



# 中國新高教集團有限公司

## China New Higher Education Group Limited

(Incorporated in the Cayman Islands with Limited Liability)

(於開曼群島註冊成立之有限公司)

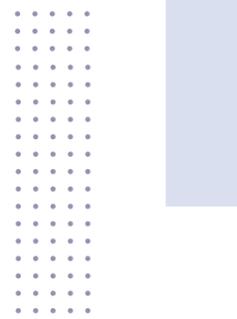
Stock Code 股份代號: 2001



# 2022

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

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## JUN-ZI CORPORATION

Jun-zi is the ideal personality standard of Confucianism. If an individual meets the moral requirements of Confucianism, he or she can be called a “Jun-zi”. In other words, if an enterprise operates business according to the moral standards of Confucianism, it can be also called a “Jun-zi Corporation”.

In 2022, China New Higher Education Group Limited (the “Group”, “New Higher Education Group” or “We”) has been awarded the “11th Jun-zi Corporation Award” by the Hang Seng University of Hong Kong, which is sufficient to demonstrate that the Group satisfies the five major virtues of the Chinese Confucian ethics, namely benevolence, rightness, propriety, wisdom and trustworthiness, and also that it is widely recognised by the society.

### Benevolence

- Commit to the mission of “striving for the career achievements and life happiness of students”, and educate elites for the Party and cultivate talents for the country by adhering to the education target of “nurture the growth of our students, help students become the best they can be”

### Rightness

- Actively undertake social responsibility, implement the concept of “no one should be left behind” to help the poor through education and promote poverty alleviation over years through various measures with a cumulative investment of tens of millions RMB

### Propriety

- Focus on students’ and faculty’s experience and staff well-being, and listen to requests with an open mind

### Wisdom

- Pioneer among the private colleges to propose the education concept of “application-oriented”
- Continue to pursue the path of high-quality development to create and provide high-quality vocational education opportunities for students in all the schools under the Group with high quality teaching, employment and experience

### Trustworthiness

- Establish in-depth cooperation with famous enterprises and universities at home and abroad
- Increase the brand effect of our schools and aim to receive high recognition from the society
- Maintain cash dividend payment every year since the listing, with the payment ratios reaching 50% for the last three dividends



# ABOUT THE GROUP

## Corporate Profile

The Group is a leading higher vocational education group focusing on higher vocational education for 23 years which first put forward and propelled the school operation model of an application-oriented university. As at 31 August 2022, the Group's schools covered various regions of China, cumulatively cultivating over 400,000 high-quality technical talents for the society. As a leader of high-quality employment, the schools of the Group have been awarded the title of "Top 50 National Employment (全國就業工作50強)" by the Ministry of Education (MOE), with an average employment rate of approximately 98%, and the employment rate of each school receiving top ranking from all provinces and regions. The Group was founded in 1999 and is headquartered in Beijing. The Company was listed on the Hong Kong Stock Exchange in April 2017 (stock code: 2001.HK).

## Development Strategy

The Group actively responds to national policies, focuses on the strong demand for application-oriented technical and skilled talents in national economic and social development during the "14th Five-year Plan" period. With building of the Party as the guide, the Group will constantly optimize the structure and model of talent cultivation by enhancing morality and fostering talents as the fundamental task and serving development as the purpose and the high-quality employment as the orientation.

## Core Value

### Vision



Building a respected education group

### Mission



Striving for the career achievements and life happiness of students

### Core Value



Student-oriented  
Contributor-driven  
Putting organization's interests first

### Educational Philosophy



Strengthening morality through education, teaching students according to their aptitude, and applying for what the students have learned into practice

## Economic Value in 2022

- Employee remuneration: RMB700.0 million
- Total amount of Five Social Insurances and One Housing Fund in mainland China and other contributions to other retirement plan: RMB46.15 million
- Amount of interim and final dividends distributable to shareholders during the year of 2022: RMB310.0 million
- Income tax paid during the year: RMB117.0 million
- Cost of principle business: RMB1.171 billion

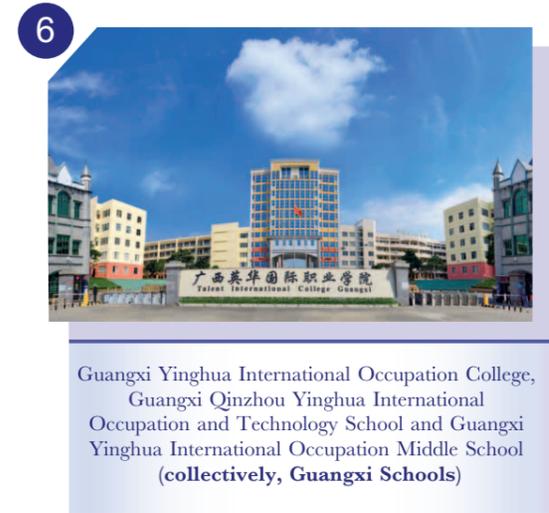
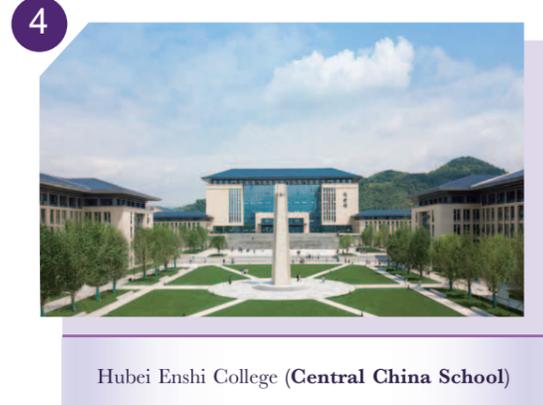
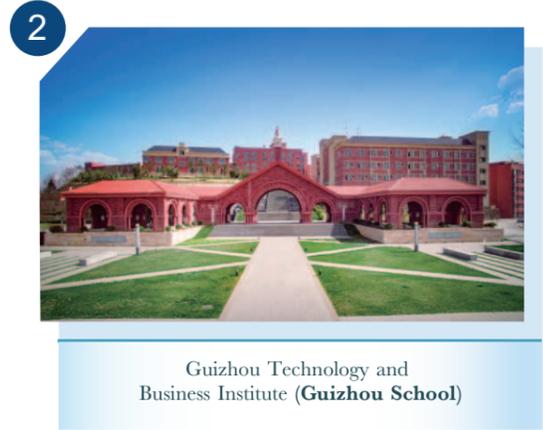
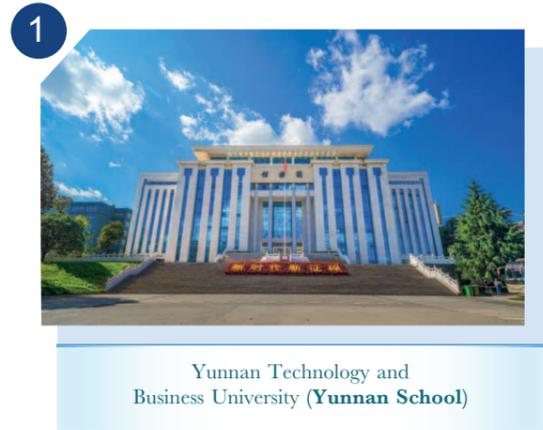


# ABOUT THIS REPORT

This Environment, Social and Governance Report (the “ESG Report” or “this Report”) is the seventh ESG report issued by China New Higher Education Group Limited (Stock Code on Stock Exchange of Hong Kong Limited: 2001). Based on objective, comprehensive and standardized principles, this report discloses in detail the Group’s environmental, social and governance (the “ESG”) policies, measures and performance in 2022, in order to enhance the understanding of various stakeholders on the sustainable development work of the Group. In the future, the Group will be able to better fulfil its corporate social responsibility by responding to the expectations and needs of stakeholders.

## Reporting Scope

This report mainly covered the sustainability performance and measures of the Group’s headquarter office in Beijing (the “Beijing Headquarter”) and its 8 schools, which include:



The reporting period of the disclosures and main content in this report is from 1 September 2021 to 31 August 2022, but some content and information are not limited to the above period. The expansion of the reporting scope is due to the completion of the consolidated statements of Zhengzhou School during the reporting period.

## Reporting Statement

The Board of Directors and senior management have tried their best endeavor to monitor and guarantee the completeness, reliability and authenticity of the information included in this Report, and make the relevant adjustment in accordance to the on going changing disclosure standards and the Company’s operation.

This report has disclosed the details of progress and effectiveness of the ESG work of the Group during the Reporting Period, which was confirmed by the Group’s management and approved by the Board.

## Feedback on this Report

If you have any precious advice on the work of the Group’s ESG Report, you are welcome to contact the Investor Relations Management Department of the Group by the email: [ir@xingaojiao.com](mailto:ir@xingaojiao.com).

## Reporting Guideline

This report is prepared in accordance with a systematic mechanism, including: identifying sustainable development issues, materiality assessment, information collection, data calculation, and compilation of report. This report is prepared by the Group in accordance with the “Environmental, Social and Governance Reporting Guide” (the “ESG Reporting Guide”) under Appendix 27 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). We follow the four reporting principles set out in the ESG Reporting Guide, and strictly comply with all “mandatory disclosure requirements” and “comply or explain” provisions. The Group’s management policies, strategies and performance of ESG aspects are disclosed in this report. This report shall be read in conjunction with the section of “Corporate Governance Report” in the “2022 Annual Report” so that readers can have a more comprehensive understanding of related concepts, measures and performance of the Group in respect of its ESG.

The following four reporting principles have been adopted in the preparation of this Report:

- 

**Materiality**

The Group identifies material issues related to the Group through materiality assessment, and highlights the material issues verified in this Report. Materiality assessment includes identifying the key stakeholders, inviting the Board and the stakeholders to prioritize the importance of sustainable development issues, and conducting analysis of material issues.
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**Quantitative**

In order to comprehensively evaluate the ESG performance of the Group during the Reporting Period, the Group disclosed the applicable quantitative key performance indicators in the ESG Reporting Guide, and stated the standards, methods, assumptions and calculation reference and basis used to quantify the key performance indicators, including the sources of major conversion factors.
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**Balance**

This Report presents the Group’s performance for the Reporting Period in an unbiased manner, avoiding improper selections, omissions or formats of presentation that might influence reader’s decisions or judgments.
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**Consistency**

This Report adopts the same compilation method as that of the previous reporting period, so that readers can make meaningful comparison of the ESG information during the Reporting Period against the last year. At the same time, it explains the statistical methods and calculation methods and the data with changes.

## CHAIRMAN’S STATEMENT

The Group has been focused on higher vocational education for 23 years by firm adherence to the core value of “Student-oriented” and the education target of “Nurture the Growth of Our Students, Help Students Become The Best They Can Be”. By upholding the high quality development strategy, the schools of the Group have cultivated in aggregate more than 400,000 high-quality technical and skilled talents for the society.

In the new trend of high-quality connotative development of higher education, the Group has coordinated plannings on an overall basis, implemented the new development policy based on the new development stage, focused on the needs of major economic and social development sectors, and steadfastly followed the path of high-quality development. Insisting on seeking progress in the midst of stability, specialization in progress, excellence in specialization, and strength in excellence, the Group has been actively exploring new models and new paths for development of higher vocational education in the new era, accelerating cooperation between schools and enterprises based on construction of modern industrial colleges, deepening integration of industry and education, promoting collaborative education, strengthening majors construction and other multi-dimensional cooperation to continuously deliver new results. The Group continuously standardizes and enhances its ESG management, improves the ESG governance structure, makes the Board play the leading role on ESG related matters, authorizes the ESG Working Group to assist the Board in implementing its governance function on ESG matters, and incorporates the ESG issues into consideration as material decision-making, so as to promote the Group to achieve development at a better level in quality, efficiency, sustainability and safety.

As expressly stated in the report given by the General Secretary Xi Jinping at the 20th National Congress of the Communist Party of China, efforts shall be made to accelerate construction of high-quality education system. The high-quality transformation development strategy proposed and being practiced by the Group is highly compatible with the education policy of the Party and the country. We are committed to developing higher vocational education based on the industry needs of the country, and cultivating more high-quality technical and skilled talents to provide strong support for the high-quality development of regional economy and society. We will continue to uphold the core value of “Student-oriented” and our education target of “Nurture the Growth of Our Students, Help Students Become The Best They Can Be”, and provide opportunities for more students to obtain high-quality education and to support them to get more adequate employment opportunities. We are dedicated to enabling every student to have education, and more importantly, getting good education. It is our mission to step forward aggressively to assist every single student to pursue for his/her career achievement and life happiness while striving to be a model in high-quality private education development and a contributor to the construction of high-quality education system, thus to lead the Group into a new stage in high-quality transformation development.

Chairman of the Board  
Mr. Li Xiaoxuan



## STATEMENT OF THE LEADER OF THE ESG WORKING GROUP

ESG plays an important role in the long-term sound operation of the Group. The Group attaches great importance to this work, and has established an effective ESG management and governance mechanism with focus on the needs of various stakeholders. In 2021, the Group established an ESG governance system, set ESG targets and conducted ESG risk assessments, improved the board's decision-making level on ESG related works, and further complemented the ESG related works of the Group thoroughly. The Group's 2021 ESG report was awarded the "Best ESG Award" by China Financial Market, reflecting the recognition from the capital market on the Group's ESG works.

In 2022, the Group has, on the one hand, further implemented its ESG efforts by actively following up on the regular assessment of stakeholders on the material ESG issues of the Group, inviting various stakeholders to review and select such Sustainable Development Goals (SDGs) of the United Nations which are most relevant to the Group's strategy and business, further determined priority tasks and assignments correspondingly, incorporated the same into the major work list of the Group for 2022, and promoted their implementation by all departments in the headquarter and all schools of the Group. On the other hand, it promotes ESG related works on a continuous basis to ensure that this report complies with the "Environmental, Social and Governance Reporting Guide" as set out in the Appendix 27 to the Listing Rules of Hong Kong Stock Exchange and is compiled by reference to the GRI Sustainability Reporting Standards as issued by the Global Reporting Initiative (GRI). The Group hopes to promote and implement its social responsibility, values and sustainability philosophy through the ESG governance efforts, and to conduct self-examination on its relevant works to improve its governance level and empowerment.

Looking ahead to the year of 2023, the Group has set its goals and key initiatives for the new academic year under the strategic development policy taking into account the needs of stakeholders such as students, teaching staff, employers, partners and government regulatory authorities, and has clearly defined its work priorities for 2023.

Finally, I would like to express my sincere gratitude for the trust and support given to the Group by all stakeholders over a long period of time. We hope that this report will respond well to the expectations and needs of all stakeholders, enhance their understanding on the Group's sustainable development efforts, and promote better fulfillment of the Group's corporate social responsibilities.



Senior Vice President and the Leader of ESG Working Group  
**Mr. Xu Xiaoqiang**

## SUSTAINABLE DEVELOPMENT GOALS (SDGS) OF THE UNITED NATIONS

### What are the SDGs?

The SDGs are a set of 17 global development goals set by the United Nations in 2015 to thoroughly address social, economic and environmental development issues in an integrated manner, including, among others, eliminating poverty, promoting gender equality and responding to climate change, guiding the globe to achieve sustainable development as a whole.

Different enterprises across the globe have incorporated certain applicable SDGs into their development strategies to contribute to the global sustainable development. The SDGs are now the common language for different countries and groups around the world in relation to ESG issues.

### Process of Determining Goals

The Group is committed to actively performing social responsibility and contributing to the achievement of the grand global SDGs in response to the call of our country. In 2022, the Group invited the stakeholders to participate in a questionnaire survey on the SDGs, through which, they reviewed the 17 SDGs and the descriptions thereof, and selected the most relevant ones to the Group's strategy and business. A total of 4,670 stakeholders participated in the questionnaire survey. The Group selected three goals as the most relevant ones to itself that received more than 50% of the votes, including no poverty, good health and well being as well as quality education, and determined the major works and tasks to be included in its work priorities for 2022, which shall be consistently implemented by the various departments under the headquarter and the schools as well.



# APPROACHES TO DELIVER HIGH-QUALITY SUSTAINABLE DEVELOPMENT

## Establishment and Improvement of ESG Governance Structure

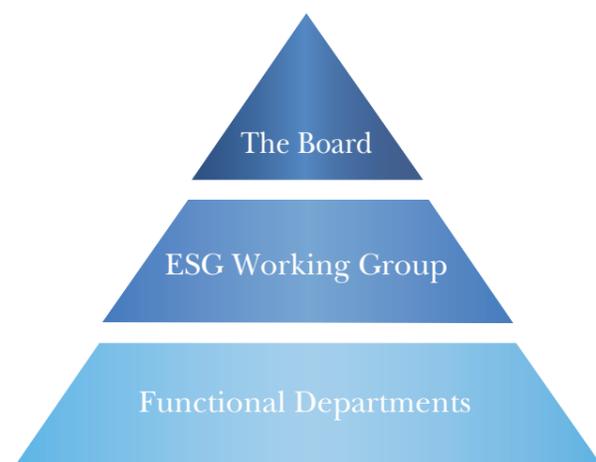
The Board of the Group has attached great importance to sustainability development governance. During the Reporting Period, we further integrate ESG matters into corporate governance structure to lead the Group towards a sustainable development. Also, to further ensure the transparency and accountability of all operations of the Group, the Board of the Group adheres firmly to the corporate governance principles, and maintain continuous attention to the areas such as internal control, fair disclosure and accountability to all Shareholders to meet the applicable legal and commercial standards.

## ESG Matters Governance System

The Board of the Group is the highest decision-making body for the Group’s ESG matters and is responsible for review and approval of ESG Report and making major related decisions. The Board is responsible for monitoring the ESG matters of the Group, determining the overall ESG management objectives, and reviewing, approving and monitoring the management strategies, management approaches and related matters.

The Board has established an ESG Working Group under the authority of the Board to fully utilize the Group’s ESG regulation mechanism and to assist the Board in implementing and guiding the governance function in ESG matters. The principal functions of the ESG Working Group include: reporting to the Board on ESG management on a regular basis, assisting in setting up an appropriate and effective ESG risk management and internal control systems, managing ESG objectives and assisting the Board in following the implementation progress of ESG works. Meanwhile, the ESG Working Group is responsible for delivering decisions made by the Board and reporting work process of the functional departments.

Under the coordination of the ESG Working Group, the respective functional department is responsible for the daily practice of ESG works in accordance with the Group’s ESG working arrangement to ensure that the Group’s ESG strategy is integrated into planning, promotion, implementation and other aspects of business operation.



## ESG Risk Assessment and Management

The Board of the Group recognizes its overall responsibility for the Group’s risk management and internal control systems, and review the effectiveness of going concern basis. The Board of the Group also understands the industry related ESG risks, and has incorporated the ESG risks into the existing risk management and internal control system. The Group identifies, assesses, prioritize and manage the significant risks associated with achievement of its operational objectives and derivative risks of ESG matters through effective operation of the risk management and internal control procedures.

During the Reporting Period, the Group reviewed the results of ESG risks for 2021 and conducted an ESG risk assessment. The Group has analyzed and determined the prioritization of its ESG risks based on such assessment results to effectively identify those ESG risks which are critical to its operations and business during the Reporting Period, and reviewed the relevant management measures to ensure that these risks are under effective control. Among these ESG risks, the one with the highest importance to the Group is infectious diseases.

Risk	Risk Implications	Management measures
Infectious diseases	Outbreaks of infectious diseases can cause closure and delays in school resumption, negatively impacting daily school operations, such as a high risk of infection in student dormitories. The lock-down initiatives by governments also materially affect operation of study.	Keeping close attention to the development trend of the COVID-19 pandemic, the Group secured overall safety and operation via numerous management measures. In respect of safety guarantee, our schools are all in strict compliance with the pandemic prevention and control measures implemented by local governments such as lock-down and stringent closed-loop management of schools and regular nucleic acid testing covering all the students. In addition, prior to any major holidays, our secondary schools and functional departments would remind and guide students and staff to fully understand the national, provincial and local epidemic prevention and control situation before the holidays, to accurately grasp the epidemic prevention and control policies and specific requirements of the places where they depart, return and pass by during the trip when leaving schools for home, and to make sure sufficient preparation has been made to ensure their safety during such trip.

## Performance Review of ESG Objectives

The Board of the Group assumes responsibility for monitoring the progress and reviewing the performance of the implementation of the environmental objectives set by the Group. During the Reporting Period, the Group controlled and monitored the specific actions taken for the environmental targets to ensure continuous progress in achieving the targets:

Environmental objectives	Indicators	Action plans	Actions taken during the Reporting Period
Green campus	Campus Green rate	Launch more tree planting programs and encourage staff, students and parents to participate in the programs, while set a target number of trees to be planted.	The schools have organized different tree planting programs in an orderly manner.
	Advocate conservation	Promote the concept and practice of energy saving, such as water saving and turning off lights as habit.	The schools conduct energy conservation publicity by various means, such as posters, class meetings and education activities, etc.
Reduce energy consumption	Low energy consumption equipment penetration rate	Replace and phase out high energy-consuming equipment and establish equipment replacement schedules.	The schools make general application of low energy consumption equipment through replacing or upgrading old or out-dated appliances or water equipment based on the respective actual conditions.
Reduce non-hazardous waste	Support purchase on demand	The canteen provides half portion of dishes to guide students to buy foods on demand and eliminate waste.	The schools offer half portion of dishes in different types according to their respective characteristics, guiding teachers and students to buy food as per actual needs to avoid waste.
	Promote the Clean Your Plate campaign	Post publicity posters with the theme of Clean Your Plate campaign in dining halls to remind students not to waste food.	The schools promote the Clean Your Plate campaign through posting slogans, promotional materials, theme-based education and other activities.
	Reduce use of disposable items	The stores and canteens of schools do not actively/compensatively provided plastic bags and disposable tableware.	All schools have completed the work of not providing plastic bags and disposable tableware by the stores and canteens either voluntarily or for compensation, and adopted various measures to reduce all disposable tableware and plastic bags offered to students according to the local epidemic prevention and control policies.
	Implement paperless office	Promote paperless office and paperless daily meetings.	The schools adopt different approaches to implement paperless office, such as application of OA systems, electronic invoicing, electronic documents, etc.

Environmental objectives	Indicators	Action plans	Actions taken during the Reporting Period
Reduce hazardous waste	Installation of LED lights on campus and offices	Replace fluorescent lamps with LED lights and expand the range available for installation of LED lights.	The schools have carried out installation or replacement of LED lights according to their actual conditions, and those schools not yet finishing the installation or replacement will also plan to do that in a latter stage.
	Promote garbage sorting	Promote waste recycling and regularly carry out publicity and education on garbage sorting.	All schools promote waste recycling through different forms of publicity activities, and have conducted regular publicity and education on garbage sorting as scheduled.
Improve the utilization of waste resources	Implement garbage sorting	Equipped garbage sorting equipment on campus or in office.	All schools have implemented garbage sorting and are equipped with garbage sorting equipment in their campuses or offices, and the schools have placed garbage sorting equipment with relevant signs at the major areas of the schools where the population is concentrated.
	Waste recycling	Delegate qualified waste collectors for waste recycling.	The schools sort garbage by entering into strategic cooperation with third parties or by themselves, and delegate qualified waste collectors for waste recycling.

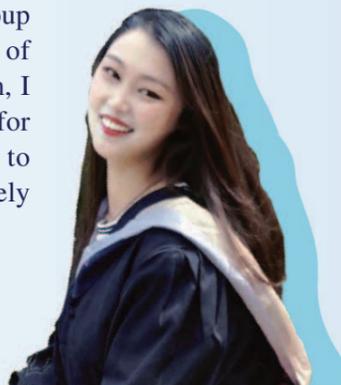


# STAKEHOLDERS' ENGAGEMENT

## Messages from Stakeholders

### Students

With proven track record based on years of numerous efforts, the Group has been providing a platform for students to strive the enthusiasm of students to learn to make them elites and influencers. As one of them, I would like to take this opportunity to express my sincere gratitude for the motivation, cultivation and knowledge provided by the Group to enable us to realise our dream. I believe that the Group will definitely embrace a brighter future with continuous outstanding performance.



**Ms. Fu Wenrong**

A 2021 graduate from Yunnan School



### Industry Associations

The Group has made outstanding exploration and important model innovation for China's vocational education, aligning practical application skills of students with actual business needs of China in a very smart way.



**Mr. Wang Junjie**

Deputy Director of the 5G Examination Committee of the Telecommunication Science and Technology Institute\* (電信科學院5G考試委員會)



### Partners under campus-business cooperation

We are pleased to be a strategic partner with the Group to follow the national policy of deepening the integration of industry and education and vocational education, and to work together to cultivate high quality talents for the ICT industry ecology, and to assist freshmen and graduates within the ICT professional group to realise their value in the industry.



**Mr. Xiong Da**

General Manager of Southern China Region of Bestlink



### Faculty



The Group always advocates energy saving and environmental protection, pays attention to staff experience, and deploys all available resources into culture construction. The internal environment of our office is scientifically and reasonably designed, with sufficient, comforting and satisfying spaces for activity and storage.

**Ms. Li Shujun**

Branding Director of the Group



Joining the Group for over 6 years, I have witnessed the Group's continuous adherence to the core values of being "student-oriented, contributor-driven and putting organization's interests first", and I will make my best to propel the Group to continue the consistent implementation of such values, focus on culture construction, realize high-quality development and create greater value for students and the society.



**Mr. Guo Ran**

Program Production Senior Manager of the Group Teaching Department



### Suppliers

We are fully respected and appreciated by the Group for its customer-oriented practice, continuous dedication for innovative service quality, and adherence to the spirit of honesty and trustworthiness for contract obligations.



**Ms. Zhang Fengdi**

General Manager of Hua'ao Shengshi Furniture



The Group has integrated practices and cutting-edge educational concepts as reflected in the upgrading and renovation of its affiliated schools. The brand new educational facilities are in line with the cutting-edge educational philosophy to create the most harmonious campus atmosphere. We are pleased to be a part of it.



**Mr. Li Shikai**

Marketing Head of Hangzhou Henfon Furniture



## Communication Channels

The Group's sustainable development is inextricably linked to its stakeholders, whose views and expectations are the key drivers for the Group to deliver sustainable development. Therefore, the Group actively maintains communication with stakeholders through various channels to thoroughly understand their expectations, needs, concerns and suggestions on sustainability issues, which serve as an important basis for the Group to enhance its sustainable development and determine the key disclosures in this report. During the Reporting Period, the concerns and expectations of various stakeholders about the Group and the communication channels between the Group and them are set out in the following table:

Stakeholders	Concerns and Expectations	Communication Channels
 Shareholders/Investors	<ul style="list-style-type: none"> <li>Robust operation</li> <li>Business prospect</li> <li>Investment return</li> <li>Brand image</li> </ul>	<ul style="list-style-type: none"> <li>Disclosure of announcements and financial statements on the Stock Exchange</li> <li>Results release</li> <li>Annual general meeting</li> <li>Investor exchange conference</li> <li>Visits to the headquarter or schools</li> <li>Official website of the Group</li> </ul>
 Students	<ul style="list-style-type: none"> <li>Education service quality</li> <li>Campus environment and facilities</li> <li>Healthy and safe campus</li> <li>Students' employment rate</li> </ul>	<ul style="list-style-type: none"> <li>Students satisfaction survey</li> <li>Principal's reception day</li> <li>Themed class meeting or seminar</li> <li>Mailbox of headmaster</li> <li>Visits and exchanges</li> </ul>
 Students' Parents	<ul style="list-style-type: none"> <li>Education service quality</li> <li>Employment outlook</li> </ul>	<ul style="list-style-type: none"> <li>Satisfaction survey</li> <li>Regular meeting and seminar with parents, etc.</li> </ul>
 Employees/Teachers	<ul style="list-style-type: none"> <li>Career development</li> <li>Remuneration package and benefits</li> <li>Health and safety</li> <li>Working environment</li> </ul>	<ul style="list-style-type: none"> <li>Professional skill training for teachers/ staff</li> <li>New staff training</li> <li>Performance management for teachers/ staff</li> <li>Seminars for teachers/ staff</li> <li>Faculty representative conference</li> <li>Faculty opinion platform</li> <li>Visits and Exchanges</li> <li>Satisfaction survey</li> </ul>

Stakeholders	Concerns and Expectations	Communication Channels
 Business Partners/ Suppliers	<ul style="list-style-type: none"> <li>Fair and equitable procurement</li> <li>Quality standards</li> <li>Cooperation and win-win results</li> </ul>	<ul style="list-style-type: none"> <li>Suppliers meeting</li> <li>Evaluation and review process</li> <li>Tender inviting and offering</li> <li>Site visits</li> <li>Provide channels for reporting complaints</li> <li>Satisfaction survey</li> <li>Visits and exchanges</li> <li>Seminar</li> </ul>
 Banks/Financial Institutions	<ul style="list-style-type: none"> <li>Operating results</li> <li>Business outlook</li> </ul>	<ul style="list-style-type: none"> <li>Site visits to the headquarter or schools</li> <li>Meeting negotiation</li> <li>Due diligence</li> <li>Regular information reporting</li> </ul>
 Government/ Regulatory Authorities	<ul style="list-style-type: none"> <li>Education quality</li> <li>Operation by laws and regulations</li> <li>Health and safety of campus</li> </ul>	<ul style="list-style-type: none"> <li>Compliance review on education operation</li> <li>Specialized business audits</li> <li>Regular annual review</li> <li>Teaching assessment among schools</li> <li>Professional assessment and accreditation</li> </ul>
 Industry Associations	<ul style="list-style-type: none"> <li>Promote industry development</li> <li>Diversified exchange</li> </ul>	<ul style="list-style-type: none"> <li>Conference, seminar, etc.</li> <li>Public welfare activities</li> <li>Activities held by industry associations</li> <li>Serving for associations</li> </ul>
 Public	<ul style="list-style-type: none"> <li>Education service quality</li> <li>Brand image</li> <li>Social public welfare</li> </ul>	<ul style="list-style-type: none"> <li>Information disclosure</li> <li>Official website of the Group</li> </ul>
 Media	<ul style="list-style-type: none"> <li>Business outlook</li> <li>Social contribution</li> <li>Brand image</li> </ul>	<ul style="list-style-type: none"> <li>Interview activities</li> <li>News release</li> <li>Press release</li> </ul>

## Materiality Assessment

In order to effectively understand which ESG issues are most important to the Group, the Group invited different stakeholders to participate in the materiality assessment on the sustainability issues by means of questionnaire during the Reporting Period, with the aim of consolidating the views of various stakeholders on different sustainability issues and conducting a “two-dimensions” assessment to further determine the key issues and the further direction of our sustainability efforts.

The Group’s material assessment process includes the following four steps:



### 1. Identification of major stakeholders

The Group identified major stakeholders closely related to the business operation based on two dimensions, namely “the Group’s influence on stakeholders” and the “stakeholders’ influence on the Group”, and invited them to participate in the materiality assessment of the year.

- ✓ The Board of Directors
- ✓ Senior management/Decision-makers
- ✓ Government/Regulatory Authorities
- ✓ Shareholders/Investors
- ✓ Employees/Teachers
- ✓ Banks/Financial Institutions
- ✓ Public
- ✓ Students
- ✓ Students’ Parents
- ✓ Media
- ✓ Business Partners/Suppliers



### 2. Questionnaire survey

With reference to the ESG Reporting Guide and based on the trends of the sustainable development of the international education industry as well as the Group’s deep understandings of the education industry, the Group identified 25 potential material issues related to the Group and understood stakeholders’ concerns and precious comments on all potential material issues through the questionnaire survey.



### 3. Determination of priority

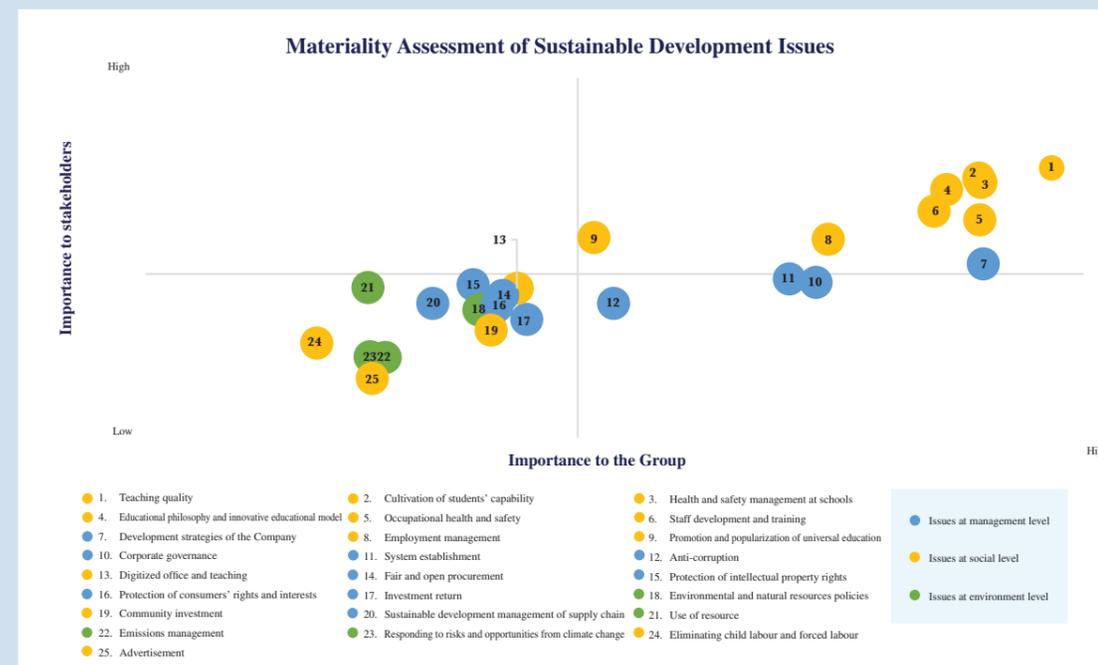
According to the questionnaire results, the Group established a materiality analysis matrix from the two dimensions, namely “importance to stakeholders” and “importance to the Group” to prioritize the materiality of various issues.



### 4. Verification of results

The Group verified the ranking results of sustainability issues by materiality, and determined the issues that scored more than half in the two dimensions of “importance to stakeholders” and “importance to the Group” as the material issues which were particularly reported in this report.

The following figure shows the Group’s Materiality Analysis Matrix of Sustainable Development Issues:



In this materiality assessment, the Group identified 9 material issues (which are listed in the upper right corner of the materiality analysis matrix chart), and these issues will be mainly disclosed in the subsequent chapters of this report. The following table shows the chapters of this Report that respond to such material issues.

Material issues (in the order of importance)	Response chapters in this report
1. Teaching quality	High-quality Teaching to Cultivate Talents of High Quality
2. Cultivation of students’ capability	High-quality Teaching to Cultivate Talents of High Quality High-quality Employment backed by Improving Students’ Competitiveness
3. Health and safety management of schools	Caring for Student-teacher Experience and Pursuing Health and Safety
4. Educational philosophy and innovative educational model	High-quality Teaching to Cultivate Talents of High Quality
5. Occupational health and safety	Employment and Development of Talents and Care for Employees
6. Staff development and training	Employment and Development of Talents and Care for Employees
7. Development strategies of the Company	High-quality Teaching to Cultivate Talents of High Quality High-quality Employment backed by Improving Students’ Competitiveness
8. Employment management	Employment and Development of Talents and Care for Employees
9. Promotion and popularization of universal education	Caring for the Society and Promoting Social Welfare



## High-quality Teaching to Cultivate Talents of High Quality

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The Group focuses on building an education system of high quality and international level to help students grow and succeed. The schools have achieved satisfying results in their majors and curriculum development, with lots of awards and honors earned by schools, teachers and students.

## 4 QUALITY EDUCATION



The Group implements the concept of “application-oriented education” and pursues a Outcome-Based Education (OBE) teaching model to cultivate application-oriented talents and improve education quality. Meanwhile, the Group actively responds to the national development needs and accelerates cultivation of talents urgently needed in key areas. The Group has always focused on the national strategy, closely connected with the sunrise industries, and strengthens the construction of majors that are in short supply for people’s livelihood, so as to inject new momentum for implementation of the rural revitalization strategy and the regional collaborative development strategy in the new era.

Focusing on culture construction, the Group is committed to developing itself into high-quality application-oriented colleges and vocational colleges, and always adheres to the policy of “Student-oriented”. We will continue to facilitate the talent cultivation reform, optimise the structure of courses and majors, and follow the path of high-quality development unwaveringly.

## Recent Significant Initiatives and Achievements

1. 7 new provincial-level first-class majors, 3 new provincial-level first-class courses and excellent courses, and 5 advantageous majors of our schools have been rated as 2022 top application-oriented majors in China.
2. Being the only private higher education group with dedicated quality assurance organization, the Group has 33 professionals in the organization, of which 60% are doctors or accredited with senior title.
3. As the only approved private university project, the “Monitoring and Analysis of Talent Training Quality in Private Higher Vocational Colleges of China” project of the Group was approved as one of the top ten key projects of the China Association for Non-Government Education for the year.
4. New breakthroughs in cooperation with the Harvard Graduate School of Education and Xi’an Jiaotong-liverpool University regarding to major construction.
5. Northeast School: the school cooperated with the “Touyan Team\* (頭雁團隊)”, a project team formed by strategic scientists in Heilongjiang province, to jointly develop the advantageous majors, the standards of which are align with those of 985 colleges and universities, and is rated as the “Excellent Cooperation Unit of 2021” by the world’s top 500 enterprises.
6. Luoyang School: selected as one of the first batch of pilot institutions under the Sino-German Advanced Vocational Education Cooperation Project by the Ministry of Education, which is the only private school in China to be selected.

## Major Aspects Addressed in this Section

1. Application-oriented Education
2. OBE Teaching Model
3. Strict Control of Teaching Quality
4. Increase Motivation for Learning
5. Student Associations Stimulate Learning Vitality

## HIGH-QUALITY TEACHING TO CULTIVATE TALENTS OF HIGH QUALITY

Since the establishment in 1999, the Group has been deeply engaged in the field of higher vocational education for 23 years as a pioneer and leader in the mode of application-oriented universities. In order to proactively grasp the important historical opportunity of the country for strong support for higher vocational education, the Group has been insisting on the fundamental task of delivering moral-oriented education, consolidating the vision of developing quality service, and promoting steady improvement of employment quality through continuously enhanced professional structure and talent cultivation mode, based on the strong demand for technical and skilled talents as required for the domestic economic and social development during the “14th Five-Year Plan” period.

The Group always adheres to the development orientation of “building a high-level application-oriented colleges and vocational university”, and comprehensively improves the quality of talent training. The Group has deepened the integration of industry and education and school-enterprise cooperation, and actively cooperated with outstanding enterprises and high-quality educational resources, such as establishing a high-quality industrial college in cooperation with research institutes for the first time, and striving to build experimental training laboratories for Global 500, in an effort to explore new models and mechanisms for the integration of industry and education, science and education.

### Application-oriented Education

#### *Continuous upgrading the integration of industry and education and closely connecting with sunrise industries*

The Group has always focused on the national strategy, closely connected with the sunrise industries, vigorously promoted the integration of industry and education. The Group has built high-quality industrial colleges on the platform of industrial colleges jointly built by schools and enterprises, and increased 5 Global 500 industrial colleges. In addition to famous enterprises, the Group cooperated with research institutes for the first time in the construction of industrial colleges, and jointly built Harbin Welding Institute Industrial College with Harbin Welding Institute that ranks the second in the world. The Group cultivates application-oriented talents who can meet the needs of industry and post development and have the ability of industry growth and career development potential.

#### *Strengthen talent cultivation under the School-enterprise “dual” education*

Teachers are the most essential resource for education and the fundamental strength to secure high quality education. In order to fully meet the actual requirements of society for skilled talents, the Group has arranged dual-qualified teachers to participate in teaching practices, and invited the stationed professional staff of certain renowned enterprises such as Huawei, JD. com, Inc., Geely Automobile and Chinasoft International to participate in teaching and practical guiding activities relying on the industrial college platforms jointly built between the schools and enterprises. The Group is also making efforts to improve its ability of cooperation-based talents cultivation with a strong faculty team, and to further enhance students’ professional quality and practical capability, so as to cultivate application-oriented talents who can meet the needs of industry and post development and have the ability of industry growth and career development potential.

### Continuous upgrading of the integration of industry and education

The Group has built 45 high-quality industrial colleges with a year-on-year increase of 32.3%, and increased 5 Global 500 industrial colleges. In addition, the Group cooperated with research institutes for the first time in the construction of industrial colleges, and jointly built Harbin Welding Institute Industrial College with the institute that ranks the second in the world to enable joint training of talents throughout four academic years of university, and realized joint training of vehicle talents with Zhejiang Geely Automobile Industrial Institute (one of Global 500). 167 famous enterprise employment classes were opened and 842 practical bases inside and outside campuses were constructed, indicating the Group's close connecting with sunrise industries and intensive promotion of integration of industry and education. The Group cultivates application-oriented talents who can meet the needs of industry and post development and have the ability of industry growth and career development potential.

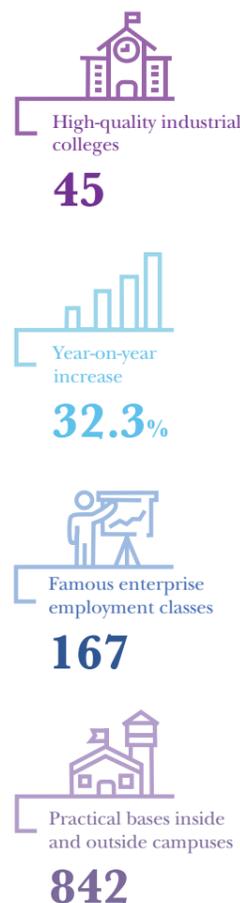
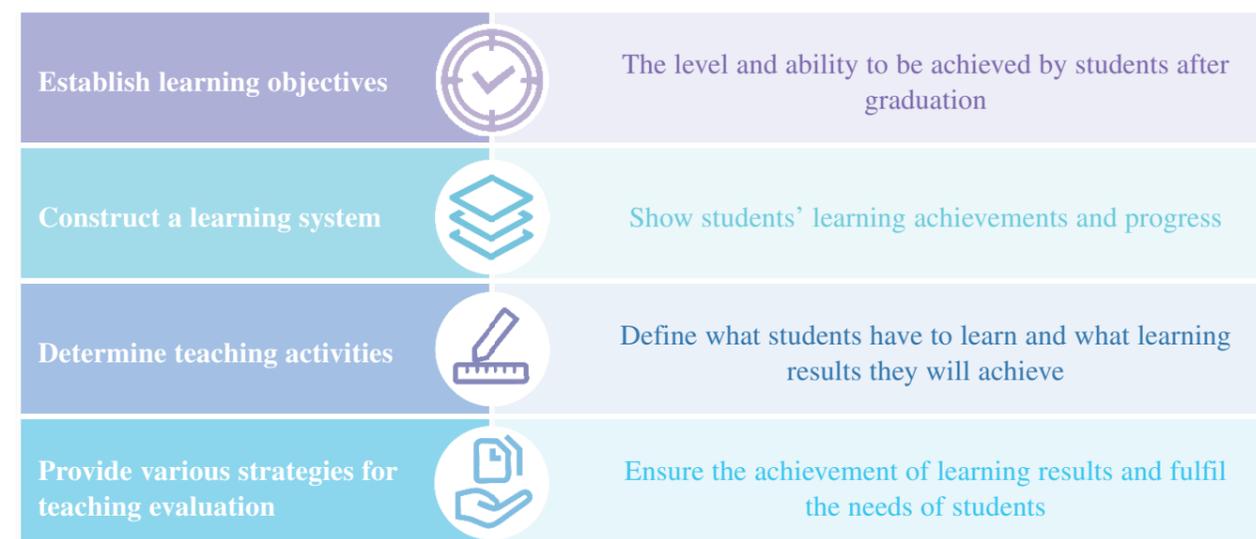
### Partnership with well-known universities and local governments

The Group has continued to increase investment in advantageous majors in recent years. The Group and Snow Laboratory of Harvard Graduate School of Education shared online and offline teaching resources, and jointly built seven international-level pre-school education courses to form a high-level talent training model integrating teaching, learning and research. The Group and Xi'an Jiaotong-Liverpool University jointly built accounting and computer science and technology advantageous majors, and support high-quality development strategies from the aspects of education objectives and employee empowerment, etc. based on the international certification of business majors and engineering education certification of engineering majors. Zhengzhou School was approved to jointly develop a refractory materials laboratory with the local government, making it the only higher vocational school in China to offer such major.

### OBE Teaching Model

The Group adopts an Outcome-Based Education (OBE) teaching model, which focuses on learning achievements that students obtain, rather than the students' academic scores. At the same time, the Group actively promotes a student-oriented education, designs teaching curriculum according to students' personalized learning needs, constructs a learning system with learning objectives as the starting point, clearly determines teaching activities, and conducts various teaching assessments to ensure the successful achievement of learning objectives.

### Four Key Points of Implementing OBE Teaching Model



During the Reporting Period, the Group continued to implement the OBE workshop training system, organized on-site seminars, optimized the curriculum, enhanced teacher training and strengthened students' practical training to promote in-depth reform of the OBE teaching model. In practice of OBE teaching model, Zhengzhou School has implemented the OBE curriculum reform, relying on the "Blue Ink Cloud Classes\* (藍墨雲課班)" to complete the writing of 72 courses teaching documents under the guidance of the OBE teaching concept. Central China School has completed the revision of the OBE-based talent cultivation programme for all majors in the school, and conducted more than 20 training sessions for teachers on OBE teaching reform, blended teaching methods, courseware production, teaching competitions, guidance on academic competitions and curriculum ideology. In the course of selecting courses for public elective courses, some of the graduates were invited to give feedback, so that the courses offered could better meet the needs of students, making the OBE teaching model implemented in all aspects. Guizhou school standardizes teaching implementation, optimizes talent cultivation quality intelligent monitoring system, and forms the "Talent Cultivation Quality Intelligent Monitoring System V2.0.0 – Teaching Standard Document Management Instructions", and strengthens guidance on students development by issuing the three key indicators, namely the "Management Measures on Academic Score Recognition and Conversion of Guizhou School", "Internship Management Regulations of Guizhou School" and "Management Measures on Establishment and Revision of Talent Training Programme of Guizhou School". Also, Guizhou School has conducted in-depth reform in education approach, targeting to improve the general education quality and cultivation level.

### Strict Control of Teaching Quality

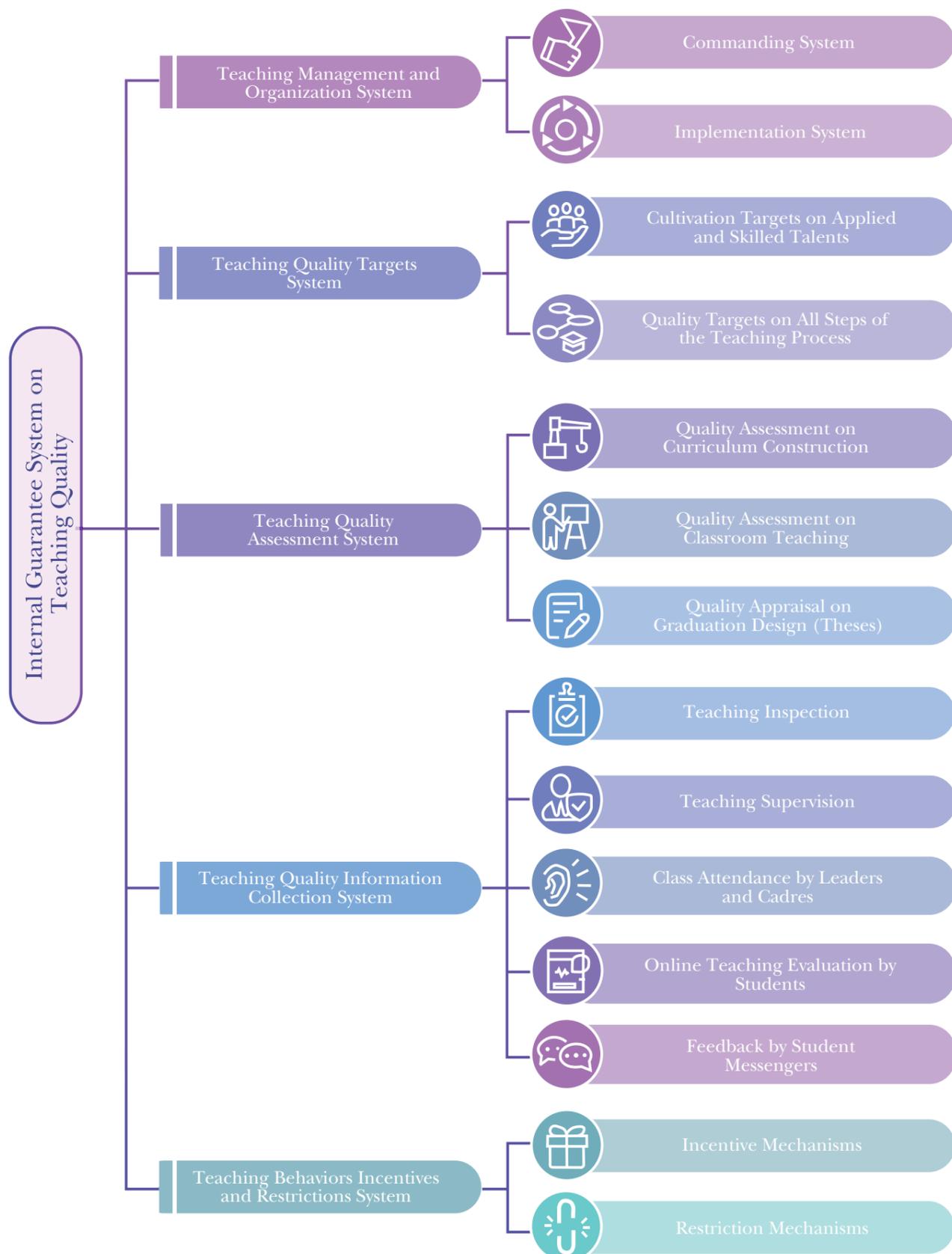
To provide comprehensive high-quality teaching is the inherent requirement for the Group's sustainable development. In order to build a high-quality education system, the Group strengthens the positioning of vocational education types, adheres to the principle of "Student-oriented", vigorously propels the reform of talent training, optimizes the discipline and majors structure promptly, and improves teaching quality in a rapid and steady manner.

During the Reporting Period, the Group strictly abided by national and regional laws and regulations that had a significant impact on the Group, including the Education Law of the People's Republic of China, the Non-state Education Promotion Law of the People's Republic of China, the Regulations on the Implementation of the Non-state Education Promotion Law of the People's Republic of China, the Higher Education Law of the People's Republic of China and the Vocation Education Law of the People's Republic of China, to offer students teaching services with quality assurance.

Teaching quality is essential to the Group. The schools of the Group regularly held teaching work meetings to study the development trend of higher education and adjust teaching tasks and objectives from time to time. In order to strengthen quality management on a continuous basis, the Group has built a "Five Systems in One\* (五位一體)" cubic teaching quality internal guarantee system, which consists of the cultivation targets on application-oriented talents and quality targets on all steps of the teaching process, including five systems, namely teaching management and organization, teaching quality targets, teaching quality assessment, teaching quality information collection and teaching behaviours incentives and restrictions, so as to ensure whole process control and closed-loop assessment management of teaching quality.



The Group's internal guarantee system for teaching quality is as follows:



### Teaching Quality Monitoring and Operation

The Teaching Quality Monitoring and Assessment Center of the Group is responsible for supervising the teaching quality management and all schools are responsible, as the principals, for the implementation of their respective teaching quality management. In order to ensure the scientificity of the teaching quality monitoring, the school teaching quality assessment work comprises the following four parts to ensure full participation, whole process control and comprehensive assessment.

#### Teaching surveys



Teaching surveys are conducted in the beginning and middle of each semester, with different major contents reviewed for different period of times. For example, surveys at the beginning of each semester generally cover the inspections on implementation of talent cultivation plans and teaching plans of lecturers. Surveys at the middle of each semester cover the inspections on problems in various teaching process and solutions thereof. In addition, symposiums between students and teachers in various forms are carried out to understand relevant teaching status.

#### Special inspections



According to the evaluation requirements of the Ministry of Education, check the teaching files on a case-by-case basis; spot check examination papers, graduation theses, teaching and other documents, and timely rectify any problems found.

#### Class attendance and tour inspections



The Teaching Quality Monitoring Center conducts class attendance and teaching tour inspections by school leaders and relevant management members at the beginning and middle of each semester. The Teaching Quality Monitoring Center makes feedbacks on class attendances to the teaching institutions and the teaching institutions makes feedbacks to teachers in proper ways.

#### Feedbacks on teaching by student messengers



The feedback work of student messengers on teaching lasts throughout the entire semester. Messengers are supposed to collect once a month highlights, shortcomings and suggestions in respect of the education and teaching of teachers and teaching infrastructure of schools. The feedbacks improved teaching quality effectively as it provides the first-hand information to enhance the overall teaching management.

Apart from an effective monitoring mechanism for teaching quality, the schools hold regular schoolwide teaching work meetings or practical teaching work meetings each year to update timely the education and teaching concept of teachers and to further study major issues in teaching and practice, thus to ensure teaching work is moving forward under a right direction. In addition, the schools hold monthly teaching work meetings by combination of online and offline means regularly, and hold such coordination meetings as required to ensure that teaching work is carried out in an orderly and steady manner and teaching plan is completed as scheduled. To improve the quality of our teaching services, the School Quality Monitoring and Teacher Development Center not only requires teachers to conduct self-assessment on their class teaching, but also arranges an assessment panel consisting of students, peers and teaching experts to carry out full-participated teaching quality assessment every semester. Besides, the Group emphasizes utilization of the results of teaching quality assessment which are analyzed to form the annual analysis report of teaching quality, helping our schools to review the teaching work for this academic year and formulate reasonable teaching plan for the next academic year.

## Synchronized Quality Assurance and Teaching

The Group has a dedicated teaching quality assurance organization to assess the teaching quality. The Group has built an information platform for monitoring and evaluating the quality of education and teaching, and carried out professional quality evaluation, course quality evaluation, classroom teaching and learning quality evaluation and employment quality evaluation according to the requirements of the competent education department. In particular, as the only approved private university project, the “Monitoring and Analysis of Talent Training Quality in Private Higher Vocational Colleges of the China” project of the Group was approved as one of the top ten key projects of the China Association for Non-Government Education for the year. Other project units are well-known universities and top educational research institutions such as Peking University, Beijing Normal University and National Institute of Education Sciences.

## Awards Won by Teachers and Students

The Group has continued to increase investment in teacher costs. The Group continued to improve the remuneration of department heads and other professional leaders, and the salaries of core positions reached the top competitive level in all provinces. The Group continuously introduced industry experts and double qualification teachers to increase the proportion of teachers with high academic qualifications and professional titles. The Group further strengthened internal and external training, and organized external experts and internal training for over 530 times. The Group always attaches importance to the classroom teaching quality. The Group organized almost 10,000 front-line teachers of the Group to participate in wonderful classroom competitions to promote the improvement of teaching level.

One of the core competitiveness of the Group is its outstanding team of teachers. Our teachers led student teams to compete and win a record number of awards in top national competitions. During the Reporting Period, the students of the Group have won 22 national top awards in 56 top comprehensive discipline competitions, hitting a record high. Yunnan School ranked first in Yunnan Province in the “National Undergraduate Competition List of Newly Built Undergraduate Colleges” in terms of the number of competition awards, and the ability to operate schools with high quality was significantly enhanced.

For example, Luoyang School has obtained 80 utility model patents, including “A multi-functional drawing device for professional architectural interior design of environmental art design” (環境藝術設計專業建築室內設計用多功能繪圖裝置) and “An automatic control system simulation experiment platform” (自動控制系統仿真實驗平台), recognized by China National Intellectual Property Administration. Its teaching team won 17 first-class awards in the provincial teaching competition. Its student-teacher team won 48 national awards and 376 provincial awards in discipline competitions, in which national awards include, but not limited to, 3 first-class awards in the “National Finals of the National College Digital Art & Design Awards”; 1 first-class award and 2 third-class awards in the “China Creative Challenges Contest”; and 2 third-class awards in the “Robocom Contest 2022” and “The 12th MathorCup College Mathematical Modeling Challenge 2022”, respectively.

Organized external experts and internal training for

over **530** times

National top awards in top comprehensive discipline competitions

**22**

Model patents

**80**

National awards in discipline competitions by student-teacher team

**48**

Provincial awards

**376**

### Case: Professional Teachers and Experts Showcase Their Capabilities in Wonderful Classroom Competitions

To realize the strategic goal of “high-quality development” and the core value of “Student-oriented” and seek to increase teaching quality, in August 2021 to September 2022, our schools in different regions successively held the “Wonderful Classroom Competition” to promote teaching quality and select professional teachers through competitions, while further creating wonderful classrooms and fostering a good classroom atmosphere with teaching interaction.



## Increase Motivation for Learning

Maximizing potential and improving quality of student are always the education tenet of the Group. In addition to developing students’ abilities, the Group prioritizes the ideological and moral quality of students and guides them to build good moral quality and become talents with all-round development of “virtue, intellectual, physical, artistic and laboring”

To boost the students’ motivation in self-directed learning, the Group is dedicated to creating a quality development education system with distinctive features, rich content and student satisfaction, aiming at 1) guiding students to formulate their academic development plans and establish their learning goals and employment directions for the next three to four years on enrollment; and 2) arranging students to carry out regular self-assessment in order to evaluate the gains and deficiencies in the semester at the end of each academic year, and adjust the learning and development plan for the following academic year. Our schools provide comprehensive counseling throughout the students’ learning life to help them enhance their learning outcomes.

Furthermore, extracurricular learning is another important means of talent cultivation. Our schools offer various extracurricular activities such as scientific research, academic exchanges, association activities and discipline competitions to summon up students’ enthusiasm, initiative and creativity in the learning process, and foster a strong learning atmosphere on campus.

## Student Associations Stimulate Learning Vitality

Student associations are mass groups organized voluntarily by students and serve as the “second classroom” for schools to promote quality education. The Group fully supports and protects the freedom of organizing activities of students, and oversees and manages student associations to organize activities within the scope permitted by law and in accordance with the charter. The schools under the Group have a total of 445 student associations, covering a wide range of subjects including academic technology, innovation and entrepreneurship, culture and sports, voluntary work and public welfare, self-discipline and mutual assistance, fully satisfying the diverse interests and needs of students. Students could further broaden their horizons, ease academic pressure, and hone their social skills by organizing or participating in healthy, elegant, and diverse association activities.

### School Management

The Group places considerable emphasis on the work of student associations and incorporates them into the overall mass organization for planning and deployment. The schools under the Group formulate management measures for the formation of associations and establish an association formation management committee led by the main person in charge. The duties of the committee include research and planning for the formation and development of student associations throughout the school, institutional research on the registration and annual review of student associations, selection of backbones and assessment and other important work and major matters. We listen to the work reports of student associations on a regular basis and study and solve relevant issues in a timely manner; strengthen the management and category-specific guidance of activities carried out by student associations and their members, and put forward suggestions for dealing with student associations that violate laws and regulations or school discipline; review the legality and compliance of student associations’ off-campus funding; and enhance the appraisal and motivation work of the instructors of student associations and offer assessment opinions. Under the management and leadership of the association formation committee, the student associations have become increasingly formalized.

For example, in Yunnan School, the school has taken multiple measures to promote the formalization of student associations. In order to give full play to the educational function of student associations and support its healthy and orderly development, at the end of 2021, Yunnan School formulated the “Management Measures for the Formation of Student Associations of Yunnan School” and established the Yunnan School Student Association Formation Management Appraisal Committee upon the research by the Party Committee to further regulate the establishment, annual review and activities of student associations, and bring together students to contribute to the school culture.

### Development under Teacher Guidance

To further enhance the quality of student association formation, the schools carefully select association instructors to participate in the development and formation of student associations and provide guidance on the affairs of association. The schools adopt strict criteria in the selection of instructors and will only choose current teaching staffs with strong organizational management capabilities and professional knowledge, a strong commitment to education, a great concerns for students’ growth and a good sense of responsibility and dedication to serve as association instructors. In addition, the schools assess the instructors every year, and provide incentives to further stimulate the instructors to act as guides for the healthy development of the associations.

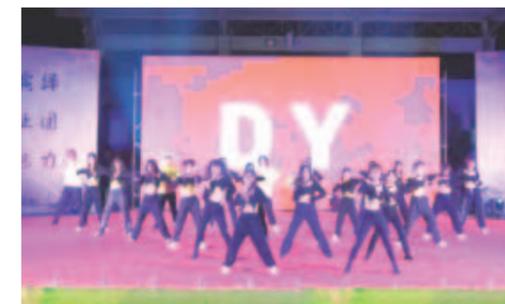
Gansu School has strengthened the management of instructors in student associations. In order to further play the positive role of instructors in the healthy development of associations, at the end of September 2021, Gansu School developed the “Administrative Measures for Instructors of Student Associations of Gansu School”, to clarify the conditions and procedures for the employment of instructors, define their responsibilities, formulate assessment and incentive measures, and thus comprehensively strengthening the management of instructors.

## Full Autonomy of Students

Increasing autonomy of students is beneficial to fully boosting the vitality of association formation. The schools under the Group have established the Federation of Student Associations, which is responsible for the daily contact between the student associations and the schools, management and service of various student associations, leading associations to create a series of association activities with wide coverage, great influence, high participation and distinctive features, such that the student associations could become a habitat for students’ interests, a place for cultivating hobbies, and a fuel source for abilities.

### Case: Over a Hundred of Student Associations Compete with Each Other in the Association Culture and Art Festival

Association culture is an integral component of campus culture in colleges and universities which provide a platform for university students to develop their potential, know themselves, and express themselves. In November 2021, the Yunnan School Student Association Federation organized the “The Second Culture and Art Festival and the 10th Association Culture Festival” where over a hundred of school associations showcase their talent. Various literary and art association have delivered excellent performance, demonstrating the students’ youthful enthusiasm.



### Case: Association of Inking and Sinology Promotes the Quintessence of Chinese Culture by Painting and Clothing

On 25 June 2022, Enthusiasts of Chinese culture in Gansu School established the “Association of Inking and Sinology” and held “The Second Huayun Ancient Style Handmade Competition”, aiming at further promoting the traditional Chinese culture on campus and enhance the national self-confidence and sentiment of students by using traditional techniques to draw opera facial masks and wearing ancient costumes in school fair.





## High-quality Employment backed by Improving Students' Competitiveness

Increasing employment and high-quality employment are the most effective and direct way to get rid of poverty, and long-term persistence thereof can effectively solve the problem of inter-generational transmission of poverty. All the schools under the Group have made employment the foundation of schools and the core indicator of quality of education.





“High-quality employment serves as the nuclear weapon and locomotive of the Group.” The Group takes high-quality employment as its core strategy which creates unique advantages that make the Group distinguished from others. The resurgence of the COVID-19 pandemic made graduates of the year of 2022 more difficult to be employed. In this, the Group has continued to increase investment in employment and increase teachers for the employment guidance team in its best efforts. The Group is united in its entirety in promoting employment, and the

schools have carried out several rounds of “business visits for career opportunity\* (訪企拓崗)” actions to successfully promote high-quality employment for students.

By firm adherence to the target of “helping students to start high-quality employment and entrepreneurship\* (幫助學生高質量就業創業)” and giving full play to the role of schools in helping poor students in education and employment, the Group is striving to achieve the goal of “one educated, one employed, and then one family out of poverty\* (職教一人、就業一人、脫貧一家)”.

#### Recent Significant Initiatives and Achievements

1. The final employment rate as of 31 December 2021 reached 98%, and the employment rate was 98% for two consecutive years. The employment rates of our schools ranked the best among the respective provinces. In particular, the employment rate of Gansu School and Guangxi School ranked the first among similar schools in their provinces.
2. The initial employment rate as of 31 August 2022 reached 89%, higher than the national average.
3. The high quality employment rate increased by 187% year-on-year, 23% of the high quality employment was in reputable companies such as Huawei, SF Express and Tesla, which are among the top 500 companies in the world, the top 100 companies in China and A-shares listed companies.
4. Guizhou School: the employment efforts were praised by Huai Jinpeng, Minister of the MOE, and was awarded by the Ministry of Education as one of the top 100 cases both in employment and entrepreneurship, setting a new record for the both.
5. Northeast School was awarded “Excellent Cooperation Unit of 2021” by the world’s top 500 enterprises.

#### Major Aspects Addressed in this Section

1. 98% employment rate for two consecutive years
2. Investment in employment continues to increase
3. The integration of industry and education continues to upgrade
4. High-quality employment recognized by various sectors of the society

## HIGH-QUALITY EMPLOYMENT BACKED BY IMPROVING STUDENTS’ COMPETITIVENESS

Both the total number and the increase in the number of college graduates in the country have hit a record high this year, resulting in a sluggish labour market for graduates. The Group’s effort in employment work has faced the dual impact of the COVID-19 pandemic and the severe employment situation. In this context, the Group has continued to increase employment investments and increase teachers for the employment guidance team and work together to boost employment. The schools have carried out several rounds of “business visits for career opportunity\* (訪企拓崗)” actions to promote our long-term strategic target of “helping each student to start high-quality employment\* (幫助每一位學生高質量就業)”. As a leader of high-quality employment, the schools of the Group have been awarded the “Top 100 Typical Cases of Employment and Entrepreneurship of General College Graduates in China (全國普通高校畢業生就業創業工作典型案例100強)” by the Ministry of Education, with an average employment rate of approximately 98%, and the employment rate of each school receiving top ranking from all provinces and regions.

“Helping students to start high-quality employment and entrepreneurship”

“One educated, one employed, and then one family out of poverty”

### 98% Employment Rate for Two Consecutive Years

The Group’s employment results continued to be impressive. The final employment rate as of 31 December 2021 reached 98%, and the employment rate was 98% for two consecutive years. The employment rate of each school ranked top in all provinces, of which the employment rate of Gansu School and Guangxi Schools ranked the first among similar schools in its province. The initial employment rate as of 31 August 2022 reached 89%, higher than the national average. The high quality employment rate increased by 187% year-on-year, 23% of the high quality employment was in reputable companies such as Huawei, SF Express and Tesla, which are among the top 500 companies in the world, the top 100 companies in China and A-shares listed companies.

Initial employment rate as of 31 August 2022

89



%

Increase in high-quality employment rate year-on-year

187



%

Graduates employed in famous enterprises within high-quality employment

23



%

Note: the employment rate of this report means employment intention implementation rate of graduates

## Continue to Increase Investment in Employment

The Group has been strengthening the construction of employment guidance teams, increasing employment investment, and focusing on the sunrise industries including digital creativity, biotechnology, new energy automobile, new generation information technology, and high-end equipment manufacturing. The Group has joined hands with the Central Committee, Zhaopin (智联招聘), and Shixiseng (实习僧) to provide more than 300,000 jobs for our graduates, continued to develop the core function of employment service in the Beijing-Tianjin-Hebei center, the Pearl River Delta center and the Yangtze River Delta center (“Three Centers”), and proactively invited experts to provide guidance on career and further education to all graduates of the Group’s schools, so to continuously improve students’ competitiveness and employment quality. In addition, the Group has constantly consolidated its employment guarantee mechanism and improved the four-tiered employment guarantee mechanism that is led by the headquarter, supported by the schools, coordinated by the colleges, and collaboratively implemented by the Three Employment Centers.



Central China School Huawei Cloud Kunpeng Industry Education Integration Base



Northeast School Geely Automobile School-Enterprise Cooperation Practice Teaching Base

The experimental training laboratories are very important for cultivating high-quality application-oriented talents. It can ensure students’ learning in professional basic courses, and improve employment skills, improve students’ learning experience, and stimulate students’ learning motivation. The Group continues to update and upgrade the construction of experimental training laboratories, smart classrooms, libraries and teaching facilities and equipment, with a total annual investment of RMB235 million. The construction projects were completed for below experimental training laboratories: Central China School Huawei Cloud Kunpeng Industry Education Integration Base, Gansu School Smart Manufacturing Experimental Training Laboratory and 360 Training Room, Zhengzhou School Preschool Education Children’s Activity Training Room, Guizhou School Life and Health Science (大健康) Virtual Simulation Training Room, etc.

## Continue to Upgrade the Integration of Industry and Education

The Group is closely cooperated with sunrise industries. We work with Huawei, Tencent, ByteDance, Tesla, Sinopharm Group and other companies including the Global 500, China’s top 100, A-Shares listed companies and other well-known companies and we deepen school-enterprise cooperation with those companies. We co-constructed 47 industrial colleges, representing an increase of 32.3% year-on-year, and we had 5 new industrial colleges of Global 500. We also launched 167 employment classes for famous enterprises, and 842 training bases on and off campus, representing an increase of 293% year-on-year. °

The Group has always focused on the national strategy, closely connected with the sunrise industries, and vigorously promoted the integration of industry and education. The Group has built high-quality industrial colleges on the platform of industrial colleges jointly built by schools and enterprises, and newly added 5 Global 500 industrial colleges. In addition to reputable enterprises, the Group cooperated with scientific research institutes for the first time in the construction of industrial colleges. For example, through jointly building Harbin Welding Institute Industrial College with Harbin Welding Institute that ranks the second in the world, we achieved the joint training in the whole process from the first year to fourth year, and through cooperating with Geely Automobile Industry Research Institute, we achieved the joint training for vehicle professional studies. We achieved the integration of industries and education, and continuously improve collaborative education. The Group cultivates application-oriented talents who can meet the needs of industry and post development and have the ability of industry growth and career development potential.

## Recognition of High-quality Employment by the Society

The Group has achieved remarkable results in quality employment and is highly recognized by the authorities, the society and the industry. Guizhou School was selected as the “Typical Case of Employment and Entrepreneurship for Graduates of National Universities” by the MOE, and it is the only university in Guizhou province to be selected. The employment work was praised by Minister Huai Jinpeng (怀进鹏), and the graduates were evaluated as typical of university students’ employment and entrepreneurship by the MOE. Northeast School was awarded “Excellent Cooperation Unit of 2021” by the world’s top 500 enterprises.

In March 2022, the Group reached a strategic cooperation with No. 301 Hospital on internship and employment, and Central China School and Yunnan School has selected and sent their first batch of students, taking a solid step towards high-quality employment of students from nursing major. Yunnan School was recognised as the employability training base for national college graduates by the MOE, and was selected as the “Typical Case of Employment and Entrepreneurship for Graduates of Universities in Yunnan Province in 2020”; Guizhou School was selected as one of Top 100 Typical Case of Employment and Entrepreneurship in 2020; Yunnan School was ranked the first in Yunnan Province among the “Competitiveness Ranking of the Private Undergraduate Colleges and Universities in China” (中国民办普通本科学校竞争力排行榜). Compared with similar schools, the graduates of schools of the Group are well recognised by world-class employers, creating a new high of employment salaries and being in the leading position of the industry.



We work with Geely Automobile Industry Research Institute to realize the joint training for vehicle professional studies



The Group reached a strategic cooperation with No. 301 Hospital on internship and employment, laying the foundation for high-quality employment of students from nursing major.



## Caring for the Society and Promoting Social Welfare

Education is critical for preventing poverty inherited through generations. The schools of the Group shoulder the responsibility of promoting universal vocational education as well as consolidating and increasing the accomplishments of poverty alleviation and carrying out rural revitalization in an orderly manner.



The Group maintains its initial educational ambition and promotes poverty alleviation over years through various measures including establishing a financial aid system based on “scholarship, grant, study, loan, reduction, subsidy and exemption”, holding ethnic minority development support class, launching a “Rural Youth Entrepreneurship Training Program”, setting up poverty alleviation offices, offering work-study positions, running inspirational courses and promoting e-commerce in agricultural trade.

Mr. Li Xiaoxuan, the Chairman of the Group, was awarded the title of “Advanced Individual in National Social Service and Poverty Alleviation Work” (民進全國社會服務暨脫貧攻堅工作先進個人) and “Advanced Individual for Contributing to the Building of a Well-off Society” (為全面建成小康社會做貢獻先進個人) in 2021, and was received the “Dedication Award of National Poverty Alleviation Award” (全國脫貧攻堅獎奉獻獎) by the State Council Leading Group of Poverty Alleviation and Development in 2018. The Yunnan School under the Group was granted the honor of the “Star Enterprise for Poverty Alleviation” (扶貧明星企業) in the Yunnan Provincial Poverty Alleviation Award in 2018.

#### Recent Significant Initiatives and Achievements

1. The headquarter has introduced two new procedures for the identification of students from families with financial difficulties and the approval of scholarship, grant, subsidy and exemption.
2. Schools have implemented a number of new management measures to support students with financial difficulties.
3. The Group undertook the officer role of the Rural Revitalization Working Committee of the Chinese Association for Non-Government Education\* (中國民辦教育協會) to deliver a series of industry aid initiatives for rural revitalization. A total of 91 collaborative units participated and carried out 6 projects in aggregate.
4. Yunnan School: visited a number of rural villages with the poverty alleviation office of Songming County and our students provided teaching assistance in the rural villages.
5. Northeast School: carried out “Bringing culture, technology and healthcare skills to the countryside in summer holidays” program for students.
6. Guangxi Schools and Luoyang School: cooperated with the Ministry of Agriculture and Rural Affairs to assist in the promotion and sales of agricultural products and realize e-commerce in agricultural trade.
7. Gansu School: the school’s action to aid students from financially disadvantaged families received extensive coverage in the local mainstream media.

#### Major Aspects Addressed in this Section

1. Promoting Education
2. Rural Revitalization Efforts

## CARING FOR THE SOCIETY AND PROMOTING SOCIAL WELFARE

The Group is dedicated to fulfilling its social responsibilities while focusing on its own business development and strives to become a good corporate citizen. Over the years, we have been actively participating in charity activities, exploring the sustainable value of public welfare of education for rural revitalization as well as encouraging involvement in community activities. During the year, the Group vigorously engaged in community welfare activities aimed at promoting universal education and rural revitalization. During the Reporting Period, our teachers and staffs contributed an aggregate of 58,669 hours to volunteer services organized by the Group.

### Promoting Universal Education

The Group takes on the responsibility of promoting universal education, adhering to the core value of “Student-oriented” and implementing the bottom-feeding assistance project “No One Left Behind” in our schools while helping students in need to complete their studies through the establishment of a financial aid system based on “scholarship, grant, study, loan, reduction, subsidy and exemption”. The Group has formulated the “Procedures for the Identification of Students from Families with Financial Difficulties of China New Higher Education Group” and the “Procedures for the Approval of Student Scholarship, Grant, Subsidy and Exemption of China New Higher Education Group” to further promote universal education. At school level, each school has implemented various management measures to support students with financial difficulties while actively promoting universal education. For instance, Northeast School participated in the education assistance project organized by China Social Assistance Foundation, in which students from families with financial difficulties could be identified and qualified to apply for and receive the national grants.

#### Case Students from Yunnan School Participated in Volunteer Teaching Program in Rural Villages for Revitalizing Rural Education

On 1 March 2022, 91 Yunnan School students majoring in pre-school education and primary education carried out a one-semester volunteer teaching program in Huize County. The program is launched since 2019. According to the arrangement for “Stand with Children in Rural Villages” (一村一幼同心園) jointly conducted by Yunnan School and the People’s Government of Huize County, Yunnan School in conjunction with the local government will set up a teaching assistance base in Huize, while students from relevant majors will be assigned to provide teaching support in March and September each year. At present, over 360 Yunnan School students are assigned to provide teaching assistance.



**Case Gansu School's Action to Aid Students from Financially Disadvantaged Families Received Extensive Coverage in the Local Mainstream Media**

Recently, 4 candidates who received admission notifications from Gansu School intended to forgo their chances of getting into university due to special family reasons. Upon learning about the situation, the vice principal of Gansu School Guo Xiaolei and his team came to the homes of the 4 candidates to introduce them and their parents the supporting policies for candidates from financially disadvantaged families and propose to reduce or exempt their tuition fees while offering work-study positions in order to help them complete their studies.

For children from families with financial difficulties, graduating from university and getting a job provide an opportunity to alleviate the family's financial challenges. Gansu School always insists on helping those in need and puts the concept of "Student-oriented" into practice. The school's action to aid students from financially disadvantaged families received extensive coverage in the local mainstream media.

**Promoting Rural Revitalization**

The Group actively responds to the call of our country to promote rural revitalization and accelerates the modernization of agriculture and rural areas. On 21 December 2021, the Group undertook the officer role of the Rural Revitalization Working Committee of the Chinese Association for Non-Government Education\* (中國民辦教育協會) to build a resource integration platform to deliver a series of industry aid initiatives for rural revitalization. A total of 91 collaborative units have participated in the first phase of the project and carried out 6 projects with a value of over RMB90 million.

Inside the school, we implement the "Rural Youth Entrepreneurship Training Program" to train rural entrepreneurial talents; outside the school, we help the needy, train teachers, and donate equipment and property through long-term support programs. For instance, graduates majoring in e-commerce from Luoyang School have promoting agricultural trade in Xin'an County for years, achieving sales volume of over 1 million with sales income exceeding RMB10 million.

**Case Guangxi Schools and Agriculture and Rural Bureau of Qinzhou Southern District Entered into a Cooperation Framework Agreement**

In February 2022, Guangxi Schools introduced the projects to the schools through school-government-enterprise cooperation to promote the development of distinctive industries in Beibu Gulf area. Leveraging on the development of government + school + rural e-commerce cooperation model and school + modern farmer cultivation model, we assist the Agriculture and Rural Bureau to carry out in-depth cooperation in multi-dimensional and diverse aspects including brand positioning, image building, video shooting and editing, package design, and product promotion for developing distinctive industries in Qinzhou.



**Case Yunnan School Helped Rural Revitalization in Songming County**

In response to the comprehensive implementation of national strategy on rural revitalization, in April 2022, Yunnan School established a rural research institute to assist Songming County, Kunming City to explore demonstration county of featured modern agriculture and realize the goal of rural revitalization. In April to June 2022, Yunnan School, with the coordination of the Poverty Alleviation Office of Songming County, sent an expert team to conduct research on and visit various villages in Songming County to investigate local cultural and tourism resources, laying the foundation for in-depth cooperation.



Wall Painting in Xishan Village



Ma'anshan Hmong Village in Luoliang Village



Pudu Community Cultural and Tourism Resources Investigation



Group Photo of the Research Team

**Case "Bringing Culture, Technology and Healthcare Skills to the Countryside in Summer Holidays" Program held by Northeast School**

During the summer vacation of 2022, by upholding the practices of party history study, theory publicizing, national situation observing, rural revitalization, and national unity, Northeast School formed 196 teams with 220 students to participate in online and offline social practice activities.



3 GOOD HEALTH AND WELL-BEING



## Caring for Student-teacher Experience and Pursuing Health and Safety

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In the year of 2022, the Group adopted the annual work of “Comprehensive Enhancement of Student-Teacher Experience” and practiced the values of “Student-oriented” throughout the Group as well as adhered to the concept of “detail-oriented thinking”, thus gradually building an experience culture.



The Group practices the values of “Student-oriented” throughout the Group and has carried out strong and rigorous improvement work in response to the concerns of students and teachers. Monthly follow-up actions on improvement progress will be conducted, considerably enhancing the overall satisfaction of students and teachers. Besides, the Group fully implements the concept of nurturing student growth, and has invested additional amount of RMB235 million in teaching space construction, resulting in a significantly improved and widely recognized educational environment by students and teachers.

Protecting the health and safety of students and teachers is always our top priority. Students and teachers are encouraged to do exercise to strengthen their bodies. The security measures of our schools have been constantly upgraded while anti-epidemic efforts were firmly implemented during the pandemic.

#### Recent Significant Initiatives and Achievements

1. The Group has introduced two new systems concerning the student-teacher experience.
2. Conducted a student experience satisfaction survey for 3 consecutive years, with a comprehensive satisfaction score of 4.1, an increase of 0.9% as compared with the previous semester (4.06).
3. Gansu School actively implemented the policy of “serve the society in practice”, and focused on student-teacher experience, which was praised by the Ministry of Education.
4. Various schools have completed campus upgrading projects to enrich the experience of students and teachers, refreshing their campuses with new look.
5. During the period against the COVID-19 epidemic, the schools have put in place a number of epidemic prevention and control measures to reduce the risk of disease transmission, making such prevention and control as normal actions.

#### Major Aspects Addressed in this Section

1. Student-teacher Experience Management
2. Collection of Opinions from Students and Staff
3. Disease Prevention and Control
4. Disaster Response
5. Campus Security
6. Food Safety

## CARING FOR STUDENT-TEACHER EXPERIENCE AND PURSUING HEALTH AND SAFETY

### Student-teacher Experience Management

The Group always regards the “Student-oriented” principle as the starting point and goal of all of our works, and fully considers the experience of students and teachers in various tasks, for example, campus environment planning, education and teaching facility construction, and support service guarantee. During the reporting period, the Group continued to consolidate the foundation of the student-teacher experience work system, and formulated the New Higher Education Group Student-teacher Experience Work Management Measures (Trial) and New Higher Education Group Student-teacher Experience Improvement Project Task Release and Publicity Process to promote standardized and systematized student-teacher experience work. At the same time, the Group continues to enrich the focus of student-teacher experience work by setting up the Principal’s Mailbox, publishing the Practical Highlights List, and regularly collecting visits, investigations and rectification reports, so as to promote the in-depth and practical work of student-teacher experience.

In addition, in order to closely communicate with students, each school has carried out Principal Reception Day Activities and set up Suggestion Award and other measures to better understand the demands of students, and provides students with opportunities to participate in campus governance and offer suggestions. To further evaluate the effectiveness of the student-teacher experience work, the Group formulated possible suggestions for the quantitative goal of “Student experience”, established a satisfaction evaluation system, adopted standard questionnaires, and conducted regular surveys. According to the survey results, 96% of students are positive about the school’s work and services in the second semester of the academic year of 2021-2022 compared to the first semester, among which, 74% are “satisfied” or “very satisfied”, representing an increase of 2 percentage points when compared to that of first semester. The Group conducted a student experience satisfaction survey for 3 consecutive years, with a comprehensive satisfaction score of 4.1, an increase of 0.9% as compared with the previous semester (4.06). The results reflected that the level of student-teacher experience continued to improve. Regarding this, the Group initiated the selection and commendation of outstanding contribution team and outstanding staff of the experience work tasks.

### Talents Cultivation Environment Continues to Improve

The Group continues to increase investment in basic teaching facilities. The Group invested additional amount of RMB235 million in teaching space this year, focusing on updating and upgrading facilities such as experimental training laboratories, smart classrooms, and student self-study rooms. In 2022, we invested more than RMB10 million in our schools including Yunnan and Guizhou Schools in the above aspects to improve the hardware facilities of practical teaching in an all-round way. At the same time, the Group has further created a comfortable, harmonious and beautiful education space to improve the learning and living environment of students through renovation and upgrading of student apartments, optimization of multimedia classrooms and renovation of campus landscapes, etc.

During the reporting period, in order to effectively solve the problems that affect the experience of students and teachers, the Group focused on the infrastructure construction of each school, built and renovated student apartments, built new gymnasiums, improved the environment of lecture halls and training rooms, and created campus photography spots, etc. The optimization and improvement of hardware facilities will effectively promote the student-teacher experience.

We continued to improve the accommodation environment and upgrade and redevelop the hardware facilities of student apartments: a number of our schools have implemented renovation and optimization projects for improving student accommodation conditions, for example, newly built modern student apartments in Central China and Gansu Schools, and renovation projects for old apartments in Luoyang, Zhengzhou and Guizhou Schools, rebuilding living areas such as student toilets, washrooms and showers, in order to comprehensively improve student accommodation conditions.

**Case** Yunnan School Apartment Renovation Projects

According to the best practice benchmark 2# apartment and the results of the Group's student apartment standardized visual scheme, Yunnan School carried out three types of upgrade renovations. We completely replaced and upgraded the apartment beds, washing tables, clothes racks, washrooms, wall surfaces, floorings, lamps, door and window networks, and increase the size of shared space.



Continuously Improving Dining Conditions in Canteens

Some of our schools have carried out canteen renovation projects. For example, the canteen renovation project of Central China School has set up bright kitchens and stoves, clean and comfortable dining areas and abundant food stalls to better serve students with safe food and elegant environment.

Renovating and Building New Teaching Facilities

Teaching buildings, training and teaching bases and other facilities are important places for students and teachers to attend classes, and hardware facilities are closely related to learning quality and learning interest. We renovated the Baidu Cloud training room of Guangxi Schools, and upgraded the old lecture hall of Guizhou School. The modern teaching facilities of each school fully guarantee the classroom experience of students and teachers, and improve teaching effectiveness.

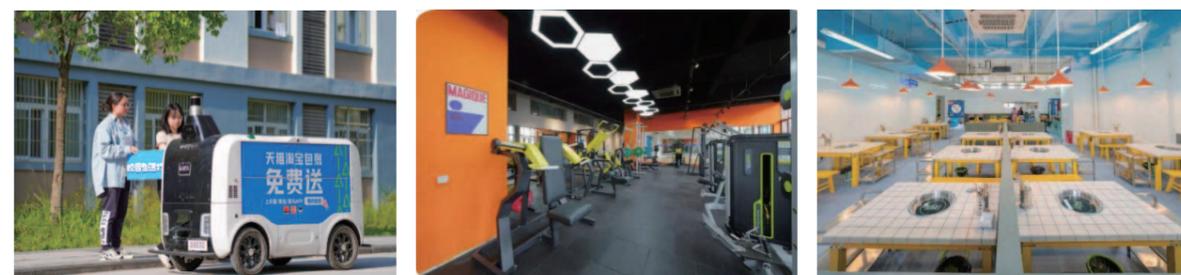
Upgrading and Transforming Campus Environment

In order to give full play to the role of the environment in education, each of our school has vigorously implemented campus environmental improving projects, for example, we renovated the Roman theatre and athletic field in Zhengzhou School, built a container square in Guizhou School, renovated commercial street in Guangxi Schools and built a rose garden in Luoyang school. Through improving recreational and sports facilities, creating photography spots, we comprehensively enrich the experience of students and teachers, and the campuses have new looks.

**Case** Major Upgrading and Renovating Projects Completed in Central China School

From July to August 2022, with the successive completion of several projects during the summer vacation, Central China School, after the renovation, is full of new vigor and vitality. The renovation helped upgrade the life experience and learning experience for our students.

In terms of life experience: Firstly, renovation of the canteen. The new look of the canteen has become the focus of discussion among teachers and students in the school. Dining with facial recognition payment, a brand-new and bright dining environment, clean and comfortable tables and chairs, a variety of dishes, and an escalator to the second floor... There are major upgrades from dining experience to the taste of the food. Secondly, the gym was built. There are aerobic area, equipment area, yoga room, cycling room, etc. in the gym. The sports facilities are fully equipped and there are professional coaches to provide careful guidance to the users. Thirdly, the surrounding supporting facilities were fully upgraded. The new Watsons store neighboring Central China School help our teachers and students buy daily necessities in a more convenient way; there are billiards room near the school, which is convenient for teachers and students to cultivate concentration and stimulate thinking; in addition, a Cainiao Guoguo automatic car is added in Central China School, making it more convenient for our teachers and students to send and receive express packages.



In terms of learning experience: firstly, the self-study rooms for postgraduate entrance examinations. During the summer vacation, there were 8 self-study rooms built in the library for postgraduate entrance examination excellence classes, they are equipped with spacious desks, comfortable chairs, quiet environment and bright light, so that students who attend postgraduate entrance examination can experience immersive study and preparation. Secondly, smart classrooms. In addition to the spacious traditional classrooms, Central China School is equipped with multiple smart classrooms. Thirdly, the surrounding facilities are more user-friendly. For example, the second floor of the library is equipped with a large-capacity umbrella storage rack, which avoids the inconvenience of bringing umbrellas indoors when it rains, and keeps the students' learning environment dry; also, there are sockets installed for self-study seats so the students do not need to worry about battery level when they are learning with a computer.



### Case Photography Spots Created in Yunnan School

Moon Lantern and Red Rabbit photography spots in Yunnan School. There are various improvements made in Yunnan School which bring improvement of the living standards to students and teachers, and high pursuit of spiritual life. Micro-landscapes and micro-sculptures have become the embellishments of the campus. The culture of the school has been well reflected, and these landscapes and sculptures have become the highlights of the campus landscape.



### Collection of Opinions from Students and Staff

The Group is grateful to the students and staff for their trust and support to the schools, and also welcomes and listens humbly to the valuable opinions of the students and staff and we seriously follow up their opinions. During every school year, we conduct surveys on student satisfaction through anonymous questionnaires, face-to-face activities with the school leadership team, on-site visits, open hotline, “Principal’s Mailbox”, etc. Therefore, we can obtain relevant research reports to improve and enhance the quality of teaching. Any comments from students and staff on teaching services, campus environment, accommodation facilities, and employment guidance can also be submitted through various channels, for example, telephone, visits, letters, complaint boxes, student service procedure, and student seminars. Relevant opinions and suggestions will be followed up and handled by the Group’s Experience Management Centre, which adheres to a closed-circuit management mechanism of problem assignment, follow-up supervision, and result feedback, and ensures timely follow-up.

In order to make the student-teacher experience work more systematic and standardised, thus to complete the task of improving the experience with high efficiency and quality, form a culture in which all staff attach importance to the student-teacher experience, implement the “three-all\*(三全)” educating requirements, create relatable, trustworthy and respectable campus atmosphere, and continuously develop first-class student-teacher experience as one of the core competitive strengths, the Group has formulated the “New Higher Education Group Student-teacher Experience Work Management Measures (Trial)” taking into account the actual conditions, and adopted the “Guidelines for Feedback and Handling Reference for Student’s Opinions” and the “Guidelines for Feedback and Handling Reference for Staff’s Opinions” to further ensure that students’ and teachers’ opinions are properly handled. The following key principles have been adopted in handling opinions from students and staff:

#### 1. Comply with the principle of “four insistence and one target” at the perception level:

We insist on the “Student-oriented” principle, prioritizing experience, adhering to the concept of “detail-oriented thinking”, and the culture of service, making the best to achieve the target of moving both students and teachers.

2. Adhere to the principles of problem-orientation and highlight-building at the execution level:
  - Students and teachers are encouraged to reflect problems in a timely and adequate manner under an open and tolerant atmosphere, forming an atmosphere in which various departments are adept at identifying problems and dare to face them with increasing insight and responsibility.
  - We combine fragmented solutions with systematic improvements to enhance the ability of solving problems quickly and, by way of example, gradually clarify terms of reference and establish relevant sound regulations and procedures.
3. Gradually clarify terms of reference and establish relevant sound regulations and procedures:
  - We will continue to invest resources in the identification of experiential projects that are highly anticipated by students and teachers and that support our schools’ brand building, cultivating the experience highlights.

The opinions of students and staff are the inexhaustible driving force for us to move forward. We are always committed to transforming the “suggestion list” into a “work task list”, hoping to satisfy our students and staff through sincere communication and serious handling.

The Group discloses its performance indicators in relation to the Group’s product liability in accordance with ESG Reporting Guide, during the Reporting Period, the Group received 39 complaints about its products and services and achieved a 100% complaint resolution rate.

Safety is the top priority of school operations, and it is also an inherent requirement for the Group to achieve high-quality development. While continuously improving the quality of education, we continue to increase investment in pandemic prevention, food safety, campus security, etc., to improve and implement the management system, create a safe and harmonious campus environment, and establish a solid foundation for the achievements of teachers and students.

### Disease Prevention and Control

Infectious diseases are highly important ESG risks of the Group, and we have therefore formulated a series of preventive measures and policies to reduce the risk of disease transmission. According to the Regulation on the Urgent Handling of Public Health Emergencies by the State Council, the schools of the Group have formulated the “Plan for Urgent Handling of Public Health Emergencies”, which classifies various public health emergencies based on the severity levels and extent of the impact and allows each school of the Group to take graded emergency response. At the same time, the schools of the Group monitor the health status of students, carry out health education to students, help students cultivate good health habits, improve teachers’ health environment and conditions, and strengthen the prevention and treatment of infectious diseases and common diseases among students in accordance with the “Working Regulation for the Hygiene at School”. In addition, our schools are also required to publicize the prevention and control knowledge of public health emergencies to teachers and students, improve the information monitoring and notification network of public health emergencies, and establish a rapid response and emergency handling mechanism.

During the Reporting Period, with the prevalence of the global COVID-19 epidemic, clustered epidemics and sporadic cases continued to occur in certain areas of China. Under the complex and ever-changing condition of the epidemic, the schools under the Group have continuously adjusted the epidemic prevention measures. In addition to normalized epidemic prevention and control, the schools also carried out specific analysis for specific issues, and introduced special plans for special nodes including returning to school at the start of semester and small and long holidays. For example, Yunnan School established an office for the leading group for epidemic prevention and control, and organized all teachers and staff to study the “Technical Guidelines for Key Issues in the COVID-19 Epidemic Prevention and Control in Colleges and Universities in Yunnan Province (Second Edition)” according to the requirements of the Department of Education of Yunnan Province and the Health Commission of Yunnan Province. The schools followed up the epidemic development in real time and dynamically adjusted the prevention and control measures. During the National Day holiday in 2021, according to the requirements of the notice of the Department of Education on campus safety during “mid-autumn” and “national day”, the schools has made detailed arrangements for returning to school after leave.

Each school remained highly alerted according to the requirements of epidemic prevention and control of the local government to prevent the rebound of the epidemic in a strict manner, and continued to implement normalized anti-epidemic measures, including but not limited to implementing closed management in schools and strictly implementing joint check of “three codes” (health code, travel itinerary card, vaccination) for school entry; organizing nucleic acid testing for all staff; daily cleaning on campus and keeping ventilation in key places and strictly control gathering activities.

**Case** Epidemic Prevention Model Test: Finding Deficiencies and Improving Capability in On-site Drills

On 3 September 2021, Guizhou School carried out on-site drills to prevent and control the epidemic for returning to school in autumn. In order to make sufficient preparations and ensure that students admission in a safe and orderly manner, each secondary college organized volunteer groups to carry out on-site drills, and conduct simulated operations on the data verification, safety disinfection process and emergency response of returning students. Through repeated on-site drills, Guizhou School found out the problems and rectified them in time to make full preparations for the official return to school.



**Case** Encouraging Students to Exercise Actively during Epidemic Prevention

During the epidemic, exercising indoors is the key to maintaining emotional health. In March 2022, Northeast School, which was in the period under static observation, organized a unique online sports competition. The students living in isolation turned their dormitories into a gym by adapting to the local conditions. The “Xiaodaqin” (小達寢) activity attracted active participation from 208 dormitories, and a total of 598 check-ins in the form of short videos. In this activity, the students showed the youthful demeanor of contemporary college students, improved their own physical fitness and maintained a good attitude during isolation.



**Disaster Response**

As a precautionary measure, the schools of the Group have formulated corresponding policies and emergency plans for various disasters, including but not limited to the “Emergency Handling Plan for Large-scale Emergencies in Gansu School”, “Fire Prevention and Fire Extinguishing Emergency Evacuation Plan of Guangxi Schools”, “Flood Control and Disaster Relief Emergency Plan of Zhengzhou School” and other documents, so as to take timely and effective countermeasures to minimize casualties and property losses at the material time.

For example, Northeast School attaches great importance to disaster prevention, preparation, mitigation and relief work. Through the establishment of the “Emergency Handling Plan for Emergencies on Campus” in detail, corresponding emergency plans have been formulated for thirteen possible disasters, including but not limited to fire, acute disease and leakage of dangerous goods. At the same time, Northeast School has set up a leading group for handling emergencies on campus, which was responsible for guiding and coordinating the related work. Meanwhile, Guangxi Schools have formulated an emergency plan for canteen fires. To ensure the safety of lives and properties of diners and the canteen, Guangxi Schools have formulated an emergency plan for canteen fires, so that in the event of a fire, it can be extinguished or controlled in a timely and effective manner, minimizing casualties and property losses. Through setting up a command group, a firefighting action group, a communication group, an evacuation guidance group and a safety protection rescue group, the School has assigned the responsibility for disaster relief to individuals. Through clear alarm and alarm handling, emergency evacuation and rescue procedures, the School ensures orderly actions in emergencies. In addition, the School requires the personnel of each group to be familiar with the fire conditions of the canteen in their daily work, and maintain relevant firefighting equipment to be prepared.

**Case** Fire Safety Training of Luoyang School

Attaching great importance to fire safety, Luoyang School has formulated the “Fire Safety Management System”, “Key Area Safety Management System”, “Fire Prevention and Fire Extinguishing Emergency Evacuation Plan” and other requirements. During the Reporting Period, Luoyang School has invited external professionals on multiple occasions to conduct fire safety training and impart theoretical knowledge and skills of fire protection to teachers and students. A fire drill was organized immediately after the theoretical training to consolidate the learning effect.

Using the fire safety training on 30 November 2021 as an example, the security department of Luoyang School invited the Safety Professional Committee of Henan Association of Emergency Assistance to provide systematic training on firefighting knowledge and skills for 80 counselors, students and business representatives, and introduce the right way to use fire extinguishers.



## Campus Security

The Group has uniformly deployed the surveillance systems in all schools to build the “Safe Campus Intelligent Management Platform”, in order to manage and control the safety of the campus. This safety supervision intelligent system, with “high-definition, network-based, intelligent and highly integrated” features, has been fully completed and put into use. Through eight functions (namely dormitory face recognition attendance management, perimeter early warning, regional intrusion early warning, transparent kitchen, speed measurement bayonet, visual intercom, big data retrieval and operation and maintenance platform early warning), the system comprehensively eliminate hidden dangers, guarantee the safety of teachers and students, and improve the safety management efficiency of the schools.

**Rooftop intrusion system:** to prevent accidents when personnel enter the roof, the perimeter camera is used to set up an intelligent early warning system for intrusion in the warning area, and an automatic alarm will be issued in time for emergencies.

**One-button alarm system:** install the system in key areas to realize the “two-way command” function and improve the ability to handle emergencies.

**Face retrieval system:** precise retrieval is performed based on the physical features provided by the reporter to realize an all-round prevention and control system of pre-warning, handling during the event, and traceability after the event.

### Case Northeast School launched “Fire Knowledge Cloud Classroom” to Explain Fire Safety Knowledge to Students in the Lockdown Zones

To further enhance the fire safety awareness of students, raise their self-defense capabilities, and prevent and reduce the occurrence of fire accidents, on 10 March 2022, Northeast School invited the Fire Education and Publicity Center in Harbin City (哈爾濱市消防教育宣傳中心) to carry out fire safety lectures for the students in the lockdown zones of our school in the form of online cloud classroom. Over 800 teachers and students at Northeast School have participated in this online lecture. The training center reminds teachers and students to attach great importance to fire safety based on cases of fire hazards in various places, continuously enhances the safety awareness of firefighting of the students, strengthens fire safety management, and actively carries out fire safety prevention.



## Food Safety

The Group insists on ensuring food safety on campus with strict standards. It has formulated the “Food Safety and Sanitation Management Regulations of New Higher Education Group” and adopted it as the guiding principles for food safety management. Each school of the Group has formulated food safety-related management systems, covering canteen management, food material procurement, distribution and storage, food production and sales, food safety risk prevention and control and other aspects, including but not limited to the “Food Safety Management System of Yunnan School” and “Interim Measures for Daily Supervision and Management of Canteen of Central China School”.

To prevent the occurrence of food safety accidents and to eliminate the spread of food safety accidents, in the process of prevention, notification, reporting, investigation, control and handling of major food safety accidents, if dereliction of duty or misconduct is found, we will impose seriously internal penalties. Taking Gansu School as an example, the “Management Service Manual for Catering and Business District in Gansu School”, which formulated by it, listed various food hygiene and safety management systems, service specifications and operation procedures in its school canteens. Gansu School carries out inspection and acceptance of raw food materials properly in accordance with the “Code for Food Safety Operation of Catering Services”. Guangxi Schools have formulated the “Measures for the Administration of Canteens and Merchants in Guangxi Schools”, “Measures for the Administration of Food Hygiene and Safety at Canteen of Guangxi Schools”, “Sanitation System” and other policies offer a comprehensive guarantee for the system of campus food safety.

Northeast School has enhanced the epidemic prevention and control requirements in key segments including food material procurement management, food cooking, distribution and sales. The school strictly reviews the various certificates of suppliers to ensure that the vehicles for food procurement and vehicles for distribution are clean and hygienic. Special vehicles are used exclusively for their specific purpose. Special food materials such as clean vegetables and semi-finished products need to be delivered by special refrigerated trucks, and the food should be cleaned and disinfected before each transportation. To ensure the normal operation of the canteen under the extraordinary control, Northeast School ensures the safe supply of food raw materials and supplies and increases the inventory. In response to the dining needs of teachers and students in the quarantine area, the cooking staff strictly disinfect the delivery tools and vehicles, wear facial masks and disinfected gloves, and used disposable lunch boxes to deliver meals.

3 GOOD HEALTH AND WELL-BEING



# Employment and Development of Talents and Care for Employees

The Group adheres to the concept of “people-oriented” and cares about everyone in the team as well as respects talents, labor and creation, so as to create a good atmosphere for attracting, retaining and nurturing talents.



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The Group is committed to fostering a “people-oriented” working environment and increasing employee cohesion and sense of belonging to the Group through culture building. The Group attaches great importance to the safety and health of employees and conducts regular fire drills on campus. The fully implementation of measures for normalized prevention and control of the pandemic have laid a solid foundation for ensuring the health of all teachers and students and the safety of the campus.

The Group is dedicated to investing in our employees and providing them with a career development platform and diverse training to enhance their abilities as well as improving the capability of our teachers to create a high-quality teaching team.

### Recent Significant Initiatives and Achievements

1. The Group has continued to improve the remuneration of department heads and other professional leaders, the remuneration of them grew by 30-50%, and the salaries of core positions reached the top competitive level in all provinces.
2. The Group has introduced four new systems concerning employment and employee benefits.
3. The Group set up the Teacher Development Department to further strengthen internal and external training, and organized external experts and internal training for over 530 times.
4. Our schools vigorously introduced high-end professional academic talents, raised expenditure on employee welfare, and improved employee experience, resulting in an increase in salary and welfare expenses by 40.5% reaching RMB747 million.

### Major Aspects Addressed in this Section

1. Employment Management
2. Diversified Benefits
3. Employee Training
4. Employee Health and Safety

## EMPLOYMENT AND DEVELOPMENT OF TALENTS AND CARE FOR EMPLOYEES

Sustainable development is subject to the efforts and contribution by all employees. Therefore, the Group regards employees as the core resources for corporate development. Over the years, we have been continuously reviewing and improving our employment system, caring for every single employee, and actively creating an inclusive and happy working environment.

### The internal policies of the Group include, but not limited to:

- Remuneration Management System
- Recruitment Management System
- Management Measures of the Training for Teachers and Staff
- Incentive Systems on Talent Recruitment by All Employees of the Group
- Measures on Implementation of Reserve Cadres Cultivation of the Group
- Measures on Implementation and Management of Training for Teachers and Staff of the Group
- Personal Hygiene Management System
- Health Examination System for Practitioner

The Group has newly introduced four mechanisms relating to employment and staff welfare during the Reporting Period to strengthen employment management and staff welfare, including the “Evaluation and Validation Process of the Group for New Staff against Probation Period”, “Benefits Management System for Teachers and Staff of the Headquarter of the Group”, “Measures on Implementation of Exchanges with Cadres of the Group” and “Post Adjustment Process of the Group”.

### Employment Management



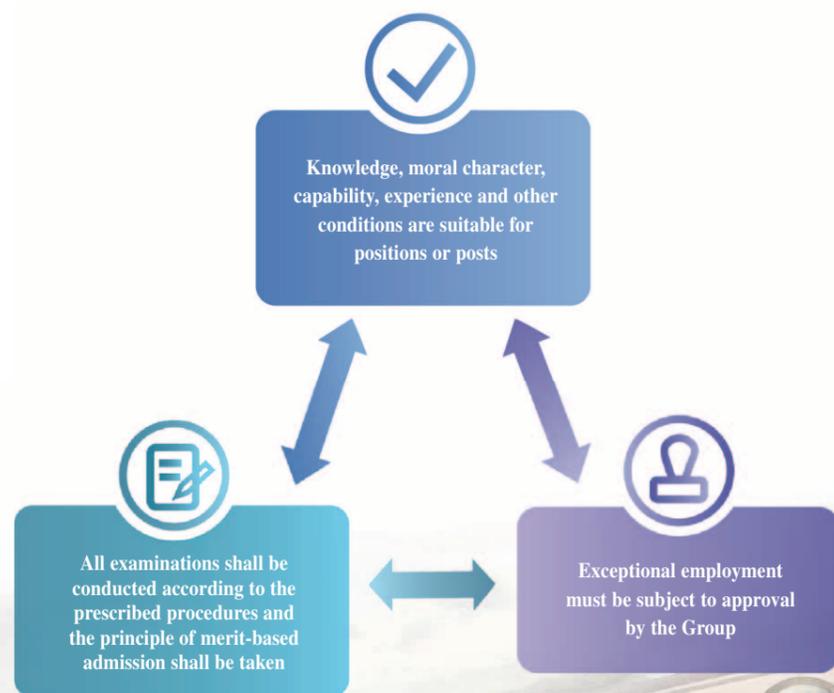
### Recruitment and dismissal

The Group has formulated the “Recruitment Management System” to specify recruitment standards and procedures. Under such System, job applicants need to go through a rigorous recruitment process before they can be hired, including written examination, preliminary qualification examination, preliminary professional examination, second-round examination and background investigation. Introduction and implementation of this System has further improved our recruitment efficiency and quality.

The Group has always adopted an open, fair and anti-discriminatory recruitment policy to ensure equal treatment for every job applicant. Job applicants are not treated differently because of their age, gender, race, religion or physical defects.

The Group has also adopted stringent resignation process for employees. If an employee applies for resignation, he/she is required to submit an application to the head of his/her department according to the procedures. The resignation application will be verified by the employee relationship staff first, then approved by the person in charge and the head of the human resources department, and finally approved by the president. After the resignation application is approved, the employee is required to hand over his/her work to ensure that the work is followed up by others. If an employee is involved in violations of laws and regulations or serious dereliction of duty, the Group will terminate the labour contract with such employee according to internal procedures.

We will comply with the following three principles when hiring staff:



### Remuneration and promotion

The Group has provided competitive remuneration and benefits, and will determine the frequency and range of remuneration adjustment according to inflation rate, increase in living standard, market talent supply and demand, annual performance evaluation, geographical differences and other factors to attract and pool outstanding talents.

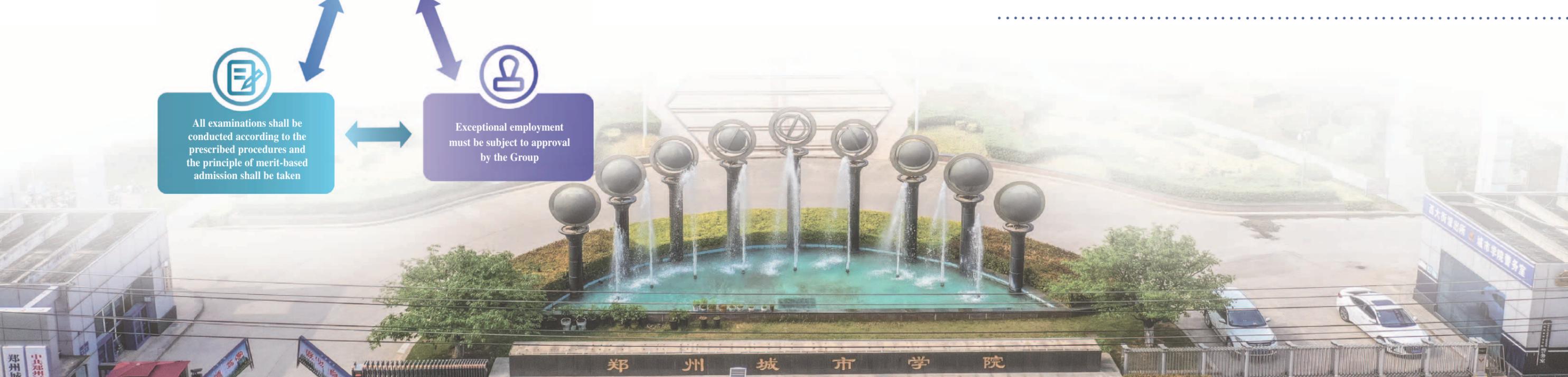
The Group has formulated the “Measures on Implementation of Reserve Cadres Cultivation of China New Higher Education Group” and established a sound cadre selection mechanism. We have established a reserve cadre pool according to the selection principle of “openness, fairness and justice”, and regard excellent performance in annual assessment and various appraisals as a necessary condition for selection and reserve of talents. We have adjusted the reserve cadre pool at all levels every year.

### Working hours and holidays

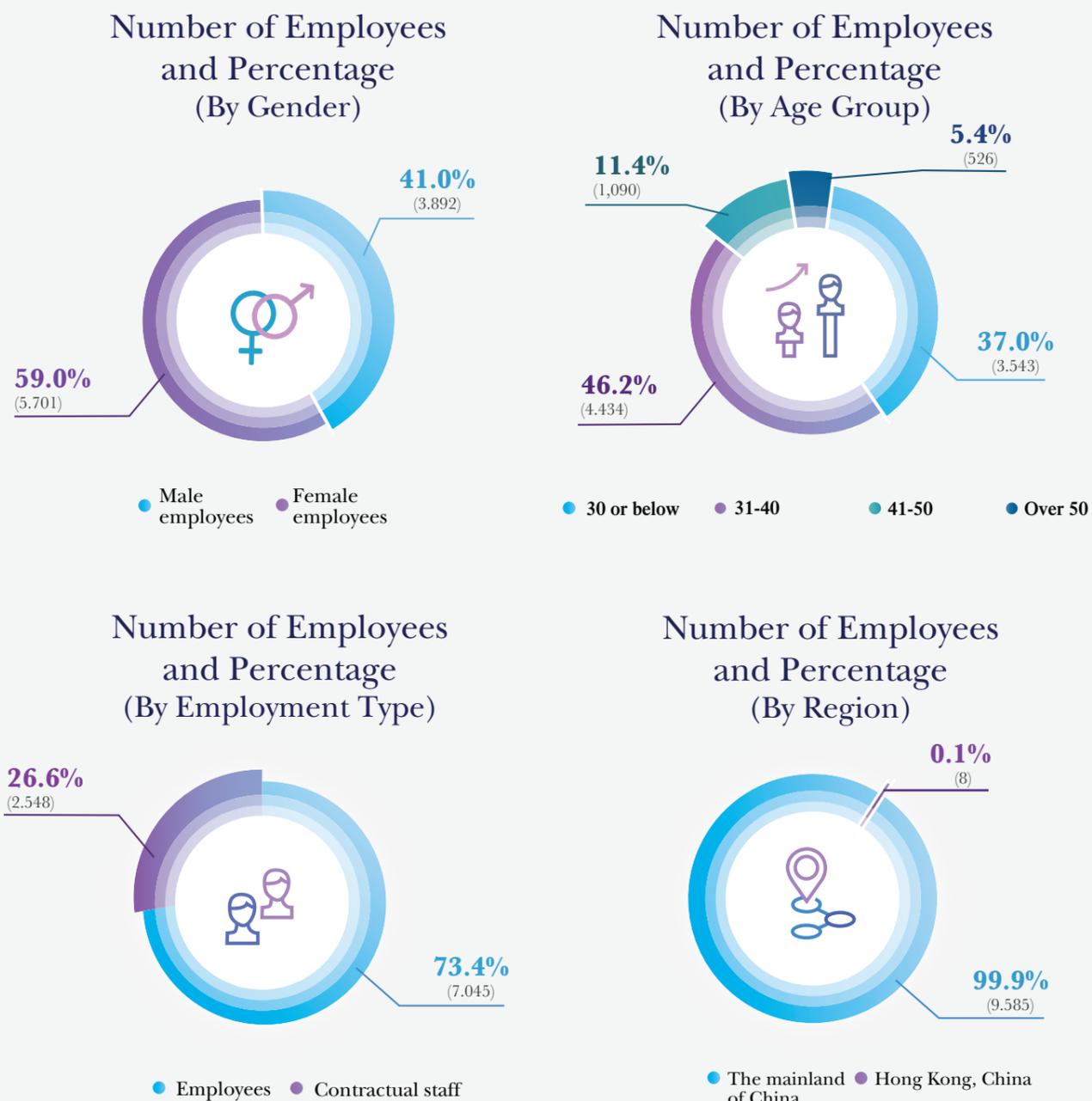
The Group has implemented the system of working five days a week with eight hours a day. We have also formulated the “Attendance and Vacation Management System for Headquarter of China New Higher Education Group”. In addition to public holidays, employees are entitled to annual leave, marriage leave, maternity leave, paternity leave, compassionate leave and sick leave.

### Prevention of child labour and forced labour

The Group has a “zero” tolerance for child labour and forced labour. We will check the personal identity documents of candidates during the recruitment and employment process to ensure that they are persons aged 16 or above. In addition, we sign equal employment contracts with employees and will not force employees to work over normal working hours. If any situation involving child labour or forced labour occurs, we will hold the staff of the relevant departments accountable for it.



The Group disclosed the performance indicators regarding the employment according to the ESG Guide. During the Reporting Period, the total number of employees of the Group was 9,593. The following chart shows the number of employees by different categories in 2022:



The following table shows the number of staff turnover and turnover rate by different categories in 2022:

Statistics of Staff Turnover <sup>2</sup>		
Indicators	2022	
Gender	Number of staff	Turnover rate
Male	378	10%
Female	461	8%
Age group	Number of staff	Turnover rate
30 or below	404	11%
31-40	286	6%
41-50	75	7%
Over 50	74	14%
Region	Number of staff	Turnover rate
The mainland of China	838	9%
Hong Kong, China	1	13%

<sup>2</sup> Calculation method for staff turnover rate: the number of staff turnover for that category during the Reporting Period/ number of staff for that category as of the end of the Reporting Period.



## Diversified Benefits

The Group is committed to creating a pleasant working environment by providing all the staff diversified and continuously improved benefits and care, fully recognizing their contribution at both physical and mental level to strengthen their sense of belongings and cohesion. In addition to paying for pension insurance, unemployment insurance, medical insurance, work-related injury insurance, maternity insurance and housing accumulation fund for employees by laws and ensuring paid holidays such as statutory holidays, annual leave, wedding leave and summer vacation, we also formulated “Welfare Management System of Employees in Headquarter of China New Higher Education Group” to standardize the employee welfare management of the Group and guarantee the employees’ right to enjoy welfare. We have established systems relating to academic qualification allowance and title allowance, and organized training and team building activities from time to time to encourage continuous growth of our employees. In order to showing our sincere care for employees and their valued family members, we arrange numerous welfare to enhance employees’ sense of happiness, including, among others, annual body check, free snacks and refreshments, monetary gifts for birthday, holiday, employment anniversary, wedding, childbirth as well as sickness (for employees themselves and their family members). During the Reporting Period, the Group held different types of festival celebration and employee caring activities such as Teachers’ Day, Dragon Boat Festival and birthday party.

### Case Work Anniversary Celebration at the Group’s Headquarter

In order to enhance the sense of belongings of the teachers and staff, the Group convened the celebration for work anniversary upon employment with the Group at the headquarter since July 2022, through which, employees’ cohesion and sense of belongings were enhanced.



### Case Care for the Next Generation of Our Teachers and Staff: Funny Children’s Day

To show our care for the teachers and staff and their next generation, Gansu School held a variety of parent-child games in the gymnasium on Children’s Day, 1 June 2022. Under this activity, children and their parents cooperated to play funny parent-child games to win badges and redeem surprising gifts prepared by the school. This activity not only provided the hardworking employees an opportunity to enjoy the happy and sweet time with their children, but also enabled the kids to have a happy and memorizing Children’s Day with their parents who were occupied with works generally.



### Case Gifts and Special Activities Arranged for Staff to Celebrate the Dragon Boat Festival

When the Dragon Boat Festival was approaching in June, Guizhou School presented staff with morel, rice, oil and other special agricultural products purchased from Anlong County, Qianxinan Zhou (a county under poverty which was targeted assisted by the school), reflecting the school’s efforts for the Rural Revitalization, which not only delivered a festive greeting but also represented the school’s commitment for social responsibility. At the same time, the school arranged production of traditional scented bags and mugwort bouquets to celebrate the Dragon Boat Festival, making the staff immersed in the festive atmosphere.



## Employee Training

The Group regards employees as an important force to drive corporate development and pays great attention to their career development. The Group is committed to continuously improving employees' capabilities and quality through various training, to enable them to grow together with the Group. For this reason, we have formulated the "Measures on Implementation of Reserve Cadres Cultivation of China New Higher Education Group", so as to strengthen the management and training of reserve cadres of the Group. We set up Jiang'an Cadre College as the cadre training base of the Group. By integrating the excellent training resources at home and abroad and relying on the professional strength of those high quality institutions of various sectors, we have organized numbers of diversified training by means of online lecturing, offline lecturing and exchange investigation, etc. In respect of the group level, we have built a training curriculum system that is effective, scientific and targeted, covering various areas such as education quality, student experience, school-business cooperation, regulatory development, risk management, brand communication and human resources management, based on the Group's high-quality development policy by reference to the nature and contents of the work of the management and the functional departments.

In order to strengthen the team training, replicate the best practices within the Group and improve the business standard of cadres, the Group has fully mobilized our internal intellectual resources and conducted internal training within the Group during the Reporting Period, organized external experts and internal training for 154 and 378 times respectively with approximately 309,930 training hours in aggregate, hitting a record high. The internal training has effectively built up a team of high-quality internal trainers to promise proper knowledge management, and created an open learning atmosphere to promote organizational capacity enhancement.

In addition, each school has developed an annual training plan in line with industrial development trend, and launched practical training inside and outside schools. These training activities not only focus on overall improvement of the management capability of the leadership team and the professional standard of the teachers, but also cover areas closely related to students development, such as the integration of industry and education, employment empowerment, etc., to promote the quality development of each school. For example, Yunnan School organized such internal training as centered on cloud teaching materials and cloud classroom, highlighting the leading role of information technology in the "Reform of Teacher, Teaching Materials and Teaching Method" of vocational education. Gansu School invited external experts to introduce and analyze the talent needs for all the teachers in the context of smart manufacturing industry development, helping teachers understand popular industry topics and thus providing better support for students development and employment.



## Purpose of training

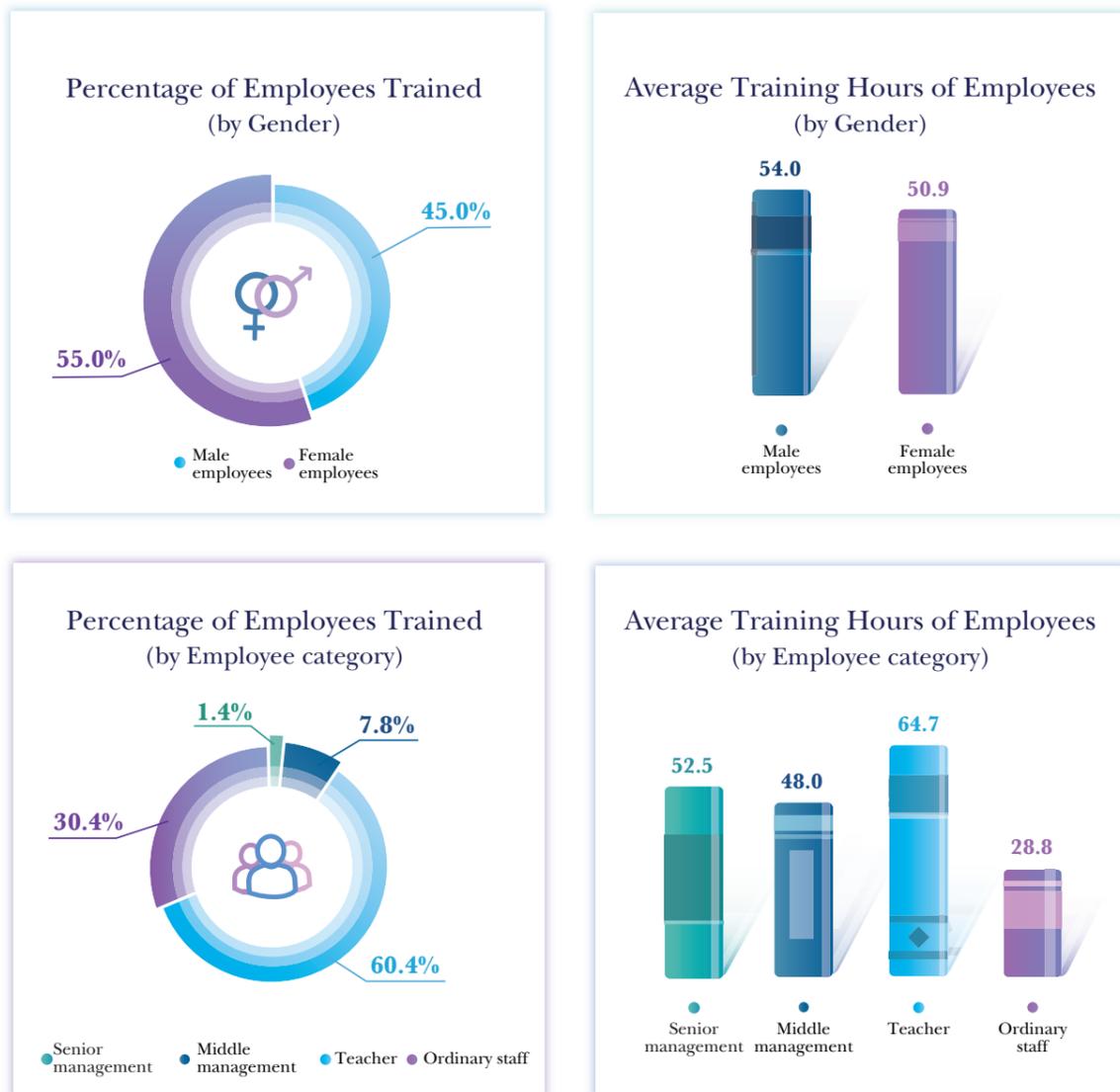
Position	Purpose of training
Middle and senior management 	Learn and master modern management theory and technology, fully understand the relevant national directions, policies and regulations, strengthen the awareness of strategy, and improve the ability of decision-making and control.
Grass-roots management and support staff 	Enrich knowledge through training, master the professional knowledge and working skills, and strengthen practical working capability.
Full-time teacher 	Improve their relevant professional skill through training, consolidate and improve the basic theoretical knowledge level and modern educational technical level of the respective majors, master advanced teaching modes, means and methods, and improve the teaching standard on a continuous basis.
All employees 	Carry out training and study on various rules and regulations, operating procedures, code of conduct, professional ethics, labour discipline and other aspects to enhance professional ethics.

### Case Teaching Mode Activity Carried Out by Gansu School

On 7 July 2022, Gansu School launched the "Lecture Hall of Famous Teachers" activity to provide students and faculty with abundant academic presentation resources, broadening their horizons, inspiring innovative thinking and further enhancing their overall quality and level of humanistic literacy.



The Group disclosed the performance indicators for the development and training aspect according to the ESG Guide. The chart below shows the percentage<sup>3</sup> of employees trained and the average training hours<sup>4</sup> of employees by category in 2022:



## Employee Health and Safety

It is essential for the Group to secure health and safety of staff. In addition to physical health of staff, we also attach great importance to their psychological health and well-being. According to the requirements of the “Labour Law of the People’s Republic of China”, the “Regulations on Workrelated Injury Insurance” and other national laws and regulations that have a significant influence on us, the Group purchased work-related injury insurance and basic medical insurance for employees to provide relevant health and safety protection. During the Reporting Period, the Group has also adopted internal health and safety policies, including but not limited to the “Personal Hygiene Management System”, “Health Examination System for Practitioner” and others. During the Reporting Period, the Group also carried out various health and safety training and activities to enhance the faculty members’ safety awareness and capability to deal with emergencies, including but not limited to fire safety training and drills, seminars on international anti-drug day knowledge, lectures on telephone fraud prevention and mental health training.

The Group disclosed the performance indicators relating to health and safety according to the ESG Guide. There is no work-related fatality in the past three years (including the Reporting Period). Besides, the working days lost due to work related injuries during the Reporting Period are 766 days. The faculties’ work related injuries were mainly due to the traffic accidents occurred during their way to office and the foot injuries of the faculty member of Luoyang School when participating the sports activities of the school. The Group actively applied for work injury recognition and paid for work injury expenses to ensure that relevant staff receive such insurance coverage and compensation as required by the relevant laws.

### Case Legal Safety Seminar Conducted by Zhengzhou School

To further enhance the students’ awareness of fraud prevention, Zhengzhou School has implemented effective prevention of network and telecommunication based frauds to protect the individual interests of students and create harmonious and safe campus. On 30 November 2021, Zhengzhou School invited Liu Zhengbin, an instructor from the Xidajie Police Station of Xinmi Public Security Bureau, to deliver a seminar on legal safety. The instructor Liu Zhengbin gave a profound explanation on the concept, origin and development of telecommunication network fraud, types of fraud generally found in colleges and universities, and preventive measures etc., and analyzed real typical telecommunication network fraud case. Through this seminar, the teachers and students participated thereat acquired a more comprehensive understanding on telecommunication network fraud, effectively enhancing their level and capability of fraud prevention.



<sup>3</sup> The percentage of trained employees for each category is calculated by the formula: Number of trained employees for that category/ Total number of trained employees × 100%.

<sup>4</sup> The average training hours for each category of employees is calculated by the formula: Number of training hours for that category of employees/Total number of employees trained for that category.



## Green Operation and Environment Protection

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The Group is committed to promoting the concept of green campus, and actively incorporates sustainable development into its business model through energy conservation and emission reduction, resource management and recycling and campus greening.

“Green Operation and Environment Protection” is one of the Group’s key initiatives towards sustainable development. The Group has always adhered to the concept of green environment protection by reducing resource consumption and increasing waste recycling to promote green operation and environment protection. Through a series of green activities and environmental protection measures, the headquarter and various schools under the Group have incorporated the concept of sustainable development into the daily lives of their students, teachers and staff, cultivating their awareness of environmental protection and energy conservation, reducing resource consumption and shouldering their responsibility for environment.

In 2022, due to the impact of the COVID-19 outbreak, the schools adopted closed management in response to the epidemic prevention and control requirements, resulting in an increase in consumption of some resources, emissions and waste to certain extent as compared to 2021. Compared to 2021, the schools adopted online learning model during the “study continues despite of closure of schools\*(停课不停学)” period. Therefore, the Group has increased waste recycling efforts to minimise the impact on environment. Thanks to the effective environment protection measures and actions, the energy and water consumption by the Group for every square meter of gross floor area have both decreased to certain extent. For the relevant data for the year, please refer to Environmental Performance Indicators in this report.

Recent Significant Initiatives and Achievements

1. The schools continue to promote different types of environmental activities and lead their students and teachers to take real action to protect environment.
2. The Group continues to monitor development of climate change, and incorporate the climate change risk into its internal risk management system.
3. Northeast School has established high standards of green space system with increasing vegetation.

Major Aspects Addressed in this Section

1. Green campus
2. Green office
3. Campus environmental activities
4. Green construction
5. Respond to climate changes
6. Environmental performance indicators

# GREEN OPERATION AND ENVIRONMENT PROTECTION

The Group is committed to creating a green campus and promoting the concept of sustainable development and ecological civilization into daily operation and management. Our business is to provide higher vocational education services, our main operating venues are schools and offices. The environmental matters related to our operations include energy consumption, water consumption, air pollutants generated by school transportation, domestic sewage discharge, and generation of hazardous and non-hazardous waste and greenhouse gas emission caused by energy consumption. In response to these major environmental impacts, we have formulated a series of campus and office environmental management policies, in order to promote green operations, implement environment protection policy and fulfil social responsibilities.

Internal policies of the Group are as follows (including but not limited to):

Schools

- Water Conservation Management Rules and Regulations of Yunnan School
- Environment and Health Management Systems of Guizhou School
- Environmental Protection Management Measures of Central China School
- Campus Environment Management Measures of Northeast School
- Environment and Health Inspection and Reporting System of Guangxi Schools



Beijing Headquarter

- Green Office Management Measures of the Headquarter of the Group
- Waste Management Measures of the Headquarter of the Group
- Office Resources and Items Allocation Management Measures of the Headquarter of the Group



## Green Campus

Each school of our Group has formulated relevant environmental management policies for energy management, water resources use, sewage treatment, air pollutant management, waste disposal and other aspects, and has been paying attention to its environmental performance in the daily operation process. As our schools are located nationwide, the environmental priorities vary among each school. Each school is required to formulate environmental management policies that comply with local laws and regulations and actual operating conditions to effectively manage their main environmental factors and related impacts.

During the year of 2021, the Group set relevant targets and action plans for greenhouse gas emissions, energy use and solid waste emissions, involving in the enforcement scope for all schools under the Group. After identification and evaluation, the targets are not disclosed in this Report as atmospheric emissions and use of water source are not significant elements in the operation of the schools. During the reporting period, the Group reviewed and recorded the progress of the environmental targets set in 2021, so as to effectively manage the implementation results of the targets. For details, please refer to Establishment and Improvement of ESG Governance Structure.

## Energy Saving

Energy consumption at schools is mainly from the use of electricity, the use of fuel oil by vehicles and the use of natural gas in canteens. The Group formulates long-term energy conservation targets to enhance energy efficiency and optimize energy saving performance as well as the long-term target of greenhouse gas emissions for promoting low-carbon development and continuous campus greening. Aiming at such targets, all schools of the Group have adopted various energy-saving measures to reduce energy consumption and the emission of greenhouse gases. For example:

- Energy-saving labels should be posted in public areas.
- Purchase energy-saving equipment, such as air conditioners and cookers.
- Students and teachers are advocated to set the standby mode for computers when they are not in use and the power for office equipment not in use is required to turn off.
- Set the temperature of air conditioners at office and corridor not to be lower than 26°C in summer.
- Security staff should turn off lights during patrol inspections at night and only necessary patrol and monitoring lighting should be maintained.
- Canteens are required to use natural gas with relatively low pollution for cooking.
- Suppliers on campus are required to use electric vehicles as campus shuttle buses.

## Water Saving

All business premises of the Group use municipal tap water with no issue in sourcing water. All schools implemented various measures on the management of water resources to facilitate the faculty members and students to save water.

Taking Guangxi Schools as an example, a series of water-saving measures have been implemented to improve the economic efficiency of water consumption:

- Strengthened the promotion of water conservation and cultivate the habit of water conservation among all teachers and students.
- Recycled water shall be used as far as possible for infrastructure construction, and water from manhole shall be used as much as possible for green irrigation.
- Established water consumption indicators for each department, strictly assess the status of compliance, find out the cause and solve the problem in time if the consumption amount is exceeded.
- The supporting and general affairs office conducts regular inspections on the main water-consuming equipment of each department, discovers and repairs leaks in time. When it is found that human factors lead to the waste of water resources, stop it in time.
- Those who suggest reasonable plans for water conservation and have made outstanding contributions will be rewarded, and those who have major mistakes in water conservation and cause economic losses to our schools will be punished.
- We conducted a comprehensive inspection of faucets and water valves in school buildings, public areas and apartments of students and teachers, counted and replaced 600 obsolete water appliances.
- Additional water meter measuring instruments were installed in each district to monitor the changes of water consumption data and solve any problems unusual in a timely manner.
- Water-saving appliances were used in new and renovated construction projects, and remote intelligent water meters were installed to monitor water changes through the system and take timely measures to achieve water-saving effects.
- The water supply system was completely renovated to improve the pump control system, ensure stable pressure of water supply and guarantee the safety and stability of the water supply system.

In order to strengthen the protection of water resources, Yunnan School has established the “Water Conservation Management Rules and Regulations” and set up a water conservation leadership team which is responsible for the management of water conservation in schools, including formulating, promoting and supervise the implementation of water conservation targets, water conservation plans and water conservation measures. The followings are some water-saving measures:

- Water-saving appliances must be selected for water facilities of new projects.
- In the construction project, reclaimed water will be reused for flushing toilet facilities and equipment.
- All water-using equipment using cooling water and circulating water shall be assembled by water circulation during design and construction.
- Water-saving irrigation methods such as sprinkler, micro-irrigation and drip irrigation are adopted for campus green space and landscape environment.
- Energy-saving water supply systems and water equipment are adopted actively to renovate and repair the aging pipelines of schools’ underground water supply pipeline network.

In addition, in order to further improve the water-saving awareness of all employees and water efficiency, Yunnan School formulated the “Water Management System of Rewarding Savings and Punishing Excess” to develop an incentive mechanism.

### Departmental Rewards

Rewarded behavior	Annual task target assessment of department
<ul style="list-style-type: none"> <li>• Saving 10% or more for the departmental annual actual water consumption on the basis of the planned water consumption index</li> </ul>	Add 1-2 points 
<ul style="list-style-type: none"> <li>• Putting forward innovative suggestions or inventions in water conservation</li> </ul>	Add 1-2 points 

### Individual Rewards

Rewarded behavior	Individual year-end performance appraisal
<ul style="list-style-type: none"> <li>• If water equipment, facilities, appliances and pipes are found to be leaking, immediately contact the water conservation management department for repairment</li> </ul>	Add 0.5 point 
<ul style="list-style-type: none"> <li>• Participate in every water-saving publicity and education activity</li> </ul>	Add 1 point 

For sewage treatment, to avoid pollution of nearby water resource by domestic sewage generated on campus, both Yunnan School and Guizhou School have set up campus sewage treatment systems to treat domestic sewage on campus in a centralized way, which help improve processing efficiency and ensure safe and up-to-standard discharge. Sewage that meets the recycling standards after treatment will be used for campus greening and watering to achieve the goal of recycling water. In order to standardize the daily operation and management of domestic sewage treatment, Yunnan School further formulated the “Management System of Reclaimed Water Treatment Station of Yunnan School” and the “Operating Rules of Reclaimed Water Treatment of Yunnan School”.

### Improvement on Waste Recycling

Based on the nature of our business, the types of pollutants generated by each of our school are limited. The main non-hazardous wastes generated by schools include kitchen waste, plastic, stationery, paper, glass, etc. Hazardous wastes mainly include fluorescent tubes, bulbs, printer cartridges, waste batteries, etc. We established a sound garbage classification system, and set up different types of recycling stations in schools, such as plastic, waste paper and waste stationery recycling stations, and adopted the waste treatment mode of “one recycling, two special treatments and three concentrations”, which help the circular development of “Turning waste into wealth”. In addition, affected by the outbreak of the Covid-19 pandemic and normalized prevention and control measures, medical waste has become a focus of waste management. We classify medical waste as hazardous waste and conduct whole-process safety management in accordance with the regulations of the National Health Commission of PRC and the State Environmental Protection Administration of PRC and other authorities. Disinfection work is also carried out daily by dedicated personnel to ensure the safety of students and teachers unremittingly.



**1 Recycling**

Waste stationery, old clothes, all kinds of plastics, waste paper and other recyclable garbage are collected and sold to waste collection stations by cleaning staff

**2 Special Treatments**

Kitchen waste from daily life in schools is handed over to professional recycling companies for special treatment. The contractor shall be responsible for removal of waste bricks, waste ceramics, waste tiles and other construction wastes generated from the construction, decoration and renovation of schools

**3 Concentrations**

Garbage collectors are responsible for collecting and sorting garbage under the classification of recyclable garbage, non-recyclable garbage and hazardous waste from all areas of the school and delivering them to the campus dump station for disposal. Hazardous waste is properly sorted and collected by schools and then handed over to a qualified third-party waste disposer for disposal. As for other non-hazardous waste, it is sorted and collected and delivered to a third-party waste disposer for disposal

Taking Gansu School as an example, it engaged a third-party company with professional qualifications to carry out harmless treatment of hazardous waste such as laboratory waste liquid, thereafter, the waste meets the requirements of relevant national environmental protection regulations. The supplier must properly handle the hazardous waste according to strict requirements to prevent safety and environmental incidents.

### Reduction in the Emission of Air Pollutants

The Group formulated measures to reduce the emission of gas burning from canteens and fuel burning from school vehicles. The Group's school canteens or caterers mainly used relatively clean natural gas as fuel to minimize the generation of air pollutants. In order to reduce the emission of air pollutants from school vehicles, the Group proposed transportation service providers to use clean energy vehicles. Furthermore, the Group also used vehicles with higher emission standards. For details of air pollutant emissions from motor vehicles, please refer to "Environmental Performance Indicators".

### Green Office

The main environmental factors of the Group's offices include greenhouse gas emissions caused by power consumption, waste water discharges, use of office items and generation of office wastes. The impact of these factors on the environment is relatively slight, but we are still committed to managing and reducing the environmental impact in the business process.

We strictly implement the "Regulation on Management of Green Office at the Headquarter of the Group", which is applicable to Beijing Headquarter. The regulation covers three parts, namely procurement, use and waste. The specific contents of the regulation are as follows:

#### Procurement



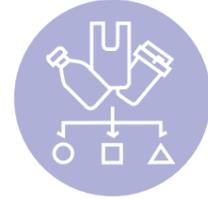
- Prioritizing the procurement of products with environmental performance, such as reusable printer cartridges, degradable plastic packaging material, recyclable paper, electrical appliances with energy efficiency certification etc

#### Use



Use of office items	Use of energy and water resources
<ul style="list-style-type: none"> <li>• Conserving the use of office items to reduce the generation of wastes</li> <li>• Reducing the use of one-off items as much as possible and use degradable items as much as possible when necessary</li> <li>• Promoting paperless office and reducing paper usage through electronic file transmission and storage systems</li> <li>• Strictly managing the use of photocopiers and paper</li> <li>• Using paper on both sides</li> </ul>	<ul style="list-style-type: none"> <li>• Implementing energy-saving management, covering electrical equipment including lights, office equipment and air-conditioners</li> <li>• Strengthening water use management and enhancing energy-saving performance</li> </ul>

#### Waste



- Adopting measures of classified management of wastes, and reducing the generation of wastes and minimizing the environmental impact brought by wastes through recycling to enhance reuse in circulation
- Promoting handling of hazardous wastes such as printer cartridges and waste batteries in strict compliance with the "Regulation on Classified Disposal and Management of Solid Wastes" and engaging third-party waste disposal agencies with relevant qualifications for handling

## Campus Environmental Activities

During the Reporting Period, all schools of the Group actively responded to the concept of environmental protection by promoting different types of environmental activities on campus and leading the students and teachers to put environmental protection into practice.

### Case Gansu School Environmental Protection Association launched campus cleaning activity

5 December 2021 is the 33rd International Volunteer Day. To make full use of the role of voluntary service in labor education and guide young students to consciously participate in labor practice, Gansu School organized 535 volunteers to participate in campus cleaning activities, to promote the volunteer service spirit of “dedication, friendship, mutual assistance and progress” to enhance the labor practice capability of students and improve the campus environment.



### Case Save water with Gansu School

On March 2022, during which the 30th “World Water Day” and the 35th “China Water Week” were organized, Gansu School called on all teachers and students to watch the live broadcast on the theme of “Water Saving China, You and I Together”. By studying the “Code of Conduct for Citizens Conserving Water”, Gansu School aims at cultivating the awareness of water conservation among students and teachers, and calling on students and teachers to save, cherish and love water in their daily lives.

Gansu Province has been challenged with issue of water shortage for a long time, and it is also the “pioneering place” for ecological protection and high-quality development in the Yellow River Basin. For this reason, Gansu Province has been steadily promoting the construction of water-saving colleges and the contractual water-saving management of colleges since 2019. Gansu School actively responded to the policy call and took various water saving measures. Back in 2020, Gansu School was awarded the title of “Water-saving College” in Gansu Province.



### Case Garden seedling planting in Northeast School

In the spring semester of 2022, Northeast School has carried out a garden seedlings planting activity. Northeast School planted more than 30,000 flowers in various scenic spots such as Shanshui Garden (山水園), Liyun Garden (勵耘花園) and Siyuan Square (思源廣場). The location of flower planting is distributed on the axis landscape of the school, which is a check-in spot that teachers and students of the school cannot miss. The activity highlighted the landscape effect significantly and improved the overall landscape level of the campus.



## Green Construction

The Group believes that a high-quality natural environment and cultural environment have a significant impact on the work, life, study and health of students and teachers. For this reason, we continue to promote campus greening. While meeting the leisure and recreation needs of students and teachers, their physical and mental health is taken care of through the improvement of the campus environment. During the Reporting Period, Northeast School has carried out construction projects to improve the campus ecology.

### Case Northeast School enhanced ecological benefits through landscape building

Northeast School built a campus garden “Shanshui Garden” (山水園) consisting of Qifeng (啟峰) and Wenqu Lake (問渠湖) on the north side of the campus, improving the ecological benefit while allowing students and teachers to get the feeling of returning to nature. The school has built a high-standard green space system in the garden, covering an area of approximately 26,000 square meters.

The school arranged plants to reflect the diversity of plants based on the characteristics of local vegetation. The school constructed a natural looking green landscape while conserving funds and resources. In addition, the school adopted the ecological principle of natural regeneration of plants to save subsequent maintenance costs through the natural reproduction of plants, while achieving a stable landscape effect. The school has also set up promotional signs with environmental protection slogans throughout Shanshui Garden to help create an atmosphere of harmony between man and nature.



## Respond to Climate Changes

In face of the challenges brought by climate changes, governments, corporates and civil society around the world are taking active actions to enhance the adaptability and resilience in response to climate changes. After the ESG risk assessment of the Group, climate change is currently a low risk to the Group, and the main related impacts are caused by physical risks, including the instability of school teaching activities and the uncertainty of life safety of students and teachers caused by extreme weather due to climate change. In response, we have formulated relevant contingency plans to carry out teaching activities in extreme weather in a flexible manner.

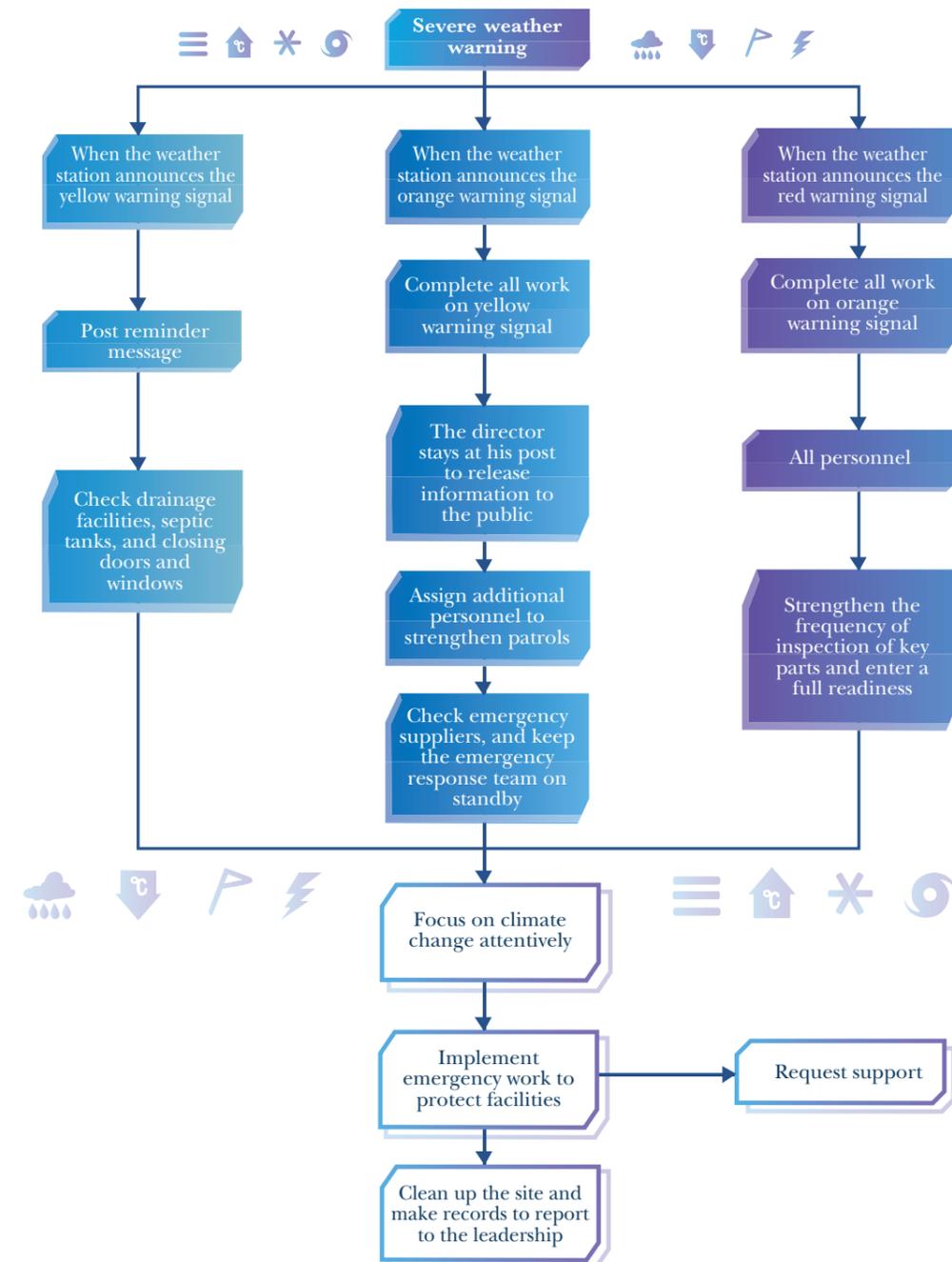
Taking Yunnan School as an example, emergency measures for extreme weather conditions have been included in the “Notice of Wind and Fire Prevention in Windy Weather during the Spring Semester of Yunnan School” and “Emergency Notice on Preparation for and Response to Severe Weather”. In response to the impact of climate changes on the heating of apartments of students and teachers in the winter of 2021, the apartment service center of Yunnan School installed insulation cotton on the roof of each student apartment building and the surrounding exposed hot water pipes in advance, and adopted insulation and antifreeze measures. Having learnt from the “20 July” torrential rain disaster in 2021 summer, Zhengzhou School stores sandbags, raincoats and other materials every year when the rainy season comes, and has improved the early warning mechanism, striving to minimize losses.

The Group is continuously monitoring climate changes while integrating climate risk into the Group’s internal risk management mechanisms.

### Case Luoyang School has formulated the Flood Control and Wind Prevention Emergency Plan

Luoyang School has formulated the “Flood Control and Wind Prevention Emergency Plan of Luoyang School”, making a comprehensive deployment for the defense and emergency response to disasters such as floods, heavy rains, and strong winds. This plan is formulated in accordance with relevant laws and regulations and local policies, and based on the actual situation of the school. Luoyang School has set up a flood control and wind prevention emergency working group under its production safety committee, to clarify the safety responsibilities of all relevant departments and leaders. While establishing and improving the early warning mechanism, the school also incorporates flood control, wind prevention, risk avoidance and self-rescue into the public safety education curriculum, and organizes escape drills to effectively enhance the safety awareness and self-protection capabilities of students and teachers. In the event of disasters, the school will initiate an emergency response according to the instructions of the superior department and based on the disaster level, then carry out work related to class suspension, inspection, and drainage, and assist the local community in disaster relief and risk avoidance while protecting students and teachers.

The following diagram shows the flow chart of our emergency response in face of extreme weather:



# ENVIRONMENTAL PERFORMANCE INDICATORS<sup>5</sup>

## Use of Resources<sup>6</sup>

	2022	2021	Unit
Direct energy consumption <sup>7</sup>	17,882	15,240	MWh
Total natural gas consumption	1,600,000	1,359,600	m <sup>3</sup>
Natural gas consumption intensity <sup>8</sup>	3.14	5.64	m <sup>3</sup> /m <sup>2</sup> (gross floor area)
Total gasoline consumption (vehicle)	56,658	53,852	L
Gasoline consumption intensity (vehicle) <sup>9</sup>	1,619	1,683	L/vehicle
Total diesel consumption	6,294	4,645	L
• Total diesel consumption (non-road mobile sources)	118	/	L
• Total diesel consumption (vehicle)	6,176	4,645	L
Diesel consumption intensity (vehicle)	1,544	1,548	L/vehicle
Diesel consumption intensity (non-road mobile sources)	118	/	L/pieces
Indirect energy consumption	78,668	110,792	MWh
Electricity consumption <sup>10</sup>	59,779,892	57,052,137	kWh
Electricity consumption intensity	29	33	kWh/m <sup>2</sup> (gross floor area) <sup>11</sup>
Purchased heat consumption	67,998	193,462	GJ
Purchased heat consumption intensity	0.3	0.9	GJ/m <sup>2</sup> (gross floor area) <sup>12</sup>
Water consumption	3,254,355	3,151,223	Tonnes
Water consumption intensity	1.6	1.8	Tonnes/m <sup>2</sup> (gross floor area)

## Emissions

	2022	2021	Unit
Air pollutant Emissions <sup>13</sup>			
CO Emissions	444	584	kg
NO <sub>x</sub> Emissions	177	172	kg
SO <sub>x</sub> Emissions	0.95	1.0	kg
PM2.5 Emissions	5.9	5.7	kg
PM10 Emissions	6.4	6.3	kg

<sup>5</sup> Due to that the number of the Group schools increased by 1 in the Reporting Period, the scope of disclosure of environmental performance data includes 8 schools, which is an expansion of the scope of disclosure compared to the 2021 ESG report.

<sup>6</sup> Due to that the number of the Group schools increased by 1 in the Reporting Period, the energy and water consumption increased during the reporting period. Thanks to the effective environment protection measures and actions, the energy and water consumption by the Group for every square meter of gross floor area have both decreased to certain extent.

<sup>7</sup> The calculation method of direct energy consumption refers to the "Accounting Methods and Reporting Guidelines for Greenhouse Gas Emissions from Public Building Operating Units (Enterprises) (Trial)".

<sup>8</sup> Schools that used natural gas during the Reporting Period include the Northeast School, and the square meter of gross floor area used to calculate intensity includes only the school listed above.

<sup>9</sup> During the Reporting Period, the Group owned a total of 36 gasoline vehicle, 4 diesel vehicles and 1 diesel generator. The relevant fuel consumption intensity was calculated based on the number of fuel vehicles of each type.

<sup>10</sup> Due to that the electricity consumption in 2021 has been re-stated, the data related to electricity consumption has been recalculated.

<sup>11</sup> The calculation of square meter of gross floor area in 2021 included 7 schools, while that in 2022 included 8 schools. Due to that the square meter of gross floor area in 2021 has been re-stated, the intensity related to square meter of gross floor area in 2021 has been recalculated.

<sup>12</sup> The schools that used the purchased thermal power during the Reporting Period included Gansu School, and the square meters of gross floor area used to calculate intensity included the above-mentioned school only.

<sup>13</sup> Air pollutant emissions are calculated with reference to the "Technical Guide for the Preparation of Air Pollutant Emission Inventory for Road Motor Vehicles (Trial)" and the Technical Guidelines for the Preparation of Emission Inventory from Non-road Mobile Source (Trial)".

	2022	2021	Unit
<b>Greenhouse Gas Emissions</b>			
<b>Scope 1</b>			
Vehicle Emissions	148	107	Tonnes
Non-road Mobile Sources Emissions <sup>14</sup>	0.31	/	Tonnes
Natural Gas Consumption Emissions <sup>15</sup>	5,062	2,940	Tonnes
Greenhouse Gas Offset by the Group's owned trees <sup>16</sup>	-130 <sup>17</sup>	-436	Tonnes
<b>Scope 2</b>			
Electricity Consumption Emissions <sup>18</sup>	34,906	34,808	Tonnes
Purchased Heat Consumption Emissions <sup>19</sup>	7,480	21,281	Tonnes
<b>Total Emissions</b>			
Greenhouse Gas Emissions	47,466	58,699	Tonnes
Greenhouse Gas Emissions Intensity	0.02	0.03	Tonnes/m <sup>2</sup> (gross floor area)

<sup>14</sup> The greenhouse gas emissions from non-road mobile sources is calculated with reference to the "Technical Guidelines for the Preparation of Emission Inventory from Non-road Mobile Source (Trial)".

<sup>15</sup> The greenhouse gas emissions from natural gas combustion is calculated with reference to the "GHG Emission Accounting Methodology and Reporting Guidelines for Public Building Operators (Enterprises) (Trial)".

<sup>16</sup> GHG offsets for trees are calculated with reference to the "Environmental Protection Department's Guidelines for Accounting and Reporting of Greenhouse Gas Emissions and Removals from Buildings (Commercial, Residential or Public Use) in Hong Kong".

<sup>17</sup> Due to the reduction in vegetation coverage as a result of the new school buildings and construction at Yunnan School, the offsets for trees available in 2022 is lower than that of 2021.

<sup>18</sup> GHG emissions from electricity use are calculated with reference to the "Guidelines for Accounting and Reporting of Greenhouse Gas Emissions of Enterprises – Power Generation Facilities (amended in 2021)".

<sup>19</sup> The GHG emissions from purchased heat use is calculated with reference to the GHG Emission Accounting Methodology and Reporting Guidelines for Public Building Operators (Enterprises) (Trial).

## Waste

	2022	2021	Unit
<b>Production of the Hazardous Waste</b>			
<b>Printer Cartridges Waste</b>			
Production	436	577	Pieces
Production Intensity	0.0002	0.0003	Pieces/m <sup>2</sup> (gross floor area)
Recovery	432	577	Pieces
<b>Fluorescent Tube Waste</b>			
Production	8,650	5,465	Pieces
Production Intensity	0.004	0.003	Pieces/m <sup>2</sup> (gross floor area)
Recovery	2,718	1,094	Pieces
<b>Lamb Bulb Waste</b>			
Production	4,245 <sup>20</sup>	9,801	Pieces
Production Intensity	0.002	0.006	Pieces/m <sup>2</sup> (gross floor area)
Recovery	2,729	615	Pieces
<b>Production of the Non-Hazardous Waste</b>			
<b>Waste Paper</b>			
Production	3,488	2,079	kg
Production Intensity	0.0017	0.0012	kg/m <sup>2</sup> (gross floor area)
Recovery	2,058	1,376	kg
<b>Kitchen Waste</b>			
Production	49,660	154,642	kg
Production Intensity	0.0244	0.0886	kg/m <sup>2</sup> (gross floor area)
Recovery	47,330	115,981	kg

<sup>20</sup> Due to that the apartments of Guangxi Schools have not been renovated yet during the Reporting Period, the production of waste lamps decreased as compared to the previous year.



## Responsibility Management and Adherence to Compliance Operation

.....  
The Group adheres to compliance operation and ensures the sustainable and healthy development of the organization by refining the internal control system, reducing risks in school operations, improving work methods and enhancing work quality.

The Group constantly strengthens risk management and control, standardizes quality assurance, improves overall quality and reduces risks in school operations. Consistent efforts are made to improve system procedures and system establishment as well as refine, optimize and enhance the quality in key operation including project management and system procedures establishment.

The Group and our schools uphold a “zero-tolerance” attitude towards any form of corruption and keep strengthening the work on anti-corruption and promoting integrity. Internal policies concerning anti-corruption are formulated to regulate the professional behavior and ethics of all employees of the Group. In addition, the sense of integrity and self-discipline of cadres are enhanced in order to establish a positive image of educators.

The Group follows a strict procurement and supply procedure and has formulated various rules and measures to establish fair selection criteria. Tendering processes for procurement will be made based on the principles of openness, transparency, fair competition, impartiality and good faith, so as to satisfy the procurement needs of our schools on timely basis in order to repair and upgrade the campus infrastructure.

Recent Significant Initiatives and Achievements

1. The Group has established a total of 552 systems and procedures during the Reporting Period, including 63 for the headquarter and 459 for the schools, which further improves the regulated operation of the Group.
2. The Group and its schools have established the procedure reform department to thoroughly sort out the governance system thereof, further clarifying the respective right and responsibility of the headquarter and the schools to improve efficiency of decision-making.
3. Fully reviewed the existing system of the headquarter and each of our schools; the newly launched electronic version of the group system compiles all systems of the headquarter and the eight schools under the Group.
4. Invited the Independent Commission Against Corruption (ICAC) of Hong Kong to provide anti-corruption training for the directors, senior management and relevant employees, targeting to create an atmosphere of integrity and self-discipline via educational reminder throughout the whole Group.
5. The Group has introduced 11 new supply chain management systems, among which, 7 procurement process are related to infrastructure, to further improve and regulate the procurement and supply procedures.

Major Aspects Addressed in this Section

1. Responsibility Management
2. Establishment of Systems and Procedures
3. Anti-corruption
4. Supply Chain Management
5. Comply with Laws and Regulations to Adhere to the Bottom Line

# RESPONSIBILITY MANAGEMENT AND ADHERENCE TO COMPLIANCE OPERATION

The Group has been operating in compliance with laws and regulations and adopts a zero-tolerance attitude towards violations of rules and business ethics. Strict internal policies and standards are formulated and implemented in supply chain management, confidentiality of student and employee information, publicity activities management and anti-corruption, forming the basis of compliance operation.

## Responsibility Management

As the Group’s business does not involve labelling of products and services and product recall procedures, no such disclosure will be made in this report.

Internal policies of the Group (including but not limited to)
<ul style="list-style-type: none"> <li>• Confidentiality System</li> <li>• Advertisement Management Approach of China New Higher Education Group</li> <li>• Measures on Protection and Management of Intellectual Property Rights of Guizhou School</li> </ul>

With respect to intellectual property rights, we have followed the “Trademark Law of the People’s Republic of China”, “Regulations on Protection and Management of Intellectual Property Rights of Colleges” and strictly managed and implemented the protection work related to intellectual property rights. The Group requires employees to purchase and use copyrighted textbooks and licensed computer softwares and aims to eliminate any infringement of intellectual property rights. Guizhou School has established an intellectual property leading group and set up an intellectual property management office to lead and manage intellectual property affairs. Policies including “Measures for Recognition and Reward of Scientific Research Achievements of Gansu School”, “Administrative Measures for Scientific Research Projects of Gansu School” and “Administrative Measures for Patents (including Software Copyrights) of Yunnan School” has been developed to further regulate the management and maintenance of intellectual property rights and arouse enthusiasm of students, teachers and employees to engage in scientific research and invention and creation, and thereby promoting the development of scientific and technological innovation and the transformation of scientific research achievements.

With respect to privacy matters, the Group places the protection of personal information of students and the maintenance of security and interests of the Group as the first priorities, and has formulated the “Confidentiality System” in this regard. The system regulates the scope and level classification of confidentiality matters, the rules and requirements of confidentiality matters, as well as the measures for handling and investigating the breach and leakage of confidentiality, so as to effectively protect the privacy of students and the Group from leakage of confidentiality in any form. The Group and its schools have entered into confidentiality agreements with employees, which stipulate the confidentiality obligations of employees to the privacy information and student data they deal with at work and require employees to strictly abide by the relevant provisions of the “Civil Code of the People’s Republic of China” and the “Personal Information Protection Law of the People’s Republic of China”. If the privacy of students and the Group is found to be leaked, the Group will take timely remedial measures and punish those involved according to the severity of the breach. The schools also have contingency plans to reduce the risk of network information leakage in case of network emergencies, such as the “Contingency Plans for Emergencies on Network of Luoyang School formulated by Luoyang School”, which establishes an alert and contingency procedure for network security emergencies including network hacking, virus attacks, system crashes and website data loss, aiming at taking remedial measures in a timely and orderly manner and minimizing the security losses.

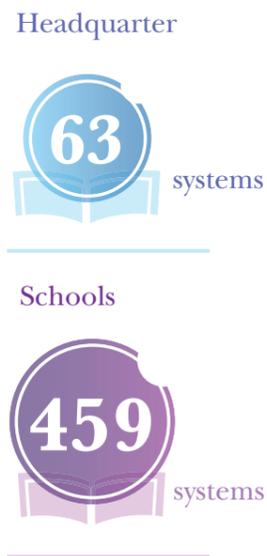
To regulate the publicity work and maintain the brand image, we have formulated the “Advertisement Management Approach of China New Higher Education Group”, which provides specific guidelines for internal news reporting, regular external publicity, reporting of emergencies and handling of public opinion and promotes standardized development of publicity work.

### Establishment of Systems and Procedures

During the year, the Group and its schools have established the procedure reform department to thoroughly sort out the governance system thereof, further clarifying the respective right and responsibility of the headquarter and the schools, and thus significantly improving efficiency of decision-making. The Group has established a total of 552 systems and procedures during the Reporting Period, including 63 for the headquarter and 459 for the schools.

The establishment of systems and procedures focuses on the pain points of students and teachers, overcoming difficulties and constantly improving basic services while realizing one-stop service for students by fully integrating the digital platform, education administration system, fee collection system, and OA (office automation) system, and achieving full digitalization among our schools for the first time. The launch of digital platforms of our 8 schools was well received by students.

In addition, the establishment of procedures has begun to bear fruit and has overcome certain long-term pain points of the Group: 1. Focusing on the annual goals and business pain points and establishing project teams on infrastructure procurement and supply, teaching students, income, budget funds, and special projects in 2022 to promote the establishment of systems and procedures on a project basis. 2. Achieving breakthrough and making continuous improvement in the establishment of procedures of three long-term pain point, anxiety point and risk point, i.e. procurement and supply management, infrastructure project management, and special business management. 3. Establishing norms in budget and annual target task preparation, budget adjustment, administrative writing, rules of procedure for meeting and other business affairs.



### Anti-corruption

The Group eliminates all forms of corruption in its operations, including but not limited to bribery, extortion, fraud and money laundering. Internally, we strengthen employees’ awareness of integrity and have formulated and strictly enforced relevant management systems and fully implemented supervision responsibilities. Externally, we work in close cooperation with our partners and regulate business conduct to combat corruption. During the Reporting Period, the Group has not received any concluded corruption lawsuits against the Group or our employees.

- Internal policies of the Group (including but not limited to)**
- Fraud Monitoring and Management System
  - Internal Control System of China New Higher Education Group
  - Accountability Management Regulation of China New Higher Education Group
  - Regulation on the Management of Internal Audit Work of China New Higher Education Group

The Group has established and introduced a number of internal policies to regulate the professional conduct and ethics of all employees in terms of anti-corruption. We adhere to the principles of “truthfulness, fairness, and impartiality” and “education, prevention, and learning from past mistakes to avoid future ones” to deal with any violations of laws and regulations in a serious manner. In order to further regulate the behaviour of staff, we have formulated the “Accountability Management Regulation of China New Higher Education Group” with reference to relevant laws and regulations. Staff who violates the rules and disciplines will receive punishment, including warning, demerit, demotion, removal, ordered resign and dismissal, according to the severity.

In addition, as internal audit involves a number of internal management, the Group lays down more stringent supervision requirements in this area. In this regard, we have formulated the “Regulation on the Management of Internal Audit Work of China New Higher Education Group” and established an independent internal audit function. Under the leadership of the Board, the internal audit function carries out independent internal audit work in accordance with the relevant systems and requirements of the State and the Group, focusing on monitoring the headquarter and the departments with frequent use of capitals of all schools and especially conducted special audits in key exposures.

A well-established corruption whistleblowing mechanism is also in place to maintain a clear reporting channel. Whistleblowers could report violations through letter delivery, in-person visit, e-mail and whistleblowing hotline. Supervision and audit department will handle each reporting case carefully and verify and investigate the information provided by the whistleblower in detail. The Group’s “Management System for Handling Accusation, Complaint and Appeal” sets out the handling procedures for corruption whistleblowing, so as to strengthen the Group’s handling of whistleblowing, complaints and claims and safeguard the legitimate rights and interests of relevant persons. We implement hierarchical treatment for all whistleblowing, where minor case is handled directly by the discipline inspection and supervision department; for more complicated or serious case, we will hand it over to judicial institutions. In the process of handling corruption whistleblowing, the identity of whistle-blower is treated in the strictest confidence to protect them from any harassment, retaliation, persecution or discrimination.

During the Reporting Period, the Risk and Control Department of the Group assigned inspection teams to each school to carry out comprehensive inspections for a period of 15 to 20 days respectively. The inspections cover all aspects of school operations, aiming to promote the spirit of sincerity, improve the system and urge the schools to follow the bottom line of risk acceptance, as well as institutionalize and standardize governance capacity building.

In addition, the Group also organized a number of anti-corruption training activities for directors and employees to enhance the Group’s overall awareness of anti-corruption and the understanding of relevant policies. During the Reporting Period, a total of 2,402 directors and employees (among whom 7 are directors) of the Group participated in anti-corruption training.



**Case** Issuing reminder about the prohibition on accepting advantages during festivals

To promote integrity and prevent corruption during festivals, the Group issued a notice about maintaining integrity and self-discipline during major festivals such as Labour Day, Dragon Boat Festival, Mid-Autumn Festival, and National Day holidays, requiring teachers and staffs to strengthen their awareness of discipline and strictly abide by relevant rules and regulations, including but not limited to: no participation in gatherings, banquets, travel and entertainment and consumption activities organized by any stakeholders including suppliers; no acceptance or offering gifts (both of money and in kind); no entertainment using company funds in the name of investigation, research and training. The pre-holiday reminder helps enhancing the awareness of discipline throughout the Group and preventing unhealthy practices.

**Case** Directors and related employees of the Group received anti-corruption training from the ICAC of Hong Kong

In order to meet the latest compliance requirements of the Stock Exchange and strengthen the awareness of integrity and anti-corruption throughout the Group, the Group invited Ms. AU Pui Wai, Florence, the Deputy Regional Officer of the ICAC of Hong Kong, to conduct an anti-corruption training titled “Ethics Legacy – Governance Roles of Directors of Companies” for members of the Board, senior management and relevant employees on 21 July 2022. The training emphasized the importance of an honest corporate culture in corporate development and individual directors and put forward the requirement of “three knowledges” including legal knowledge, risk knowledge and integration of knowledge and action.

**Supply Chain Management**

The Group is committed to implementing the concept of sustainable development in all aspects of the supply chain. To this end, we have formulated detailed policies on supply chain management to reduce procurement risks, control procurement costs and improve procurement performance. The Group has formulated the “Procurement Management System (Trial)” and “Suppliers Management System of China New Higher Education Group (Trial)” to regulate procurement activities and supplier management. The formulation of the “Bidding Management System (Trial)” has effectively strengthened the management and supervision of the tendering and bidding of the Group.

In terms of procurement and supply, the preparation, release and trial operation of seven infrastructure procurement procedures was completed during 2022, which clarifies the rights and responsibilities of the headquarter and schools at the system and procedure level and provides system assurance and operational guidance for successfully completing various procurement work in the procurement and supply line. During 2022, the Group completed a number of tendering and bidding for infrastructure, facilities and equipment. Through the implementation of centralized procurement and strategic procurement, it not only improves the quality of purchased materials, equipment and services, but also saves procurement costs, such that limited funds could be used wisely.

The Group’s suppliers are mainly infrastructure suppliers, service suppliers, material and equipment suppliers. Full life cycle management in supplier identification, shortlisting, dynamic tracking, assessment, hierarchical management and withdrawal is in place to improve the supply chain management framework and enhance the procurement and supply performance. The Group has a supplier resource pool, which divides suppliers into “qualified suppliers” and “restricted suppliers”. On-list suppliers will be classified as “restricted suppliers” in the event that they are found to have committed a major breach of contract, a violation of discipline or unfair competition or if their annual performance evaluation score falls below 60. It is strictly prohibited for the Group to cooperate with “restricted suppliers” in any form. If the Group is founded to cooperate with these suppliers, the persons concerned will be held accountable.

The following is the basic process for engaging a supplier:



To reduce supply chain risks, the Group thoroughly examines the comprehensive strength of suppliers, including but not limited to qualification, performance, credit rating, management team, project team, technical solutions, service commitments, product quality, delivery cycle and price. In managing the life cycle for suppliers, we have developed and taken various measures to properly reduce relevant social risks. At the supplier identification stage, we restrict and prohibit cooperation with suppliers that have been disclosed by the industry and commerce and judicial systems with a poor reputation in the industry, and have been founded to have committed significant breaches of contract, disciplinary actions or improper competitive practices. At the supplier qualification review stage, we will first select suppliers for projects with larger budget (over RMB500,000) by means of on-site inspections for preliminary screening. At the bid evaluation and selection stage, for general and standardized products, we use the reasonable low-price method to select suppliers; for non-general and standardized products, we use the comprehensive scoring method for bid evaluation and increase the proportion of technical bids when necessary, and prefer to cooperate with suppliers with highest score. In the contract countersign stage, we will give priority to suppliers to the Company’s norms, reasonable contract clauses and controllable risk. Finally, at the delivery stage, the department requesting and using the goods will be arranged to carry out inspection and acceptance procedures according to the contract to ensure that the deliverables meet their requirements. As part of internal risk control, the Supervision and Audit Department will participate in and supervise the whole process of suppliers selection. In addition, the Group will sign the “Notice of Integrity Commitment for Partner” with all suppliers to prevent the occurrence of illegal and disciplinary behaviours that seek improper benefits.

The Group attaches great importance to the sustainable development of supply chain and has incorporated it in our ESG risk assessment during the Reporting Period. Such risk is considered to be minimal upon review and consideration. Nonetheless, to promote green supply chain management, we will constantly review the environmental risks in the supply chain and further improve the supply chain risk assessment mechanism.

In the shortlisting stage, bid evaluation stage and supplier performance evaluation stage of suppliers, we consider various factors to select the most suitable suppliers. The main requirements for supplier qualification examination are as follows:

<p>Shortlisting stage</p> 	<p>The supplier’s basic industrial and commercial qualification, advanced level of main production equipment and testing equipment, production scale, financial capacity, technical indicators of key products, usage status of main users (performance, service life) and after-sales service.</p>
<p>Bid evaluation stage</p> 	<p>We generally use the reasonable low-price method to select suppliers for general and standardized product procurement on the premise that the products, quality, schedule and service meet the requirements of the requesting department. With regard to non-standardized products or services, the best-ranked supplier will be selected for cooperation upon a comprehensive quantitative evaluation by the evaluation team in respect of product, quality, schedule, service, team members, price and payment method.</p>
<p>Supplier performance evaluation stage</p> 	<p>Basic information of suppliers, length of cooperation with the Group, the level of usage of the Group’s products (quantity, amount, service life), project progress, communication and cooperation, after-sales service, price level, financial payments and debts, as well as whether the suppliers are involved in any ongoing dispute.</p>

Specific conditions on qualification review for suppliers (including but not limited to):

1. Complete information is provided in the system of Administration for Industry and Commerce with no serious violation of the law and contract exposed
2. At least two similar successful cases, with no affiliated company contact person
3. Conducting inspection and evaluation on the undergoing construction project for large-scale construction supplier
4. Conducting inspection and evaluation on the production site of major production enterprises
5. Well performance in environmental management and social responsibility

To promote the form of sustainable supply chain, the Group also incorporates the environmental performance of suppliers into procurement standards. For instance, we usually require furniture and interior decoration suppliers to use environmentally friendly materials and prefer electrical equipment with higher energy efficiency ratings. Such requirements will be specified in bidding documents and contracts.

In addition, the Group prefers local suppliers in order to reduce environmental impacts such as energy consumption and air pollutant emissions caused by transportation. During the Reporting Period, the Group cooperated with 629 suppliers, all of which were selected according to the above policies.

	2022
Total number of suppliers (Unit: number)	629
Beijing	96
Hubei Province	77
Henan Province	84
Guizhou Province	92
Yunnan Province	173
Gansu Province	37
Guangxi Zhuang Autonomous Region	50
Heilongjiang Province	20

## Comply with Laws and Regulations to Adhere to the Bottom Line

The Group obtains information on laws and regulations related to its business on a proactively and timely basis to ensure that the daily operations comply with relevant laws and regulations applicable to the place of operation. During the Reporting Period, the Group has identified laws and regulations that have a significant impact on operations and compliance, including but not limited to:

Aspects	Laws and Regulations that have a Significant Impact on the Group	Possible Significant Impact
Emissions 	Overall environmental management <ul style="list-style-type: none"> <li>Environmental Protection Law of the People’s Republic of China</li> <li>Environmental Protection Regulations of Yunnan Province</li> <li>Ecological Environment Protection Regulations of Guizhou Province</li> <li>Environmental Protection Regulations of Heilongjiang Province</li> <li>Environmental Protection Regulations of Guangxi Zhuang Autonomous Region</li> </ul> Energy management <ul style="list-style-type: none"> <li>Energy Conservation Law of the People’s Republic of China</li> <li>Renewable Energy Law of the People’s Republic of China</li> </ul> Water resources management <ul style="list-style-type: none"> <li>Water Pollution Prevention and Control Law of the People’s Republic of China</li> <li>Water Law of the People’s Republic of China</li> </ul> Air pollutant emission management <ul style="list-style-type: none"> <li>Atmospheric Pollution Prevention and Control Law of the People’s Republic of China</li> <li>Comprehensive Emission Standard for Air Pollutants</li> </ul> Waste management <ul style="list-style-type: none"> <li>Law of the People’s Republic of China on Prevention and Control of Environmental Pollution by Solid Waste</li> </ul>	Business activities of the schools shall obtain pre-or post-approval from the environmental supervision authority before commencement. During the operation process, the schools shall keep devoting management resources for planning and improving the resource utilization efficiency of the schools and building environmental protection facilities and maintaining its normal operation, to ensure that the environmental protection measures and pollutant emissions are complied with the laws and regulations. Failure to comply with relevant laws and regulations may lead to punishment from regulatory authorities, and the normal operation of the schools and our social reputation will be adversely affected.

Aspects	Laws and Regulations that have a Significant Impact on the Group	Possible Significant Impact
Employment and Labour Practices 	Labour laws and regulations <ul style="list-style-type: none"> <li>Labour Law of the People’s Republic of China</li> <li>Labour Contract Law of the People’s Republic of China</li> <li>Special Rules on the Labour Protection of Female Employees</li> <li>Law of the People’s Republic of China on the Protection of Women’s Rights and Interests</li> <li>Law of the People’s Republic of China on the Protection of Minors</li> <li>Trade Union Law of the People’s Republic of China</li> <li>Regulations on the Paid Annual Leave of Employees</li> <li>Regulation on Public Holidays for National Annual Festivals and Memorial Days</li> </ul> Social security and welfare <ul style="list-style-type: none"> <li>Social Insurance Law of the People’s Republic of China</li> <li>Regulations on Work-Related Injury Insurance</li> </ul>	A designate department has been established to develop and implement labour employment systems and procedures, ensuring the employment relationship meets our operational needs and protects the dignity and legitimate benefits of employees. Failure to abide by the relevant compliance requirements may lead to disputes with employees, encounter administrative punishment and trigger talent loss, which will have a negative impact on our competitiveness and social reputation.
Health and Safety 	<ul style="list-style-type: none"> <li>Fire Protection Law of the People’s Republic of China</li> <li>Working Regulation for the Hygiene at School</li> <li>Food Safety Law of the People’s Republic of China</li> <li>Construction Law of the People’s Republic of China</li> <li>Regulations on the Administration of Production Safety in Construction Projects</li> </ul>	The schools shall dedicate management resources and offer necessary equipment to ensure the health and safety of students and employees on campus. Violation of relevant regulations may lead to safety incidents and result in compensation claims and legal liabilities.

Aspects	Laws and Regulations that have a Significant Impact on the Group	Possible Significant Impact
Product Responsibility 	<ul style="list-style-type: none"> <li>Fire Protection Law of the People’s Republic of China</li> <li>Working Regulation for the Hygiene at School</li> <li>Food Safety Law of the People’s Republic of China</li> <li>Construction Law of the People’s Republic of China</li> <li>Regulations on the Administration of Production Safety in Construction Projects</li> <li>Patent Law of the People’s Republic of China</li> <li>Copyright Law of the People’s Republic of China</li> <li>Advertising Law of the People’s Republic of China</li> <li>Civil Code of the People’s Republic of China</li> <li>Regulations on Protection and Management of Intellectual Property Rights of Colleges</li> <li>Law of the People’s Republic of China on Protection of Consumer Rights and Interests</li> <li>Trademark Law of the People’s Republic of China</li> <li>Implementation Regulations on the Trademark Law of the People’s Republic of China</li> </ul>	The school shall maintain a corresponding scale of teaching staff and teaching facilities, to ensure that the teaching quality meets the commitment of enrolment, otherwise it will lead to a decline in competitiveness and loss of students.
Anti-corruption 	<ul style="list-style-type: none"> <li>Criminal Law of the People’s Republic of China</li> <li>Anti-Unfair Competition Law of the People’s Republic of China</li> <li>Bidding Law of the People’s Republic of China</li> <li>Supervision Law of the People’s Republic of China</li> <li>Interim Provisions on Prohibiting Commercial Bribery</li> <li>Company Law of the People’s Republic of China</li> </ul>	The Group shall set up an internal monitoring and auditing team and continuously optimize the content and program to improve the ability to investigate and combat corruption, and eliminate corruption in business activities. Failure to comply with relevant regulations will incur direct economic losses and lead to legal disputes with other units.

# APPENDIX I: CONTENT INDEX OF THE ESG REPORTING GUIDE OF THE STOCK EXCHANGE AND GRI SUSTAINABILITY REPORTING STANDARDS

Applicable Content for the Environmental, Social and Governance Reporting Guide of the Stock Exchange			Applicable Content for the GRI Sustainability Reporting Standards	Relevant Chapter(s)/Remarks
Aspect	KPIs	Content		
<b>A. Environmental</b>				
A1 Emissions	General Disclosure	Information relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and nonhazardous waste: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer.	GRI 103: Disclosures on Management Approach 103-2 GRI 305: Emissions: Management Approach GRI 307: Disclosures on Environmental Compliance 307-1	Green Operation and Environmental Protection
	A1.1	The types of emissions and respective emissions data.	GRI 305: Disclosures on Emissions 305-1, 305-2, 305-3 and 305-7	Environmental Performance Indicators
	A1.2	Direct (scope 1) and indirect energy (scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	GRI 305: Disclosures on Emissions 305-1, 305-2 and 305-4	Environmental Performance Indicators
	A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	GRI 306: Disclosures on Effluents and Waste 306-3	Environmental Performance Indicators
	A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	GRI 306: Disclosures on Effluents and Waste 306-3	Environmental Performance Indicators
	A1.5	Description of emissions target(s) set and steps taken to achieve them.	GRI 103: Disclosures on Management Approach 103-2 GRI 305: Emission Disclosures 305-5	Green Operation and Environmental Protection
	A1.6	Description of how hazardous and non-hazardous wastes are handled, and description of reduction target(s) set and steps taken to achieve them.	GRI 103: Disclosures on Management Approach 103-2 GRI 306: Disclosures on Effluents and Waste 306-4 and 306-5	Establishment and Improvement of ESG Governance Structure Green Operation Environmental Protection
A2 Use of Resources	General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	GRI 103: Disclosures on Management Approach 103-2	Green Operation and Environmental Protection
	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).	GRI 302: Disclosures on Energy 302-1 and 302-3	Environmental Performance Indicators
	A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	GRI 303: Disclosures on Water 303-5	Environmental Performance Indicators
	A2.3	Description of energy use efficiency target(s) set, and steps taken to achieve them.	GRI 103: Disclosures on Management Approach 103-2 GRI 302: Disclosures on Energy 302-4 and 302-5	Establishment and Improvement of ESG Governance Structure Green Operation and Environmental Protection
	A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	GRI 103: Disclosures on Management Approach 103-2 GRI 303: Disclosures on Water 303-1	Green Operation and Environmental Protection
	A2.5	Total packaging materials used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	GRI 301: Disclosures on Materials 301-1 Not applicable	The Group's business does not involve the use of packaging materials

Applicable Content for the Environmental, Social and Governance Reporting Guide of the Stock Exchange			Applicable Content for the GRI Sustainability Reporting Standards	Relevant Chapter(s)/Remarks
Aspect	KPIs	Content		
<b>A. Environmental</b>				
A3 Environment and Natural Resources	General Disclosure	Policies on minimising the issuer's significant impact on the environment and natural resources.	GRI 103: Disclosures on Management Approach 103-2	Green Operation and Environmental Protection
	A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	GRI 103: Disclosures on Management Approach 103-1 and 103-2 GRI 303: Disclosures on Water 303-1 GRI 304: Disclosures on Biodiversity 304-2 GRI 306: Disclosures on Effluents and Waste 306-1 and 306-2	Green Operation and Environmental Protection
A4 Climate Change	General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	GRI 103: Disclosures on Management Approach 103-2 GRI 102: General Disclosures 102-29	Respond to Climate Changes
	A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	GRI 201: Disclosures on Economic Performance 201-2	Respond to Climate Changes

Aspect	KPIs	Content	Applicable Content for the GRI Sustainability Reporting Standards	Related Chapter(s)/Remarks
<b>B. Social</b>				
<b>Employment and Labour Practices</b>				
B1 Employment	General Disclosure	Information relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer.	GRI 103: Disclosures on Management Approach 103-2 GRI 419: Disclosures on Socioeconomic Compliance 419-1	Employment and Development of Talents and Care for Employees
	B1.1	Total workforce by gender, employment type (e.g. full-time or part-time), age group and geographical region.	GRI 102: General Disclosures 102-8 GRI 405: Disclosures on Diversity and Equal Opportunity 405-1	Employment and Development of Talents and Care for Employees
	B1.2	Employee turnover rate by gender, age group and geographical region.	GRI 401: Disclosures on Employment 401-1	Employment and Development of Talents and Care for Employees
B2 Health and Safety	General Disclosure	Information relating to providing a safe working environment and protecting employees from occupational hazards: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer.	GRI 103: Disclosures on Management Approach 103-2 GRI 419: Disclosures on Socioeconomic Compliance 419-1 GRI 403: Disclosures on Occupational Health and Safety 403	Employee Health and Safety
	B2.1	Number and rate of work-related fatalities in each of the past three years (including the reporting year).	GRI 403: Disclosures on Occupational Health and Safety 403-9	Employee Health and Safety
	B2.2	Lost days due to work injury.	Not covered by the GRI Sustainability Reporting Standards	Employee Health and Safety
	B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	GRI 103: Disclosures on Management Approach 103-2 and 103-3	Employee Health and Safety

Aspect	KPIs	Content	Applicable Content for the GRI Sustainability Reporting Standards	Related Chapter(s)/Remarks
<b>B. Social</b>				
<b>Employment and Labour Practices</b>				
B3 Development and Training	General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	GRI 103: Disclosures on Management Approach 103-2 (c-i) GRI 404: Disclosures on Training and Education 404-2 (a)	Employee Training
	B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Not covered by the GRI Sustainability Reporting Standards	Employee Training
	B3.2	The average training hours completed per employee by gender and employee category.	GRI 404: Disclosures on Training and Education 404-1	Employee Training
B4 Labour Standards	General Disclosure	Information relating to preventing child and forced labour: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer.	GRI 103: Disclosures on Management Approach 103-2 GRI 419: Disclosures on Socioeconomic Compliance 419-1	Employment and Development of Talents and Care for Employees
	B4.1	Description of measures to review employment practices to avoid child and forced labour.	GRI 103: Disclosures on Management Approach 103-2 GRI 408: Disclosures on Child Labour 408-1 GRI 409: Disclosures on Forced or Compulsory Labour 409-1	Employment and Development of Talents and Care for Employees
	B4.2	Description of steps taken to eliminate such practices when discovered.	GRI 103: Disclosures on Management Approach 103-2 GRI 408: Disclosures on Child Labour 408-1 GRI 409: Disclosures on Forced or Compulsory Labour 409-1	Employment and Development of Talents and Care for Employees
<b>Operating Practices</b>				
B5 Supply Chain Management	General Disclosure	Policies on managing environmental and social risks of the supply chain.	GRI 103: Disclosures on Management Approach 103-2	Supply Chain Management
	B5.1	Number of suppliers by geographical region.	GRI 102: General Disclosures 102-9	Supply Chain Management
	B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	GRI 103: Disclosures on Management Approach 103-2 GRI 308: Disclosures on Supplier Environmental Assessment 308-1 and 308-2 GRI 414: Disclosures on Supplier Social Assessment 414-1 and 414-2 GRI 102: General Disclosures 102-9 GRI 303: Disclosure on Water and Waste Water 303-1	Supply Chain Management
	B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	GRI 414: Disclosures on Supplier Social Assessment 414-1 and 414-2 GRI 102: General Disclosures 102-9 GRI 103: Disclosures on Management Approach 103-2 GRI 308: Disclosures on Supplier Environmental Assessment 308-1 and 308-2	Supply Chain Management
	B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	GRI 103: Disclosures on Management Approach 103-2 GRI 306: Pollutants GRI 308: Supplier Environmental Assessment	Supply Chain Management

Aspect	KPIs	Content	Applicable Content for the GRI Sustainability Reporting Standards	Related Chapter(s)/Remarks
<b>B. Social</b>				
<b>Employment and Labour Practices</b>				
B6 Product Responsibility	General Disclosure	Information relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer.	GRI 103: Disclosures on Management Approach 103-2 GRI 416: Disclosures on Customer Health and Safety 416-2 GRI 417: Disclosures on Marketing and Labelling 417-2 and 417-3 GRI 418: Disclosures on Customer Privacy 418-1 GRI 419: Disclosures on Socioeconomic Compliance 419-1	High-quality Teaching to Cultivate Talents of High Quality; Caring for Student-teacher Experience and Pursuing Health and Safety; Responsibility Management and Adherence to Compliance Operation
	B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Not covered by the GRI Sustainability Reporting Standards	The Group's business does not involve products that are recalled for safety and health reasons
	B6.2	Number of products and service-related complaints received and how they are dealt with.	GRI 102: General Disclosures 102-43 and 102-44 GRI 103: Disclosures on Management Approach 103-2 GRI 418: Disclosures on Customer Privacy 418-1	Collection of Opinions from Students and Staff
	B6.3	Description of practices relating to observing and protecting intellectual property rights.	Not covered by the GRI Sustainability Reporting Standards	Responsibility Management and Adherence to Compliance Operation
	B6.4	Description of quality assurance process and recall procedures.	Not covered by the GRI Sustainability Reporting Standards	The Group is not involved in any product recall procedures
	B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	GRI 103: Disclosures on Management Approach 103-2 and 103-3	Responsibility Management and Adherence to Compliance Operation
B7 Anti-corruption	General Disclosure	Information relating to bribery, extortion, fraud and money laundering: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer.	GRI 103: Disclosures on Management Approach 103-3 GRI 205: Disclosures on Anti-corruption 205-3 GRI 419: Disclosures on Socioeconomic Compliance 419-1	Anti-corruption
	B7.1	Number of concluded legal cases regarding practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	GRI 205: Disclosures on Anti-corruption 205-3	Anti-corruption
	B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	GRI 102: General Disclosures 102-17 GRI 103: Disclosures on Management Approach 103-2 and 103-3 GRI 205: Disclosures on Anti-corruption	Anti-corruption
	B7.3	Description of anti-corruption training provided to directors and staff.	GRI 205: Disclosures on Anti-corruption 205-2	Anti-corruption
<b>Community</b>				
B8 Community Investment	General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	GRI 103: Disclosures on Management Approach 103-2	Caring for the Society and Promoting Social Welfare
	B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	GRI 203: Disclosures on Indirect Economic Impacts 203-1	Caring for the Society and Promoting Social Welfare
	B8.2	Resources contributed (e.g. money or time) to the focus area.	GRI 201: Disclosures on Economic Performance 201-1	Economic Value in 2022 Caring for the Society and Promoting Social Welfare