SECTION B: SOCIAL (Continued)

Quality Assurance

WLS is committed to delivering high-quality services to its customers and thus is proud to announce that it maintained a zero record of major accident.

Customers could express their complaints to the site managers and even senior management. Once complaint has been received, site managers will investigate into the scenario and carry out rectification work if necessary. CEO of the Company will also follow up the case in person, to strengthen the quality control procedures.

Moreover, WLS has complied and been qualified for ISO 9001:2015 quality management system standard which is applicable to “Installation and removal of bamboo scaffolding works”. During the Reporting Year, the Company was awarded the “Best Performance Progress Sub-Contractor Award” by one of its customers regarding its quality performance. In addition, the Company has registered as a Green Cross Group Member of Occupational Safety and Health Council to obtain the latest updates and benchmarking practices of occupational safety, to keep its practices up to the latest safety and quality standards.

As mentioned in the section Health and Safety, regular safety inspection has been carried out to guarantee a promising quality of our service outcome.

Customer Privacy Protection

The Company has standard management approach on handling important and confidential information, including financial data, suppliers’, customers’ and employees’ personal information, by authorised personnel only.

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

Intellectual Property Right

WLS takes pride in innovative invention on the scaffolding system. With the Company’s constant effort, it has successfully certified for several standard patents of scaffolding works in different countries including United Kingdom, China and Hong Kong since 2000. 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.

SECTION B: SOCIAL (Continued)

B.7 ANTI-CORRUPTION

The Company is highly cautious about the misconduct related to bribery and conflict of interest. Corrupt practices are prohibited by the Company. All employees including the Directors must follow policy on the acceptance of benefits stipulated, in 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.

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 borrower screening section, assets verification and legal search are performed. The Compliance Officer is responsible to handle all the loan application documents.

All in all, the malpractices of bribery, extortion, fraud and money laundering are strictly prohibited among the Company's daily operations. The Company values and welcomes its employees to report any suspected cases of malpractices through various channels, i.e. emails, website or in person. The management will take immediate actions to investigate on the issue and take follow-up actions if necessary.

During the Reporting Year, no concluded legal cases regarding corrupt practices were reported within the Company. WLS strictly complies with relevant laws and relations relating to bribery, extortion, fraud and money laundering.

B.8 COMMUNITY INVESTMENT

As a socially-responsible enterprise, WLS engages in ongoing community work to contribute to the wellbeing of our community. During the Reporting 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 Company gets to understand more about the needs of the community.



During the Reporting Year, WLS had donated \$89,000 to three charity organizations, namely the Sui On Seagull Club, Live In Harmony Fund Limited and Hong Kong St. John Ambulance, aiming to improve the livelihood of the community.

In future, WLS will continue to devote more resources to the community.

ENVIRONMENTAL DATA

A1.Emissions		Year ended 30 April 2020	Year ended 30 April 2019	Unit
Air Emissions (Total)		506,019	568,812	g
Nitrogen Oxides (“NOx”)		471,431	529,947	g
Sulphur Oxides (“SOx”)		690	760	g
Respiratory Suspended Particles (“RSP”)		33,898	38,105	g
Greenhouse Gas Emissions (Total)		163,673	183,362	kg
Scope 1	Emissions from Fuel Consumption (sub-total)	113,160	124,577	kg
	CO ₂	112,073	123,380	kg
	CH ₄	130	144	kg
	N ₂ O	957	1,053	kg
Scope 2	Emissions from Electricity Consumption (sub-total)	50,175	58,223	kg
Scope 3	Emissions from Water and Sewage Processing (sub-total)	338	562	kg
Waste Management				
Construction Material		1,043	868	tonnes

A2.Use of Resources		Year ended 30 April 2020	Year ended 30 April 2019	Unit
Energy consumption		72,897	85,032	kWh
Water consumption		545	905	m ³
Bamboo consumption (monthly average)		20,990	37,505	unit
Metal tube consumption (monthly average)		12,719	16,112	unit

SOCIAL DATA

Employment Indicators	Year ended 30 April 2020	Year ended 30 April 2019
Number of employees (Total)	73	93
By Gender		
Male	52	68
Female	21	25
By Age Group		
Under 18	–	–
18 to 25	1	3
26 to 35	5	8
36 to 45	18	26
46 to 55	24	24
56 to 65	18	24
65 or above	7	8
By Level		
Front-line staff	32	44
Middle management	31	39
Top management	10	10
By Years of Service		
less than 1 year	8	25
1 – 3 years	21	16
3 – 5 years	12	21
5 – 10 years	11	11
More than 10 years	21	20

SOCIAL DATA (Continued)

Employment turnover	Year ended 30 April 2020	Year ended 30 April 2019
% of monthly employee turnover (Total)	3%	2%
By Gender		
Male	22	22
Female	8	9
By Level		
Front-line staff	13	14
Middle management	17	16
Top management	–	1

Health and Safety Indicators	Year ended 30 April 2020	Year ended 30 April 2019
Number of reported injuries	2	3
Number of lost hours	1,926	3,465
Number of fatalities	–	–

Development and Training Indicators	Year ended 30 April 2020	Year ended 30 April 2019
Number of hours of internal training received by employees (Total)	178	221
Number of trained employees (Total)	29	29
Average hours of training per trained employee	6	8
Trained employees by Level (Total)	29	29
Front-line staff	15	9
Middle management	12	15
Top management	2	5
Trained employees by Gender (Total)	29	29
Male	25	23
Female	4	6
Training hours by Level (Total)	178	221
Front-line staff	120	115
Middle management	55	88
Top management	3	18
Training hours by Gender (Total)	178	221
Male	152	158
Female	26	63

SOCIAL DATA (Continued)

Supply Chain Indicators	Year ended 30 April 2020	Year ended 30 April 2019
Total number of suppliers	71	70

Product Responsibility	Year ended 30 April 2020	Year ended 30 April 2019
Total number of compliant received	48	48
Total number of legal dispute case	–	–

Anti-corruption Indicators	Year ended 30 April 2020	Year ended 30 April 2019
Number of concluded legal cases regarding corrupt practices	–	–

Community Indicators	Year ended 30 April 2020	Year ended 30 April 2019
Community investment (HKD)	89,000	250,000

ESG REPORTING GUIDE & REFERENCE

A. Environmental Reference in this report

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 – 11
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).	11
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.	6 – 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 – 15
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).	13
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.	13
KPI KA2.5 Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	15

A3. The Environment and Natural Resources	Page #
Policies on minimizing the issuer's significant impact on the environment and natural resources.	6 – 15
KPI A3.1 Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	6 – 15

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.	16 – 18
KPI B1.1 Total workforce by gender, employment type, age group and geographical region.	16 – 18
KPI B1.2 Employment turnover rate by gender, age group and geographical region.	17
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.	19
KPI B2.1 Fatality number and rate.	19
KPI B2.2 Lost days due to work injury.	19
KPI B2.3 Description of occupational health and safety measures adopted how they are implemented and monitored.	19
B3. Development and training	Page #
Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	20
KPI B3.1 The percentage of employees trained by gender and employee category (e.g. senior management, middle management, etc.).	20
KPI B3.2 The average training hours completed per employee by gender and employee category.	20
B4. Labor standards	Page #
Policies and compliance with laws and regulations relating to preventing child and forced labor.	20
KPI B4.1 Description of measures to review employment practices to avoid child and forced labor.	20
KPI B4.2 Description of steps taken to eliminate such practices when discovered.	20
B5. Supply chain management	Page #
Policies on managing environmental and social risks of the supply chain.	21
KPI B5.1 Number of suppliers by geographical region.	21
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.	21

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.	21 – 22
KPI B6.1 Percentage of total products sold or shipped subject to recalls for safety and health reasons.	N/A
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.	22
KPI B6.4 Description of quality assurance process and recall procedures.	22
KPI B6.5 Description of consumer data protection and privacy policies, how they are implemented and monitored.	22

B7. Anti-corruption	Page #
Policies and compliance with laws and regulations relating to bribery, extortion, fraud and money laundering.	23
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.	23
KPI B7.2 Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	23

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.	23
KPI B8.1 Focus areas of contribution (e.g. education, environmental concerns, labor needs, health, culture, sport).	23
KPI B8.2 Resources contributed (e.g. money or time) to the focus area.	23