



中國新高教集團有限公司

China New Higher Education Group Limited

(於開曼群島註冊成立之有限公司)

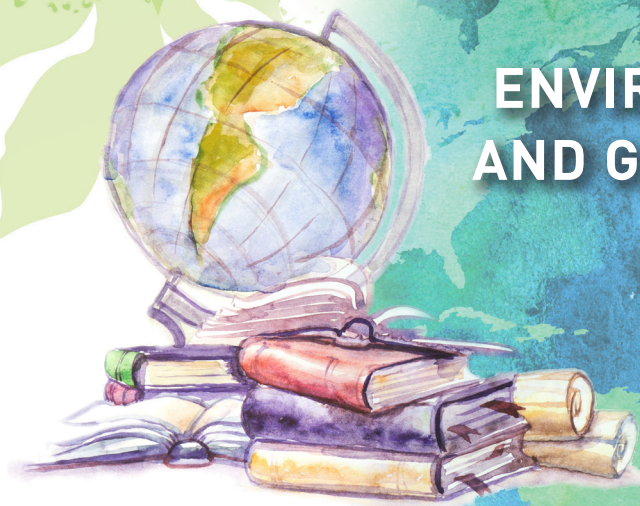
(Incorporated in the Cayman Islands with Limited Liability)

股份代號 Stock Code : 2001



2019

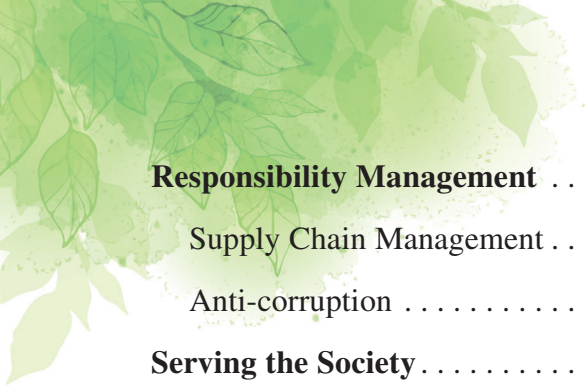
ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT



Content

About This Report	3
Reporting Guideline	3
Reporting Scope	3
Report Statement	4
Feedback on This Report	4
About Us	5
Company Profile	5
Corporate Governance	7
Stakeholders' Participation	8
Materiality Assessment	10
Excellence Cultivation	12
Education System and Strategies	13
Teaching Quality	15
Personal Development of Students	19
Campus Safety	20
Compliance Operation	22
Talent First	23
Employment Policies	23
Staff Training	25
Occupational Health and Safety	27
Caring for Employees	28
Green Operation	30
Green Campus	31
Green Office	34





Responsibility Management 35

 Supply Chain Management 35

 Anti-corruption 36

Serving the Society 37

 Public Charity 37

 Fighting Against Epidemic Together 41

Appendixes 42

 Appendix I: Overview of Environmental Performance 42

 Appendix II: Content Index of the Environmental, Social and Governance Report 45



ABOUT THIS REPORT

Reporting Guideline

This Environmental, Social and Governance Report (the “**ESG report**” or “**this Report**”) aims to provide the environmental and social performance of China New Higher Education Group Limited (the “**Company**”, and its six schools, collectively, the “**Group**” or “**We**”, “**Our**”, “**us**”) in 2019. This report is prepared by the Company in accordance with the “Environmental, Social and Governance Reporting Guide” (the “**ESG Guide**”) under Appendix 27 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Main Board Listing Rules**”) of The Stock Exchange of Hong Kong Limited (the “**SEHK**”). This is the fourth ESG Report published by the Company since its listing. The Group’s management policies, strategies and performance of environmental and social aspects are disclosed in this report. This report shall be read in conjunction with the section of “Corporate Governance Report” in the “2019 Annual Report” so that readers can have a more comprehensive understanding of related concepts, measures and performance of the Group in respect of its environmental, social and governance.

Reporting Scope

Unless otherwise stated, the reporting scope of this report covered the Group’s headquarters in Beijing (“**Beijing headquarters**”) and its schools, including:

- Yunnan Technology and Business University (“**Yunnan School**”);
- Guizhou Technology and Business Institute (“**Guizhou School**”);
- Luoyang Science and Technology Vocational College (“**Henan School**”);
- Harbin Huade University (“**Northeast School**”);
- Science and Technology College of Hubei Minzu University (“**Central China School**”);
- Guangxi Yinghua International Occupation College, Guangxi Qinzhou Yinghua International Occupation and Technology School and Guangxi Yinghua International Occupation Middle School (collectively, “**Guangxi Schools**”).

Unless otherwise stated, the reporting period is from 1 January 2019 to 31 December 2019 (the “**Reporting Period**”). In order to increase the timeliness of the Group’s disclosure of relevant information on the prevention and control of the COVID-19 epidemic, the time frame for the disclosure of such content is appropriately extended.





Report Statement

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 has complied with all provisions of “comply or explain” in the ESG Guide, and has been prepared in accordance with the reporting principles in the ESG Guidelines: importance principle, quantification principle, balance principle and consistency principle. The board of directors of the Company has approved the disclosures in this report and assumed overall responsibility for the environmental, social and governance of the Group.

Feedback on This Report

If you have any precious advice on the work of the Group’s Environmental, Social and Governance Report, you are welcome to contact us through the following method: Investor Relations Management Department, Email: ir@xingaojiao.com.

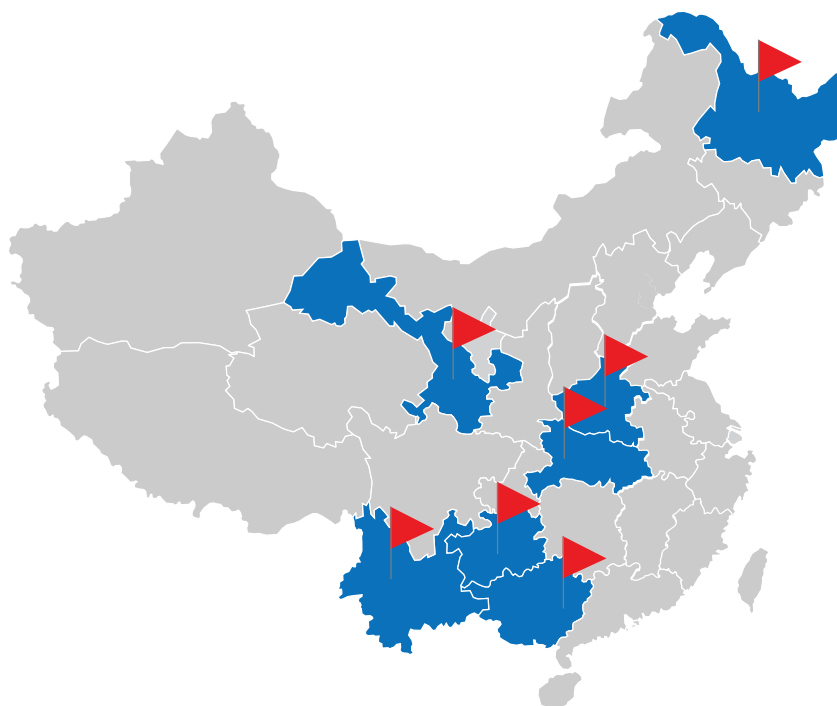


ABOUT US

Company Profile

The Group was founded in 1999 and is a leading private higher education group (Stock Code: 2001.HK) in China and headquartered in Beijing. Currently, the Group has invested and founded 7 universities¹ (including 4 undergraduate universities and 3 junior colleges) in 7 provinces across China. The total student enrollment exceeds 110,000 and it has cultivated over 300,000 students in total.

The Group persists in the goal of cultivating leading applied talents, always sticks to the mission of “Promoting Education Development in China Innovatively”, adheres to the education tenet of “Nurture the Growth of Our Students, Help Students Become The Best They Can Be” and practices the educational philosophy of “Strengthen Moral Education and Cultivate Talents, Teach Students in Accordance with Their Aptitude, Apply What One Has Learned”. It keeps being integrated with national strategies, regional development and industrial progress and maintains the cultivation model of applied talents with the orientation of sustainable and high-quality employment. It maintains the culture-driven development and continuously improves the professional competitiveness of its students and graduates, which are widely recognized by employers.



21 years of
education
history

113,500 student
enrollments

7 provinces

Listed in Hong Kong
with stock
code of **2001.HK**

Started the business since 1999
and focused on
application-oriented higher
education

Over 300,000 graduates in total

Layout in 7 provinces
across China

A private higher education group
listed on the Main Board in the
Hong Kong stock market

¹ During the Reporting Period, the acquisition of the Lanzhou University of Technology College of Technology and Engineering * (蘭州理工大學技術工程學院) (the “**Gansu College**”) is still pending approval for change of school sponsor of Gansu College by the MOE and it is not disclosed in this report.





Yunnan
School



Guizhou
School



Northeast
School



Central China
School



Henan
School



Gansu
College



Guangxi
Schools





Corporate Governance

The Company is committed to the establishment of good corporate governance practices and procedures with a view to being a transparent and responsible organization. The Board of the Company strives for adhering to the principles of corporate governance and has adopted sound corporate governance practices to meet the legal and commercial standards, focusing on areas such as internal control, fair disclosure and accountability to all Shareholders to ensure the transparency of all operations of the Group.

Risk Management

The Board of the Company recognises its overall responsibility for the Group's risk management and internal control systems and reviews their effectiveness on an ongoing basis. In addition, the Audit Committee also has the responsibility for reviewing and assessing the Group's risk management and internal control systems.

In order to ensure the effectiveness of our risk management and internal control system, the Company has established risk management and internal control procedures for identifying, evaluating, and managing the significant risks associated with the achievement of its operational objectives. The Company will conduct and complete the Risk Management and Internal Control Procedures with scientific analysis and assessment, to recognize potential risk points. For more detailed information on corporate governance, please refer to the "Corporate Governance Report" in the 2019 Annual Report of the Company.



STAKEHOLDERS' PARTICIPATION

The Company highly values the comments of stakeholders on us. We understand stakeholders' expectations and appraisals through diversified communication channels, which helps the Group to objectively inspect and plan its own work on sustainable development. We maintain routine communications with stakeholders, understand their expectations and appraisals on the Group and include them into our work plan on sustainable development. We hope that this report can serve as a bridge for the communications among different stakeholders and we can respond to concerns of different people by providing clear and comprehensive environmental and social information.

Stakeholders	Their Expectations	Routine Communication Channels
Government/Regulatory Authorities	High-quality education level	<ul style="list-style-type: none"> Site visits to the Company and schools
Shareholders/Investors	Latest operation information of the Group Performance of the Group	<ul style="list-style-type: none"> Hold briefings of annual and interim results announcement regularly Organize the annual general meeting Arrange investors meetings and attend investor forum organized by securities brokers to update investors with the Group's business operation and development Regularly update the website to ensure that investors receive the latest company information
Industry Associations	Promoting the development of the industry	<ul style="list-style-type: none"> Actively participate in activities organized by industry associations, and the subsidiaries of the Group served as the President of the Private Education Professional Committee under the Chinese Society of Educational Development Strategy, the Chairman of the Group served as the Vice President of the China Association for Non-Government Education and the Vice President of the Association of Universities (Colleges) of Applied Science



Stakeholders	Their Expectations	Routine Communication Channels
Employees/Teachers	A good career development platform A comfortable working environment	<ul style="list-style-type: none"> Organize staff training to allow new colleagues to communicate with the management of various departments The headquarters and the schools hold work annual meeting, Spring Festival annual meeting, etc. Estimate the performance of employees regularly Open different types of large-scale and small-scale training courses or workshops Conduct department meetings regularly
Students	The schools provide high-quality education	<ul style="list-style-type: none"> Student satisfaction survey
Students' Parents	The schools provide high-quality education	<ul style="list-style-type: none"> Regularly organize parents' meetings to actively communicate with them
Media	Understanding the development of the Group	<ul style="list-style-type: none"> Interview activities
Suppliers	Cooperation and win-win results	<ul style="list-style-type: none"> Evaluation processes on suppliers Supply process
Public	Cultivation of outstanding talents	<ul style="list-style-type: none"> Community activities Information disclosure



Materiality Assessment

During the Reporting Period, the Group adopted the questionnaire survey in conducting the materiality assessment on sustainable development issues for the first time and included the concerns of different stakeholders into our ESG information reporting work. In addition, the obtaining of stakeholders' comments through the questionnaire survey will enhance the Group's understanding of material issues to carry out perfect supervision and consistently improve business results and management performance.

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.

- | | |
|-------------------------------------|---------------------|
| ➤ Government/Regulatory Authorities | ➤ Students |
| ➤ Shareholders/Investors | ➤ Students' Parents |
| ➤ Industry Associations | ➤ Media |
| ➤ Employees/Teachers | ➤ Suppliers |

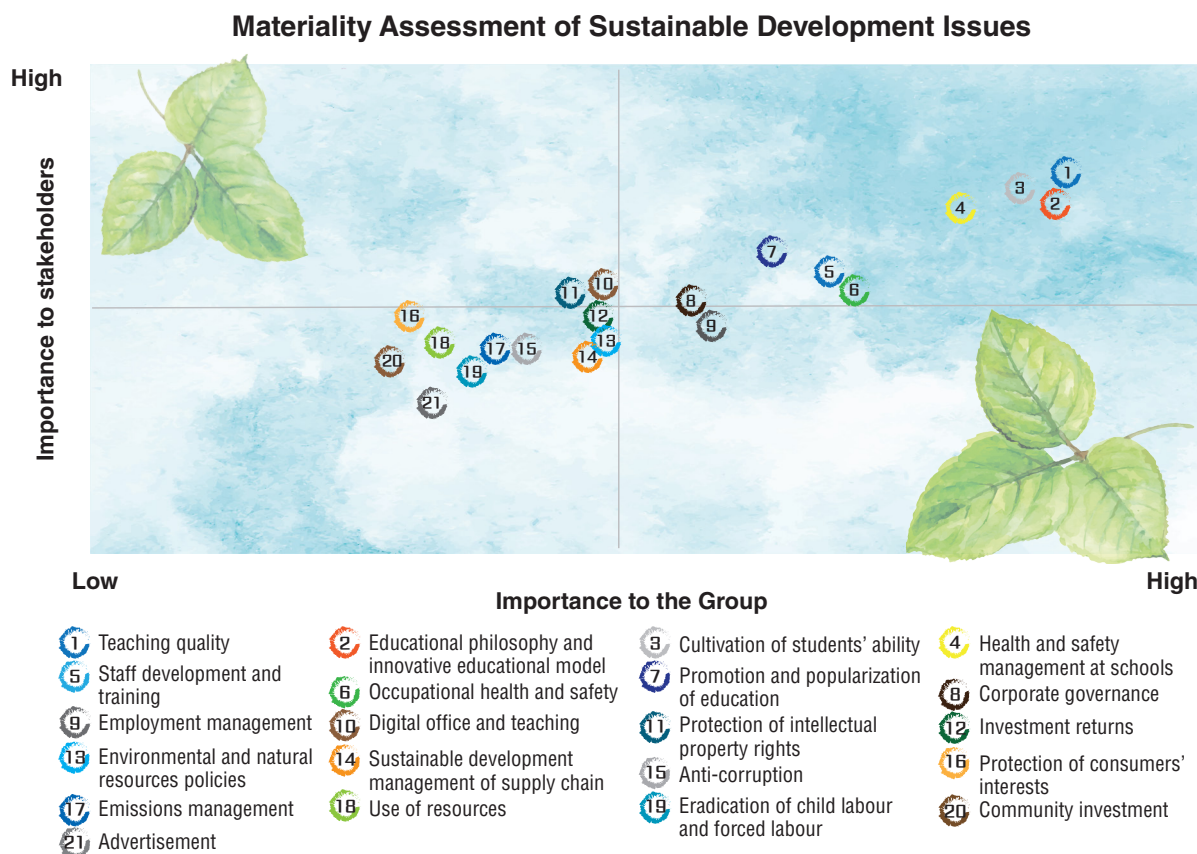
2. *Questionnaire survey*

With reference to the ESG Guide and based on the trends of the international community and the sustainable development of the education industry as well as the Group's deep understandings of the education industry, the Group identified 21 potential material issues related to the Group and understood stakeholders' concerns and other precious comments on all potential material issues through the questionnaire survey.



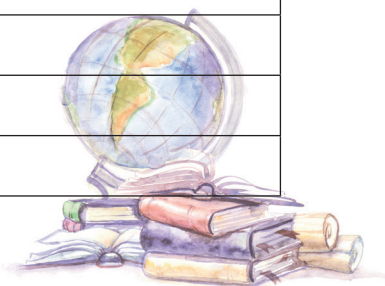
3. Results analysis and verification

Based on the results of the questionnaire survey, the Group established the materiality analysis matrix based on two dimensions, namely the “importance to stakeholders” and the “importance to the Group”, and prioritized the importance of all issues. The following shows the Group’s materiality analysis matrix.



Subsequently, the management of the Group verified the priority of the importance of issues on sustainable development and determined issues with high importance to the Group and its stakeholders as material issues. The Group identified 8 material issues during the materiality assessment and will focus on reporting such issues in this report.

Material issues (in the order of importance)		Response chapters in this report
1.	Teaching quality	Excellence Cultivation
2.	Educational philosophy and innovative educational model	Excellence Cultivation
3.	Cultivation of students' ability	Excellence Cultivation
4.	Health and safety management at schools	Excellence Cultivation
5.	Staff development and training	Talent First
6.	Occupational health and safety	Talent First
7.	Promotion and popularization of education	Serving the Society
8.	Corporate governance	About Us



EXCELLENCE CULTIVATION

The Group always gives priority to students among all its work. “Help Students Succeed” and “Help Students Become The Best They Can Be” are the educational dreams and values always pursued by the Group. The Group has formulated clear development strategies to consistently improve the quality of students’ learning and life experience in schools, enhance the teaching and employment quality and continuously provide talents for the national economic development.

For 2019/20 academic year, total student enrollment exceeded 113,500.

The Group successfully completed integration of the invested schools. Consolidation of financial results of Guangxi Schools and Central China School were completed in 2019. A new campus with an area of about 500 mu was built for Henan School which has a current enrollment of over 27,000 students.

As of 31 December 2019, the average employment rate of graduates of the Group was 97.35%, and the high-quality employment* rate reached 38.48%.

In 2019, the Group newly added 164 internal and external experimental training bases, including 40 internal experimental training rooms and 124 external practice bases.

Around 1,700 students have won close to 500 awards in subject competitions. The awards include special prize in the “National Finals of the 9th China National College Student Innovation, Originality and Entrepreneurship Challenge” national finals grand prize.

* “High-quality employment” represents students working for the world’s top 500 companies, Chinese top 500 companies, listed companies (including overseas main boards, domestic main boards, small and medium-sized boards, GEM and NEEQ) companies, central SOEs and provincial state-owned enterprises, also includes students pursue further education, work as civil servants.



Education Systems and Strategies

The Group formulated the “Six Excellences” as the overall strategic target and the main development strategy in the future. Such six strategic targets on teaching systems include: excellent teaching quality, excellent students’ experience, excellent social reputation, excellent schooling benefit, excellent technological support and excellent management.

Excellent teaching quality	The Outcomes-based Education (the “ OBE ”) as the guidance. The value perception of students on school learning, high-quality employment and working competence of graduates as the evaluation. TronClass online teaching platform as the base. Curriculum reform as breakthroughs. “Wonderful Class” as the support.
Excellent students’ experience	Providing excellent learning experience, brand activity experience, management experience, service experience and environment experience, etc.
Excellent social reputation	Promoting the social reputation of the school brands.
Excellent schooling benefit	Achieving the best economic benefits and striving for the best social benefits.
Excellent technological support	Applying the Internet, artificial intelligence, big data, the Internet of Things and other high technologies to support the innovation and development of the Group.
Excellent management	Consistently improving the performance of management and organization.



Improve digitalization

Under the trend of the rapid development of technologies, the digitalized operation model is one of the key strategies of the Group. It will facilitate us to improve the management performance with innovative technologies and provide students with more advanced learning experiences.

Teaching digitalization	Combining cloud technology, the Group developed the TronClass, an integrated online teaching platform combined teaching, learning, management, and evaluation, which played an important role during the outbreak of Novel Coronavirus Disease (COVID-19) and met online teaching needs.
Management digitalization	Relying on Aliyun to establish a computing center, a data center and a security center, upgrade the Enterprise Resource Planning (ERP) resources management system and the OA office management system and build the Enterprise Data Center and the BI decision-making and analysis system.
Service digitalization	The Group uses micro-front end, big data, and cloud computing to independently develop a comprehensive digital service platform for teacher and student. During the Reporting Period, it had provided teachers and students with comprehensive services including academic record, registration for examinations, payment of fees, evaluation of teaching, apartment maintenance and suggestions more than 15 million times.
Security digitalization	The Group applies emerging technologies such as face recognition, big data, and behavior recognition to implement comprehensive safety management on campus personnel safety, fire safety, food safety, and intra-school traffic safety to achieve zero major safety accidents.

Case: Online teaching platform plays an important role during the outbreak of COVID-19

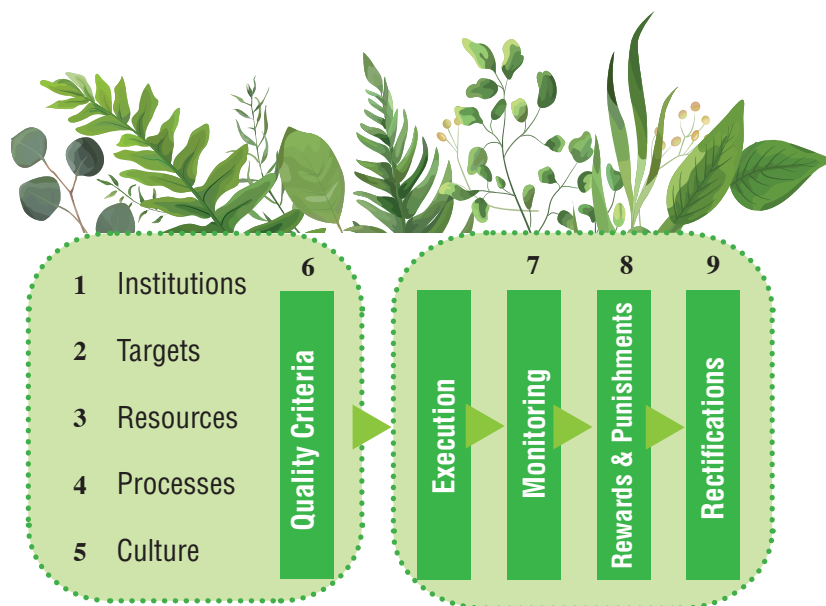
Due to the outbreak of COVID-19 in the early of 2020 and to ensure teachers' and students' safety and health, the Group organized online teaching and learning on the TronClass teaching platform according to the principle of "Delay backing to school, no delay in teaching and learning" for spring semester, to minimize the impact of the epidemic on teaching. During the outbreak of the epidemic from early 2020 to mid-April, the TronClass teaching platform recorded a total of more than 40 million visits.



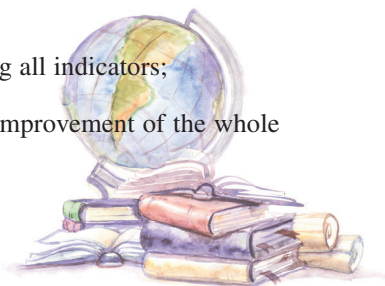
Teaching Quality

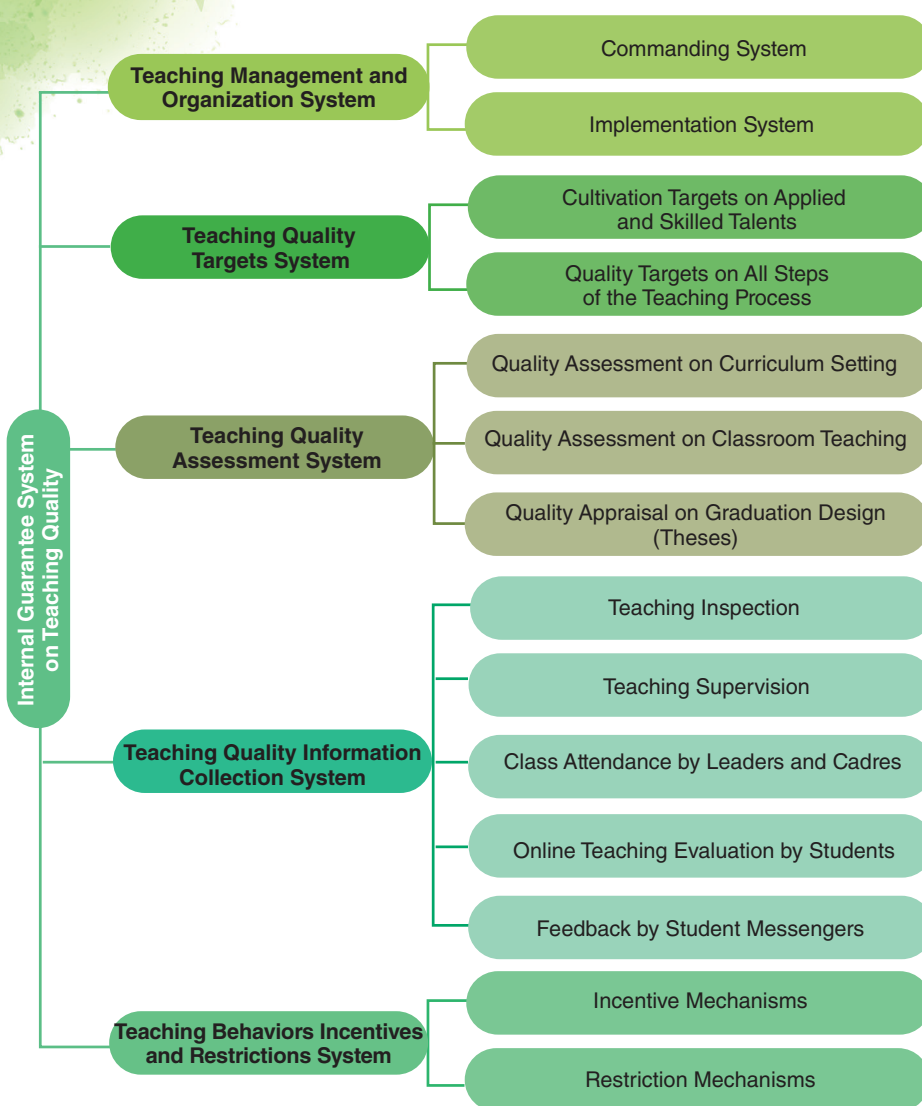
Holding as its mission “Help Students Become The Best They Can Be”, the Group provides high-quality teaching resources to promote the comprehensive development of students, improve their ability to study and work, thus securing them satisfactory jobs after graduation. The Group strictly complies with the national and local laws and regulations, including the Education Law of the People’s Republic of China, the Law for Promoting Private Education of the People’s Republic of China and the Higher Education Law of the People’s Republic of China, so as to provide students with a high-quality learning environment. The Group also established a complete teaching quality guarantee system and carries out quality guarantee work on five systems, namely teaching management and organization, teaching quality targets, teaching quality assessment, teaching quality information collection and teaching behaviors incentives and restrictions, to maintain high-quality teaching level.

The internal guarantee system on the teaching quality of the Group:



- 1—Decision-making and commanding subsystem, stipulating the setting of administrative and academic institutions;
- 2—Quality target subsystem, covering macro targets on the scope of education and teaching;
- 3—Resources management subsystem, setting out specific regulatory items on persons, properties and things involved in teaching;
- 4—Process management subsystem, stipulating soft indicators on non-physical teaching quality;
- 5—Cultural construction subsystem, mainly targeting at the construction of the school spirit, the teaching style and the learning atmosphere;
- 6—Quality criteria subsystem, setting the quality criteria to be met by all factors at the layer of contents;
- 7—Monitoring and appraisal subsystem, covering the monitoring and feedback on the implementation of all indicators;
- 8—Incentive and restriction subsystem, setting out reward and punishment measures covering all indicators;
- 9—Continuous improvement subsystem, setting out the logic and processes of closed-loop improvement of the whole system.





Teaching quality monitoring and operation

The School Teaching Quality Monitoring and Assessment Center (the department level) of the Group is responsible for supervising the teaching quality management and all schools are responsible for the implementation of their teaching quality management. The school teaching quality assessment work comprises routine teaching inspections and special inspections on test papers, theses, experimental teaching and internship teaching, class attendance and tour inspections by supervisors, class attendance by school leaders and management, feedback on class teaching by student messengers with the purpose of conducting effective monitoring on teaching quality.



Teaching surveys	Teaching surveys are conducted in the beginning and middle of each semester. The survey at the beginning of each semester covers the inspections on the implementation of talent cultivation plans and the teaching plans of lecturers. The survey at the middle of each semester covers the inspections on problems in all teaching processes and the solving of the problems as well as symposiums with representatives of teachers and students in various forms to fully understand the teaching status.
Special inspections	It carries out sample inspections on test papers, graduation theses and teaching documents and inspections on teaching archives and conducts timely rectifications when problems are found.
Class attendance and tour inspections	The Teaching Quality Monitoring Center conducts class attendance and tour inspections on teaching 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 starts from the beginning of each semester to the end of the semester. Messengers are required to collect highlights, problems, shortcomings and suggestions on teaching in respect of the education and teaching of teachers and teaching infrastructure of schools once a month.
“Wonderful Class” teaching competition for teachers	Teaching competition is an important approach on fostering and improving the teaching ability and professional quality of teachers. The Group organizes the “Wonderful Class” teaching competition each year and encourages teachers to participation in the teaching competition to fully motivate their teaching enthusiasm.

“Wonderful Class” teaching competition for teachers

- The teaching ability of teachers directly affects the teaching quality of schools. The Group considers the cultivation of talents as the foundation of higher education, teachers as the foundation of schools, teaching as the foundation of teachers and lecturing as the foundation of teaching. High-quality basic teaching skills are an essential basic condition of each teacher and the teaching competition is an effective form to fully display, cultivate and improve the quality.
- Each participant wants to display his/her best teaching skills and ability in the competition. For young teachers, not only can they display their own teaching styles, teaching responsibilities and teaching designs, but also examine their ability on handling teaching materials, their understanding of and familiarity with the contents of courses, their organization ability on class teaching and teaching methods to consistently improve their teaching skills.



Teachers and teaching infrastructure

The Group highly values the construction of the teaching team. With the building of the teacher team as the core, we fully implement the planning on the construction of the teacher team of schools to improve the overall quality of the teacher team. The group steps up efforts in the introduction of high-level talents. Based on the demands in the construction of key subjects, characteristic subjects and characteristic majors, it formulated targeted plans on the introduction of talents to recruit leading figures and high-level talents. For majors with huge social demands, high number of students enrolled and relatively weak faculty, the Group adopted special favorable policies to increase the number of teachers on such majors and ensure the teaching quality. Besides, the Group also formulated the planning on the building of the teacher team with “double qualifications”², strengthened efforts in the introduction of senior talents with practice experiences and prioritized the recruitment of talents with practice background.

In terms of basic teaching facilities, the Group continuously increased teaching investments and consistently improved training rooms, network equipment, teaching and scientific research equipment and other teaching conditions to improve the hardware conditions for practice teaching for students and promote the overall teaching strength and level. For example, Guizhou School built new training rooms and improved the current conditions for practice training during the Reporting Period, which involves 22 majors and a total of 49 training rooms.



Training room for accounting and economic management majors



Training room for nursing majors

Collection of students' comments

The Group also attaches great importance to the students' comments on the education services provided by schools. All schools of the Group continuously carry out dialogues with students to understand their comments on teaching contents, lecturing methods, class management and teacher guidance and other aspects in order to continuously improve the Group's education services. The Group also established a Student Complaint Handling Process and the “President's Mailbox” to provide students a clear channel of submitting complaints. All schools systematically handle complaints or comments proposed by students, provide timely replies to students, implement the first-be-inquired responsibility system and solve the students' demands and complaints as much as possible.

² Apart from obtaining the teachers' qualification, teachers also obtain other professional qualifications.



Personal Development of Students

The Group always focuses on the cultivation of applied talents and highlights personal career planning of students and provisions for working in the society. To effectively implement the National Standard of Teaching Quality for Undergraduate Majors at Regular Institutions of Higher Education and based on the development of new arts, new engineering and industries, the Group sets out positioning in the cultivation targets of students in the following aspects:

1. Adhering to the orientation of students based on students' satisfaction and focusing on teaching students in accordance with their aptitude;
2. Adhering to fostering character and civil virtue and emphasizing the “virtue, intellectual, physical, artistic and laboring” all-around development of students;
3. Adhering to prioritizing capability and highlighting school-enterprise cooperation and the integration of industry and teaching;
4. Adhering to innovation and entrepreneurship education and emphasis on the fostering of innovation and entrepreneurship capabilities.

To effectively achieve the Group's targets on talent cultivation, we actively explore two talents cultivation models, namely the “Internal Dual System” and the “Work and Learning Alternation”, to practice our teaching concepts in innovative models.

Internal Dual System	The “internal” refers to that it is led by the school and the teaching and practice are mainly carried out in the school. The “dual” refers to the integration of professional education and vocational education. We focus on industries and core capabilities for employment positions in the teaching contents and establish a model simulating the real corporate environment to carry out teaching and appraisal on students.
Work and Learning Alternation	With the target of cultivating students' professional quality and skills, we provide students with internship opportunities in three stages, including social practice and perceptual practice, professional practice and graduation internship. The internship lasts for over 1 year.

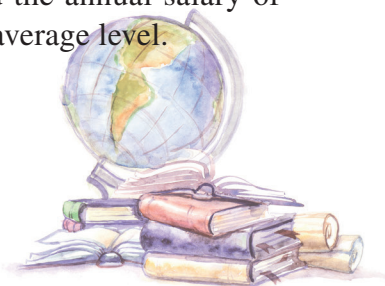
During the Reporting Period, our main results in supporting the development of students are summarized as follows:

New-added popular majors

To answer the calling of MOE, the Group focused on the establishment of new arts, new engineering and new medicines, and added 24 new majors in the 2019/2020 academic year.

Innovation talents training

Gradually promote the talent training mode of high-paying pilot classes (Talent Class, College of Excellence, etc.), the employment rate of graduates is nearly 100%, and the annual salary of graduates is more than RMB75,000, which is much higher than the industry average level.



Deepened the integration of production and education

The school members under the Group cooperate with more than 10,000 employment cooperation units including Huawei, Alibaba Group, State Grid and China State Construction, etc.

Expanded international cooperation

The Group has signed cooperation agreements with 17 overseas schools or institutions in countries such as the United States, United Kingdom, Germany, and Canada, with international students from 34 countries studying and exchanging at the schools.

Won more awards

Around 1,700 students of the Group have won close to 500 awards in subject competitions. The awards include: the special prize and the Best Innovation prize (Yunnan School) in 9th China National College Student “Innovation, Originality and Entrepreneurship” Challenge national finals grand prize and the first prize in National 3D Digital Innovation Design Competition (Elite League), etc.

Significant improvement in employment quality

As a promoter of universities of applied science, the Group takes high-quality employment as guidelines and uses graduate employment rate as an important criterion to measure the teaching results. Over the past few years, the average employment rate of our graduates³ is 97.35%, and the high-quality employment rate reaches 38.48% (meaning entering famous enterprises, involving in further education, or being civil servants).

Campus Safety

In order to guarantee smooth teaching activities, the Group devotes to creating a safe campus environment and allows students to focus on their studies. The Group carries out safety management on fire safety, public health, food safety and campus security in schools and conducts campus safety management in accordance with the Fire Prevention Law of the People’s Republic of China, the Working Regulation for the Hygiene at School, the Food Safety Law of the People’s Republic of China and other laws and regulations. All schools have formulated relevant management systems based on the requirements on the above safety scopes.

In terms of fire safety and taking Yunnan School as an example, it has established management systems such as the Mini Fire Station’s Fire Prevention and Emergency Evacuation Plan and the Mini Fire Station’s Education and Training System. The system has stipulated measures for prevention and suppression of fire, emergency evacuation plans and relevant training for the personnel responsible for fire safety at the schools to prevent and curb fire accidents and related casualties.

³ A rate calculated by dividing the number of students who are being employed within six months after their graduation (including students who are being employed in business entities, start their own businesses or pursue further studies) by the total number of students graduated from school for the relevant academic year.



In terms of public health, the subsidiary schools have to conduct health work in accordance with the Working Regulation for the Hygiene at School. The main tasks on public health include the monitoring of students' health status, providing health education to students, helping students to develop good hygiene habits, improving teachers' hygienic environment and hygiene conditions, and strengthening the prevention and treatment of infectious diseases and common diseases among students. For example, Guizhou School has formulated the Emergency Plan on Public Health of Guizhou Technology and Business Institute, which set out working targets in responding to public health accidents, including the publicity of knowledge on prevention of various public health accidents among teachers and students, the improvement of the information monitoring and reporting network on public health accidents and the establishment of the mechanisms of rapid response and emergency treatment.

In terms of food safety and take the Northeast School as an example, it has formulated the Regulation on Safety of Harbin Huade University and other policies to strengthen food hygiene management and strictly prevent food poisoning and infectious diseases. The Northeast School has applied licenses of hygiene for school canteens and carries out management on canteen facilities and equipment as well as food procurement, transportation, processing, storage and other processes. It conducts centralized food procurement for canteens, standardizes supply channels and asks for relevant certificates to prevent expired, perishable, harmful, toxic and polluted food entering the campus. On the other hand, the Northeast School also strictly implements management systems on water safety and strengthens safety protection on water tank rooms to provide teachers and students safe, healthy and qualified drinking water.

In terms of campus security, we cooperate with external suppliers of video surveillance systems and deploy unified campus surveillance systems in schools to build platforms on safe campus. Our surveillance systems achieved panoramic linkage on campus, classrooms, dormitories, canteens, food and vehicles to fully guarantee the campus security of teachers and students. We also introduced facial recognition, big-data behavior analysis, one-button alarming, mobile and other new technologies to fully inspect and eliminate safety hazards on campus.



Case: Teaching Plans on the Course of Safety Education of Guangxi Schools

In order to building a safe campus and guarantee the physical safety of students, Guangxi Schools formulated plans on the safety education course based on the requirements of the municipal and district education bureaus and the actual conditions of the school. The main educational goals of the plans are to enhance the students' awareness on self-prevention and self-protection and strengthen their emergency ability. The contents of the course include:

- 1) Education on social security;
- 2) Education on public health and safety;
- 3) Education on accidental injuries and safety;
- 4) Education on network and information safety;
- 5) Education on natural disasters and safety;
- 6) Education on campus safety.



Fire drills in Guangxi Schools

Compliance Operation

For the management of the advertising, the Group strictly complies with the Advertisement Law of the People's Republic of China and other laws and regulations and has formulated and implemented the Group's Advertisement Management Approach, which aims to standardize the advertisements of the Group and create a good opinion atmosphere. This management approach aims to provide specific guidelines and handling methods for news reporting, public promotion, in-school advertisement, the report of public emergency and the control of public opinion, etc. In addition, in respect of the implementation of the protection of intellectual property rights, the Group strictly complies with the Regulation on the Protection of Intellectual Property Rights of Universities and other laws and regulations. The Group is using genuine computer software and teaching materials for working and teaching to avoid violations of intellectual property rights in a strict point of view. On the other hand, as the Group's business involves no matters on labeling of products and services, no relevant contents are disclosed.

In order to protect the personal information of the students and safeguard the security and interests of the Group, the Group strictly complies with the Tort Liability Law of the People's Republic of China and has formulated and implemented the Confidentiality System. The system standardized the scope and grading of confidential items, the provisions and regulations of confidential items and the process and accountability of the loss and leakage of private information, in order to effectively protect the privacies of students and the Group from any forms of leakage. If the privacy of students and the Group are leaked, the Group will take remedial measures timely, and the responsible person will be punished depending on the severity of the leakage of privacies.



TALENT FIRST

The Group always considers talents as a key element for the development of enterprises. We respect talents, implement people-oriented employment management policies and create ideal career platforms for employees.

Employment Policies

The Group strictly abides by various laws and regulations on employment and establishes outstanding management teams and teaching staff teams to better serve the education industry.

Relevant laws and regulations on employment abided by the Group (including but not limited to)	Internal policies of the Group (including but not limited to)
Labour laws and regulations <ul style="list-style-type: none">• Labor Law of the People's Republic of China• Labor Contract Law of the People's Republic of China• Trade Union Law of the People's Republic of China• Special Rules on the Labor Protection of Female Employees• Provisions on the Prohibition of the Use of Child Labor Social security and welfare <ul style="list-style-type: none">• Social Insurance Law of the People's Republic of China• Regulation on Work-Related Injury Insurances	<ul style="list-style-type: none">• Remuneration Management System• Recruitment Management System• Management Measures of the Training for Teachers and Staff• Incentive Systems on Talent Recruitment by All Employees of China New Higher Education Group• Measures on Implementation of Reserve Cadres Cultivation of China New Higher Education Group• Measures on Implementation and Management of Training for Teachers and Staff of the Group

Labour employment

In order to standardize the criteria and procedures for the recruitment of employees, the Group has formulated the Recruitment Management System, which stipulates that the recruitment and selection of employees must be implemented in accordance with this system to ensure that the selection of talents is standardized, procedural and normalized. The Group adopts fair and open recruitment and dismissal policies and equally treats people of different ages, genders, races, ethnicity, religions, or disability to protect the equal opportunities of employment and respects all employees. We stipulate the employment of all staffs must comply with three principles: firstly, select candidates in terms of knowledge, morality, ability, experience and other conditions that the duties or positions required; secondly, conduct assessment in accordance with the stipulated process and stick to the principle of merit first; thirdly, exceptional admission shall be subject to the approval of the Group.



Moreover, the Group has formulated a standardized resignation process for employees. In general, staff shall submit notice of resignation and wait for the approval from department head. Then it should be verified by the employee relationship staff, and thereafter approved by the person-in-charge of the division and the head of human resource department, and ultimately approved by the president. After the approval of resignation, the employee is required to complete the work transition to ensure that another staff would take over the work. On the other hand, if staff are involved in the violation of laws and regulations, serious dereliction of duty and other circumstances, the Group will rescind the employment contract with such staff based on internal procedures.

Labours' rights and interests

The Group respects and upholds internationally recognized human rights and is consciously resisting any actions disregarding and abusing human rights. The Group strictly prohibits child labor and forced labor and verifies the personal identification cards of applicants in the recruitment and employment processes to eradicate the employment of child labour. The Group also abides by the principles of equality, consensus, etc., and signs labor contracts with the employees. The Group pays the social insurance and provides reasonable and benefits for employees. During the Reporting Period, the Group strictly complied with the abovementioned relevant laws and regulations on employment and did not involve in any case that violated human rights or damaged the rights and interests of employees.

Cadre cultivation mechanisms

In order to provide equal and fair promotion opportunities for talents, the Group formulated the Measures on Implementation of Reserve Cadres Cultivation of China New Higher Education Group and established and improved new mechanisms on the selection and cultivation of cadres. Following the working principles of “clear orientation, strict selection and integration of practice and trainings”, the Group actively explores new growth models for cadres to meet the new requirements on the appointment of cadres. It established the special Jiang'an Cadre Institute, formulated plans on cadre cultivation and improved mechanisms on the promotion of the ability of reserve cadres. It also specified the promotion criteria with the orientation of performance results, academic degrees and professional titles and expanded promotion channels for employees.

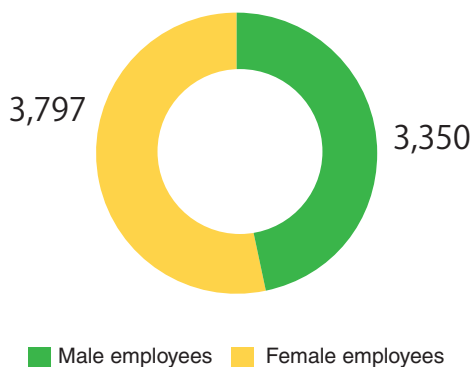
Remuneration management

In addition, the Group provides employees with relatively competitive salary and benefits to attract and retain talents. In order to improve the quality of teaching and enhance the work motivation of faculty members, as well as to ensure that the remuneration of faculties is connected with their teaching performance, the Group has formulated the Salary Management System and other policies for the employees in the Group's headquarters and the college teachers respectively. All employees in the Group shall accept annual evaluation. The salaries and grades of employees will be adjusted according to the assessment results. The employee who is assessed with an outstanding result can obtain a higher level of salary promotion. Besides, we also formulated the Incentive Systems on Talent Recruitment by All Employees of China New Higher Education Group and encourage employees to recommend outstanding talents to join the Group. If the candidates recommended successfully join the Group, we will distribute bonus to relevant employees.



During the Reporting Period, the Group carried out statistics on the number of employees and the total number of employees is 7,147. The statistics on the number of employees by different types are as follows.

Number of Employees (By Gender)



Staff Training

To continuously improve the Group's management and the teaching level of subsidiary schools, the Group formulated annual training plans, strengthened the construction of teacher development centers and improved the management measures for the appointment of teachers. The Group built the teacher team with "double qualifications" through arranging young teachers to practice and exercise in enterprises, introducing experienced high-level talents to teach at schools and appointing engineering and technical staff and management members of enterprises to act as part-time teachers of schools. It will facilitate our curriculum-building to be close to industrial development, integrate professional knowledge and skills in teaching contents and cultivate students into applied talents.

In order to meet the needs of the Group's strategic development and to improve the overall quality of faculty team, the teachers professional development center organizes various forms of training to meet talent demand for schools' development. The Group has formulated the Management Measures of the Training for Teachers and Staff to ensure the effective implementation of the faculty member training program and to create a favorable training atmosphere. The Measures on Implementation and Management of Training for Teachers and Staff of the Group regulates the formation procedure of training programs, training resource management (including lecturer management, training material management and training facility and equipment management), training content, training cost, faculty member training rights and obligations, teaching fee and the training incentives.



During the Reporting Period, the Group's headquarters and subsidiary schools organized a variety of training activities. We improved the teacher cultivation plans based on market demands. Under the unified deployment and arrangement, the Group arranged professional teachers to amend the cultivation plans based on the market demands for talents' skills and organized various training activities for teachers. The following shows some examples regarding the training activities conducted by the Group.

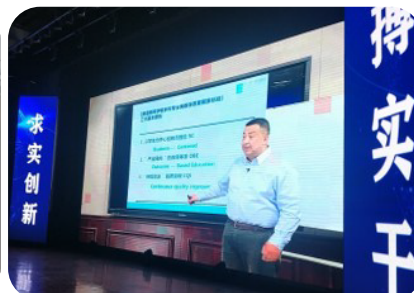
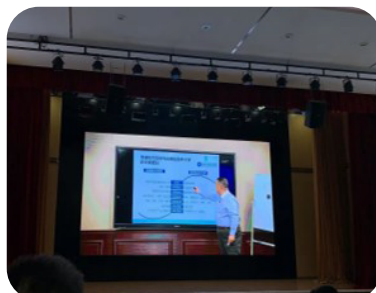
Case: Training on "Group Operational Management Ability"

In March 2019, the Group invited external experts to give a special lecture on the "Logic, Method and Case of the Construction of Group Management and Control" to consistently enhance the group operational management ability. Through the display of various cases, experts explained common problems, construction logics and methods of the group management and control. It also conducted sharing and discussions on the future development orientation of the group management and control. During the Reporting Period, the Group specified the significance of the "group operational management ability" and the "applied talents cultivation ability" for the first time. The two core abilities are keys to the quality improvement and the implementation of strategies of the Group.

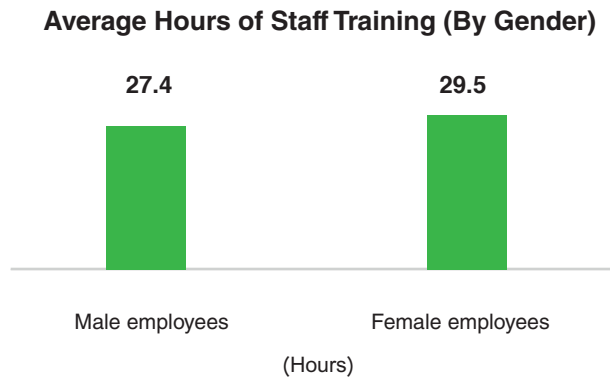
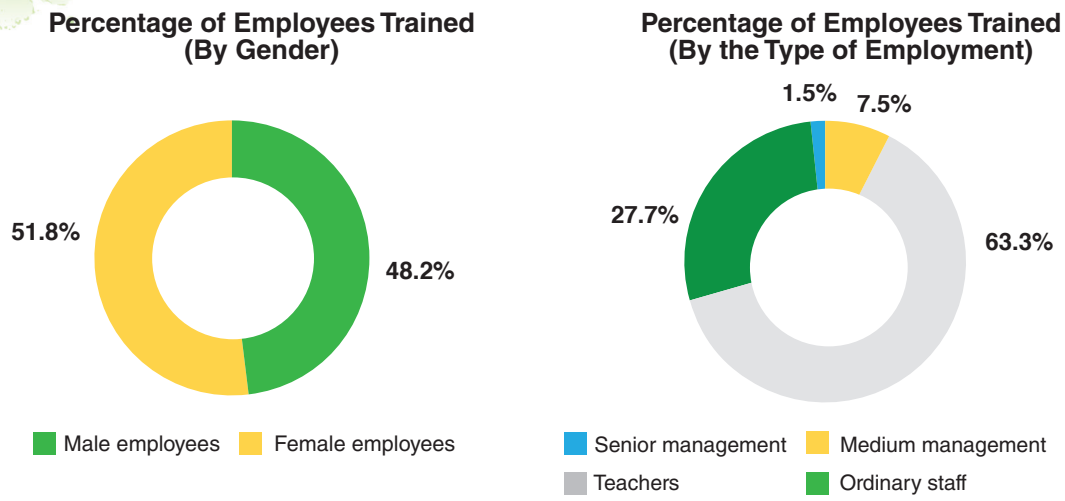


Case: Promoting the Reform of Education and Teaching Concepts with the OBE Concept

In November 2019, the Group invited external experts to conduct an online special training on OBE at the headquarters of the Group. It is the first time that the Group gave live-streaming special lectures by experts. Over 1,500 employees and faculty, including leaders, tutors and teachers of the teaching department of the Group and all schools, participated in the training.



During the Reporting Period, a total of 4,323 employees of the Group participated in trainings and the percentage of trained employees reached 60.5%. The following shows the training of employees of the Group by gender and the type of employment.



Occupational Health and Safety

Besides concerns over student safety on campus, we also attach importance to the occupational health and safety of office staff and schools staff. The Group provides the employees with relevant occupational health and safety guarantees in accordance with the requirements of the Labor Law of the People’s Republic of China, the Regulation on Work-Related Injury Insurances and other national regulations. The Group purchases the injury insurance and basic medical insurance for employees every year and creates a safe and harmonious working and living environment for employees. In terms of schools, all schools strictly follow the health and safety management systems of the Group, manage and implement work on fire safety, food safety and public health and carry out training and exercises on health and safety to enhance the safety awareness and emergency ability of the faculty. During the Reporting Period, the Group did not encounter any work-related death.



Case: Safety Knowledge Training and Escape Exercises in Autumn Conducted in Northeast School

In September 2019, the Northeast School organized trainings on fire safety knowledge and escape exercises in autumn, providing the faculty of schools with trainings on the correct use of fire prevention equipment, fire prevention measures on hazardous chemicals, fire prevention in public places and escape methods.



Caring for Employees

The Group cares for employees and hopes that employees can display their skills in a comfortable working environment. Besides the provision of various social security and benefits in accordance with laws and regulations, the Group also organized various staff activities to enhance their sense of belonging to the Group and the team spirit.

Case: Celebration of 20th anniversary of the Group and Summarization and Commendation Meeting

In order to fully carry forward the Group culture of "Contribution First", the Group held the celebration on the 20th anniversary of the establishment of the Group and the summarization and commendation meeting in September 2019. It awarded the "Team Prize" and the "Individual Prize" to 62 employees to commend their spirits of "unremitting self-improvement, seeking excellence, second entrepreneurship and being the best of themselves" and "striving to make contributions".



Case: Group Birthday Party for Faculty in Guizhou School

In October 2019, Guizhou School held a group birthday party for over 50 faculty members celebrating birthdays in October. The principal of the school attended the birthday party and sent best wishes to them.



Activities on Teachers' Day in Guizhou School

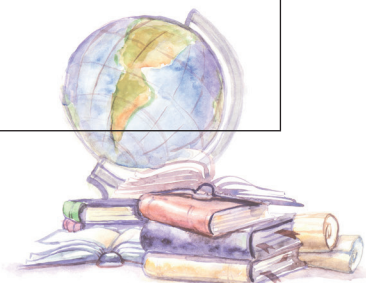


GREEN OPERATION

The Group advocates the business model that is responsible for the environment and is committed to building a green campus. It also strives to integrate environmental awareness into daily operations to reduce the impact of its operations on the environment. As the Group's main business premises are offices and schools, its major environmental factors include the use of energy and water resources, air pollutant from campus vehicles, the discharge of sewage by operation places and the generation of hazardous and non-hazardous solid wastes. For various major environmental factors, we formulated a series of environmental management policies on campus and office to implement control measures and strive to reduce the negative environmental effects and consistently improve the environmental management performance of the Group.

The business operation and facilities operation of the Group strictly abide by relevant laws and regulations on environmental protection to ensure that our environmental effects are controlled within the scope of compliance. During the Reporting Period, the Group strictly abides by relevant national and regional laws and regulations and did not receive any complaint or litigation regarding violations of national and regional laws and regulations.

Relevant laws and regulations on environmental protection abided by the Group (including but not limited to)	Internal policies of the Group (including but not limited to)
<p>Overall environmental management</p> <ul style="list-style-type: none"> • Environmental Protection Law of the People's Republic of China • Environmental Protection Regulations of Yunnan Province • Environmental Protection Regulations of Guizhou Province • Environmental Protection Regulations of Heilongjiang Province • Environmental Protection Regulations of Henan Province <p>Energy management</p> <ul style="list-style-type: none"> • Energy Conservation Law of the People's Republic of China <p>Water resources management</p> <ul style="list-style-type: none"> • Water Pollution Prevention and Control Law of the People's Republic of China <p>Management of emissions of air pollutants</p> <ul style="list-style-type: none"> • Atmospheric Pollution Prevention and Control Law of the People's Republic of China <p>Waste management</p> <ul style="list-style-type: none"> • Law of the People's Republic of China on Prevention and Control of Environmental Pollution by Solid Waste 	<p>Schools</p> <ul style="list-style-type: none"> • Campus Waste Treatment Systems of Yunnan Technology and Business University • Environment and Health Management Systems of Guizhou Technology and Business Institute • Environment and Health Inspection and Reporting Systems of Guangxi Yinghua International Occupation College • Environmental Protection Management Measures of Science and Technology College of Hubei Minzu University <p>Offices</p> <ul style="list-style-type: none"> • Green Office Management Measures of the Headquarters of the Group • Waste Management Measures of the Headquarters of the Group • Office Resources and Items Allocation Management Measures of the Headquarters of the Group



Green Campus

As schools are the main venue for the Group's business operation, the Group pays great attention to the environmental impacts aroused by their daily operations. The subsidiary schools of the Group are scattered all over the country and all schools have formulated environmental management policies in accordance with local laws and regulations and based on their actual operation conditions to carry out effective management on their major environmental factors and related effects. For various major environmental factors, all schools have set up relevant management policies on energy management, use of water resources and sewage treatment, air pollutants management and waste disposal.

Energy management

Energy consumption at schools is mainly from the use of electricity, the use of fuel oil by vehicles and the use of gas in canteens. All schools have adopted various energy-saving measures to reduce energy consumption and the emission of greenhouse gases. For example:

- The temperature of air-conditioning in offices and corridors is set at no less than 26 °C . The use of air-conditioning in classrooms is standardized and the air-conditioning in classrooms not for use should be turned off.
- Security staff should turn off lights during patrol inspections at night and only necessary patrol and monitoring lighting should be maintained.
- Energy-saving labels should be posted in public areas.
- Teachers and students are advocated to set the standby model for computers when they are not used and the power for office equipment not used is required to turn off.
- Canteens should use relatively clean natural gas for cooking.
- The investments on catering hardware facilities should be increased and energy-saving cooks should be procured to save gas.



Case: Henan School Builds a “Saving” Campus

In order to build a “saving campus”, Henan School initiated energy-saving and emission-reducing campaigns through various means, such as popularization and education, organization and management and technological transformation, to enhance the awareness of all teachers and students on environmental protection. Specific work and measures are as follows:

1. It prepares blackboard newspapers with the theme of “energy-saving and emission-reducing” each semester on the national week for the publicity of energy conservation, the national week for the publicity of water saving and holidays such as the World Environment Day and the Earth Day.
2. It advocates all teachers and students to adopt an energy-saving and green lifestyle on clothes, food, living, travelling and using of items in daily life and start from little things to transform the unreasonable consumption models.
3. It carried out publicity activities on energy saving and environmental protection through various means, such as broadcasting, blackboard newspapers, slogans and labels, among all teachers and students to create a campus culture on energy saving and emissions reduction.
4. Based on the actual conditions of the school, it conducts resources-saving activities and fully adopts energy-saving and emission-reducing measures.

Use of water resources and sewage treatment

All business premises of the Group use municipal tap water with no issue in sourcing water. To guide the faculty and students to save the use of water resources, all schools implemented various measures on the management of water resources, such as:

- Posting water-saving labels in the school.
- Keeping records and monitoring the use of water in the school.
- Setting indicators on water use in student dormitory and the fees on the part exceeding the indicators are assumed by students on their own.
- Monitoring public water taps in the school to ensure that water taps are turned off after use.
- Using the reclaimed water recycling system.

Meanwhile, in order to avoid the sewage generated by the campus from contaminating the nearby water, Yunnan School and Guizhou School have established the campus sewage treatment system, where all the domestic sewage would be collected for centralized treatment. The treated sewage should meet the discharging standards before being released, the school pumped the reclaimed water for the greening of the campus, so that the water resources can be recycled. Yunnan School has formulated the Yunnan Technology and Business University’s Reclaimed Water Treatment Station Management System and the Yunnan Technology and Business University’s Reclaimed Water Treatment Operation Rules to regulate the daily operation management of domestic sewage treatment.



Case: Water Resources Management at Schools

1. Guangxi Schools set the annual target of saving losses in water supply by 50%. During the Reporting Period, it updated the old water supply pipeline and successfully achieved the target.
2. Guizhou School irrigated trees on the campus with reclaimed water and the volume of reclaimed water recycled during the year reached 24,582m³.

Air pollutants treatment

Air pollutants at schools are mainly from the burning of gas at canteens and the burning of fuel oil by vehicles on campus. Canteens at all schools of the Group mainly use relatively clean natural gas as fuels to reduce the generation of air pollutants as much as possible. In terms of vehicle management, we need vehicles with higher emission standards to reduce the generation of air pollutants. During the Reporting Period, the emission of air pollutants by vehicles decreased as the Group reduced the use of vehicles. For details, please refer to “Appendix I: Summary on Environmental Performance”.

Wastes disposal

Non-hazardous wastes generated by the subsidiary schools of the Group include paper, plastics and household waste while hazardous wastes mainly include fluorescent tubes, printer cartridges and waste batteries. The Group advocates the environmental protection awareness of waste recycling. Papers and stationeries are the common resources used by teachers and students, which need to be properly handled to avoid waste of resources. For example, Yunnan School and Guizhou School have set up a number of paper recycling stations and abandoned stationery recycling stations on campus to enable teachers and students to effectively assist in the recycling of waste paper and stationeries. For other non-hazardous wastes, we deliver them to third-party waste disposal agencies to clear them after sorting and collecting. Meanwhile, hazardous wastes on the campus are sorted and collected and delivered to qualified third-party waste disposal agencies to handle.

Case: Cleaning Activity on Campus

In November 2019, Guizhou School organized teachers and students of all institutes and conducted a cleaning activity on the campus. They conducted complete cleaning in the indoor and outdoor public areas, dormitories, canteens and offices. Through their joint efforts, the hygiene and environment of the campus were further improved. The activity also enhanced the attention of teachers and students on waste management and fostered their awareness on environmental protection and reducing the discharge of wastes.



Green Office

Major environmental factors of the offices of the Group include the use of power and water resources, the use of office items and the generation of office wastes. The Group formulated the Regulation on Management of Green Office at the Headquarters of the Group, which is applicable to the headquarters in Beijing and requires employees' strict implementation. The regulation covers three parts, namely procurement, use and waste. The specific contents of the regulation are as follows:

Procurement	Prioritizing the procurement of environmental products, such as the purchase of reusable printer cartridges, degradable plastic bags, recyclable paper, energy-efficient refrigerators, air-conditioners and other products.
Use	<p>Use of office items</p> <ul style="list-style-type: none"> Reducing the use of office items as much as possible to reduce the generation of wastes; Reducing the use of one-off items and use degradable one-off items as much as possible when necessary. <p>Use of paper</p> <ul style="list-style-type: none"> Reducing the use of paper as much as possible during the office process and conducting information communications through electronic forms as much as possible; Strictly managing the use of printers and paper; Using double-sided printing. <p>Use of energy and water resources</p> <ul style="list-style-type: none"> Strengthening power use management, including energy-saving management on lights, office equipment and air-conditioners; Strengthening water use management and avoid unnecessary waste.
Waste	<ul style="list-style-type: none"> Implementing classified management of wastes and strengthening the recycling of wastes to effectively use recycled resources and reduce the generation of wastes. For the disposal of hazardous wastes such as printer cartridges and waste batteries, they shall be collected in strict compliance with the requirements of the Regulation on Classified Disposal and Management of Solid Wastes and delivered to qualified third-party waste disposal agencies for handling.

To further cultivate the environmental awareness of the employees, the Group has posted resource-saving labels in the office areas.



Paper-saving labels



Electricity-saving labels



RESPONSIBILITY MANAGEMENT

The Group attaches importance to responsible procurement, honesty and law observance in the operation process and has formulated corresponding policies to control its environmental and social risks.

Supply Chain Management

In order to manage the Group's procurement and tendering activities in an effective manner, the Group has implemented the Procurement Management System (Trial), the Tender Management System (Trial) and other policies. The Procurement Management System (Trial) aims to regulate the purchasing operation of the Group to reduce the risks of procurement. It also controls the procurement cost to improve the procurement performance. In addition, the Tender Management System (Trial) aims to strengthen the bidding activities management and supervision of the Company, to regulate the procurement and supply tendering activities as a management approach. In the aspect of supplier management, the Group has established a supplier database and classified the suppliers into "qualified suppliers" and "restricted suppliers". The "restricted suppliers" are defined as the suppliers with poor industrial reputation in respect of business and judicial system, and who were confirmed with serious violation of the contract and discipline or conducting unfair means of competition during the cooperation with the Group and its subsidiaries. The Group prohibits cooperation with "restricted suppliers", and if any unit of the Group uses the services of "restricted suppliers", the Group is going to conduct accountability to the users and their supervisors.

The Group also actively explores new suppliers for more options while conducting purchasing operations. We consider various factors in the bidding stage of suppliers, the bidding review stage and the performance appraisal stage on suppliers. The requirements for supplier's qualification review are as follows:

1. In the bidding stage, it mainly considers the qualification, performance, quality, organizational structure and team members, corporate credit, financial capital strength and other factors of suppliers;
2. In the bidding review stage, it uses those with reasonably low price or comprehensive grades for successful bidding and considers the technical strength, project organization, price and other factors of suppliers;
3. In the performance appraisal stage on suppliers, it considers the performance ability, business cooperation and other factors of suppliers.



Specific Conditions on Qualification Review for Suppliers (Including but not Limited to)

1. To have complete information in the system of Administration for Industry and Commerce with no serious violation of the law and contract exposed;
2. Not less than two similar successful cases, company contact person is not affiliated;
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.

During the Reporting Period, the Group cooperated with 1,383 suppliers that provide equipment, catering services, etc., approximately 1,020 suppliers were selected and appointed based on the above policies. In addition, the Group gives priority to local suppliers in order to minimize the environmental impacts such as energy consumption and air emissions caused by transportation.

Anti-corruption

Integrity and law observance are one of the foundations for the sound operation of the Group. The Group firmly resists bribery, blackmail, fraud, money laundering and other illegal operations, and also strictly prohibits any behavior that might damage the interests of customers and the Group. The Group strictly complied with the national and local laws and regulations on anti-corruption, including the Criminal Law of the People's Republic of China and the Supervision Law of the People's Republic of China. The Group also formulated the internal policies, including the Fraud Monitoring and Management System, the China New Higher Education's Internal Control System and the Administrative Punishment Regulation on Faculty of China New Higher Education Group to standardize the professional behavior and ethics of all employees of the Group.

The Group has formulated the Management System for Handling Accusation, Complaint and Appeal and other reporting procedures for corruption to strengthen the Group's handling of accusation, complaint and appeal, and to protect the legitimate rights and interests of the parties. Meanwhile, the Group also formulated the Regulation on the Management of Internal Audit Work of China New Higher Education Group and other monitoring systems with the focus on departments with frequent use of capitals of all schools and conducted special audits with different focuses. To facilitate the promotion of anti-corruption work, we organized various training activities on anti-corruption during the Reporting Period to enhance the awareness of employees on the prevention of corruption and their understanding of relevant policies. During the Reporting Period, the Group did not receive any litigation-related case about corruption.



Case: Guangxi Schools Conducts Anti-corruption Video Education Activity

In November 2019, management and staff of Guangxi Schools participated in the anti-corruption video education activity organized by Guangxi Yinghua International Occupation Committee of the Communist Party of China to enhance their anti-corruption awareness through watching anti-corruption videos.



Case: Yunnan School Conducts Anti-corruption Training Activity

In December 2019, the Supervision and Audit Division of Yunnan School arranged the management of the school to learn about the Regulation on the Management of Internal Audit Work of China New Higher Education Group and helped them fully understand the latest internal audit work of the Group and step up efforts in promoting anti-corruption work.

SERVING THE SOCIETY

While devoting to education, the Group also actively conducts social welfare and charitable undertakings. The Group has always been adhering to the concept of serving the society and returning the society and undertaking social responsibilities for years to help people in need in the society.

Public Charity

By fully leveraging on its characteristics and advantages in running a school, the Group has been concerned about helping students, poverty alleviation, children and elderly care and other charitable activities. It formulated the Guidance on Poverty Alleviation of China New Higher Education Group (Trial), fulfilled the commitments on “Not One Less” and “Not Allowing One Student to Be Deprived of Education due to Family Financial Difficulties” and promoted universal education in the society.

The Group established a working mechanism on targeted poverty alleviation under the three-level leadership with “the Group–Schools–Departments” and set up a leading group on poverty alleviation with the chairman as the group leader to be responsible for organizing and conducting poverty alleviation work.



Helping students

Case: “Concentric Circles with One Kindergarten in One Village” Program of Yunnan School

During the Reporting Period, Yunnan School and Huize County entered into a strategic cooperation agreement to implement the “Concentric Circles with One Kindergarten in One Village” program. It established a professional base for supporting preschool education in Huize County and adopted such measures as “sending teachers to rural areas”, “teachers coaching and assessment” and trainings classes for kindergarten teachers to guarantee the faculty strength in 76 kindergartens at the village level constructed in 2019, which significantly boosted the professional skills and teaching levels of kindergarten teachers in Huize County.



Case: Central China School Makes Donations to Students in Special Poverty

During the Reporting Period, Central China School opened the “hope of learning” for those students in poverty, providing educational donations on poverty alleviation to those students to help them go to school smoothly. In July 2019, Central China School made donations for poverty relief and educational grants to three students in poverty, including Cheng Yan, to implement effectively the poverty alleviation work in education and thus realize that ‘not one less one on the way to learning’. At the same time, Central China School implemented a number of educational assistance activities for elementary schools in poor regions. In June 2019, Central China School made a special donation of RMB20,000 on poverty alleviation to Tongquan Primary School in Wuli Township, Hefeng County, Enshi Prefecture. In August 2019, Central China School made a donation of RMB10,000 on poverty alleviation to Wangjiacun Primary School, Sancha Township, Enshi City.



Case: Guizhou School Formulates Plans on Subsidizing Impoverished Students Newly Enrolled in 2019 with Exceptional Family Poverty

To help students with family financial difficulties enter school and fulfill the commitments on "Not One Less," Guizhou School formulated plans on subsidizing impoverished students newly enrolled in 2019 with exceptional family poverty and provided impoverished students with applications channels for subsidies. The amount of the three-level subsidies to assist students in need is as follows: RMB8,000 each year for level-I subsidy; RMB5,000 each year for level-II subsidy; and RMB3,000 each year for level-III subsidy. A total of 16 students were subsidized during the Reporting Period.

Poverty alleviation

Case: Guizhou School Joins Hands with CAPD Qianxinan Prefecture Committee in Poverty Alleviation

In December 2019, Guizhou Technology and Business Institute and the Qianxinan Prefecture Committee of the China Association for Promoting Democracy (CAPD) reached an agreement. Both parties entered into an agreement on introducing agricultural products to campus. Contractors of canteens of the school will regularly procure relevant agricultural products from Anlong Township and assist Anlong Township in poverty alleviation.



Case: Henan School Assists Villages in Poverty Alleviation

During the Reporting Period, Henan School established a working team on targeted poverty alleviation with 11 members. The team entered Jianggou Village in Cijian Township, Xin'an County and helped impoverished villagers develop planting, breeding, photovoltaic and other industries. It also provided trainings on crops planting, e-business, photovoltaic, sewing and other vocational skills and impoverished labours mastered practical vocational skills. In addition, Henan School also made donations and provided comprehensive technical guidance to help them establish effective approaches to poverty alleviation. As at the end of the Reporting Period, Jianggou Village has been lifted out of poverty on the whole.



Children care

Case: Activities on Caring for the Happiness and Growth of Disabled Children with “Love for Students with Charity”

In October 2019, Guangxi Schools organized volunteers and joined Qinzhou Love and Charity Association in holding the “Love for Students with Charity” to care for the happiness and growth of disabled children. Volunteers led the children to visit the school and introduced the learning and life on campus. They played games with children and the campus was full of laughter and cheers of children. The School has included the activity into its long-term planning. The School will care these disabled children with practical action and advocate more people to care about disabled children.



Case: Northeast School Cares for Leftover Children

During the Reporting Period, Northeast School arranged 9 teams of young students on social practice to visit 9 middle and primary schools in Qinggang Township and conducted the “Big Hands Hold Little Hands and Express Love to our Motherland”. Northeast School sent care to 895 leftover children through the publicity of patriotism and knowledge, assisting and subsidizing orphans, holding art shows, quality expansion exercises and other activities.



Fighting Against Epidemic Together

Under the severe situation of fighting against the Novel Coronavirus Disease (COVID-19) across the country in the early of 2020, medical graduates of the subsidiary schools of the Group went to the anti-epidemic front line in Wuhan. Outstanding nursing graduates from the Guizhou School joined the Aid-Hubei medical team to go to the anti-epidemic front line in Wuhan. Teachers and students from several schools have taken the initiative to participate in epidemic prevention and control work, raising and donating medical and living supplies. As at 16 April 2020, the Group has received donations of about RMB1.40 million and a large amount of supplies. All of such resources have used in supporting the fight against the epidemic.

Case: Fight at the Anti-epidemic Front Line

In February 2020, four outstanding nursing graduates from the Guizhou School joined the fifth Aid-Hubei medical team of Guizhou Province and carried out medical treatment work in Hubei.



Case: Display the Responsibilities and Undertakings of University Students in the New Time under the Epidemic

Facing the COVID-19, students of the Northeast School actively participated in the epidemic prevention during the holiday. Yang is a student enrolled in 2019 and lives in Lushan Township, Yaan City, Sichuan Province. After the outbreak of the epidemic, Yang initiatedly joined the volunteer team on epidemic prevention in his village and voluntarily assisted the prevention of the epidemic.



APPENDIXES

Appendix I: Overview of Environmental Performance

Use of Resources

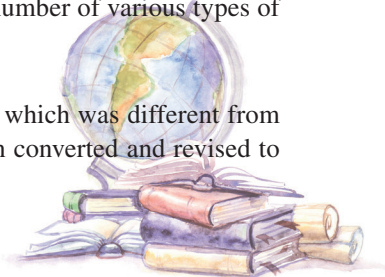
	2019 ⁴	2018	Unit
	Use of resources		
Electricity consumption	39,158,331	23,443,116	kWh
Electricity consumption intensity	21.6	22.2	kWh/m ² (gross floor area)
Total natural gas consumption	2,108,511	/	m ³
Natural gas consumption intensity ⁵	2.7	/	m ³ /m ² (gross floor area)
Total gasoline consumption (vehicle) ⁶	48,673	85,294	L ⁷
Gasoline consumption intensity (vehicle)	1,803	2,245	L/vehicle
Total ethanol gasoline consumption (vehicle)	9,400	/	L
Ethanol gasoline consumption intensity (vehicle)	671	/	L/vehicle
Total diesel consumption (vehicle)	20,429	10,454	L
Diesel consumption intensity (vehicle)	4,086	2,613	L/vehicle
Water consumption	2,772,804	2,142,025	Tonnes
Water consumption intensity	1.5	2.0	Tonnes/m ² (gross floor area)

⁴ The disclosure scope of environmental performance data in the Reporting Period included 6 schools, which was expanded compared with the disclosure scope of the 2018 ESG report, so all data have increased as compared with 2018.

⁵ During the Reporting Period, the schools using natural gas included Guizhou School, Guangxi Schools, Central China School and Northeast School. The calculation of intensity/sq.m. GFA included only the above four schools.

⁶ During the Reporting Period, the Group had a total of 27 gasoline vehicles, 14 ethanol gasoline vehicles and 5 diesel vehicles. The relevant fuel consumption intensity was calculated based on the number of various types of fuel vehicles.

⁷ The gasoline consumption of vehicles disclosed in this report was measured in liters, which was different from the 2018 ESG report. The gasoline consumption data for 2018 in this report had been converted and revised to make an effective comparison with this year's data.



Emissions

	2019	2018	Unit
Vehicle Air Pollutant Emissions			
CO Emissions	733	1,044	kg
NO _x Emissions	382	400	kg
So _x Emissions	1.1	1.5	kg
PM2.5 Emissions	12.5	/	kg
PM10 Emissions	13.8	38	kg
Greenhouse Gas Emissions			
– Scope 1			
Vehicle Emissions	152	271	Tonnes
Natural Gas Consumption Emissions	4,559	/	Tonnes
Greenhouse Gas Offset by the Group's owned trees	–411	–402	Tonnes
– Scope 2			
Electricity Consumption Emissions	21,942	12,644	Tonnes
– Total Emissions			
Total Greenhouse Gas Emissions	26,241	12,513	Tonnes
Total Greenhouse Gas Emissions Intensity	0.02	0.01	Tonnes/RMB10,000 of revenue



Waste

	2019	2018	Unit
Production of the Hazardous Waste			
— Printer Cartridges Waste			
Production	467	484	Pieces
Production Intensity	0.0003	0.0005	Pieces/m ² (gross floor area)
Recovery	140	360	Pieces
— Fluorescent Tube Waste			
Production	7,850	10,383	Pieces
Production Intensity	0.004	0.01	Pieces/m ² (gross floor area)
Recovery	2,670	/	Pieces
— Lamb Bulb Waste			
Production	5,083	2,023	Pieces
Production Intensity	0.003	0.002	Pieces/m ² (gross floor area)
Recovery	2,150	/	Pieces
Production of the Non-hazardous Waste			
— Waste Paper			
Production	5,323	381	kg
Production Intensity	0.003	0.004	kg/m ² (gross floor area)
Recovery	729	202	kg
— Kitchen Waste			
Production	2,010,350	/	kg
Production Intensity	1.1	/	kg/m ² (gross floor area)
Recovery	79,150	/	kg



Appendix II: Content Index of the Environmental, Social and Governance Report

A. Environmental			
Items		Descriptions	Reference Section or Explanation
Aspect A1: Emissions			
General Disclosure		Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste	Green Operation
KPIs	A1.1	The types of emissions and respective emissions data	Overview of Environmental Performance
	A1.2	Greenhouse gas emissions in total and, where appropriate, intensity	Overview of Environmental Performance
	A1.3	Total hazardous waste produced and, where appropriate, intensity	Overview of Environmental Performance
	A1.4	Total non-hazardous waste produced and, where appropriate, intensity	Overview of Environmental Performance
	A1.5	Description of measures to mitigate emissions and results achieved	Green Campus
	A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved	Green Operation



Aspect A2: Use of Resources			
General Disclosure		Policies on the efficient use of resources	Green Operation
KPIs	A2.1	Direct and/or indirect energy consumption by type in total and intensity	Overview of Environmental Performance
	A2.2	Water consumption in total and intensity	Overview of Environmental Performance
	A2.3	Description of energy use efficiency initiatives and results achieved	Green Operation
	A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved	Green Campus
	A2.5	Total packaging material used for finished products and, if applicable, with reference to per unit produced	The Group's business does not involve the use of packaging materials
Aspect A3: The Environmental and Natural Resources			
General Disclosure		Policies on minimising the issuer's significant impact on the environment and natural resources	Green Operation
KPIs	A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them	Green Operation



B. Social			
Items		Descriptions	Reference Section or Explanation
Aspect B1: Employment			
General Disclosure		Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare	Employment Policies Caring for Employees
Recommended Disclosures	B1.1	Total workforce by gender, employment type, age group and geographical region	Employment Policies
	B1.2	Employee turnover rate by gender, age group and geographical region	/
Aspect B2: Health and Safety			
General Disclosure		Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards	Occupational Health and Safety
Recommended Disclosures	B2.1	Number and rate of work-related fatalities	Occupational Health and Safety
	B2.2	Lost days due to work injury	/
	B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored	Occupational Health and Safety



Aspect B3: Development and Training			
General Disclosure		Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities	Staff Training
Recommended Disclosures	B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management)	Staff Training
	B3.2	The average training hours completed per employee by gender and employee category	Staff Training
Aspect B4: Labour Standards			
General Disclosure		Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour	Employment Policies
Recommended Disclosures	B4.1	Description of measures to review employment practices to avoid child and forced labour	Employment Policies
	B4.2	Description of steps taken to eliminate such practices when discovered	/
Aspect B5: Supply Chain Management			
General Disclosure		Policies on managing environmental and social risks of the supply chain	Supply Chain Management
Recommended Disclosures	B5.1	Number of Suppliers by geographical region	/
	B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored	Supply Chain Management



Aspect B6: Product Responsibility			
General Disclosure		Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress	Excellence Cultivation
Recommended Disclosures	B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons	The Group's business does not involve products recalled for safety and health reasons
	B6.2	Number of products and service related complaints received and how they are dealt with	Teaching Quality
	B6.3	Description of practices relating to observing and protecting intellectual property rights	Compliance Operation
	B6.4	Description of quality assurance process and recall procedures	Teaching Quality
	B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored	Compliance Operation
Aspect B7: Anti-corruption			
General Disclosure		Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering	Anti-corruption
Recommended Disclosures	B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the Reporting Period and the outcomes of the cases	Anti-corruption
	B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored	Anti-corruption
Aspect 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	Serving the Society
Recommended Disclosures	B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport)	Serving the Society
	B8.2	Resources contributed (e.g. money or time) to the focus area	Serving the Society

