



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

2023/2024

Environmental, Social and Governance Report





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About the Group



Mission

"Enabling every student to achieve career success and life fulfillment"

Vision

"Establishing the most student-oriented universities with a century-long vision"









Educational Philosophy

"Strengthening morality through education, teaching students in accordance with their aptitude, studying for the sake of application"

CORPORATE PROFILE

China New Higher Education Group Limited ("the Group", "New Higher Education Group", "China New Higher Education Group" or "we"), founded in 1999, is a leading higher education group, which has been specialising in higher education for 25 years, and has taken the lead in proposing and promoting an applied university model for a long time. The Group was listed on the Hong Kong Stock Exchange in April 2017 (stock code: 2001.HK) and is headquartered in Beijing. By 2024, the Group has established eight full-time universities (including four offering undergraduate programs and four offering college programs) across seven provinces in China, with a total of 140,000 students, about 10,000 staff members and a cumulative total of more than 450,000 high-quality talents for the society, making positive contributions to the high-quality development of the national strategy and regional economy and society.

The Group fully implements the Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era and the Spirit of the 20th National Congress of the Communist Party of China ("the Party"), fulfills the fundamental task of strengthening morality through education, and fulfills its mission of "enabling every student to achieve career success and life fulfillment", striving to establish "the most student-oriented universities with a century-long vision". The Group insists on the central role of talent cultivation, continuously carries out reforms and developments in education and teaching to comprehensively enhance the educational standards of its schools; continuously deepens the integration of industry and education, builds platforms for cultivating innovative talents; adheres to the strategy of "strengthening the university with talent", laying a solid foundation for the development of its causes; and adheres to the concept that "high-quality employment is the foundation of the school", continuously enhancing students' professional competitiveness. As a leader in high-quality employment, the employment competitiveness of graduates from the Group's schools has always been at the forefront among similar institutions in the province, with a final employment rate exceeding 95% for consecutive years, an overall satisfaction rate of employers towards graduates exceeding 90%, and the employment competitiveness of graduates continuously increasing. We have been honored with titles such as "Top 50 National Employment", "Top 100 Typical Cases of Employment and Entrepreneurship by General College Graduates in China", and the "National College Graduate Grassroots Employment Excellence Award (全國高校畢業生基層就業卓越獎)". These achievements fully demonstrate the Group's outstanding performance in cultivating high-quality applied talents.

-  founded in **1999**
-  headquartered in **Beijing**
-  across **7** provinces in China
-  founded **8** universities
-  **4** undergraduate and **4** colleges
-  cultivated more than **450,000** students
-  about **140,000** students currently enrolled
-  about **10,000** staff members




MISSION AND VISION

The Group has been focusing on higher education for 25 years and has taken the lead in proposing and promoting an applied university mode of operation for a long time. We actively respond to national policies, focus 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 Party building as the foundation, moral education as the goal, service development as the purpose, and high-quality employment as the guide, the Group will continue to optimise the professional structure and method of talent cultivation, consistently increase the quality of talent cultivation, and vigorously promote the high-quality growth of the national economy and society.

In 2024, on the occasion of the 25th anniversary of the founding of the Group, the cultural conference of "establishing the most student-oriented universities with a century-long vision" was held, and Mr. Li Xiaoxuan, founder of the Group, officially released the cultural handbook of the Group. The manual clearly puts forward the mission of "enabling every student to achieve career success and life fulfillment", and the vision of "establishing the most student-oriented universities with a century-long vision", and outlines 11 core values such as "student-oriented, contributor-driven and adherence to long-termism".

Core Values






Organisational Level

-  "Student-oriented"
-  "Contributor-driven"
-  "Adherence to Long-Termism"

Group Level

-  "Empathy and Perspective-taking"
-  "Embracing Supportive Roles"
-  "Candid Communication"

Individual Level

-  "Internal Attribution"
-  "Exemplary Conduct"
-  "Performing Full Duties"
-  "Confronting Challenges"
-  "Pursuit of Excellence"

About this Report

This Environment, Social and Governance Report (the "ESG Report" or "this Report") is the ninth ESG report issued by China New Higher Education Group Limited. Based on the reporting principles of materiality, quantitative, balance, and consistency, this Report discloses in detail the Group's environmental, social and governance ("ESG") policies, measures and performance in 2023/2024, in order to enhance various stakeholders' understanding of the sustainable development work of the Group. In the future, the Group will better fulfil its corporate social responsibility by responding to the expectations and needs of stakeholders.

REPORTING GUIDELINES

This Report has been prepared in accordance with the Environmental, Social and Governance Reporting Guide (the "ESG Reporting Guide") in Appendix C2 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Main Board Listing Rules") issued by the The Stock Exchange of Hong Kong Limited ("the Stock Exchange" or "HKEX") and with reference to:

- Global Reporting Initiative (GRI) Standards
- Chinese Corporate Social Responsibility Report Preparation Guide (CASS-ESG 5.0)
- The Ten Principles of the United Nations (UN) Global Compact
- UN Sustainable Development Goals (SDGs)
- Task Force on Climate-related Financial Disclosures (TCFD)

The data and case studies presented herein were derived from internal documents, reports, and the compilation and statistics of the relevant accountability situations within the Group.

REPORTING PRINCIPLES

This Report has been prepared in accordance with the following principles:

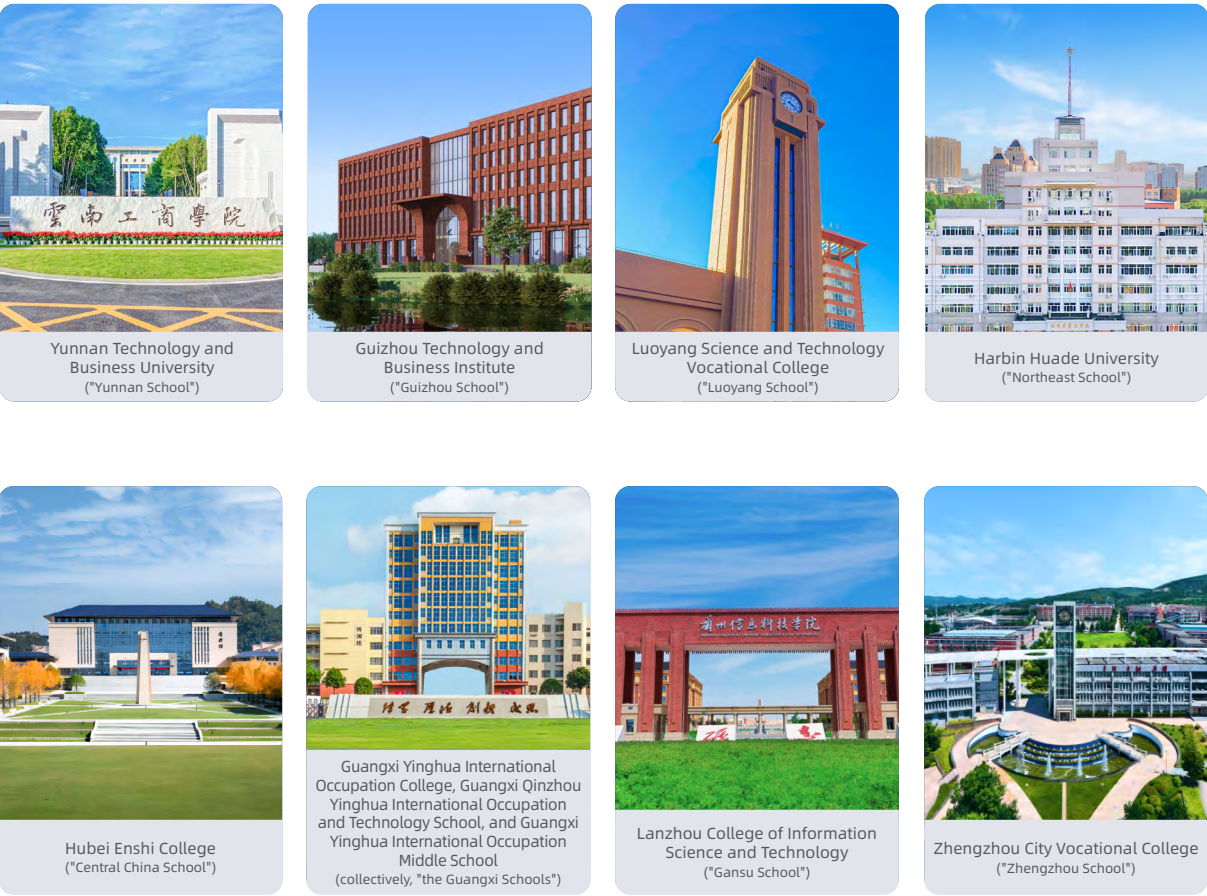
- **Materiality Principle:**
The Group identifies material issues related to the Group through the materiality assessment and highlights the verified material issues in this Report. The materiality assessment includes identifying key stakeholders, inviting the Board and various stakeholders to prioritise the importance of sustainable development issues, and conducting analysis of material issues.
- **Quantitative Principle:**
In order to comprehensively evaluate the ESG performance of the Group during the Reporting Period, the Group disclosed the applicable quantitative key performance indicators (KPIs) 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.
- **Balance Principle:**
This Report presents the Group's performance for the Reporting Period in an unbiased manner, avoiding improper selections, omissions or presentation formats that might influence readers' decisions or judgments.
- **Consistency Principle:**
This Report adopts the same compilation method as that of the previous reporting period, so that readers can make meaningful comparisons of the ESG information during the Reporting Period against that of last year. In addition, it also provides explanations for the parts and statistical methods and formulas that were disclosed for the first time, and for data that have changed.

REPORTING PERIOD

This Report is an annual report for the period from 1 September 2023 to 31 August 2024 (the "Reporting Period"). To enhance the readability of this Report, some contents or data may relate to previous or subsequent years.

ORGANISATIONAL STRUCTURE

Unless otherwise specified, this Report mainly covers the sustainability performance and measures of the Group's headquarters office in Beijing (the "Beijing Headquarters") and its schools, which include:



FEEDBACK

Feedback on this Report is welcome and can be sent to the Group's Investor Relations Management Centre via ir@xingaojiao.com



Official wesite of
China New Higher
Education Group

Chairman's Statement



Being the torch carriers for education, dedicating ourselves to nurturing over 400,000 talents; unwavering in our mission, we always put students at the heart of everything we do. Over the past 25 years, the China New Higher Education Group has adhered to the socialist approach to education, focusing on the fundamental task of strengthening morality through education, with the mission of "enabling every student to achieve career success and life fulfillment" and the vision of "establishing the most student-oriented universities with a century-long vision", striving to train socialist builders and successors with all-round development of "virtue, intellect, physics, art and labouring".

The Group adheres to long-term doctrine, advocates the culture of hard work, regards high-quality employment as the cornerstone of leading high-quality development of the school. By tailoring education to individual needs, nurturing students with distinctive features, integrating into the local context, and serving the overall interests, we aim to enable every student to achieve personal career success and life fulfillment through their growth, dedication, and service, thereby better serving the high-quality development of the economy and society. Moving towards the next stage of development, the Group will continue to adopt a series of sustainable development strategies, and strive to seek progress in stability, pursue characteristics in progress, improve quality in distinctiveness, and enhance strength by improving quality.

PROMOTE HIGH-QUALITY EMPLOYMENT AND CULTIVATE OUTSTANDING TALENTS

Focusing on the educational concept of "high-quality talent cultivation", the Group has established the corporate values of "student-oriented", "contributor-driven" and "adherence to long-termism" and has ensured its implementation to its eight subordinate colleges and universities. All schools adhere to the Outcomes-based Education (OBE) to improve the teaching quality assurance system. By focusing on the integration of industry and education, we deepen school-enterprise cooperation, centering around the "quality education" of the United Nations Sustainable Development Goals, to create competitive specialties. Our efforts are concentrated on nurturing high-quality applied talents required for industry and local economic and social development needs. In terms of promoting student employment and entrepreneurship, the Group implements the policy of "high-quality employment is the foundation of the school", actively utilising alumni resources and government support policies to closely combine professional skills with future careers. Our schools have achieved a placement rate of over 95% for graduates' destinations for several consecutive years, and have been awarded the honors of "Top 50 National Employment", "Top 100 Typical Cases of Employment and Entrepreneurship by General College Graduates in China", and "National College Graduate Grassroots Employment Excellence Award".

FOSTER INCLUSIVE DEVELOPMENT OF TALENT AND VALUE EMPLOYEE WELL-BEING

"Teachers are the ones who impart knowledge, guide students, and dispel doubts". Teachers and other employees are the primary resources for the development of the Group. We consider each colleague's professional growth as one of the foremost tasks in employee management, dedicating ourselves to enhancing employees' capabilities and qualities through training to support their growth alongside the Group. During the Reporting Period, the training investment have increased by 30%, with a total training duration exceeding 533,000 hours for all employees, and empowered teachers around 31,000 times, which setting a new historical record. Moreover, the Group prioritises building employee resilience, constantly improving employee well-being and welfare systems, and ensuring a good and comfortable working environment. During the Reporting Period, the Group's "Million Caring Fund" program has continuously assisted all teachers and staff in alleviating practical difficulties and concerns, enhancing their sense of belonging and security.

PRMOTE EQUITABLE EDUCATION AND IMPLEMENT THE CONCEPT OF SUSTAINABLE DEVELOPMENT STRATEGY

The Group adheres to the deployment of the Party and government regarding the construction of a strong education nation and the achievement of high-quality development. We implement the innovation-driven development strategy and the concept of revitalising rural education emphasised by General Secretary Xi Jinping at the National Education Conference. The Group deeply promotes equitable education and social welfare, enhances educational resources for ethnic minorities and impoverished areas through educational assistance initiatives such as the "Spring Rain Action" (春雨行動) and the "Concentric Rainbow Action" (同心·彩虹行動). The Group continuously broadens the social practice horizons of teachers and students by organising special investigations on "Protection of Apis Cerana", continuously monitors the situation of rectification concerning "Electric Earthworm Harvesting" and "Invasive Species", and actively provides suggestions and recommendations to relevant departments.

As we celebrate the 25th anniversary of the Group's establishment, we take this special opportunity to thank all sectors for their continued attention to China New Higher Education Group. The Group's long-term outstanding achievements are inseparable from the active contributions and recognition of all colleagues. Looking ahead, the Group will continue to drive its core values through Environmental, Social, and Governance, deeply exploring and integrating various resources, closely considering the needs of all stakeholders, and constructing a sustainable development path for the Group.

LI Xiaoxuan

China New Higher Education Group Limited
Chairman

The ESG Working Group Leader's Statement

ESG (Environmental, Social and Governance) is not only the social responsibility and public obligation of enterprises should bear, but also an important strategic choice adopted by China New Higher Education Group to achieve sustainable and high-quality development. We know that integrating ESG concepts into our daily operations and long-term planning not only enhances our corporate image, but also improves the overall well-being of society. In this context, we always attach great importance to the practice of ESG and continue to promote the implementation of relevant measures. By establishing a scientific management system and transparent decision-making process, we ensure that environmental protection and social responsibility are considered while promoting business development. These actions have not only garnered the support and recognition from stakeholders but have also injected a strong momentum for our long-term development. We believe that only through the joint efforts of all parties can we realise the ideal of sustainable development and create a brighter future for higher education.

The Group adopts a people-oriented approach and protects the rights and interests of staff and students

Education's essence lies in "people". Education is not only a process of shaping individuals, but also an important field related to the future development of humanity. We continuously strive to create comfortable work and learning environments, aiming to provide employees and students with more enjoyable and pleasant learning, teaching, and living experiences, ensuring campus safety and the well-being of all staff and students. We always pay attention to and improve staff salaries and welfare benefits, and actively listen to the views and suggestions of staff to enhance the sense of security and belonging of teachers. Furthermore, we take "a more beautiful campus environment" as the construction goal, to provide students and teachers with beautiful and pleasant architectural landscape, vibrant communication space, intelligent and convenient functional design and rich cultural atmosphere, and constantly enhancing the sense of belonging and pride of teachers and students. With "better service experience" as our service goal, we actively promote students' participation in diverse campus club activities, helping students to develop resilience to external challenges in a diverse environment, and laying a solid foundation for their high-quality employment, all-round development and long-term growth.

The Group continues to deepen compliance-oriented operation and implement ESG governance practices

The implementation and execution of ESG measures are inseparable from the joint efforts of members at all levels of the Group. In order to improve the governance level and management efficiency of our educational operations, we continue to optimise the governance structure and operation models. Actively driving internal institutional development and process enhancements within the Group, we strive to establish scientific and standardised management systems to ensure transparent and efficient decision-making and operational processes. Simultaneously, we have introduced ESG governance concepts, emphasising comprehensive consideration of environmental consciousness, social responsibility, and corporate governance. Through regular assessments and feedback mechanisms, we promptly identify and address potential issues, continuously improving our management practices to ensure that the Group's decisions remain aligned with the Sustainable Development Goals. This series of measures not only provides valuable "New Higher Education" experience for the modernisation of the governance system and governance capacity of private higher education, but also significantly improves the social reputation and market credibility of each school.

The Group fully deploys ESG measures to build a sustainable campus

In planning and promoting the ESG initiatives of the Group and its schools, we actively incorporate internal and external perspectives and international standards. Such practice not only provides us with clear guidelines, but also helps the Group to reference and promote sustainable development on a global scale. In order to continuously improve our ESG performance, the Group is diligently refining its ESG management system and deploying detailed ESG action plans for each school. The ESG action steps and indicators are listed in areas of energy conservation and emission reduction, cultivating green awareness, and building sustainable brands, emphasising the construction and use of environmentally friendly and energy-saving campus buildings, planning and carrying out low-carbon and environmentally friendly campus activities, and cultivating ecological and environmentally friendly living habits among teachers and students. This ensures that our efforts in ESG are promptly adapted to the ever-changing external environment and internal demands. We sincerely thank all stakeholders for their trust and support in the Group over the years and hope that this Report will effectively respond to your expectations and needs and further enhance your understanding of the Group's ESG initiatives. Looking forwards, we are eager to maintain close communication and cooperation with all stakeholders, jointly addressing challenges, and working together to build "the most student-oriented universities with a century-long vision".

Mr. Xu Xiaoqiang

China New Higher Education Group Limited
Senior Vice President, the Leader of the ESG Working Group

Messages from Other Stakeholders

Students

I am honored to be a student at Zhengzhou School under the "most student-oriented" higher education group. As I step into society, I will strive to excel, bring glory to the school, and set a positive example for my juniors. I wish for continued prosperity and development for the Group and my alma mater, nurturing more outstanding talents for society.

Wei Xiumiao, Zhengzhou School, Graduated in 2013



Looking back on my youthful days spent on campus, my heart is filled with gratitude for this beloved land. The rigorous academic attitudes of the teachers illuminated my path of seeking knowledge, and the sincere friendships among classmates are my invaluable treasures. The Group guides the educational trend with excellence, has empowered the flourishing development of Gansu School. May the Group and my alma mater nurture more outstanding students, forging a brilliant chapter in education.

Zhao Xingpeng, Gansu School, Graduated in 2023



Under the guidance of the Group, Central China School has consistently adhered to the development and educational philosophy of "student-oriented and helping students achieve their dreams". As a graduate of the class of 2024, I have witnessed numerous significant moments in the school's development journey. With perseverance and a promising future in sight, I will uphold the school motto "pursuing virtue to perfection, striving for academic excellence" and embody it in every important stage of my future development and growth as a member of Central China School. I sincerely wish the Group and my alma mater continued success and prosperity, writing another brilliant chapter!

Wu Mingyang, Central China School, Graduated in 2024



Staff members

Adhering to the concept of green energy saving, the Group regards "green energy efficiency" as one of the important "seven principles" of campus construction. Throughout the entire process of design, construction, commissioning, acceptance and operation management, energy-saving technology, equipment, materials and products are adopted to save resources (energy saving, land saving, water saving and material saving), protect the environment and reduce pollution to the maximum extent. This approach aims to conserve resources (energy, land, water, materials) effectively, protect the environment, reduce pollution, achieve low-carbon environmental protection, and energy conservation. By providing students with healthy, practical, and efficient spaces, the Group truly embodies the idea of "environmental education".

Li Shujun, Director of Vision Management, Office of Vision Management Committee, Beijing Headquarter





We uphold teaching innovation, continuously deepen curriculum reforms, and enhance overall professional competence. Maintain teaching enthusiasm, and strive to form a long-term and stable intrinsic motivation. Adhere to the "student-oriented" approach, take the destiny of students as their own responsibility, and enhance the professional value of teachers by realising the value of students.

Chen Shiguang, Deputy Head of Digital Media Department, College of Architecture and Design, Yunnan School



Education is the cornerstone of a nation and the hope of its people. Teachers bear the heavy responsibility of nurturing the future pillars of society. I am willing to use my wisdom as the pen and love as the ink, to write the chapters of growth in the hearts of every student. I will lead students as a role model with noble teaching ethics, face challenges without hesitation, and confront difficulties with courage. On the path of education, I will stay true to my original aspiration, shaping a bright future for students with love and responsibility, and fulfilling my own educational journey.

Wang Jiapeng, Director of Department of Data Science and Big Data Technology, School of Data Science and Information Engineering, Northeast School

Partners/suppliers



Years of collaborative endeavors have witnessed the growth and transformation of both the China New Higher Education Group and Seewo. On this special occasion, I sincerely wish that our partnership will become stronger over time, like aged wine that gets better with each sip. May we continue to forge ahead together, maintaining a long-lasting cooperation, striving for our dreams, and cheering for the future.

Yang Wei, Vice President of Marketing, Guangzhou Shirui Electronics Co., Ltd.



HP China highly values the opportunity to serve China New Higher Education Group. Starting in 1984 as the first high-tech foreign enterprise to enter China, we have upheld the mission and values of "In China, for China" (在中國為中國), contributing to the education industry in China. We appreciate the close communication with China New Higher Education Group throughout the year, learn from each other and make common progress. We will continue to provide cutting-edge products and services, and facilitate the development and talent cultivation of China New Higher Education Group with technological innovation.

Han Kefu, General Manager, Public Education and Healthcare Industry, Commercial Business, North China Region, HP China

Statement of the Board of Directors

The Board of Directors takes full responsibility for the Group's ESG strategy and reporting. Its primary duties include assessing and identifying ESG-related risks, as well as establishing effective ESG risk management and internal control systems. During the Reporting Period , we deepened the integration of ESG with corporate governance to promote high-quality sustainable development. Additionally, we enhanced operational transparency and accountability, adhered to corporate governance principles, complied with legal and business standards, and remained focused on internal controls, fair disclosure, and shareholder responsibilities.

During the Reporting Period, the Board conducted research on our stakeholders based on the Group's external environmental strategy and development strategy, and in this way identified 25 material ESG issues to outline our focus areas. The following 9 issues were deemed to be of higher importance to the Group:

- | | | |
|---|----------------------------------|-------------------------------------|
| ○ teaching quality and innovative education | ○ corporate development strategy | ○ business ethics |
| ○ student employment and entrepreneurship | ○ health and safety | ○ employee welfare and benefits |
| ○ student experience in school | ○ corporate governance | ○ employee training and development |

The Group is focusing on the above issues and improving its daily operations in these areas, as well as implementing corresponding management. Going forward, we will continue to adjust sustainable development management strategies and promotion methods based on stakeholder expectations and the actual operation of the Group, aiming to continuously enhance the level of sustainable development. This Report discloses China New Higher Education Group's ESG progress and performance in 2023/2024. This report was approved by the Board of Directors in December 2024.



01

Sustainability Management

Sustainability Management is one of our long-standing operational philosophies. Through the establishment of quantitative and qualitative environmental targets, we regularly review the progress of relevant measures. During this Reporting Period, the Group has demonstrated continuous improvement in performance at the environmental, social, and economic levels, showcasing our active contributions to promoting social progress and environmental protection.

- Overview of Sustainability Performance
- Sustainability Approach
- Communication with Stakeholder and Materiality Assessment

Contributions to SDGs:



Overview of Sustainability Performance

(Highlights of ESG Performance for FY2023/2024)

Environmental Performance

Water consumption density decreased

4.00%

Natural gas consumption density decreased

11.00%

Yunnan School named as

Green Campus

Yunnan School, Guizhou School and Central China School recognised as "Water-Saving Universities"



Social Performance

Final employment rate of 2023 graduates

96.97%

Final employment rate for four consecutive years

95%+

Initial employment rate of 2024 graduates

95.09%

Significant increase from last year

↑ 4.4%

Initial high-quality employment rate of 2024 graduates

33.21%

Significant increase from last year

↑ 8.5%

Teachers won 263 awards in 53 competitions recognised by the Ministry of Education

Students won 832 national-level awards in 84 national university student discipline competitions recognised by the Ministry of Education

Staff training hours per person

17 hours

Trained and empowered teachers

31,000 times

Economic Performance

Cost of sales increased

16.9%

Employee remuneration increased

13.6%

Pension scheme contributions increased

14.6%

External Participation and Recognition

S&P Global



Selected

in S&P Global Sustainability Yearbook 2024 (China Edition)

S&P Global Sustainable1

Become the first and only selected company in the diversified consumer services industry

36

S&P Global ESG score

Ranked 7th

globally in the diversified consumer services industry

1st

The highest score in the education industry within China

Morningstar

17.6

MORNINGSTAR RATING

Morningstar Sustainalytics Company ESG Risk Ratings:

Low Risk



Sustainability Approach

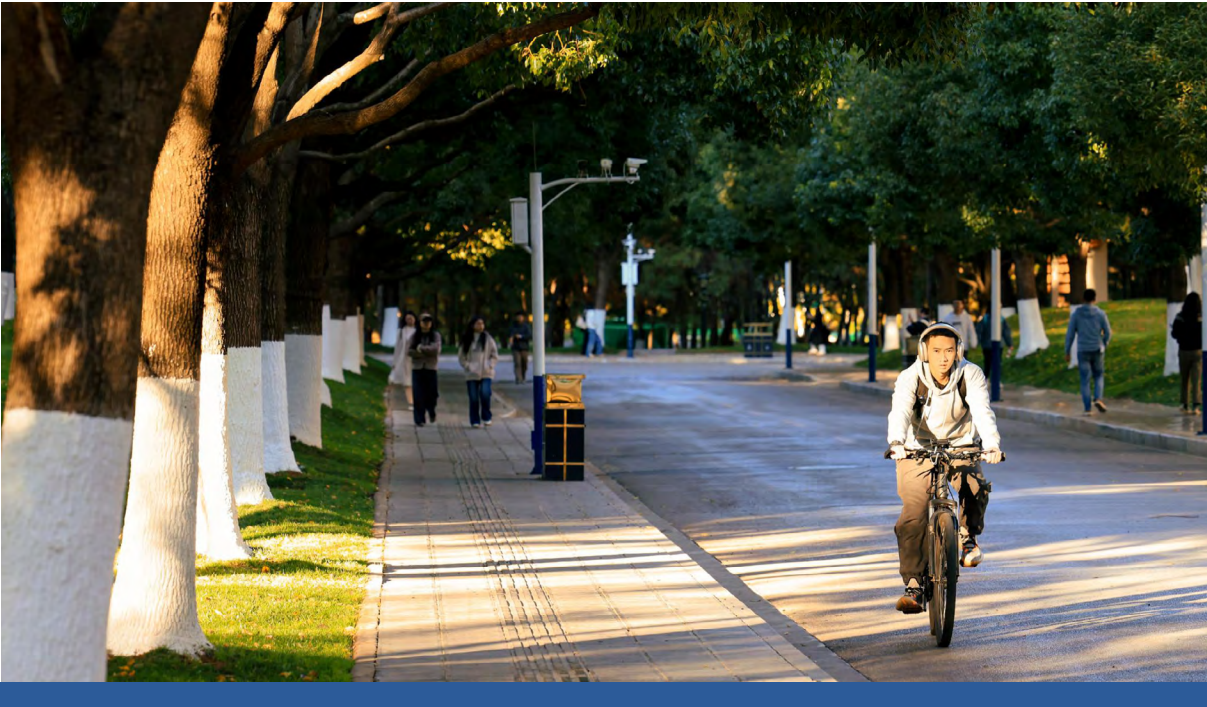
In today's rapidly changing business environment, corporate sustainability is no longer just an ethical imperative, but a critical element of business success. As society places increasing emphasis on environmental protection and social responsibility, companies must demonstrate commitment and action in these areas. We recognise that achieving the SDGs requires an effective balance between environmental protection, social responsibility and economic growth. To this end, we have developed a series of specific action plans that are designed to ensure that our business operations are always in line with these core values.

These actions are not only our commitment, but they are also our responsibility for the future. We will regularly evaluate and adapt our strategies to address evolving challenges and ensure that our efforts are always aligned with the goals of sustainable development. Through continuous efforts, we hope to create economic value while making a positive contribution to society and the environment. This integrated approach will lead us to a more sustainable path in the future.

Sustainability Strategy

During the Reporting Period, the Board was actively involved in developing the ESG strategy and integrating ESG aspects into strategic planning. To ensure transparency and accountability in its operations, the Board adheres to corporate governance principles, complies with legal and commercial standards, and maintains a constant focus on internal control, fair disclosure and shareholder responsibility.

In the next three to five years, the Group will gradually push forward ESG transformation. The Board will regularly review and adjust the strategy to achieve the harmonious development of the enterprise, society and the ecological environment



Sustainability Governance Framework

As the highest decision-making body for the Group's ESG tasks, the Board fully assumes the oversight responsibilities. Its main duties include setting the Group's overall ESG management objectives, strategies and policies, evaluating and managing important ESG-related matters and related risks, reviewing and approving the establishment of ESG related organisations and group system processes, guiding the sorting out of ESG indicators and risk assessment, establishing an effective ESG risk monitoring system, reviewing the progress of targets and making major decisions, as well as approving ESG reports. Through these functions, the Board ensures that the ESG management of the Group is comprehensive, effective and aligned with strategic development needs. The Board has established the ESG Working Group to fully leverage the oversight mechanism for ESG matters. As authorised by the Board, this working group is responsible for assisting the Board in guiding and implementing governance functions related to ESG matters.



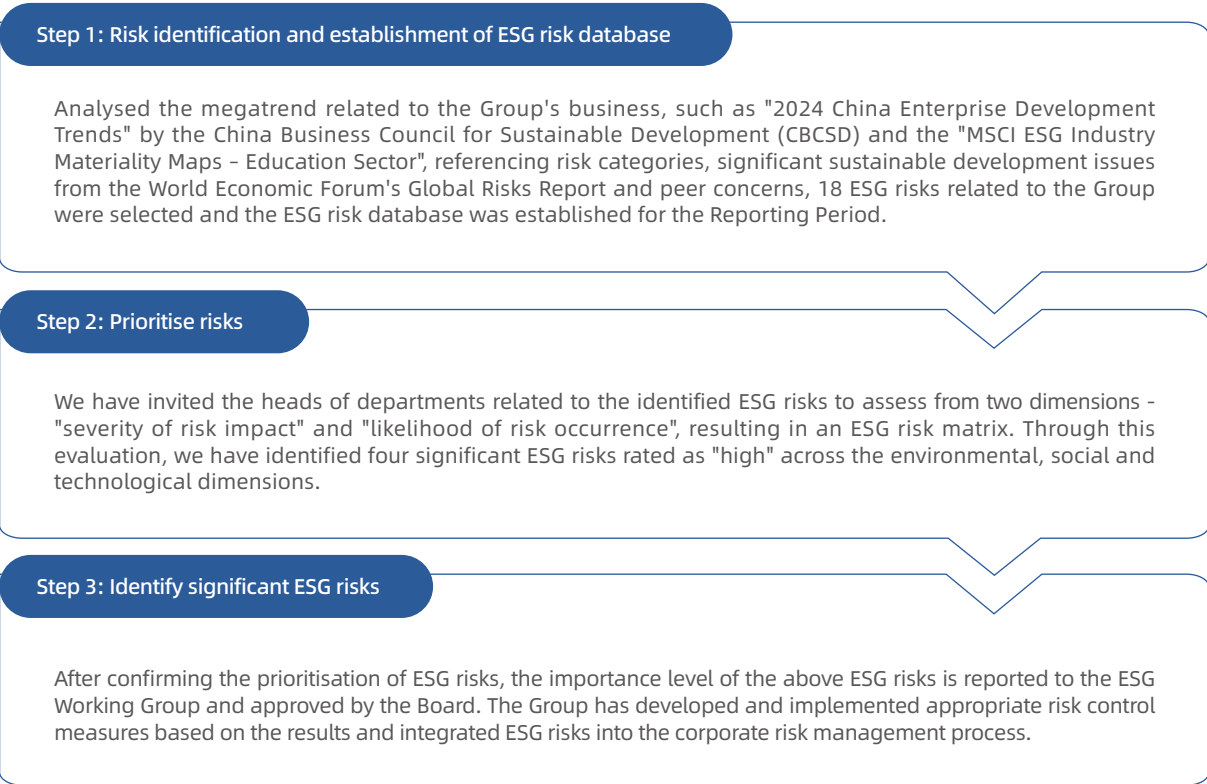
Under the coordination of the ESG Working Group, the respective functional departments collaborate in carrying out the daily practices of ESG work within the Group, ensuring that the Group's ESG strategy is integrated into all aspects of work planning, implementation, and execution.

ESG Working Group's primary functions

- Under the guidance of the Board, review the progress of the ESG targets
- Develop ESG-related policies and processes, and submit them to the Board for approval
- Coordinate the implementation of ESG targets across functional departments while monitoring the progress
- Lead the completion of ESG report and report to the Board
- Monitoring ESG risks that are closely related to the Group's business and promptly report them to the Board
- Establish and maintain a communication mechanism with stakeholders of the Group and collect relevant feedback and suggestions regularly
- Report to the Board on ESG management on a regular basis
- Complete other ESG-related work arranged by the Board from time to time

ESG Risk Assessment and Management

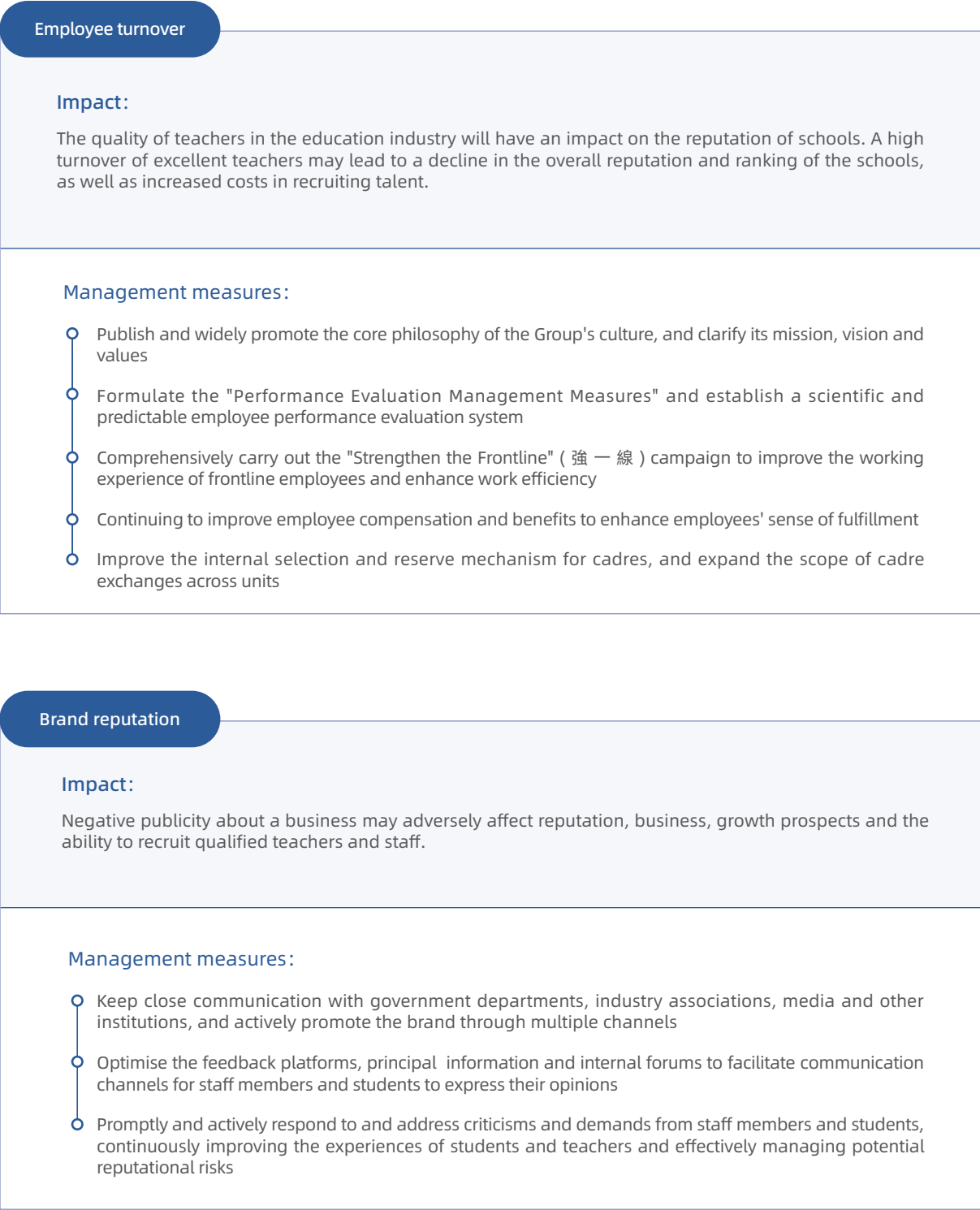
The Board recognises its overall responsibility for the Group's risk management and internal control systems, and re-views the effectiveness in meeting ongoing operational standards. The Board fully comprehends ESG risks within the industry and has incorporated ESG risk management into the existing risk management and internal control system. By performing effective risk management and internal control procedures, the Group can identify, assess, prioritise and manage significant risks associated with its operational objectives and derivative risks of ESG matters. The specific pro-cess includes:



During the Reporting Period, a total of 18 ESG risks associated with the Group were identified and prioritised based on their importance (with a maximum Risk Priority Number, or RPN, of 25). Please refer to the following list of ESG risks:

ESG risk			
ESG RPN	ESG Risk corresponding to the Degree of Risk		
12	<div>Employee turnover</div> <div>Brand reputation</div>	<div>Teaching quality</div>	<div>Student data privacy</div>
9	<div>Infectious disease</div>	<div>Employee development and training</div>	<div>Change in market demand</div>
6	<div>Natural disaster</div>	<div>Employee data privacy</div>	<div>Confidentiality risk of confidential information</div>
	<div>Employment management</div> <div>Risk of integrity prevention and control mechanism</div>	<div>Violation of business ethics</div> <div>School health and safety management</div>	<div>Policy risk</div> <div>Climate change and extreme weather - Physical risks</div>
4	<div>Regulation, standards and reporting</div>	<div>Supply chain sustainable development management</div>	

Based on the results of the ESG risk assessment, the Group identified the following ESG risks that are critical to its operations and business during the Reporting Period, and reviewed the relevant controls to ensure that these risks are effectively controlled:



Student data privacy

Impact:

If the Group does not have a robust confidentiality mechanism in place, it could lead to theft or leakage of business secrets, resulting in a loss of competitive advantage and harm to the company's interests.

Management measures:

- All schools have formulated information security-related management systems to standardise the management of information and data operation, so as to prevent and reduce losses and hazards caused by network and information security emergencies
- Strictly implement the requirements for investment in campus network security hardware and software, match different security policies for different scenarios of information and data transmission, storage, and application, to ensure data and network security
- Strictly comply with the provisions of national laws and regulations on the protection of personal privacy, formulate and implement the "Confidentiality System"
- Employees are required to sign a confidentiality agreement upon joining the company. Personnel involved in handling sensitive projects must also sign confidentiality agreements. Employees are expected to maintain confidentiality regarding any private information and student data they come across in the course of their work

Teaching quality

Impact:

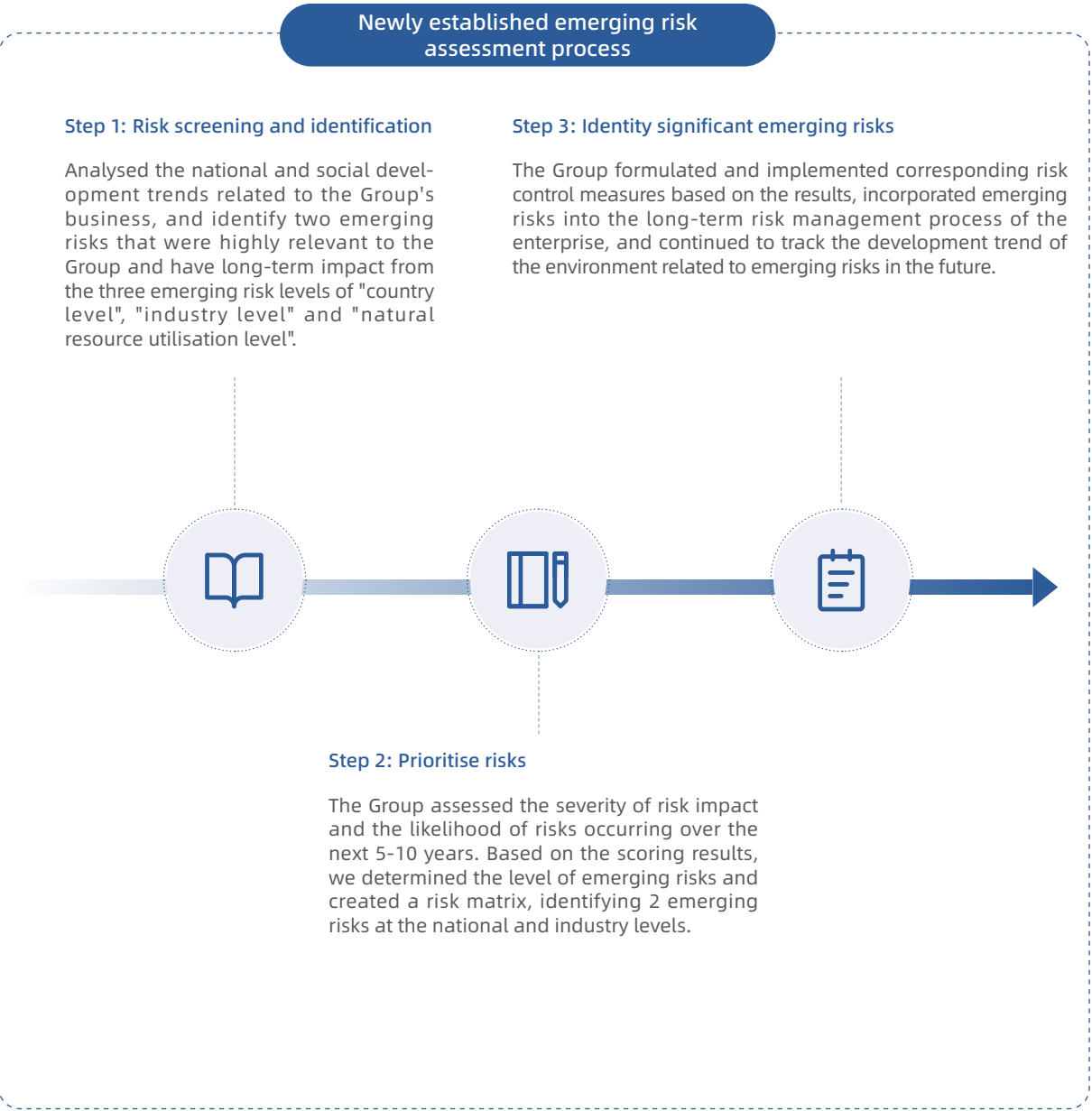
The teaching quality affects the customer's satisfaction and confidence in the enterprise. Failure to meet educational standards and lacking well-structured internal improvement programs can lead to customer attrition and impact business performance.

Management measures:

- Strengthen the development of the teaching staff, attach importance to the introduction of high-level talents, increase investment in teacher training and exchange visits, and provide preferential policies support teachers' further education and academic advancement
- Enhance the monitoring and assurance of teaching quality from the aspects of target, resource, process and management assurances. Build an "One Centre, Four Assurances" (一中心，四保障) teaching quality monitoring and assurance system involving students, school leaders, management personnel of functional departments, teaching supervision experts, teaching management personnel of departments, and peer teachers
- Build a closed-loop quality assurance mechanism that encompasses teaching decision command, teaching quality objectives, teaching input guarantees, teaching operation management, teaching monitoring and evaluation, and feedback for teaching quality improvement
- Construct a multi-stakeholder quality assurance system centered around classrooms, courses, majors, laboratories, examinations, graduation theses, internships, and the quality of graduate cultivation, employment authenticity, and employment quality. This system involves students, teachers, supervisors, employers, alumni, industry experts, teaching experts, and assessment and accreditation specialists

Emerging Risk Assessment and Management

We are aware of the potential significant impact that emerging risks may have on business operations. The Group has incorporated emerging risks as part of its comprehensive risk management process to identify, assess and proactively respond to these risks. In the process of identifying emerging risks during the Reporting Period, based on the ESG risk assessment, the Group further analyses potential emerging risks that are expected to have a long-term and significant impact on the Group's business due to socio-economic trends. In order to improve the relevant risk management system in the future, we will continuously monitor the changes in emerging risks and report the relevant situation to management regularly. During the Reporting Period, the Group adopted the following emerging risk management processes to identify, assess, prioritise and manage emerging risks, as follows:



Based on the emerging risk assessment results, the Group identified the following two emerging risks with the greatest impact on the Group. Analysed their potential long-term impact on the Group's business, and implemented targeted mitigation measures to ensure effective control of the risks:

Changes in social demographic structure

Degree of risk

Medium

Opportunities:

1

The reduction of the number of students in the medium and long term will promote the trend of small class and elite teaching in different education sections

2

In economically developed areas and metropolitan areas, the influx of population is leading to an increasing demand for vocational education both in terms of quantity and diversity

Threats:

1

Population decline in the medium and long term will further intensify competition in the higher education market, necessitating effective responses to the external impact of reduced demand on the teaching standards and service quality of higher education

2

Decreasing birth rates and aging populations are significantly affecting the enrollment numbers of vocational colleges, with the decline expected to surpass that of universities

Management and mitigation measures:

● Enhance the adjustment and development of disciplinary professionalism, actively promote small-class and elite teaching

● Promote high-quality vocational education

● Actively pursue the transition of the Group's vocational colleges to university status

Technological innovation risk

Degree of risk

Medium

Opportunity:

Generative artificial intelligence (AI) represented by ChatGPT and Sora is reconstructing learning scenarios, learning styles, etc., making college students' learning more diverse and personalised, and becoming an important tool for learning

Threats:

1

The rapid development of ChatGPT and other AI technologies poses a significant threat to industries such as finance, media, arts, law, and medical imaging. It may lead to substantial impacts and potentially replace junior to intermediate white-collar positions that involve repetitive tasks or fixed processes. This could revolutionise the demand for talent in society

2

The swift advancement of AI technologies necessitates a transformation in traditional teaching methods and the role of educators

Management and mitigation measures:

Our schools focus on the new educational ecosystems of "Internet + Education", "Technology + Education", "AI + Education", which accelerate the construction of education structure, discipline professional structure and talent training structure that align with the new development landscape. This aims to advance talent cultivation and accurately align and effectively connect with the development of new productive forces.

Communication with Stakeholder and Materiality Assessment

The Group's sustainable development is closely related to its stakeholders, and their opinions and expectations are a major driver of the Group's sustainable development. Therefore, we attach great importance to communication with stakeholders and strive to build an effective platform for internal and external communication. Moreover, we focus on important issues of concern to stakeholders, and continuously improve its management to better respond to stakeholders' expectations. Our aim is to create value for all stakeholders and collectively face future challenges and opportunities.

Stakeholder Engagement Approach

Stakeholders' concerns and expectations for the Group during the Reporting Period, as well as the information regarding daily communication channels between the Group and stakeholders, are outlined in the table below:

Stakeholders	Concerns and Expectations	Communication Channels
<div>Shareholders/ Investors</div>	<div>Robust operation</div> <div>Business prospect</div> <div>Investment return</div> <div>Brand image</div>	<div>● Disclosure of announcements and financial reports on the Stock Exchange</div> <div>● Release of results</div> <div>● Annual general meeting</div> <div>● Investor conference</div> <div>● Visits to the headquarters or schools</div> <div>● Official website of the Group</div>
<div>Students</div>	<div>Education service quality</div> <div>Campus environment and facilities</div> <div>Healthy and safe campus</div> <div>Students' employment rate</div>	<div>● Students satisfaction survey</div> <div>● Principal's reception day</div> <div>● Themed class meeting or seminar</div> <div>● Mailbox of headmaster</div> <div>● Visits and exchanges</div> <div>● Dedicated opinion and complaint platform</div>
<div>Students' Parents</div>	<div>Education service quality</div> <div>Employment outlook</div>	<div>● Satisfaction survey</div> <div>● Regular meeting and seminar with parents, etc.</div> <div>● Parents' meeting</div> <div>● Daily communication</div>
<div>Business Partners/ Suppliers</div>	<div>Fair and equitable procurement</div> <div>Quality standards</div> <div>Cooperation and win-win results</div>	<div>● Suppliers meeting</div> <div>● Evaluation and review process</div> <div>● Tender invitations and offering</div> <div>● Site visits</div>

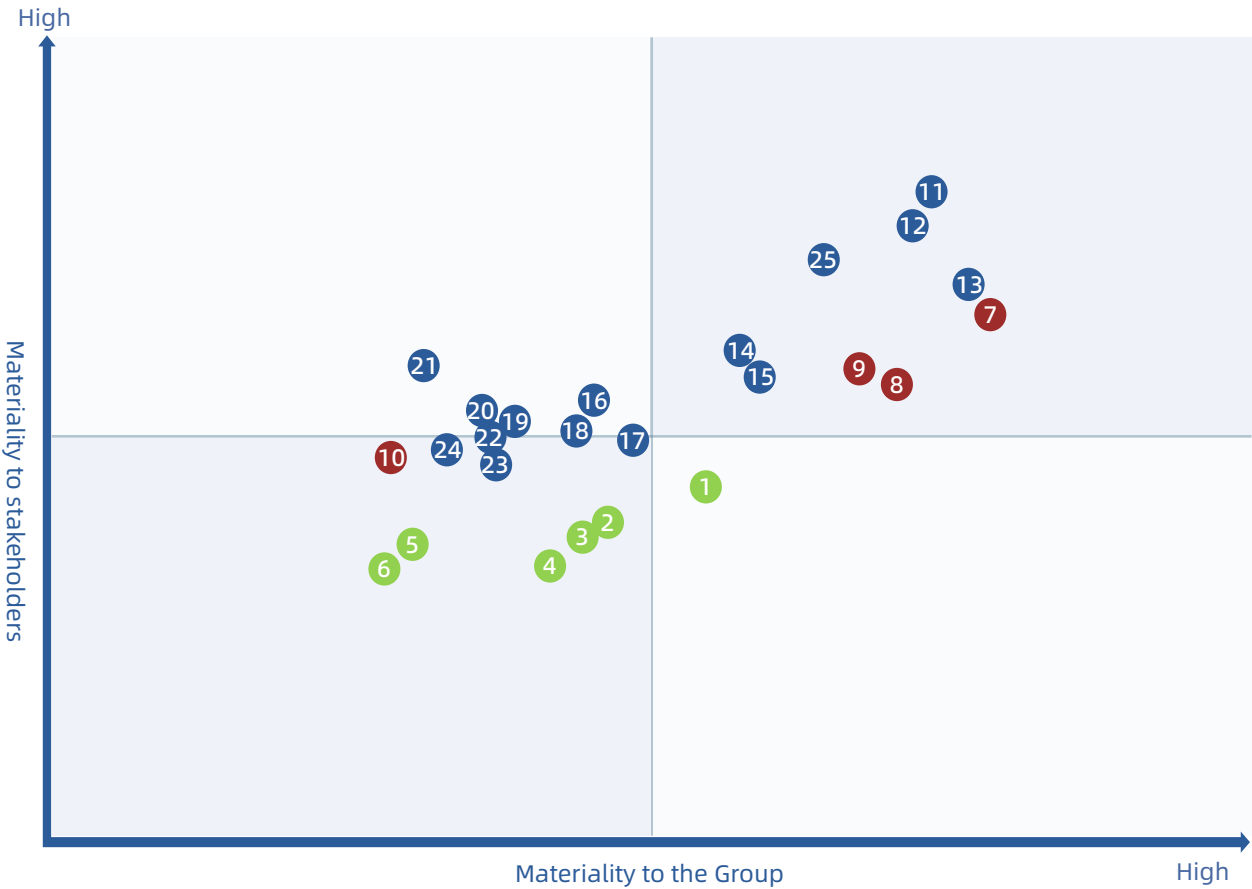
Stakeholders	Concerns and Expectations	Communication Channels
 Employees/ Teachers	Career development Remuneration package and benefits Health and safety Working environment	<ul style="list-style-type: none">● Training and exchanges● Satisfaction survey● Annual general meeting with schools and headquarters● Orientation seminar● New staff training● Regular teachers/staff performance review● Regular departmental meetings● Dedicated opinion and complaint platform
 Banks/Financial Institutions	Operating results Business outlook Return on Investment	<ul style="list-style-type: none">● Site visits to the headquarters or schools● Meeting negotiation● Due diligence● Regular information reporting
 Government/ Regulatory Authorities	Education quality Operation by laws and regulations Health and safety of campus	<ul style="list-style-type: none">● Annual inspections, assessments, audits, etc.● School inspections● Conferences, counselling, lectures, etc.
 Industry Associations	Promote industry development Diversified exchange	<ul style="list-style-type: none">● Conference, seminar, etc.● Public welfare activities● Activities held by industry associations● Serving for associations
 Public	Education service quality Brand image Social public welfare	<ul style="list-style-type: none">● Community activities● Information disclosure● Official website of the Group● Poverty alleviation and charitable donations
 Media	Business outlook Social contribution Brand image	<ul style="list-style-type: none">● Interview activities● News release● Press release

Materiality Assessment

In order to fully identify and prioritise sustainability issues, various stakeholders are invited to participate in the assessment of ESG material issues through questionnaires, interviews, etc., so as to ensure that this Report can respond to the Group's key concerns of stakeholders. The following shows the materiality assessment process:

Step 1: Identification of major stakeholders and updating ESG issues	<p>After considering factors such as "the degree of influence the Group has on stakeholders" and "the degree of influence stakeholders have on the Group" as well as feasibility, the ESG Working Group will formulate a list of major stakeholders to participate in the materiality assessment and invite them to participate in the materiality assessment.</p> <p>With reference to the ESG Reporting Guide, the ESG database of the previous year and the benchmark analysis of peer companies, we selected 25 ESG issues relevant to the Group and updated the ESG database of the Group.</p>
Step 2: Questionnaire survey	<p>We invited key internal and external stakeholders identified in Step 1 to participate in this materiality assessment online questionnaire, ranking ESG issues at the environmental, social and governance dimensions according to their importance. The main factors for internal stakeholders to assess the materiality of an issue include the degree of impact on the Group's strategy, policies, processes and commitments, and the Group's current and future development plans. The main considerations for external stakeholders in conducting materiality assessments include the degree of influence on the Group's evaluation and decision-making and the degree of influence on their own interests.</p> <div><div><p>► Materiality to stakeholders</p><ul style="list-style-type: none">● Employees/teachers● Students● Students' parents● Public● Banks/financial institutions● Industry associations● Government/regulatory authorities● Shareholders/investors● Business partners/suppliers● Media</div><div><p>► Materiality to the Group</p><ul style="list-style-type: none">○ The Board of Directors○ Senior management/decision-makers</div></div> <p>A total of 4,147 stakeholders participated in the questionnaire.</p>
Step 3: Determination of priority	<p>In line with the Group's strategy and business approach, the Group examined the importance of ESG at each level in terms of "materiality to stakeholders" and "materiality to the Group".</p> <p>We consolidated the responds from all internal and external stakeholders to determine the relative importance of ESG issues in two dimensions (out of 10 for each dimension). An ESG issue is considered a 'material issue' if its relative importance is at least half or more in both dimensions (i.e., it receives a score of 5 or above in both dimensions). We have identified nine important issues at the environmental, social and governance levels.</p>
Step 4: Identify materiality issues	<p>Based on the Group's strategy and business policy, management reviewed the results of the materiality assessment. Through comprehensive analysis, we identified the substantive issues that are of significant importance to both the Group and its stakeholders, along with their priority levels, and provided targeted reporting on these issues in specific sections of this Report.</p>

The following is the Group's ESG issue materiality analysis matrix:



Environmental issues

- 1 Energy use
- 2 Waste disposal management
- 3 Impact on the environment and natural resources
- 4 Greenhouse gas emissions
- 5 Water resources management
- 6 Climate change

Governance issues

- 7 Corporate development strategy
- 8 Corporate governance
- 9 Business ethics
- 10 Anti-corruption

Social issues

- 11 Teaching quality and innovative education
- 12 Student employment and entrepreneurship
- 13 Student experience in school
- 14 Employee welfare and benefits
- 15 Employee training and development
- 16 Labour standards
- 17 Employment management
- 18 Community investment and engagement
- 19 Rural revitalisation and regional collaborative development
- 20 Intellectual property protection
- 21 Information security and privacy protection
- 22 Protection of consumer rights
- 23 Supply chain management
- 24 Responsible advertising
- 25 Health and safety

The following table shows the sections of the Report that address these material issues:

Material issues (in order of importance)	Responding chapters in this Report
1 Teaching quality and innovative education	II. Clear Responsibilities and Stringent Quality Control
2 Student employment and entrepreneurship	
3 Student experience in school	
4 Corporate development strategy	I. Sustainability Management
5 Health and safety	IV. People-oriented Collaborative Development
6 Corporate governance	VI. Regulatory Governance and Operational Integrity
7 Business ethics	
8 Employee welfare and benefits	IV. People-oriented Collaborative Development
9 Employee training and development	



02

Clear Responsibilities and Stringent Quality Control

Throughout its 25-year educational journey, the Group has led by example, driving educational innovation with passion. Our focus remains on cultivating and promoting high-quality talent and employment, and maintaining stringent management standards to realise our vision of "establishing the most student-oriented universities with a century-long vision". Through close partnerships with local governments, renowned businesses, and industry leaders, we have created a superior learning environment and a welcoming campus for both students and teachers.

- Pursuing Higher Employment Quality, "High-quality Employment as the Foundation of the School"
- Pursuing Better Learning Outcomes, Continuously Deepening Teaching Reforms
- Pursuing Superior Service Experience, Enhancing Student and Teacher Satisfaction
- Pursuing a More Beautiful Campus Environment, Continuously Increasing Investment
- Multi-dimensional Evaluation and Green Supply

Contributions to SDGs:



Pursuing Higher Employment Quality, "High-quality Employment as the Foundation of the School"

The Group has always regarded the quality of employment as the yardstick to evaluating its own high-quality development, with "High-quality Employment as the Foundation of the School". Through various measures, the Group has achieved remarkable results in high-quality employment, with the employment rate and the proportion of high-quality employment continuing to rise.

As of December 31, 2023, the overall employment rate of the 2023 graduates reached 96.97%, maintaining a high level for four consecutive years. The high-quality employment rate of the 2023 graduates reached 27.76%, showing an increase of 5.8% compared to the same period last year. Among them, the number of graduates employed by well-known enterprises increased by 88.06%. As of August 31, 2024, the initial employment rate of the 2024 graduates reached 95.09%, demonstrating a significant increase of 4.4% compared to the same period last year. Notably, one out of every three graduates achieved high-quality employment, with the number of graduates employed by world top 500 companies, national top 100 companies, and A-share listed companies increasing by 62% compared to the same period last year.

Our schools have achieved fruitful employment-related awards

- Our schools have accumulated a total of **444** employment awards over three consecutive years, with **41** awards presented by the Ministry of Human Resources and Social Security, and **363** awards from employment-related competitions.
- Yunnan School and Guizhou School have been designated as provincial-level demonstration units for graduate employment and entrepreneurship (省級高校畢業生就業創業工作示範單位) and have been selected by the Yunnan and Guizhou provinces to participate in the national evaluation of demonstration units.
- Su Wanfang, a graduate from Gansu School, was honored with the "Ministry of Education's 2023-2024 Annual Grassroots Employment Excellence Scholarship (教育部 2023-2024 學年年度基層就業卓越獎學金)", making the school the sole award recipient among similar institutions in the province.
- The project "Constructing a 'Golden Triangle' Work Mechanism to Enhance Overall Employment Efficiency (《構建「鐵三角」工作機制，增強全員促就業效能》)" from Yunnan School was recognised as a typical case of employment work for the 2024 cohort of higher education graduates in Yunnan Province, making it the only privately-run university in Yunnan Province to be selected for three consecutive years.

The Group regards employment quality as of utmost importance, and it has taken significant measures over the past year to promote high-quality employment through increased investment in employment initiatives. Some of the initiatives undertaken by the Group include:

- 1 Organising activities:** The Group organised multiple "exploring enterprises, expanding jobs, enquiring needs" (訪企、拓崗、問需) activities. Feedback and suggestions were collected from corporate employers during the "enquiring needs" section, driving educational reforms and enhancing the adaptability of professional talent development.
- 2 Exploring internship opportunities:** We have continued to facilitate connections through the Yangtze River Delta, Pearl River Delta, and Beijing-Tianjin-Hebei Employment and Entrepreneurship Centres (the "Three Centres"), broadening relationships with over 1,900 renowned enterprise employers. This effort has provided more than 27,000 internship positions for graduates, with over 7,000 of the 2024 graduates being employed by enterprises affiliated with the "Three Centres".
- 3 Equipping with high-quality employment team:** To ensure a high-quality employment team, we focused on supporting frontline staff in conducting employment promotion activities, while also enhancing recognition for outstanding employees and providing training and support for front-line staff.
- 4 Providing effective career guidance for graduates:** Concerted efforts were being made to provide comprehensive guidance for graduates, initiating student employment activities in advance. All graduates have received employment training and guidance, alongside hosting up to 22 employment training sessions tailored to both employer and student needs. These sessions offered specialised employment services covering workplace etiquette, resume enhancement, interview skills, and more.

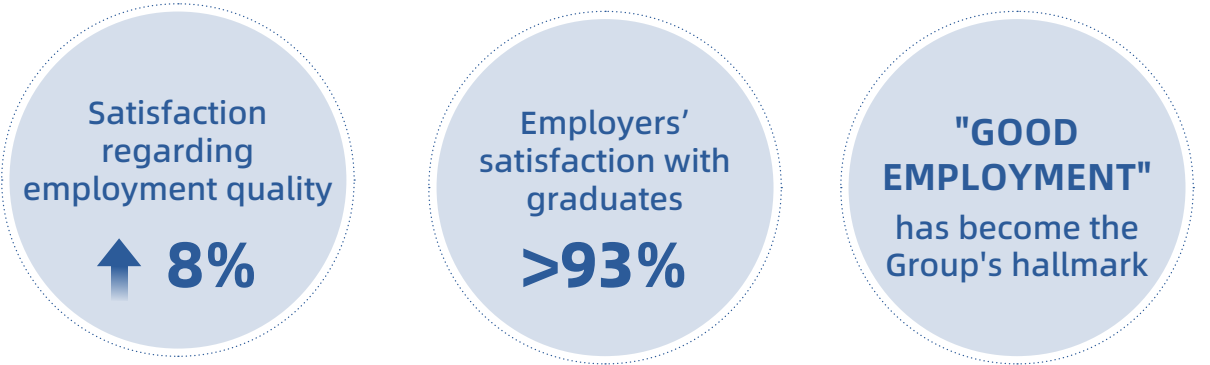
The Group firmly grasps the goal of "helping students pursue high-quality employment and entrepreneurship", fully leveraging the schools' role in assisting economically disadvantaged students in education and employment, striving to achieve "educate one person, employ one person, and enable one family to prosper".

Northeast School carried out "Employment Assistance Management System For Challenged Graduates" application training

Through this training programme, the school's employment staff have gained a systematic understanding of the various functions and usage methods of the employment assistance management system for challenged graduates. The goal is to significantly enhance the efficiency of employment assistance through digitalisation, management informatisation, service standardisation for challenged graduates.



Building upon high-quality and ample employment opportunities, the Group has seen a continuous increase in satisfaction levels among graduates and employers. During the Reporting Period, the Group conducted surveys on both graduates and employers. The survey results indicated an 8% year-on-year increase in the satisfaction of the 2023 graduates regarding employment quality, with employers showing a satisfaction rate exceeding 93% towards the graduates. "Good Employment" has become the prominent hallmark of the China New Higher Education Group.



Pursuing Better Learning Outcomes, Continuously Deepening Teaching Reforms

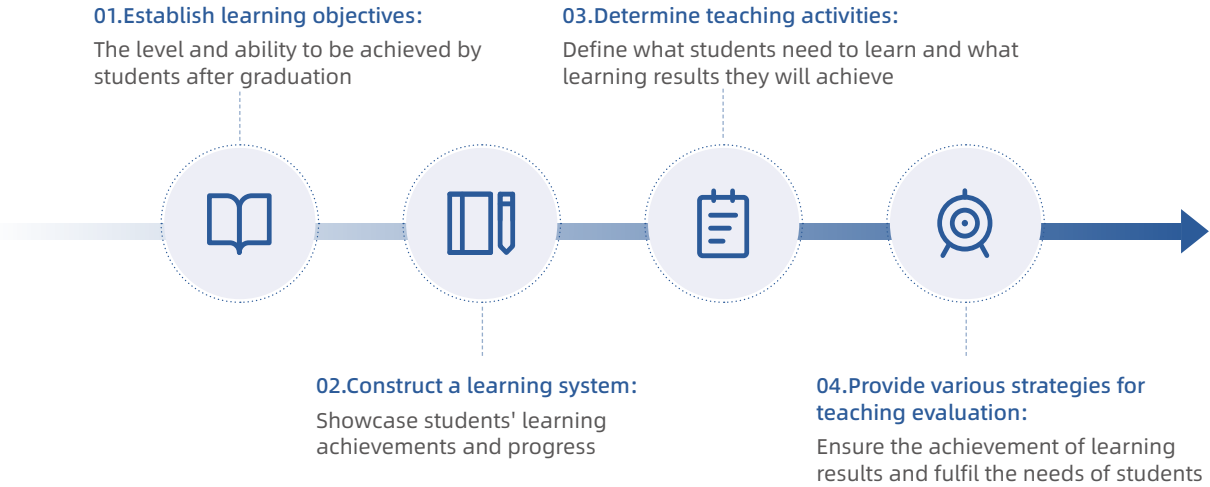
Since its establishment in early 1999, this Group has been deeply rooted in the field of higher education for 25 years, always prioritising the improvement of students' learning outcomes. The Group adheres to the Outcomes-Based Education (OBE) teaching model, deepening teaching reforms through enterprise explorations and need enquiries. By continuously optimising professional development and innovating talent cultivation models, the Group promotes a comprehensive enhancement in the quality of talent development.

Continuously Deepening Teaching Reforms

The Group consistently regards enhancing the quality of education and teaching as the fundamental task for sustainable development. It continues to refine the quality assurance system, innovate evaluation reforms, deepen internal construction, improve the quality of talent development, and comprehensively enhance the educational and teaching standards of schools.

Outcome-Based Education (OBE) Teaching Model

The Group practices the international Outcome-Based Education (OBE) teaching model, advancing in-depth with outcomes as the core focus. It emphasises the development of students' core competencies and time management skills, focusing on the actual results achieved by students during the learning process.



The Group has formulated and released the "Implementation Opinions on Building Two-tier Supervisory Teams at Colleges and Schools" (《校院兩級督導隊伍建設實施意見》), the "Management Measures for OBE-oriented Wonderful Classroom Quality Evaluation" (《OBE 導向的精彩課堂教與學質量評價管理辦法》), the "Management Measures for OBE-based Curriculum Quality Evaluation (Trial)"(《基於 OBE 的課程質量評價管理辦法（試行）》), and the "Management Measures for Sampling Undergraduate Theses (Designs)"(《本科畢業論文（設計）抽檢管理辦法》). Focusing on "student development as the centre, student learning as the centre and learning effect as the centre", we have built up a quality assurance system combining internal and external evaluations by students, teachers, supervisors, employers, alumni, experts from industries and enterprises, teaching experts and assessment and accreditation experts around the classrooms, courses, majors, theses, internships and quality of cultivation and employment of graduates.

Deepening Teaching Reforms, Advancing "Exploring Enterprises, Expanding Jobs, Enquiring Needs"

During this Reporting Period, a total of 269 programmes and 1,293 staff members across the entire group actively participated in activities such as "exploring enterprises, expanding jobs, enquiring needs, teaching reforms". Research covered 1,994 employers, 3,200 alumni, and 8,537 current students. Through in-depth research, 944 common issues were identified across various programmes, with a detailed examination conducted on 1,183 issues within the teaching process.

Schools also organised feedback and improvement exchange meetings with students to ensure their recognition of the improvement outcomes. Through timely interaction and feedback with students, alumni, and employers, we strive to align the effectiveness of improvements with the expectations of all parties, thus continuously enhancing our educational quality and students' professional competitiveness. These measures not only strengthen the connection between the Group and enterprises but also lay a solid foundation for students' career development.

Teaching reforms have been advanced in nine key areas including:


- Educational objectives
- Graduation requirements
- Curriculum systems
- Teaching content
- Experimental training
- Internship experience
- Teaching methods
- Competitions
- Teaching teams



In the process of revising talent development programmes, course outlines, and standards, the Group has clearly emphasised feedback from employers, alumni, and current students as the primary basis for justifying the necessity of revisions, ensuring the effective application of reform outcomes. During this Reporting Period, we adjusted the talent development objectives for 70 majors and optimised the graduation requirements for 71 majors. Additionally, we organised on-site defense activities for secondary colleges during this period to assess the actual effects of reform efforts by reviewing the results.



The Group encourages students to participate in various competitions both within and outside the schools, applying their learned knowledge in practical scenarios to deepen their understanding of the subject matter. These competitions span multiple fields, providing students from each school with opportunities to showcase their talents as participants, thereby enhancing their confidence and teamwork skills through competition. During the Reporting Period, our students have achieved outstanding results in competitions at all levels, garnering a total of 4,060 awards. Among the 84 national university student discipline competitions recognised by the Ministry of Education, our students received 3,124 awards at the provincial level or above, 832 national-level awards, including 72 top awards, marking the best performance in the Group's history.

 Gansu School achieved excellent results in the "Challenge Cup" in Gansu Province with 1 gold, 4 silver, and 25 bronze medals

List of Winning Entries of the 14th "Challenge Cup" Gansu Province College Student Business Plan Competition (第十四屆"挑戰杯"甘肅省大學生創業計劃競賽)

Awarded Projects

Gold Medal (115)

[illegible]

Silver Medal (227)

[illegible]

Bronze Medal (790)

[illegible]

In addition to student competitions, teacher competition activities also play a crucial role in the educational model. In various teaching competitions, teachers not only showcase diverse teaching philosophies and innovative practices but also use this platform to engage in profound exchanges with their peers, drawing inspiration from the experiences of other outstanding educators, thereby stimulating new creativity and ways of thinking. During the Reporting Period, teachers from various schools within the Group collectively received 398 awards in teaching competitions across all levels and categories. Among these, in 53 competitions recognised by the Ministry of Education, our teachers garnered 263 awards, demonstrating exceptional professional abilities and teaching accomplishments. In three national authoritative teaching competitions, our teachers performed exceptionally well, winning 1 national first prize, 1 second prize, and 1 third prize, along with 8 first prizes, 23 second prizes, and 29 third prizes at the provincial level. The number of awards increased by nearly 170%, marking a new milestone in the Group's history.



Teachers from Yunnan School received recognitions



Teachers from Yunnan School achieved outstanding results in the 4th National Higher Education Teachers' Teaching Innovation Competition. The Yunnan School is the only private institution to sweep the first, second, and third prizes, and also the sole higher education institution in Yunnan to receive a national first prize.

Integrating International Resources for Exchange and Study Programmes

To meet the personalised needs of students, all eight schools under the Group have initiated international study programmes. These programmes organise students to visit prestigious universities such as the University of Cambridge, the University of Sydney, and the Hong Kong Polytechnic University. Students have shown great enthusiasm for participation, and each school also hosts various international activities and selection competitions for research studies at the University of Cambridge. These initiatives have garnered high praise from the local educational authorities.



Northeast School's "University of Cambridge Study Programme"

Top Enterprise Development Programme

The Group's unwavering mission is to "enabling every student to achieve career success and life fulfillment". To achieve this goal, we establish ongoing partnerships with renowned enterprises, conduct thorough market research to understand industry demands, and leverage seasoned industry mentors to effectively translate these requirements into student training materials. Concurrently, we continuously refine the internship programmes across all schools, providing students with timely guidance and support to help them better adapt to the professional environment.

During this Reporting Period, the Group has added 804 school-enterprise collaboration units and 272 internship opportunities, cumulatively offering over 17,000 internship positions to students, significantly increasing their practical opportunities. Furthermore, each school actively invites enterprises for on-campus interaction activities.



Multilateral Collaboration with Prestigious Universities and Local Governments

The Group actively promotes multilateral collaboration with renowned universities and local governments to establish a diverse educational ecosystem aimed at facilitating resource sharing and mutual advantages. Through exchanges with top universities both domestically and internationally, we not only introduce advanced teaching concepts and research outcomes but also provide diverse opportunities for teachers and students to engage in learning and exchanges, expanding their perspectives and academic depth. Collaboration between schools and local governments is continuously deepening. Both parties have jointly launched a series of innovative projects and forum exchanges, enabling the Group to better align with local industrial needs, design talent development programmes that meet market demands, and provide students with abundant internship and employment opportunities.

Meeting with the Enshi State Secretary - supporting the Group's development for mutual benefits

On June 27, 2024, State Secretary Hu Chaowen and the Chairman of the China New Higher Education Group, Li Xiaoxuan, held discussions to delve into the development of educational initiatives. During the meeting, the state government highly praised the Central China Schools' educational positioning as "local, applied, and open", encouraging them to continuously enhance their distinctive strengths and polish the school's brand, aiming to deliver education that satisfies the general public.

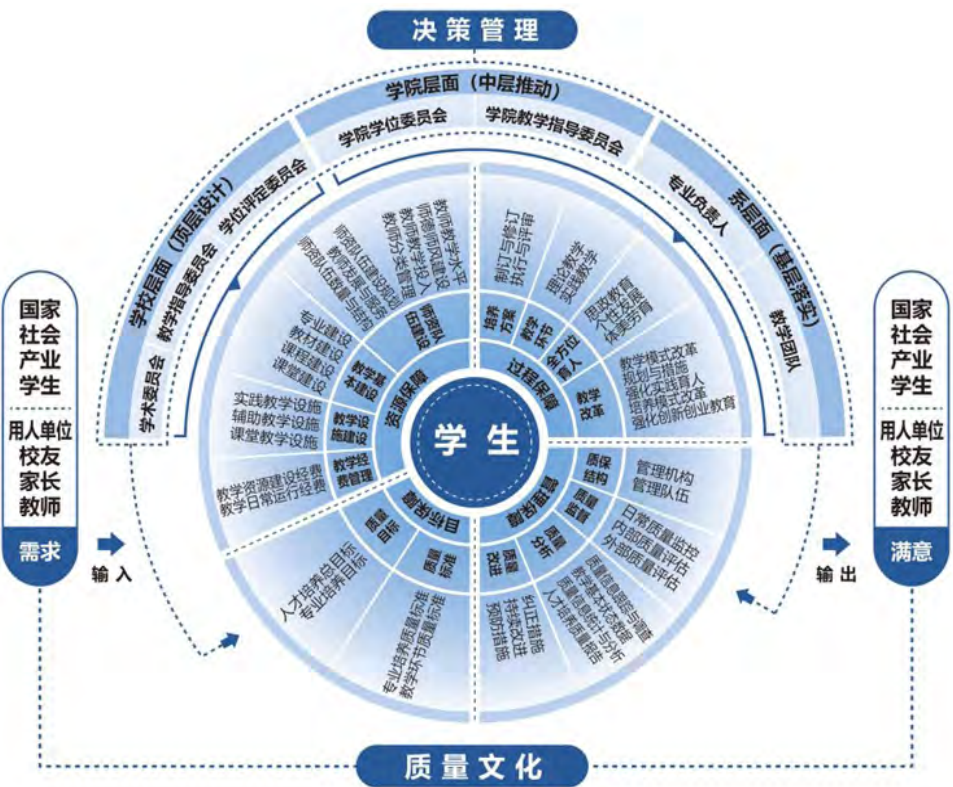
Establish a Robust System for guaranteeing Teaching Quality

During the Reporting Period, the Group strictly controlled teaching quality and abided by national and regional laws and regulations that related to 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", and the "Higher Education Law of the People's Republic of China". The Group also implemented the spirit of various policies – including the "Overall Plan for Deepening Educational Evaluation Reform in the New Era", the "Opinions on Deepening the Reform of Undergraduate Education and Teaching and Comprehensively Improving the Quality of Talent Training", the "Implementation Plan for National Vocational Education Reform", the "Opinions on Promoting the High-quality Development of Modern Vocational Education", and the "Reform Plan for the Adjustment and Optimisation of Discipline Structure in General Higher Education" – in order to establish a robust system for guaranteeing teaching quality and implement a closed-loop management model for teaching quality at its schools.

The Group strengthens monitoring and assurance of teaching quality from aspects such as goal assurance, resource assurance, process assurance, and management assurance, constructing an "One Centre, Four Assurances" system for teaching quality monitoring and assurance involving students, school leaders, functional department managers, teaching supervision specialists, academic department teaching administrators, and peer teachers. This system operates systematically, scientifically, and normatively, providing robust safeguards for comprehensively enhancing the teaching quality across the entire group.

The "One Centre" of the education and teaching quality monitoring and assurance system refers to being "student-oriented". Starting from the demands of the country, society, industry, students, employers, and parents for talent development, the aim is to cultivate engineers, designers, and managers who excel in production, operation, management, and service.

The "Four Assurances" in the education and teaching quality monitoring and assurance system refer to goal assurance, resource assurance, process assurance, and management assurance. This includes setting goal standards, building teaching staff, developing management teams, constructing teaching resources, reforming talent development, overseeing teaching operations, quality supervision feedback, and more. From organisational assurance, goal setting, plan execution, operational implementation, standard management, inspection monitoring, evaluation feedback, improvement enhancement, to setting new goals and plans, it forms a complete closed-loop system.



The Group's internal education and teaching quality monitoring and assurance system

Educational Environment and Teacher Allocation

The Group regards teaching teams and the learning environment as the core of high-quality teaching. Over the years, we have established a comprehensive teaching management system and a proactive, inclusive teaching environment. We prioritise the recruitment of talent with practical experience to build a high-caliber teaching team. Simultaneously, we optimise the layout of learning spaces, provide flexible classroom settings and comfortable study areas to help students focus on learning, promote interaction between teachers and students, and foster positive teacher-student relationships.

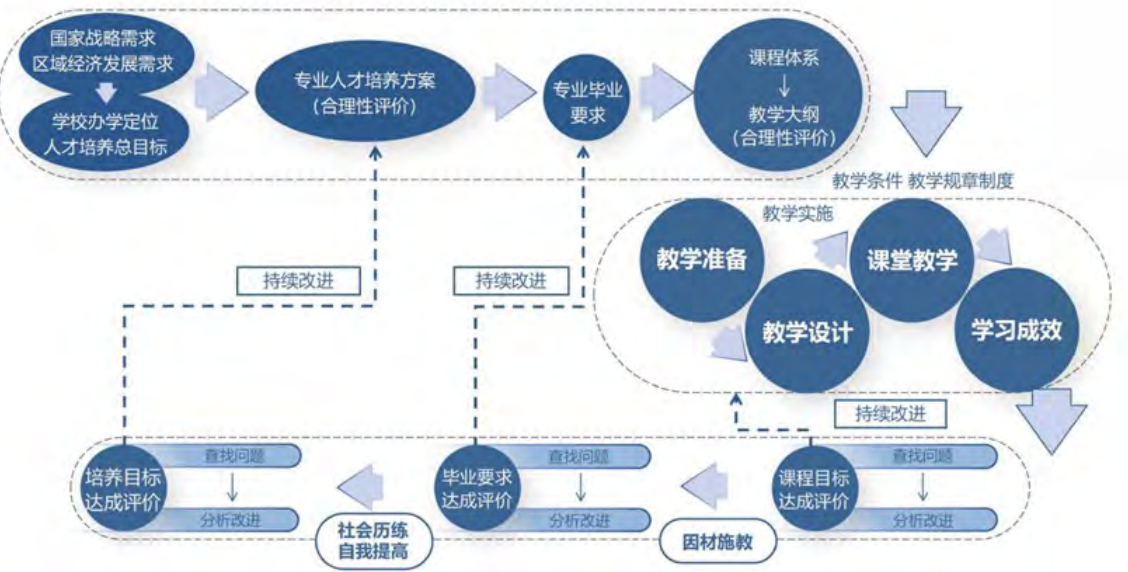
The Group adhere to the principle of "external recruitment and internal development" (「外引内培」), continuously increasing efforts in cultivating and attracting high-quality talent to meet the demands of key disciplines and specialty professions. During the Reporting Period, the Group recruited 15 industry experts and academic leaders, with a 73% increase in the number of "dual-high" teachers (teachers with high academic qualifications and professional titles) , and a 15% year-on-year increase in remuneration for teaching core positions. Additionally, we have adopted a differentiated policy to focus on expanding the teaching force to ensure the quality of teaching for professions with high social demand and large enrollment but relatively weak teacher qualifications. This strategy not only enhances overall teaching standards but also better meets the market's demand for professional talent. In addition to increasing investment in teaching staff costs, the Group continually updates and upgrades facilities such as laboratory construction, smart classrooms, libraries, and teaching equipment. During the Reporting Period, the Group renovated and added 137 laboratories, installed 1,810 sets of laboratory equipment, introduced 28 laboratory systems, and added 289 laboratory projects. Furthermore, the Group renovated student apartments, adding a total of 36 living service areas, shared kitchens, and study rooms, enhancing student living spaces to create a comfortable, harmonious, and aesthetically pleasing learning environment, improving students' living and learning conditions.

Teaching Quality Monitoring and Operations

The Group's Teaching Quality Assurance Department is responsible for setting standards for teaching quality and overseeing their implementation in schools. Each school develops specific quality assurance plans and measures to ensure continuous improvement in teaching quality. To ensure the scientific monitoring of teaching quality, the school's teaching quality assessment comprises various components, including "routine and special" teaching inspections, classroom observations and inspections by teaching supervisors, classroom observations by school leaders and management personnel, and feedback on classroom teaching from student information officers. This series of measures enable the full participation of all, continuous monitoring throughout the process, and comprehensive evaluation.

Focused on enhancing the quality of teaching services, the School Teaching Quality Monitoring and Teacher Development Centre arranges for teachers to conduct self-assessments of classroom teaching. Simultaneously, on a semester basis, it organises evaluation panels composed of students, peers, and teaching experts to conduct a comprehensive assessment of teaching quality for all staff. Moreover, it strengthens the utilisation of teaching quality evaluation results, analysing to produce an annual teaching quality analysis report to help the school review the teaching work of the academic year and develop reasonable teaching plans for the following year.

Building upon an effective teaching quality monitoring mechanism, our schools convene comprehensive teaching work meetings annually to promptly update teachers on educational and teaching concepts, delve into significant issues in teaching practices, and ensure that teaching endeavors remain on the correct path. Additionally, schools combine online and offline methods to hold monthly teaching work meetings and convene teaching work coordination meetings as needed to ensure smooth and orderly teaching operations and the timely completion of teaching plans.



The Group's internal teaching quality monitoring mechanism

Pursuing Superior Service Experience, Enhancing Student and Teacher Satisfaction

The Group places a high emphasis on the teaching experience and was among the first in the country to establish an Experience Management Centre in higher education institutions. Since its inception, the Centre has consistently focused on being "student-oriented", adhering to problem-oriented and highlight creation principles. Through methods such as satisfaction surveys, student-teacher feedback platforms, principal's reception days, student experience committees, and the design of peak experience events, a closed-loop experience management model has been formed. This model progresses from "collecting needs" to "analysing issues", then to "addressing problems", and finally to "verifying outcomes", constructing experience management modules. This targeted approach increases high-quality investment to drive improvements in service quality and achieve educational goals.

To embody the Group's core value of being "student-oriented", the Group's Experience and Culture Management Centre has conducted student experience satisfaction surveys across eight schools under the Group for three consecutive years, impacting a continuous improvement in student satisfaction. During the Reporting Period, the Experience and Culture Management Centre carried out the "2023-2024 Academic Year Student Experience Satisfaction Survey". According to the survey results, the percentage of satisfied students increased from 84% in the previous year to 86%.

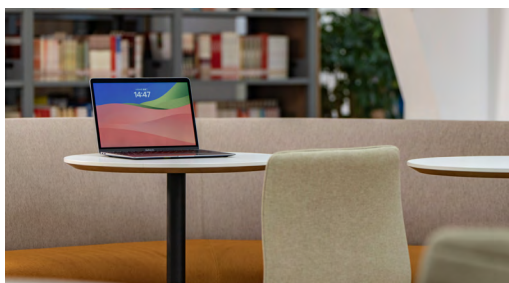


Student satisfaction rate
86%



To continuously enhance the accommodation experience and meet students' personalised housing needs, the Group is increasing its investment in student apartments, upgrading and optimising apartment layouts, and promoting the comprehensive smart transformation of student residences. Taking Yunnan School as an example, the newly completed student smart apartments in August this year have achieved integrated smart control of window curtains, air conditioning, lighting, and other household features. This advancement brings students a more convenient living and learning experience, significantly enhancing their sense of belonging and comfort.

Within the apartment building, 36 student spaces have been added, including living service areas, shared kitchens, study rooms, and academy-style functional spaces, extending the student dormitory living scenes. For example, in Guangxi School, an apartment activity centre has been established to host various theme activities and salons, enriching students' extracurricular lives. Similarly, in Gansu School, study rooms have been added inside the apartments to provide students with places to review and prepare for exams.



In aspects of campus life that students are concerned about, the Group has introduced leading chain catering establishments, added mobile food trucks, shared printers, shared coffee machines, and more, continually enhancing students' living experiences and making smart living more convenient. The Group consistently enriches students' campus activities, with all eight schools hosting "Peak Experience Events" during the beginning and end of school seasons. These events include widely popular large-scale music festivals, a grand ceremony with thousands of students in traditional Han attire, unique military training, face-to-face interactions with parents, and have been covered by authoritative media outlets. The Group's experience management initiatives have become a new platform and a new hallmark of the "three-all" educational requirements, which receiving praise from both teachers and students, as well as recognition from educational authorities.

"Intangible Cultural Heritage" Event At Guizhou School



In this year, Guizhou School invited a professional Datiehua team to present an "Intangible Cultural Heritage" experience for all teachers and students.

Electronic Music Festival At Luoyang School



The electronic music festival at Luoyang School was entirely student-led, allowing students to enhance their skills and experience growth through active participation in the event.

Orientation Activity At Zhengzhou School



At the Zhengzhou School, every freshman was greeted with a personalised Coca-Cola with their name on it the moment they stepped into their dormitory.

"Face-to-Face With Parents" Event At Guizhou School



As a crucial part of the peak experience events during the beginning of the school season, Guizhou School specially invited parents to visit the school. School leaders engaged in face-to-face interactions and direct communication with parents to collectively understand students' lives and learning situations at school, seeking feedback and suggestions from students and their parents on talent cultivation.

Teaching Experience Management

In today's educational environment, teaching experience is not just about transmitting knowledge but is also a crucial cornerstone for students' holistic development. High-quality teaching experiences can inspire students' interest in learning, increase their engagement, and foster critical thinking and creativity. For schools, optimising teaching experience not only enhances teaching effectiveness but also promotes positive interaction between teachers and students, creating a conducive learning atmosphere. Therefore, emphasising teaching experience is an indispensable part of every school's pursuit of excellence in education, directly impacting students' growth and future development. During the Reporting Period, the Group continuously strengthened the foundation of students and teachers experience management systems, further refined the "China New Higher Education Group Student-teacher Experience Work Management Measures (Trial)", and promoted the standardisation and systematisation of students and teachers experience work.

To make teaching experience management more systematic, standardised, and efficient, and to cultivate a friendly, trustworthy, and respectable campus atmosphere, it is crucial to continuously refining first-class teaching experiences into core competitive advantages. The Group, in line with practical considerations, has implemented internal policy documents such as the "Guidelines for Feedback and Handling Reference for Student's Opinions" and the "Guidelines on the Proper Use of the "Principal's Mailbox" by Students", further ensuring that students' feedback is appropriately addressed. When handling related suggestions and feedback, we adhere to the following key principles:



Student Association Activities

Student associations are mass organisations voluntarily formed by students and serve as the "second classroom" for schools to promote quality education. The Group fully supports and safeguards students' right to freely form associations, overseeing and managing student associations to operate various activities within the legal framework and according to their regulations. The Group's schools offer a diverse range of student association s covering academic and technological fields, innovation and entrepreneurship, cultural and sports activities, voluntary public service, self-discipline, and mutual assistance, satisfying students' diverse interests. By organising or participating in healthy, elegant, and diverse association activities, students further broaden their horizons, alleviate academic pressures, and enhance their practical social skills.

Enhancing student autonomy is beneficial for fully stimulating the vitality of association development. Within the Group's schools, the Student Union of Associations has been established to facilitate daily communication between student associations and the schools, managing and servicing various student associations. The aim is to guide each association in creating a series of association-branded activities that are extensive in coverage, influential, highly participatory, and distinctive in character. This effort transforms student associations into habitats for student interests, nurturing grounds for hobbies, and fueling stations for skills development.



Addressing Feedback, Enhancing Satisfaction

The feedback from students and parents is the constant driving force behind our progress. The Group is committed to transforming the "suggestions list" into a "work item list", aiming to win the satisfaction of students and parents through sincere communication and diligent handling. During the Reporting Period, efforts were made to deepen and solidify teaching practices by initiating measures such as opening the "Principal's Mailbox", publishing a "Highlights List of Practical Matters", and regularly collecting feedback through visits and improvement reports. Additionally, to enhance communication with students, each school organised "Principal's Reception Day" events and established initiatives like the "Suggestions Award" to gain a close understanding of student demands, providing opportunities for students to participate in campus governance and offer suggestions. To further evaluate the effectiveness of these efforts, the Group proposed the possibility of setting quantitative targets for "student experience", establishing a satisfaction assessment system, conducting regular surveys using standardised questionnaires. According to survey results, 96.4% of students expressed affirmation towards the school's work and services, with 86.4% indicating they were "satisfied" or "very satisfied", representing a 3.4% increase compared to the previous period.

During this Reporting Period, we continued to develop and improve the platform for gathering feedback from students and teachers, recognising it as a vital channel for understanding their needs, identifying blind spots in our operations, and obtaining effective suggestions. To better address issues raised by students and teachers in a systematic manner, conduct root cause analyses, and ensure efficient resolutions, we intensified our efforts towards systematic improvements based on quickly resolving fragmented issues. We strengthened the closed-loop management of handling feedback from students and teachers, revising the "Students and Teachers Feedback Handling Process" to respect their right to express, attentively listen to their concerns, and effectively address pain points that affect their experiences. According to survey results, 98.4% of teachers expressed affirmation towards the school's office environment and teacher training, with 87.5% reaching a level of "satisfied" or "very satisfied", marking a 4.3% increase compared to the previous period.

Furthermore, the Group has not received any complaints escalating from regulatory authorities (mainly referring to expressions of dissatisfaction with services and actions such as objections, protests, claims, and requests for issue resolution). To ensure the continuous improvement of customer satisfaction (students and parents) and deliver the best experience possible, the Group has established an efficient and responsive mechanism for managing customer complaints. This includes monitoring customer complaint data, extracting information, conducting investigations for verification, analysing issues, devising solutions, and providing feedback. Upon receiving complaints from customers externally, the Group promptly initiates internal processes for investigation. Through proactive communication with customers and collaboration with internal teams, the Group strives to provide appropriate solutions to customers within a reasonable timeframe, resolving misunderstandings and dissatisfaction, gaining crucial insights, and taking preventive measures to avoid similar issues in the future.

During the Reporting Period, the Group's digital platform for managing feedback from teachers and students underwent iterative upgrades, achieving a resolution rate of 97% for reported issues.



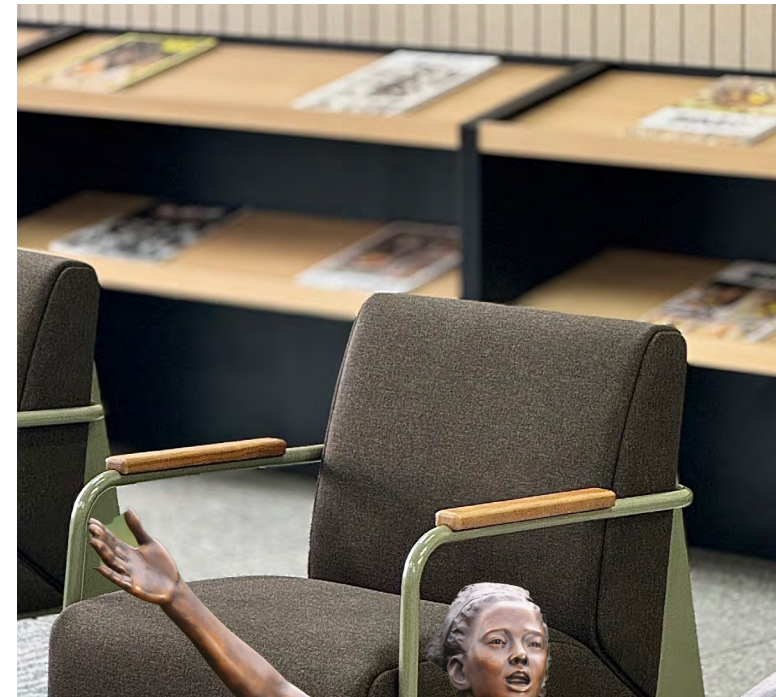
Reported issues resolution rate

97%

Pursuing a More Beautiful Campus Environment, Continuously Increasing Investment

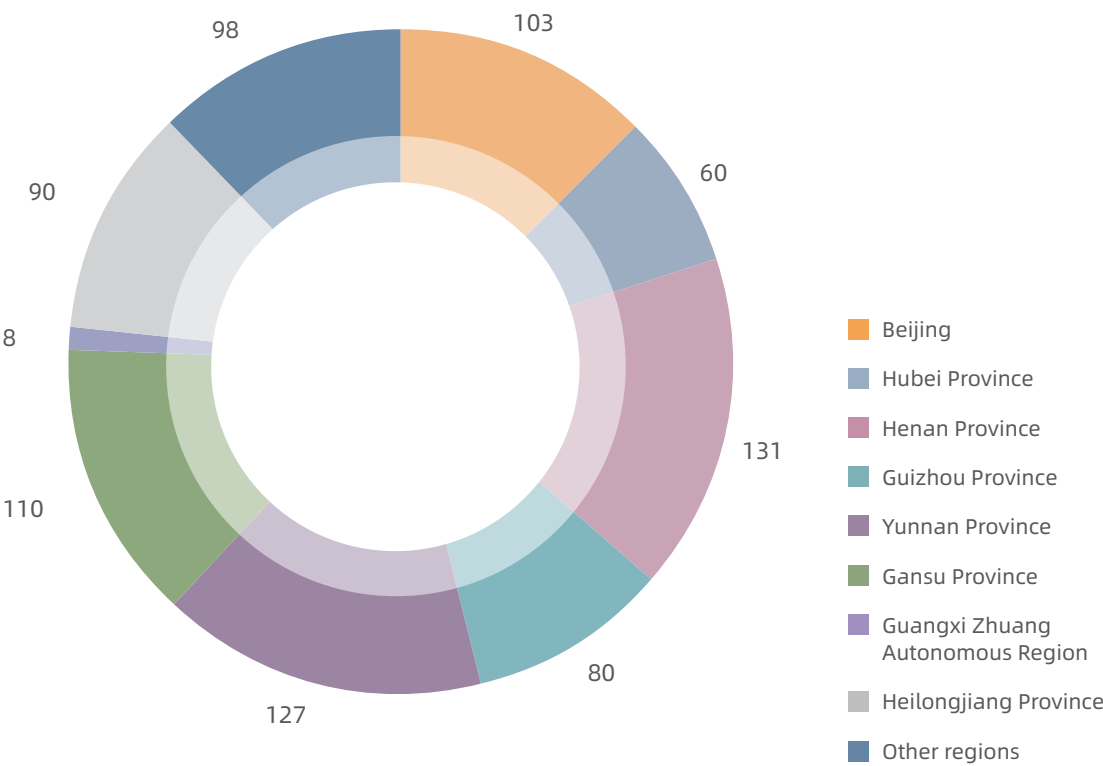
The Group believes that under the vision of "establishing the most student-oriented universities with a century-long vision", a more beautiful campus environment is one of the key core competencies. A beautiful campus environment can enhance students' learning outcomes, living experiences, and achieve the subtle but profound effect of nurturing individuals through their surroundings. Therefore, the Group continues to increase high-quality investments to create a top-notch educational environment, enhancing the overall visual experience. Significant improvements have been made in all aspects, including campus planning, building upgrades, interior renovations, and landscape design.

In the future, each school will continue to align with international high standards and high quality, creating a more beautiful campus environment. By leveraging the "environmental education" effect, they will further solidify support for high-quality development.



Multi-dimensional Evaluation and Green Supply

During the Reporting Period, the Group's supplier distribution in different provinces is as follows:



Responsible Supply Chain Management

The Group places great importance on supplier management, conducting comprehensive assessments of suppliers' overall capabilities. Our process for engaging suppliers includes development, credit evaluation, inspections, selection and bidding, contract signing, and acceptance procedures. Details of projects outlined in the procurement planning process, procurement content, selection criteria, etc., must be disclosed fairly and transparently to our internal departments and all potential suppliers through supplier solicitation announcements. To further implement the full process of the supply chain, we have split the authorities of the "Procurement and Supply Department" and reallocated them to the "Procurement and Supply Department" and the "Supplier Management Department", ensuring compliance with the standard of selecting suppliers separately during the supplier screening process.

After seeking input and suggestions from various departments and schools within the Group, the Procurement and Supply Department has revised the procurement-related institutional processes, updating five major areas: "internal power division management, optimisation of evaluation methods, enhancement of evaluation team composition, improvement of negotiation quality, and coordination across schools in procurement".

Additionally, the Group has been conducting satisfaction surveys with partner organisations for multiple consecutive years, gaining a comprehensive understanding of their satisfaction levels regarding credit evaluation and inspection, bidding processes, contract terms, project execution or operational phases. The satisfaction rate has increased from 89% to 95%.

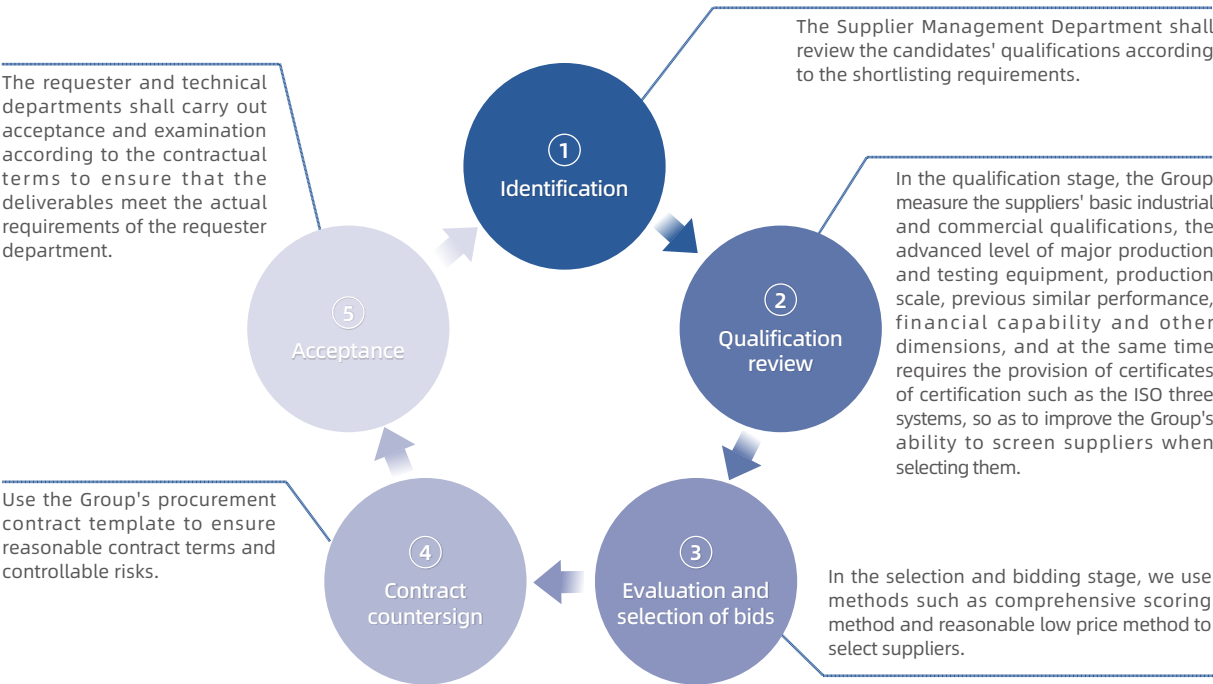


Partner organisation satisfaction rate

95%

Supplier Selection Process

Throughout the process of supplier selection, the Group follows the principles of fairness, openness and equity, and takes measures to link the stages of shortlisting, bid evaluation and supplier performance evaluation. Through real-time monitoring of suppliers, the Group conducts qualification reviews of suppliers and selects the most appropriate suppliers.



Shortlisting Stage (Including Development and Qualification Review):

The Supplier Management Department categorises suppliers based on demand to construct a supplier pool, including categories such as infrastructure, material equipment, and consulting services. Suppliers are required to provide basic commercial qualifications, details on main production and testing equipment, production scale, financial capabilities, performance history, legal risks, etc. The Supplier Management Department coordinates with specific departments to conduct multidimensional evaluations of registered suppliers. Upon passing the review, audit, and inspection processes, suppliers are included in the supplier pool and undergo dynamic management.

Bid evaluation Stage (Including Selection and Bidding):

For all types of products and services (including infrastructure, general, standardised products and services, as well as non-general and non-standardised products and services), we employ a comprehensive scoring method, selecting units with higher technical scores and reasonable prices to ensure high-quality procurement.

Evaluation Stage (Including Acceptance Stage):

During the project implementation phase, a multi-role performance evaluation is conducted at different stages, including the Procurement and Supply Department conducting procurement process evaluations after contract signing and the Compliance Management Department conducting the sample review of evaluation results; the requester and technical departments conducting regular and completion evaluations during project implementation; and the technical department conducting warranty period and completion evaluations after the warranty period ends.

The Group implements full lifecycle management for supplier development, onboarding, dynamic tracking, assessment, classification management, and exit mechanisms to enhance our supply chain management framework and improve procurement performance. We organise orientation meetings for incoming suppliers, including safety training and standard communication, aiming to ensure alignment on quality and safety assurance before the start of collaboration. Suppliers already onboard found to have significant breaches, violations, or engage in unfair competition practices will be categorised as non-compliant suppliers. Suppliers scoring below 60 in the annual performance evaluation will be classified as unqualified suppliers.

The Group conduct annual evaluations of all completed project suppliers. During this process, we track the expiration and renewal status of qualification documents for construction units and material and equipment manufacturing units, including but not limited to qualifications of unit and project managers, safety production permits, and certifications for quality, environmental management, and occupational health systems ("three-system certificates"). If certificates expire during the contract period, suppliers are required to promptly undergo re-certification and update their documents.

Within the Reporting Period, suppliers with certifications for quality, environmental management, and occupational health systems reached 90%, and the proportion of suppliers with three-system certificates in the total procurement amount reached 93%.



Percentage of suppliers with three-system certificates
90%

The Group integrates the concept of sustainable development into various aspects of the supply chain, emphasising mutual communication with suppliers and establishing communication mechanisms. We actively engage in green procurement, sustainable development, and other areas to enhance the collaborative level of the supply chain.

To accelerate the construction of a sustainable supply chain, the group also incorporates suppliers' environmental performance into procurement standards. During the Reporting Period, 100% of suppliers passed the evaluation and met the procurement standards.



Percentage of suppliers met the environmental requirements of procurement standards
100%

Procurement Integrity

The Group focuses on the integrity of the supply chain to ensure transparency and efficiency in the procurement process. The Group provides all suppliers with a "Partner's Integrity Commitment", which is signed by both the Group and the suppliers when contracts are established. To enhance oversight of suppliers' occupational safety management systems and related risks, we added a section on "Occupational Health and Safety Standards" in the "Partner's Integrity Commitment" during this Reporting Period. This chapter requires suppliers to commit to their responsibilities in "establishing, implementing, and maintaining occupational health and safety management systems" to improve health and safety, eliminate hazards, and minimise occupational health and safety risks as much as possible. Additionally, the Group conducts periodic procurement supervision training to establish a mechanism for selecting honest suppliers through system explanations, business capability training, and team building to foster correct cooperative relationships. On July 4, 2024, the Group organised a training session on supplier management within the supply chain to promote internal communication and further standardise supplier management practices.

During this Reporting Period, to prevent illegal and unethical behaviors aimed at seeking improper benefits, the coverage rate of suppliers signing integrity commitments reached 100%. The Procurement and Supply Department considers anti-corruption requirements as a red line in their work, providing explanations, promotions, and warnings through regular procurement line meetings and annual procurement line training sessions.



100% Coverage

Guizhou School organised the "Supplier Integrity And Anti-Corruption Forum"

To further strengthen the integrity culture within the institution, deepen anti-corruption efforts, and foster a clean and positive campus environment, Guizhou School convened an anti-corruption symposium for suppliers on August 23, 2024. The aim was to discuss with suppliers the importance of ethical collaboration, work together to build defenses against corruption, and mutually promote the healthy and sustainable development of both parties' businesses.



03

Contributing to Society Through Education

We view education as the engine that comprehensively empowers rural revitalisation. Not only does it deeply engage in knowledge transmission, but it also offers robust support in terms of manpower, materials, and funds, with the aim of enhancing the self-development capabilities of socially disadvantaged groups. The Group actively promotes and practices social responsibility, inspiring students and teachers to participate in charitable activities both within and outside schools, collectively creating a magnificent vision of rural revitalisation.

- Educational Collaboration and Rural Revitalisation
- Social Welfare Practices

Contributions to SDGs:



Bring Out
the Best
in Yourself at LK



Educational Collaboration and Rural Revitalisation

The Group focuses on two main areas of social welfare activities including educational collaboration and rural revitalisation, and community service initiatives. During this Reporting Period, the total volunteer service hours of the Group exceeded 556,000 hours. Additionally, to support rural revitalisation and cause marketing, the Group procured related products worth about RMB1.2 million.

While focusing on its own business development, the Group consciously fulfills its social responsibility, actively responding to the national call. For several consecutive years, we have been carrying out collaborative education assistance work and have been committed to consolidating the achievements of poverty alleviation while effectively connecting them to rural revitalisation efforts. Over the years, we have actively engaged in public welfare activities, combining the characteristics of our educational business with the actual needs of the regions where schools are located. We have persistently explored the sustainable value of educational public welfare for rural revitalisation and have vigorously promoted the participation of students and teachers in public welfare initiatives.

The Group and its schools uphold the core value of "student-oriented" and prioritise rural youth and disadvantaged minority students in their educational support efforts, implementing a comprehensive assistance program called "No One Left Behind". Within the schools, a system of seven measures including "scholarship, grant, work-study, loan, fee reduction, subsidy and fee exemption" has been established to help students facing difficulties complete their studies. The Group has released the "China New Higher Education Group's Procedures for Identifying Students from Families with Financial Difficulties" and the "China New Higher Education Group's Procedures for Approving Students' Scholarship, Grant, Subsidy and Fee Exemption", continuously improving the assistance programme to ensure the provision of quality educational resources for those in need, promoting social equality and justice. During this Reporting Period, the Group has allocated about RMB23.105 million for internal scholarships, and loans, benefiting over 13,000 individuals. Additionally, in active response to the national "Respect Teachers, Value Education, Every Contribution Counts" (尊師重教一元錢奉獻) campaign, the Group has led by example, donating about RMB450,000 to support the professional development of teachers nationwide.

 Long-term rural revitalisation highlight project showcase:
Dianxi Youth Entrepreneurship Institute (滇西青年創業學院)

Established in 2014, the Dianxi Youth Entrepreneurship Institute provides free, high-quality entrepreneurship courses and rural revitalisation initiatives in the Dianxi region. As of August 2024, the institute has trained a total of 1,044 students, with over 70% of them engaging in entrepreneurial endeavors, leading to the creation of job opportunities for 5,012 individuals.

The Group is dedicated to playing an active role in rural revitalisation efforts, continuously expanding the scope of our assistance to ensure broader reach within communities and stakeholder groups. During the Reporting Period, the Group voluntarily undertook rural revitalisation assistance projects, providing training for a total of 8,000 individuals involved in rural revitalisation initiatives. In alignment with the "Skillful Henan" (技能河南) and "Skillful Guangxi" (技能廣西) certification policies of the Ministry of Human Resources and Social Security, the Group conducted various forms of skill training for eight categories of individuals, such as industrial workers, farmers, and retired military personnels. Furthermore, our schools collaborated with the China Rural Revitalisation Volunteers Association to establish the "China Rural Revitalisation Leader Training Centre" (中國鄉村振興帶頭人培訓培養基地), engaging in initiatives such as live streaming support for rural industries and consulting services for rural development. Through diverse forms of assistance and collaboration, the Group contributes to rural education and development, demonstrating its commitment and responsibility.




 Guizhou School's College of Digital Economy and Management organised the "Bringing Three Voluntary Services to the Countryside" social campaign with the aim of providing intelligent support for rural revitalisation

On August 22, 2024, the "Guizi Together" (貴籽同心) volunteer service team and the "Gracious Words" (言之有禮) volunteer practice team from Guizhou School launched a summer social practice activity in Dachong Village and Youqi Village in Qingzhen City, focusing on the theme of "Supporting Farming, Cultivating Culture and Arts" (助農耕耘, 文藝生輝) for their "Bringing Three Voluntary Services to the Countryside" initiative.

During this social campaign, team members underwent a profound experience that ranged from physical to spiritual aspects. The sweat in the fields taught the students the value of labour, the stories of sacrifice instilled respect for history and aspirations for the future, and etiquette training allowed team members to appreciate the charm of culture and the importance of traditions. These valuable experiences, like seeds, took root in the hearts of the students, leading them to cherish every opportunity for practice and to place a greater emphasis on the inheritance of culture and history.



 Zhengzhou School organised the "Bringing Three Voluntary Services to the Countryside" summer activity to learn the spirit of South-to-North Water Diversion

On June 24, 2024, students from the School of Electronic Information Engineering at Zhengzhou School embarked on a summer social practice activity around the theme of learning the spirit of the South-to-North Water Diversion project under the guidance of their instructors. The first stop was the South-to-North Water Diversion Museum in Henan Province. Through the explanations provided by the guides, the students gained an understanding of the background of the South-to-North Water Diversion project, as well as the magnificent history and significance of this engineering feat.



The second stop was the South-to-North Water Diversion Ecological Cultural Park. Here, the students not only experienced firsthand the ecological benefits brought about by the project but also actively engaged in action by distributing informational flyers to passing citizens, urging them to protect the ecological environment and cherish water resources.



Social Welfare Practices

The Group actively engages in community welfare, upholding the core value of "contributor-driven" to demonstrate the Group's social responsibility through concrete actions, and to fulfill the obligations of corporate citizenship. We integrate internal and external resources to participate in and promote community development projects through diverse means, continuously expanding our welfare initiatives. The Group and its schools' charitable actions extend beyond one-time charity events, focusing on long-term, sustainable welfare projects. During this Reporting Period, we donated over RMB270,000 to the "Yunnan Spring Rain Action" project. Part of these funds were used to support the purchase of electronic blackboards and electrocardiogram equipment in Wulong Street, Jinsha County, Guizhou. Additionally, the donation was allocated to support the premiere of the patriotic education-themed film "Warmth of Jinsha River" (金沙水暖) and the performance of the patriotic education-themed drama "The Story of National Southwestern Associated University" (聯大往事) in Beijing and Tianjin.



The Group also encourages employees and students to participate in various volunteer and community care activities, directing their own resources towards caring for the elderly and children, volunteer work, blood donation activities, and other charitable events. We wholeheartedly support the social welfare development of the communities where we operate.

Central China School's "Golden and Silver Ages, Hand in Hand for Happiness" (金銀銀齡 心手相牽) community project for supporting elderly living alone

Under the organisation of the Bizika Social Work Service Centre in Enshi City, students from Central China School participated as volunteers in this project. Apart from assisting in coordinating the activities, the students also engaged in conversations and interactions with the elderly and community workers to understand the daily lives of the seniors living alone, bringing warmth to all the elderly participants.



Northeast School's "Warmth of Childlike Hearts in April" (童心溫暖四月天) charity event for children with autism

In response to Lei Feng's spirit, students from Northeast School carried love flags promoting "Caring for Children with Autism" and walked for love on March 31, 2024.



Yunnan School's "One Village, One Preschool, United in Heart" (一村一幼同心圓) volunteer teaching in Huize County

In September 2023, a new group of volunteer teaching teams from Yunnan School set off on a new journey in Huize County. Seventy-six volunteers from the College of Education and the College of Humanities and Arts embarked on this mission. During this volunteer teaching initiative, students from Yunnan School applied their knowledge to impart cutting-edge educational concepts and teaching methods to local educators. They integrated a more scientific approach to nurturing students into the teaching process, thereby contributing to the holistic development of children in rural areas.

As of the end of the Reporting Period, the school has dispatched over 600 teachers and students for volunteer teaching missions. To alleviate the financial burden on students during their teaching period, the school provides a monthly living allowance of RMB600 to RMB800 to the participants.



Luoyang School's "Youthful Passion in Blood Donation" (青春熱血相約) event

In November 2023, Luoyang School actively organised a blood donation charity event where 789 students from the school participated in the event. With their youthful passion and dedication, they wrote a new chapter of dedication for the modern era through their blood donation efforts.



04

People-oriented Collaborative Development

We uphold a people-oriented spirit across core areas such as employment, welfare, training and development, and safety, fostering a work environment full of respect and growth. The Group is committed to building a safe and healthy educational environment, ensuring that all students and teachers can realise their self-worth under the care of the Group, collectively promoting sustainable development and societal harmony and progress.

- Talent Achievement and Rights Protection
- Growth and Improvement
- Health and Safety

Contributions to SDGs:

3

GOOD HEALTH AND WELL-BEING



5

GENDER EQUALITY



8

DECENT WORK AND ECONOMIC GROWTH





Talent Achievement and Rights Protection

Our sustainable development relies on the efforts and contributions of all employees. The Group regards employees as the core resource for enterprise growth. Over the years, we have continuously reviewed and enhanced management systems concerning employees, showing genuine care for each colleague and actively fostering a harmonious and joyful work environment. Simultaneously, in areas such as anti-discrimination, dismissal procedures, equal opportunities, holidays, and working hours, the Group strictly adheres to national labour laws and regulations:

The National Labour Laws and Regulations that the Group adheres to:

➤ Labour Law of the People's Republic of China

➤ Labour Contract Law of the People's Republic of China

➤ Special Rules on the Labour Protection of Female Employees

➤ Law of the People's Republic of China on the Protection of Women's Rights and Interests

➤ Law of the People's Republic of China on the Protection of Minors

➤ Trade Union Law of the People's Republic of China

➤ Regulations on the Paid Annual Leave of Employees

➤ Regulation on Public Holidays for National Annual Festivals and Memorial Days

➤ Regulations on Work-Related Injury Insurances

In addition to national laws and regulations, the Group has formulated corresponding internal policies, which include but are not limited to:

The Group's Internal Policies (including but not limited to)

➤ Remuneration Management System

➤ Recruitment Management System

➤ Management Measures for the Training of Teachers and Staff

➤ Incentive Systems for Talent Recruitment by the Group's Employees

➤ Implementation Measures for Cultivating Reserve Cadres for the Group

➤ Measures on the Implementation and Management of Training for Teachers and Staff of the Group

➤ Management Measures on the Probation and Development of New Department-Level Cadres

➤ Management System for Teachers and Staff Welfare

➤ Management Measures for the Selection and Appointment of Cadres

➤ Management Measures for the Confirmation of Cadres

During this Reporting Period, the Group introduced five new employment and employee welfare-related regulations to strengthen employment management and ensure employee welfare.

Employment and employee welfare-related regulations

○ Management Measures on the Probation and Development of New Department-Level Cadres

○ Management System for Teachers and Staff Welfare

○ Management Measures for the Selection and Appointment of Cadres

○ Management Measures for the Confirmation of Cadres

○ China New Higher Education Group Performance Evaluation Management Measures

Employee Recruitment

The Group has established a comprehensive and efficient employee recruitment system, utilising diverse recruitment channels including campus recruitment, social recruitment, and internal referrals. In addition to traditional external recruitment methods, the Group has increased the emphasis on internal referrals, providing more development opportunities for our staff.

Recruitment and Termination

To ensure transparency and professionalism in the recruitment process, the Group has established the "Recruitment Management System", which clearly outlines recruitment standards and procedures. According to the system requirements, all job applicants must undergo a series of rigorous assessment steps, including:

1

Written Examination: Evaluating applicants' basic knowledge and professional skills

2

Preliminary Qualification Examination: Verifying if applicants' qualifications and work experience meet the requirements

3

Preliminary Professional Examination: Conducting a professional knowledge test specific to the position

4

Second-round Examination: Interviews with the hiring department to gain a deeper understanding of applicants' abilities and adaptability

5

Background Investigation: Verifying applicants' work experience and educational background to ensure the accuracy of information

The Group follows the three principles set out below in its recruitment:

Candidates' knowledge, moral character, capability and experience, among other attributes, should be evaluated to ensure they meet the requirements of positions

Exceptional employment must be subject to the group level approval

All examinations shall be conducted according to the prescribed procedures and merit-based enrollment principles

The Group's recruitment policy adheres to principles of openness and fairness, staunchly opposing any form of discrimination. Job applicants will not be treated differently based on factors such as age, gender, race, religion, or physical disabilities. Each applicant can participate in the competition on equal terms and receive the opportunities they deserve.

If an employee applies for resignation, he/she is required to submit an application to the head of his/her department. The resignation application is verified by an employee relationship staff member first, then approved by the person in charge and the head of the Human Resources Department, and finally by the president. After the resignation application is approved, the employee is required to hand over his/her work to ensure that their work is not interrupted. If an employee is involved in violations of laws and regulations or serious dereliction of duty, the Group will terminate the labour contract with the employee according to internal procedures.

Employee Remuneration

The Group believes that employees with diverse backgrounds can inspire organisational vitality. It actively fosters a diverse, inclusive, and non-discriminatory work environment, providing equal opportunities with a focus on being "contributor-driven". The Group has established Human Resources Department to lead the development of relevant policies and oversee their implementation.

The Group offers competitive compensation packages and actively promotes reforms in job grades and compensation structures to clarify multiple career development paths for employees. The Group determines the frequency and extent of reasonable salary adjustments based on factors such as inflation rates, living standards, market talent supply and demand, annual performance evaluations, and regional differences, aiming to attract and retain top talents. Additionally, the Group conducts corresponding salary adjustments for job promotions and performance achievements, and introduces various incentive policies such as teacher competitions and incentives for classroom teaching quality to encourage teachers and staff to achieve dual development in professional skills and job positions.

In terms of compensation system, the Group treats each member of its teaching staff equally, always adhering to the principles of "remuneration based on position, capability and contribution". It values gender equality, ensuring equal pay for equal work, and guarantees that salary differentials are not based on factors such as gender, age, race, religion, or physical disabilities.



"Contributor-Driven"

The Group values employees' growth and development with the basis of being "contributor-driven". Through internal systems such as the "Objective Task Formulation Method"(《目標任務編制辦法》) and the "Objective Task Decomposition Method"(《目標任務分解辦法》), we set clear performance goals for all teachers and staff. The Group and school leaders regularly organise discussions with teachers and staff to assess goal achievements, adjust targets based on actual circumstances, and provide timely guidance and support to help teachers and staff improve their performance. As for the performance goals of core management executives at the Group and school levels, multiple performance indicators such as integrity, leadership enhancement, teaching quality improvement, service satisfaction enhancement, and environmental satisfaction improvement are linked to compensation, guiding senior management to pay attention to the career development needs of staff members. In June 2024, the Group released the "China New Higher Education Group Performance Evaluation Management Measures", which clearly defines annual performance objectives and mandates an annual performance assessment.

In addition to the basic job-related performance assessments provided for all employees, performance standards for specific positions are regularly adjusted. To implement the "Strengthen the Frontline" campaign, the Group and its schools conduct performance evaluations based on different positions and management authorities, stratifying and grading them accordingly. Apart from setting performance excellence ratios significantly higher than market averages, efforts are made to establish a fair performance incentive mechanism. Compensation adjustments, job promotions, educational advancements, and training opportunities are aligned with performance evaluations to encourage teachers and staff to realise their self-worth and professional aspirations in terms of professional skills and job positions.

Working Hours and Holidays

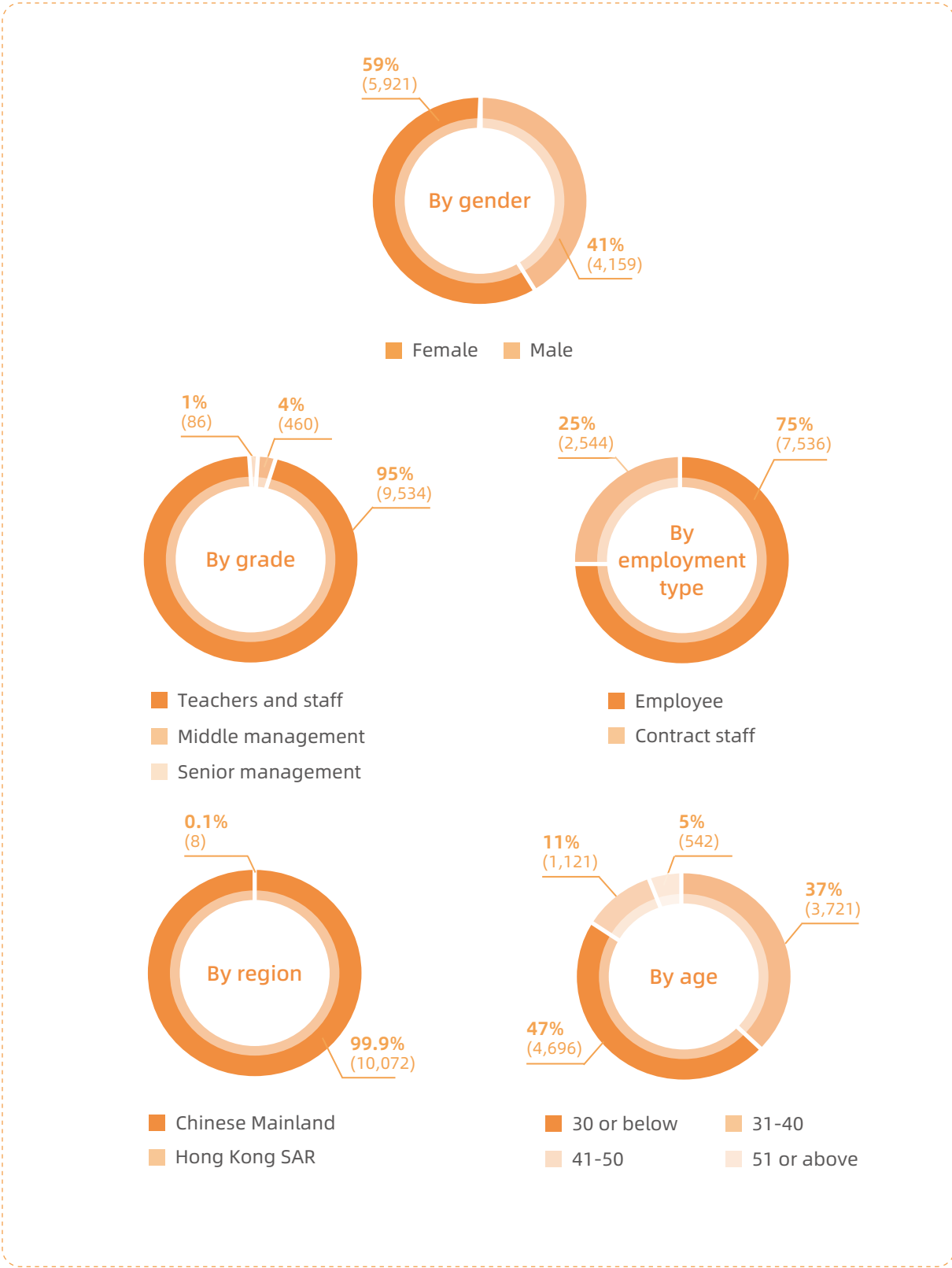
The Group has implemented a system of working five days a week, eight hours a day. The Group has also formulated the "Attendance and Vacation Management System for the Headquarters of China New Higher Education Group". In addition to public holidays, employees are entitled to annual leave, marriage leave,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

Prevention of Child Labour and Forced Labour

The Group has "zero tolerance" for child labour and forced labour. The personal identity documents of candidates are checked during the recruitment and employment process to ensure that they are aged 16 or above. In addition, the Group signs equal employment contracts with employees and does not force employees to work over normal working hours. If such situations are found, we will hold the relevant department employees accountable.

Employees At a Glance

At the end of the Reporting Period, the Group had 10,080 employees. The following chart shows the number of employees by category:



The following table shows the staff turnover and turnover rate by category during the Reporting Period:

👤 Staff turnover			
Category		Turnover	Turnover rate
By gender	Male	293	7%
	Female	337	6%
By employment type	Employee	630	8%
	Contract staff	0	0%
By grade	Senior management	4	5%
	Middle management	44	10%
	Teachers and staff	582	6%
By age	30 or below	220	6%
	31-40	243	5%
	41-50	81	7%
	51 or above	86	16%
By region	Chinese Mainland	629	6%
	Hong Kong SAR	1	13%

Employee Benefits and Care

To cultivate a positive work environment, the Group is committed to providing a diverse and continually improving range of welfare and care for all employees. Through a robust welfare system, the Group aims to acknowledge employees’ efforts fully, ensuring that each staff member feels the care and support from the Group, fostering a more united and upwardly mobile team. We look forward to accomplishing mutual growth and progress for both the Group and its employees within this conducive work atmosphere, achieving a win-win situation.

In addition to contributing to employees’ pension insurance, unemployment insurance, medical insurance, work-related injury insurance, maternity insurance and housing accumulation fund in accordance with laws and ensuring paid holidays such as statutory holidays, annual leave, wedding leave and summer vacation, the Group has also formulated the "Benefit Management System for Employees at China New Higher Education Group’s Headquarters", which have optimised policies for congratulating staff on their marriages, providing assistance to employees or their immediate family members in the event of major illnesses, and offering condolences in case of the death of immediate family members. Additionally, we provide "family visit benefits" for employees who are transferred across regions. As per tradition, we arrange annual health check-ups for all staff members and have decided to extend the scope of these check-ups to include employees’ family members in this Reporting Period. This initiative aims to promote overall family health awareness and strengthen employees’ sense of belonging and identification with the Group.

The Group has established systems relating to academic qualification allowances and title allowances and has been organising training and team-building activities to encourage the continuous growth of its employees. In order to demonstrate sincere care for employees and their family members, the Group provides numerous benefits to employees, including free snacks and refreshments, and monetary gifts for birthdays, holidays, employment anniversaries, weddings and childbirths, as well as sickness sympathy for both employees and their family members. During this Reporting Period, the Group organised various types of holiday celebrations and employee care activities, such as staff anniversary gatherings, Mid-Autumn Festival events, Teachers’ Day celebrations and birthday parties.

📖 Guangxi School extended warmth to employees during Mid-Autumn Festival

With deep respect for teachers and a heartfelt commitment to education, on September 27, 2023, Principal Zou Libin of Guangxi School led the entire management team to offer condolences and blessings to the teachers and staff. This gesture conveyed profound respect and holiday wishes to those who have toiled diligently and selflessly dedicated themselves to their work.



📖 Guizhou School celebrated International Women’s Day with all female staff

To commemorate International Women's Day, Guizhou School meticulously planned a series of diverse and colorful activities for all female staff members. The aim was to express respect and gratitude towards the female staff while enhancing unity and team spirit among them. The activities included tie-dye workshops and illustration tours, inviting female staff to create unique art pieces, fostering an atmosphere of relaxed enjoyment where they could exchange and share their artistic inspirations with one another.



📖 Team building activity at Zhengzhou School

Zhengzhou School chose a mountain climbing activity as this year's team-building event, aiming to lead all teachers and staff out of the office to enjoy nature and enhance communication and cooperation among colleagues. This activity not only provided an opportunity for physical fitness but also injected new cohesion into the team.




Employee Satisfaction

The Group prioritises employees' work experience in its operational management. By establishing a comprehensive feedback mechanism, employees are encouraged to voice their legitimate rights. Considering the actual circumstances, the Group has formulated the "China New Higher Education Group Student-teacher Experience Work Management Measures (Trial)" and the "Guidelines for Feedback and Handling Reference for Staff's Opinions", further ensuring that opinions from teachers and staff are appropriately addressed. All staff members can reach the complaint office directly through the internal system's risk control path. Upon receiving complaints, the Group ensures timely resolution to safeguard their long-term interests.

During the Reporting Period, to comprehensively understand the work-life experiences and needs of our teachers and staff, the Experience and Culture Management Centre conducted a survey on employee experience satisfaction from September 5 to September 15, 2024, targeting the Group headquarters and 8 schools.

The survey covered three major dimensions: development and cultural experience, work-life experience, and management service experience. According to the survey findings, the overall satisfaction of all teachers and staff within the Group was rated at 4.11 points, marking a 3.1% increase compared to the previous period. The majority of teachers and staff expressed positive attitudes towards the work and services provided by the headquarters and schools, with 87.5% indicating they were "very satisfied" or "satisfied", representing a 4.3% increase compared to the previous period.



87.5%

of employees responded as "Very satisfied" or "Satisfied"

Trade Union

Since 2008, our schools have been establishing respective trade unions to protect employees' rights and interests in accordance with the "Trade Union Law of the People's Republic of China" and the "Constitution of the All-China Federation of Trade Unions". Employees' freedom of association is fully respected, and they are allowed to organise various activities in accordance with the constitution, within the scope permitted by law. The trade union mainly protects employees' lawful rights and interests in the following two aspects:

- 1 Safeguard employees' labour rights and interests:

Include the right to employment, right to remuneration, right to labour protection and social security, and right to rest and vacations.
- 2 Safeguard employees' democratic rights:

Mainly refer to employees' right to democratic management, democratic participation and democratic supervision over the affairs of enterprises and institutions according to law. The trade union holds annual congresses of staff and union members to review the work and important decisions of the union during the Reporting Period.

During this Reporting Period, the relevant trade unions have covered 98% of the employees in the Group, ensuring that as many employees as possible can benefit from the protections provided by the unions. The school unions actively support teachers and staff in need. For instance, during the Reporting Period, the unions successfully assisted a teacher at Luoyang School in applying for the Group's "Million Caring Fund" program after being diagnosed with cancer, resulting in a total fund of RMB40,000. To listen to and collect suggestions from teachers and staff regarding their work, Zhengzhou School and Yunnan School held teachers representative meetings and the third Union Member Representative Conference during this Reporting Period. The aim of these meetings was to provide an open platform for teachers and staff to express their opinions and suggestions fully, and to promote equal communication within the schools.


Growth and Improvement

Employee Training

The Group regards its employees as a key driver of corporate development and pays close attention to their career development. It is committed to providing training to employees so that they can continuously improve their capabilities and grow alongside the Group. To this end, the Group leverages high-quality training resources at home and abroad, as well as the professional strength of leading institutions in various fields, to organise diverse training activities, including online and in-person teaching, exchanges and visits.


At the Group level, we have set up a practical, scientific and targeted training course system based on its management needs and the nature of each functional department, with a view to promoting the Group's high-quality development. The system covers education quality, student experience, school-enterprise cooperation, legal dynamics, risk management, brand marketing, human resources management, and many other fields. During this Reporting Period, the Group focused on providing comprehensive teaching and career counseling training for teachers and staff at each school. In addition to specialised training for teaching staff, the Group have specially designed a series of courses aimed at enhancing the quality and skills of counselors at all levels, with the aim of improving their professional competence and counseling skills in all aspects. These training programmes not only cover the latest teaching methods and technologies but also include content on "student-oriented" teaching reforms and standardisation of life mentorship to help teachers and staff better support students' academic and career development effectively.

During the Reporting Period, the Group intensified training efforts by replicating the best practices to enhance the business proficiency of executives. By fully mobilising internal intellectual resources, training activities were actively carried out at all levels of the Group, with the total training duration exceeding 85,000 hours and empowering teachers about 31,000 times. To expedite the establishment of a high-quality internal training team and enhance knowledge management, the Group increased training resource allocation, with a 30% growth in training investment.



Total training duration exceeded

85,000 hours



Training investment increased

30%



Senior/Middle management

Training Objectives: Learn and master modern management theories and techniques, fully understand the country's relevant policies and regulations, enhance strategic awareness, and improve decision-making and control capabilities.



Junior management and Teaching support staff

Training Objectives: Through training, enrich knowledge, master professional knowledge and job skills proficiently, and strengthen practical work abilities.



Full-time teacher

Training Objectives: Enhance relevant professional skills through training, consolidate and improve the basic theoretical level of the profession and the level of modern educational technology, master advanced teaching modes, means, and methods, and continuously improve teaching standards.



All employees

Training Objectives: By training in various regulations, operational procedures, codes of conduct, professional ethics, labour discipline, and more, to enhance professional integrity.

Central China School "Shuangzhi" (雙至) Seminar

On June 28, 2024, the 39th "Shuangzhi" Seminar was organised by the Human Resources Department of Central China School, with the Marxism College and the Academic Affairs Office as co-organisers, was successfully held. Professor Yan Shuai from the Marxism College of Huazhong University of Science and Technology was invited to give a special lecture on the topic "Breaking Down the Walls of Knowledge - Methods and Art in Ideological and Political Education Teaching".

During the entire lecture, Professor Yan elaborated on four arts in ideological and political education teaching: the art of leadership, psychological art, ideological art, and communication art. He combined current affairs, students' learning situations, and vivid examples to explain how to prepare for ideological and political education classes, how to grasp the art of teaching ideological and political education. Moreover, he summarised the four key principles in teaching ideological and political education: political nature as the primary attribute of ideological and political education classes, emphasis on input rather than output in expression, the authority of expression content, and the craftsmanship spirit in the teaching process, showcasing various methods in ideological and political education teaching.

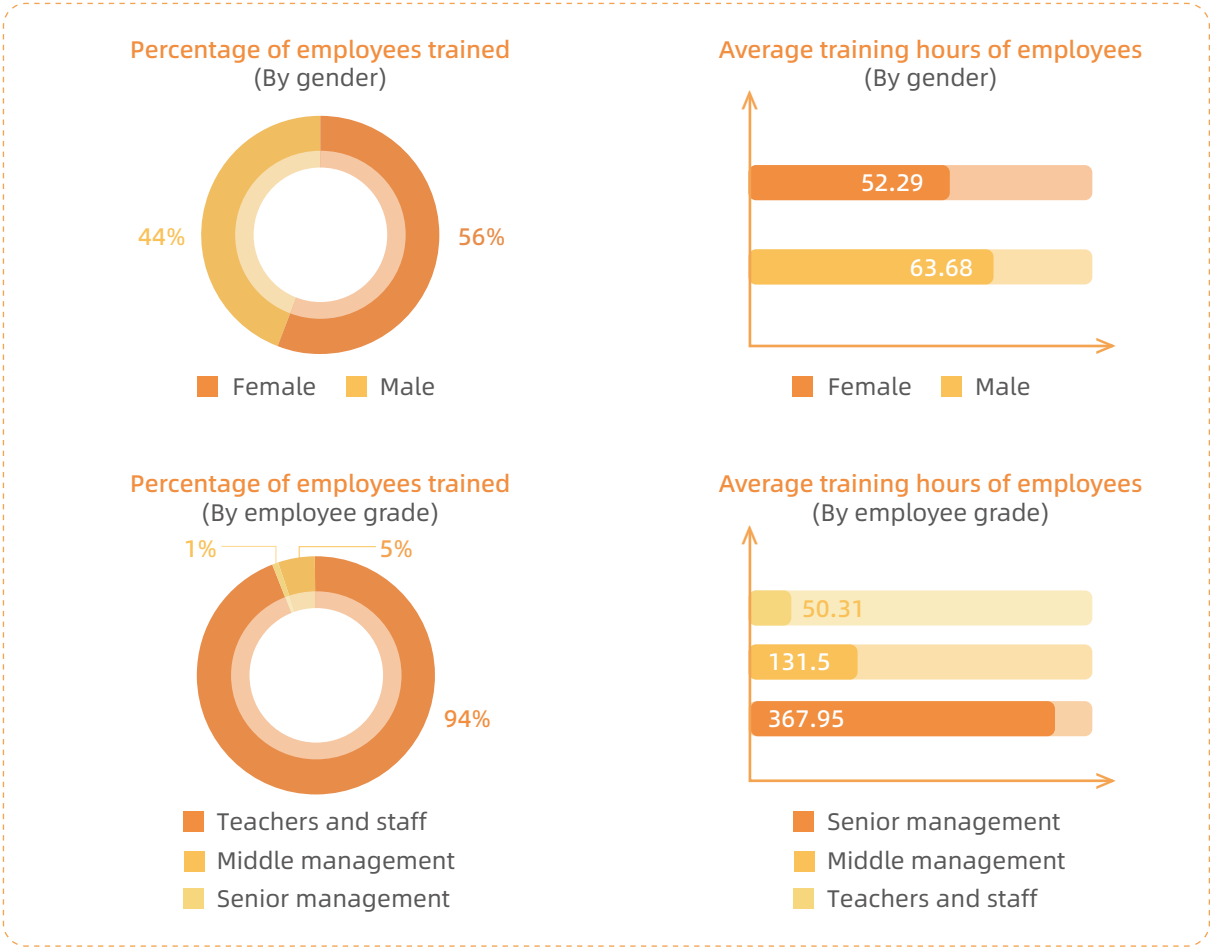


Teachers from Northeast School attended "Shadow Project" training at Xi'an Jiaotong-Liverpool University

On June 6, 2024, two lecturers from Xi'an Jiaotong-Liverpool University provided training to mentors from schools nationwide on the theme of the "Shadow Project". In order to promote a comprehensive improvement in teaching quality at their school and to understand advanced teaching methods nationwide. A total of six teachers from Northeast School participated in this training programme.



During the Reporting Period, the Group and its schools optimised training management, set relevant training targets and conducted more specific training. The table below shows the percentage of employees trained and the average training hours of employees by category during the Reporting Period:



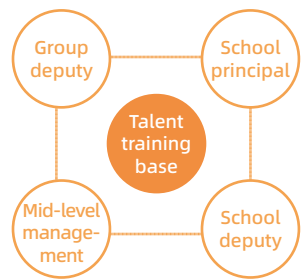
Employee Development

Promotion Mechanism

The Group continues to introduce special incentive policies and option grants to encourage management to pay more attention to the Group's medium to long-term development. Looking to the future, with the further refinement of the Group's career development pathways, we will continue to support the diversified development of talents and enhance internal selection efforts to motivate teachers and staff to grow continuously. Simultaneously, the Group will persist in monitoring market salary competitiveness, further elevating the salary levels of the Group and its schools, ensuring that the organisation and employees achieve "co-creation and sharing of results" in the development process.

Cultivation System

The Group has formulated the "Implementation Measures for Cultivating Reserve Cadres of China New Higher Education Group". Under this set of guidelines, the Group adheres to the principle of "clear guidance, strict selection, and combining practice and training", and actively explores new models to promote the growth of mid-level management talents, with a view to meeting the Group's needs for new talents and establishing and improving a mechanism for selecting and cultivating reserve cadres. The Group established a reserve cadre pool based on the principles of "openness, fairness, and impartiality", making outstanding performance in annual assessments and various evaluations a necessary condition for entry into the pool. Regular adjustments are made to reserve cadre pools at all levels each year. To standardise and make transparent the selection and cultivation measures for relevant reserve cadres, within this Reporting Period, we have formulated and issued the "Management Measures on the Probation and Development of New Department-Level Cadres", "Management Measures for the Selection and Appointment of Cadres", and "Management Methods for the Confirmation of Cadres" to our schools, enhancing the cultivation of reserve cadres.



The Group has established a cadre training system featuring "one college and four levels" (一院、四層) as the Group's talent echelon system. "One college" refers to the Jiang'an Cadre College, which the Group has set up as its base for talent training. "Four levels" refers to the four levels of mid-level management talent training: group deputy level, school principal level (including department principals at the Group's headquarters), school deputy level (including department deputies at the Group's headquarters) and mid-level management talents at the department level.

Grassroots management cadre training conference in Zhengzhou School

The Zhengzhou School organised a training conference with the theme "Three Keys to Grassroots Management in Higher Education Institutions". It was delivered by Dean Xuan Danyang of the School of Electronic Information Engineering, who shared insights and strategies for enhancing the leadership and management capabilities of grassroots management cadres.

During this training session, Dean Xuan first elaborated on the "Role Transformation of Grassroots Cadres", emphasising the need for grassroots management cadres to shift from traditional executors to innovators and leaders. He delved into the interpretation of the "Three Keys to Grassroots Management": "Management Planning", "Task Advancement", and "Review and Improvement".

This training conference not only enhanced the leadership and management capabilities of grassroots management cadres but also provided guidance for the future development of grassroots management in higher education institutions.

Health and Safety

Safety is of paramount importance in the operation of our schools and is an intrinsic requirement for the high-quality development of the Group. While continuously improving the quality of education, we are increasing investments in employee safety, campus security, food safety, and other aspects, enhancing the implementation of management systems, and creating a safe and harmonious campus environment to establish a solid foundation for the achievements of our students and staff.

The Group's internal policies (including but not limited to)

- | | |
|---|---|
| ➤ Food Safety and Sanitation Management Regulations of China New Higher Education Group | ➤ Canteen Epidemic Prevention Plan of Northeast School |
| ➤ Public Health Emergency Plan of Luoyang School | ➤ Canteen Food Safety Responsibility System of Northeast School |
| ➤ Fire Prevention and Emergency Evacuation Plan of Luoyang School | ➤ Logistics Vendor Management Measures of Yunnan School |
| ➤ Epidemic Prevention and Control Emergency Response Plan of Luoyang School | ➤ Safety and Stability Work Management Regulations of Yunnan School |
| ➤ Food Safety Emergency Response Plan of Luoyang School | ➤ Emergency Response Plan for Public Emergencies of Yunnan School |
| ➤ Traffic Safety Management Regulations of Luoyang School | ➤ Incident Handling Feedback Process of Yunnan School |
| ➤ Fire Safety Management Regulations of Luoyang School | ➤ 'Safe Campus' Safety Work Responsibility Assessment Measures in Yunnan School |
| ➤ Security and Defense Work Management Regulations of Luoyang School | ➤ Prohibited Items Management Measures of Yunnan School |
| ➤ Information and Data Security Management Measures of Luoyang School | ➤ Traffic Safety Management Regulations of Yunnan School |
| ➤ Student Dormitory Safety Management Regulations of Luoyang School | ➤ Rectification of Safety Hazards Implementation Rules of Yunnan School |
| ➤ Canteen Food Safety Emergency Response Plans of Guizhou School | ➤ Fire Safety Management Regulations of Yunnan School |
| ➤ Canteen Vendor Management Measures of Guizhou School | ➤ Fire Safety Propaganda Education and Training Measures of Yunnan School |
| ➤ Emergency Response Plan of Guizhou School | ➤ Fire Facilities and Equipment Management Measures of Yunnan School |
| ➤ Implementation Measures for Investigating and Resolving Contradictions and Disputes of Guizhou School | ➤ Fire Prevention and Emergency Evacuation Plan of Guangxi Schools |
| ➤ Catering and Commercial Area Management Service Manual of Gansu School | ➤ Emergency Response Plan for Food Safety Emergencies of Guangxi Schools |
| ➤ Emergency Response Plan for Large-Scale Event Incidents of Gansu School | ➤ Flood Relief Emergency Plan of Zhengzhou School |
| ➤ Surveillance Retrieval Management System of Gansu School | ➤ Food Safety Emergency Plan of Zhengzhou School |
| ➤ Food Safety Emergency Plan of Gansu School | ➤ Campus Vehicle Management Measures of Central China School |
| ➤ Implementation Plan for Infectious Disease Prevention and Control of Central China School | ➤ Safety Management Regulations of Central China School |



Protecting Employee Health

Ensuring the occupational health and safety of employees is crucial for the Group. While focusing on the physical health of employees, we place a high priority on their mental health and well-being. The Group complies with national laws and regulations such as the "Labour Law of the People's Republic of China" and the "Regulations on Work Injury Insurances", providing employees with work-related injury insurance and basic medical insurance in accordance with the requirements.

In addition, the Group provides health and safety equipment for both non-teaching and teaching staff and implements daily safety protocols, striving to comprehensively safeguard employee health. The Group procures construction protective equipment for staff involved in infrastructure projects and conducts specialised construction safety training. Moreover, the Group collaborates with each school to establish working groups to ensure the safety of teachers and staff. For instance, Yunnan School established the Safety and Stability Work Committee, which organises the development of school regulations and practices safety and stability plans, enhancing emergency response protocols for unforeseen events.

The Group also aspires to create a positive work environment, effectively enhancing the happiness, sense of achievement, and security of teachers and staff, while respecting their pivotal role. The Group commits to continually enhancing employee well-being and providing annual health check-ups. During this Reporting Period, employees' family members could also benefit from discount rates for health check-ups. Additionally, the Group and its schools conduct training related to occupational health and safety management, with a particular focus on the psychological well-being of teachers and counselors. The psychological counseling centres at each school regularly monitor work-related stress among teachers and staff, offering timely assistance and support.

According to the internal statistics, there has been no work-related fatality in the past three years (including the Reporting Period).



0 Fatality

The working days lost due to work-related injuries during the Reporting Period were 121 days. Work-related injuries were mainly due to accidental falls during working hours and accidental injuries occurred during their way to and from work. The Group actively assists employees in applying for work-related injury certification, covering work-related injury expenses, ensuring employees receive insurance protection and salary as mandated by relevant laws, and providing care and condolences.

Mental health lecture at Yunnan School

Yunnan School has long placed a high emphasis on guiding the mental health of both teachers and students. By organising activities such as psychological counseling, spreading awareness of mental health knowledge, and hosting psychological film salons, the school integrates mental health education throughout the holistic development of individuals, permeating it into the core of the school's educational mission.

On June 13, 2024, to enhance the mental health of teachers and students, Yunnan School invited Professor Liu Xiangping from the Department of Psychology at Beijing Normal University to conduct a positive psychology lecture. Professor Liu focused on the significance of self-empowerment, discussing topics such as self-esteem, goal pursuit, motivation, autonomy, and emphasised the impact of kindness on mental health. He also presented treatment solutions for mental health issues among university students and delved into modern societal challenges like attention, reading disorders, and marital issues.



First aid training at Yunnan School

Yunnan School, as well as the Group, has always placed a strong focus on safety education, emphasising prevention and preparedness. Safety is deeply ingrained in the minds of teachers and students, with multiple channels and methods provided for self-rescue and mutual aid knowledge dissemination and skills training. This commitment ensures the protection and stability of both students' and teachers' lives.

On November 9, 2023, Yunnan School conducted a specific first aid safety promotion activity. Through on-site first aid training and drills, the emergency awareness and self-rescue capabilities of teachers and students were strengthened. Medical personnel demonstrated techniques, teaching self-rescue and mutual aid skills, with a focus on essential knowledge such as airway obstruction first aid and CPR, guiding teachers and students through practical exercises. Escape course instructors utilised professional equipment to teach escape equipment usage techniques, enhancing the emergency evacuation capabilities of teachers and students.



Campus Security

To strengthen safety management and prevent various disasters, accidents, and incidents, the schools under the Group have implemented comprehensive safety management systems and emergency plans. These include documents such as the "Fire Safety Management Regulations of Yunnan School", "Emergency Response Plan of Guizhou School" and "Food Safety Emergency Response Plan of Luoyang School", ensuring standardised, systematic, and procedural safety protocols. This ensures timely and effective responses to various sudden safety accidents and incidents, minimising casualties and property damage to the greatest extent possible during critical moments. The Group also organises various types of health and safety training and activities to significantly enhance the safety awareness and emergency response capabilities of employees and students. This includes training and drills on preventing natural disasters and accidents such as fires, earthquakes, and floods, as well as comprehensive safety lectures on drug prevention, traffic safety, HIV prevention, fraud prevention, and other security measures.

At the same time, the Group places a high importance on innovation and reform in safety management and services. During the Reporting Period, the Group introduced an "Internet + Safety Education" online education platform, which completely transformed the traditional safety education model. This platform integrates key aspects such as teaching, assessment, analysis, and evaluation throughout the entire safety education process via online methods, achieving comprehensive coverage of safety education for our schools. This innovation maximises and solidifies the safety prevention capabilities of teachers, students, and staff members.

Yunnan School’s "1+5+N" innovative management methods

In 2024, Yunnan School innovatively introduced the concept of "1+5+N" comprehensive governance service concept and grid-based safety management methods. While utilising their own safety resources, they established deep cooperation with local public security, courts, transportation, and other government agencies. By setting up the "Police Service Room, Business Service Room, Emergency Dispatch Room, Psychological Counseling Room, and Conflict Resolution Room", the campus comprehensive governance centre serves as a service hub. Leveraging building-level safety coordinators, they continuously deepen crime prevention, order maintenance, dispute resolution, and service to teachers and students. This approach achieves 24-hour coverage of key areas and student groups within the school, constructing a campus comprehensive governance system integrating safety prevention, police services, and student services. This initiative further enhances the level of campus safety management.

The Group has implemented a unified security monitoring system across all schools and developed the "Safe Campus Smart Management Platform". This platform is characterised by high-definition, networked, intelligent, and highly integrated features, fully constructed and put into operation. Through functions such as facial recognition attendance management in dormitories, perimeter warnings, area intrusion alerts, transparent kitchens, speed checkpoints, visual intercoms, big data retrieval, and operation and maintenance platform alerts, it comprehensively eliminates hidden dangers, ensuring the safety of teachers and students and enhancing the safety management efficiency of each school. In 2024, the Group continued to increase investment in technical defenses. Central China School utilised Internet of Things technology to install sensors on fire water and electrical systems, enabling real-time monitoring of water pipe network pressure, electric current, and voltage, achieving integrated construction of fire and safety systems. Yunnan School integrated information technology fully into the existing security management platform, achieving comprehensive cloud-based security information storage. Northeast School and Zhengzhou School conducted a comprehensive upgrade of their security systems, implementing intelligent management of people, events, and objects, establishing smart safe campus management platforms. The Group pledges to continuously enhance the safety management system by conducting risk identification assessments within the campus, further purifying the surrounding environment, and effectively improving the capabilities and levels of school security personnel in responding to emergencies. We will strengthen information analysis to promptly identify and report relevant information that impacts safety and stability. The Group will rigorously enforce a 24-hour duty system to ensure seamless communication for relevant security personnel around the clock.

Promotion of earthquake preparedness and disaster reduction education at Yunnan School

Yunnan School places great emphasis on earthquake preparedness and disaster reduction education on campus, striving to normalise the dissemination of knowledge in this area. They aim to truly bring the concept of earthquake preparedness and disaster reduction into the campus, achieving the goal of "educating one child, influencing one family, driving the entire society, and ensuring safety in all aspects". On May 12, 2024, a collaborative event titled "Preventing Disaster Risks, Safeguarding High-Quality Development" was held by the school and the local government. Experts from the provincial seismic bureau were invited to conduct disaster prevention and safety knowledge lectures at the school, focusing on earthquake and fire prevention to educate both teachers and students. Detailed explanations and practical demonstrations were provided to teachers and students on the use of firefighting and rescue equipment, fire extinguishers, and emergency rescue tools.



Campus safety education activity at Guizhou School



In order to effectively raise awareness of traffic safety and self-protection among teachers and students, and further enhance the promotion of traffic safety knowledge, Guizhou School adheres to the principle of "preventing incidents before they occur" and continues to carry out campus safety education activities.

On June 15 ,2024, taking advantage of the nationwide 23rd "Safety Production Month", the Guizhou School, in collaboration with the local traffic management department, organised a special lecture on traffic safety. During the event, teachers and students were educated on relevant

knowledge of road traffic safety through presentations, informative videos, and vivid examples presented in a simple and understandable language. The staff demonstrated on-site the correct usage and operation of shared electric bicycles and provided guidance to students on the proper wearing of safety equipment.

Promoting Food Safety

The Group adheres to strict standards to ensure campus food safety, referencing relevant regulations from the "Food Safety Law of the People's Republic of China" and national standards related to food safety. Internally, the Group has established the "Food Safety and Sanitation Management Regulations of China New Higher Education Group" as guiding principles for food safety management.

All eight schools have established management systems related to food safety, covering aspects such as cafeteria management, ingredient procurement, distribution and storage, food production and sales, and food safety risk prevention and control. These systems include but are not limited to the "Food Safety Management System of Yunnan School", the "Cafeteria Daily Supervision and Management Interim Measures of Central China School" (《華中學校食堂日常監督管理暫行辦法》), and the "Catering and Commercial Area Management Service Manual of Gansu School".

Our schools have developed corresponding emergency response plan documents to address food safety emergencies. These plans include, but are not limited to, the "Food Safety Emergency Plan of Zhengzhou School" and the "Emergency Response Plan for Food Safety Emergencies of Guangxi Schools". To prevent food safety accidents and contain the spread of such incidents, in the prevention, notification, reporting, investigation, control, and handling processes of major food safety incidents, any negligence or misconduct discovered will be dealt with strictly in accordance with regulations.



In addition to establishing comprehensive food safety governance policies, the Group also continuously monitors the safety and hygiene of the food in school canteens during daily operations and conducts random inspections. Furthermore, all schools have set up "Cafeteria Inspection Rooms" equipped with dedicated food safety testing equipment, ensuring food safety through technological means. Moreover, regular professional training is provided to inspection personnel at each school to ensure they are proficient in food inspection procedures, quality management, and other relevant knowledge and skills.

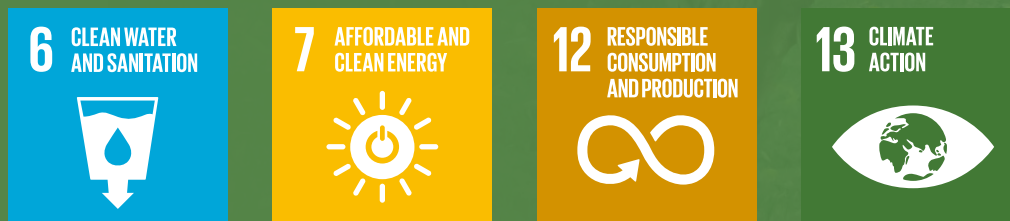
05

Green Operation and Environmental Protection

The China New Higher Education Group is committed to maintaining ecological balance and actively fulfilling social responsibilities, responding to the global call for environmental protection and the mitigation of climate change impacts with concrete actions. We embed green concepts such as energy conservation and emission reduction, water resource protection, and low-carbon development into every aspect of our operations through measures like optimising campus facilities, improving equipment energy efficiency, and constructing smart campuses, leading the industry toward sustainable development.

- Embracing Green Practices, Pursuing Environmental Protection
- Efficient Resource Management
- Ecosystem Protection and Biodiversity
- Low-Carbon Operations and Energy Efficiency
- Environmental Performance Indicators

Contributions to SDGs:



Embracing Green Practices, Pursuing Environmental Protection

Green practice and environmental protection have become an important mission across various industries. The Group deeply understands that only through efficient operations can the Group truly achieve sustainable development. By integrating green concepts into daily management, the Group can not only reduce resource consumption and environmental impact but also enhance overall work efficiency. This dual focus not only contributes to the long-term development of the Group but also contributes to the ecological civilisation construction of society.

Environmental and Energy Management System

The Group is committed to promoting the construction of green campuses, incorporating the concepts of sustainable development and ecological civilisation into daily operational management. Our core business is to provide higher education services, with the main operating locations being the headquarters and schools. The environmental issues related to the Group's operations include energy consumption, water consumption, domestic sewage discharge, and generation of hazardous and non-hazardous waste, as well as air pollutants emitted by campus transportation vehicles and greenhouse gas (GHG) emissions caused by energy consumption.

During the Reporting Period, the Group strictly adhered to important environmental laws and regulations related to its operations, ensuring that all operational activities comply with national and local environmental requirements. Simultaneously, in response to the key environmental issues mentioned above, the Group have established a series of comprehensive environmental management systems and policies aimed at advancing the green operation concept and fulfilling the Group's social and environmental responsibilities. The Group will continue to uphold the concept of ecological civilisation, further optimise business processes, strive to achieve harmonious coexistence between economic development and environmental protection, promote sustainable social development, and contribute to the construction of a better home for all.

Internal policies of the Group and its schools, including but are not limited to



Beijing Headquarters

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



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
- Emergency Response Plan for Campus Incidents of Northeast School
- Water and Electricity Management Regulations of Central China School
- Energy Management Measures of Gansu School
- Water and Electricity Management Regulations of Zhengzhou School
- Flood Relief Emergency Plan of Zhengzhou School
- Energy Management Measures of Northeast School
- Environment and Health Inspection and Reporting System of Guangxi Schools
- Water and Electricity Management Regulations of Guangxi Schools

National and local laws and regulations applicable to the Group and its schools, including but are not limited to

Environmental management

- Environmental Protection Law of the People's Republic of China
- Environmental Protection Regulations of Yunnan Province
- Regulations to Protect Niulanjiang Environment in Yunnan Province
- Ecological Environment Protection Regulations of Guizhou Province
- Environmental Protection Regulations of Guangxi Zhuang Autonomous Region

Air pollutant emission

- Atmospheric Pollution Prevention and Control Law of the People's Republic of China
- Comprehensive Emission Standards for Air Pollutants
- Atmospheric Pollution Prevention and Control Regulations of Gansu Province
- Atmospheric Pollution Prevention and Control Regulations of Hubei Province

Water management

- Water Pollution Prevention and Control Law of the People's Republic of China
- Water Law of the People's Republic of China
- Water Pollution Prevention and Control Regulations of Hubei Province
- Water Conservation Regulations of Guizhou Province
- Implementation Plan for Water Saving Action of Guiyang City
- Administrative Measures on Water Conservation of Lanzhou City

Energy management

- Energy Conservation Law of the People's Republic of China
- Renewable Energy Law of the People's Republic of China
- Energy Conservation Regulations of Guizhou Province
- Heat Supply and Use Regulations of Lanzhou City
- Gas Safety Management Regulations of Lanzhou City

Waste management

- Law of the People's Republic of China on the Prevention and Control of Environmental Pollution Caused by Solid Wastes
- Rules for the Implementation of Emission Permit Management in Gansu Province (Trial)
- Technical Policy for Urban Sewage Treatment and Pollution Prevention

Responding to climate change

- Key Tasks for Tackling Climate Change (2023-2025)
- National Strategy for Climate Change Adaptation by 2035

Environmental Targets

The Board of the New Higher Education Group is responsible for overseeing the implementation progress and performance review of the environmental directional goals set by the Group. During the Reporting Period, we monitored and supervised specific actions related to the execution of environmental targets to ensure continuous progress toward achieving these objectives. The following environmental targets cover the Group and its eight schools:

Environmen- tal Targets	Indicators	Specific Goals	Target Deadline	Completion Status
Quantitative targets				
Energy utilisation efficiency				
Energy targets	Natural gas consumption intensity	By 2025, the natural gas consumption intensity of the Group and its schools will decrease by 5%	Fiscal year 2024/2025	Completed
	Purchased electricity consumption intensity	By 2025, the purchased electricity consumption intensity of the Group and its schools will decrease by 5%	Fiscal year 2024/2025	Ongoing
GHG emissions				
GHG emission targets	Scope 1 GHG emissions intensity	By 2025, the scope 1 GHG emissions intensity of the Group and its schools will decrease by 5%	Fiscal year 2024/2025	Completed
	Scope 2 GHG emissions intensity	By 2025, the scope 2 GHG emissions intensity of the Group and its schools will decrease by 5%	Fiscal year 2024/2025	Ongoing
Water resources				
Water resources targets	Water consumption intensity	By 2025, the water consumption intensity of the Group and its schools will decrease by 5%	Fiscal year 2024/2025	Ongoing
Qualitative targets				
Waste generation				
Non-hazardous waste	Support purchase on demand	The canteen provides a counter for selling weighable food, using slogans and dedicated reminders to guide students to purchase according to their needs and eliminate waste	Long-term	All eight schools' canteens must set up a counter for purchasing weighable ingredients
	Promote the "Clean Your Plate" campaign	Post promotional materials with the theme of "Clean Your Plate" in canteen to remind students not to waste food	Long-term	<ul style="list-style-type: none">• Canteens at all eight schools prominently display "Clean Your Plate" or other promotional slogans to prevent food waste, reminding students not to waste food• Promote the "Clean Your Plate" requirements through regular themed class meetings, guiding students not to waste food
	Introduce bulk supply vendors for canteens	By introducing bulk supply vendors for canteens, we aim to reduce the inventory cycle of ingredients and prevent food waste	Long-term	Three schools have already unified the introduction of bulk supply vendors, and other schools will gradually implement this project

Waste Generation				
Non-hazardous waste	Implement paperless office	Promote paperless office and paperless daily meetings	Long-term	Continue promoting paperless office practices to the staff at the headquarters and all schools, standardising paperless operations for daily meetings
Hazardous waste	Installation of LED lights on campuses and offices	Replace fluorescent lamps with LED lights and expand the range available for installation of LED lights	Long-term	Continue advancing the LED light replacement project at the headquarters and all schools , with specific work plans established for the 2024/25 fiscal year

Efficient Resource Management

In the context of increasingly scarce resources today, the importance of natural resource management on campuses is particularly crucial. The Group recognises that scientifically and reasonably managing and utilising natural resources not only concerns the sustainable development of campuses but also directly impacts students' learning and living environments. By implementing advanced management strategies and technologies, the Group is committed to optimising resource allocation, reducing waste, and enhancing resource efficiency. This focus on efficient resource management not only demonstrates our commitment to environmental protection but also lays a solid foundation for fostering students' awareness of and responsibility for sustainable development.

Energy Management

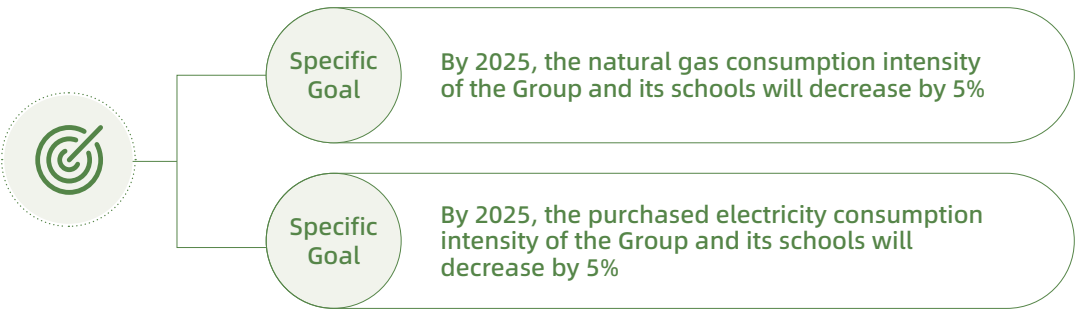
To further improve energy management, the Group and its schools have set up an energy management team and formulated management measures to standardise and optimise the use of energy. The Group firmly abides by national and local laws and regulations, including the "Energy Conservation Regulations of Guizhou Province", the "Heat Supply and Use Regulations of Lanzhou City" and the "Gas Safety Management Regulations of Lanzhou City", to ensure lawful, safe and effective use of energies. To better implement these policies, each school has established a sound environmental management system, which includes regular inspections, assessments, and improvements.

Energy consumption at schools mainly arises from the use of electricity, the use of fuel oil by vehicles and the use of natural gas. In this context, the Group formulates long-term energy conservation targets to enhance energy efficiency and optimise energy saving performance. The Group is actively promoting the related projects on solar power generation projects in Yunnan School and Gansu School, aiming to increase the use of clean energy in the future to reduce overall carbon emissions.

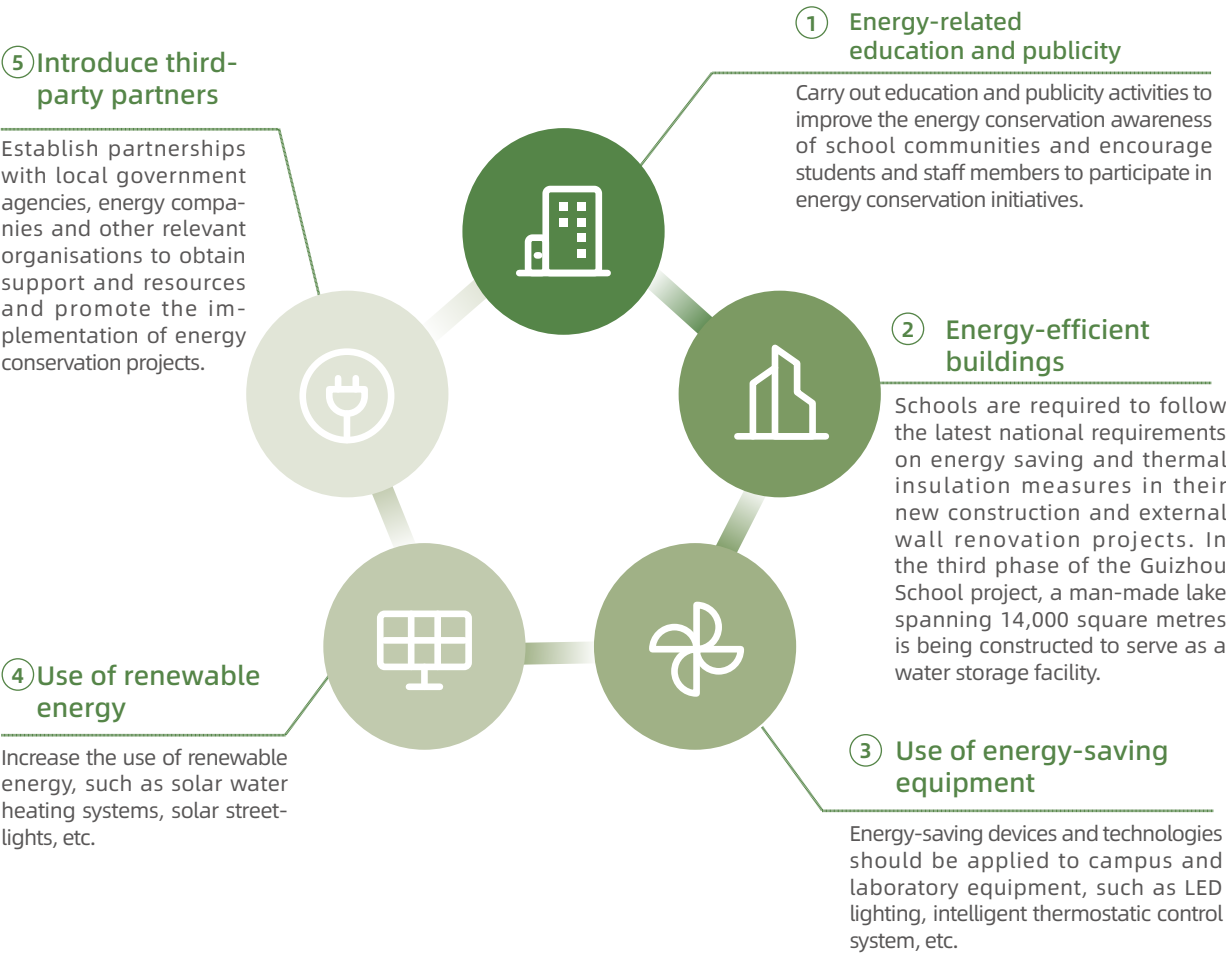


Energy Conservation Measures

In active response to the environmental challenges, the Group and its schools have formulated energy-related goals and action plans that cover the Group and its schools. As the schools are located nationwide, the environmental priorities vary. Each school is required to formulate its own environmental management policies that comply with local laws and regulations and actual operating conditions to effectively manage their respective major environmental issues and relevant impact.



The Group and its schools conserve energy and reduce emissions in the following five aspects:



Energy eduction and promotion – Northeast School student and teacher advocacy



Energy management training for teachers and staff

On July 17, 2024, Northeast School conducted energy management training for department heads, emphasising three management principles: "Safety Principle", "Conservation Principle", and "Responsibility Principle".

Waste sorting and utilisation, students in action

Northeast School organised students to participate in community energy-saving and waste reduction campaigns, guiding citizens to learn about waste sorting through interactive games and activities, deepening students' understanding of recycling practices.

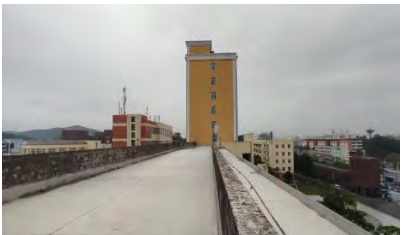


Energy-efficient buildings – green renovation of Guangxi School



Student's apartments: Optimise equipment for energy conservation and emission reduction

During this Reporting Period, Guangxi School completed green construction renovations on three student's apartments. By optimising the hot water supply system, Guangxi School successfully increased energy efficiency. Additionally, about 2,000 square metres of solar panels were installed on the rooftops of the apartments, enhancing heat utilisation and reducing overall electricity consumption.



Teaching buildings and student's apartment: waterproof insulation for reducing energy consumption

During this Reporting Period, Guangxi School installed waterproof insulation facilities on the roofs of multiple teaching buildings and students' apartments. Through green renovations, they improved indoor temperature control, reduced the frequency of air conditioning usage, and enhanced the comfort levels for teaching and living spaces.

Water management

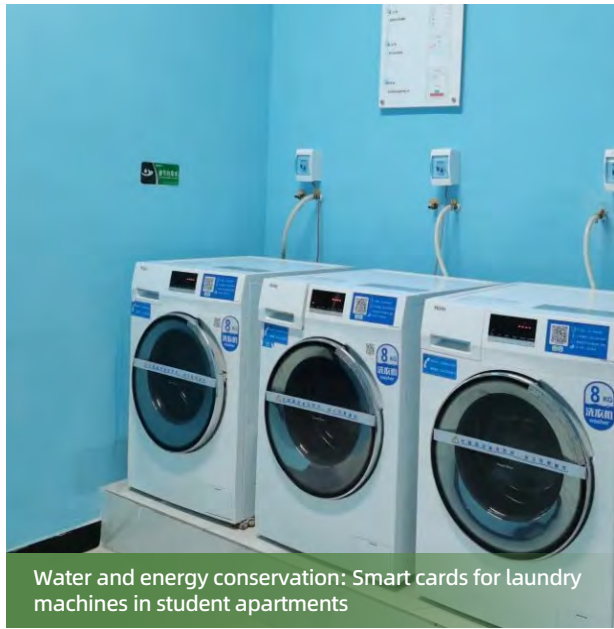
The Group and its schools strictly abide by relevant national and local laws and regulations in their operation, for example the "Water Conservation Regulations of Guizhou Province", the "Implementation Plan for Water Saving Action of Guiyang City", the "Administrative Measures on Water Conservation of Lanzhou City" and the "Balance Adjustment Table for Non-residential Water Use Plan of Songming County". The Group uses municipal tap water at all its business premises and there is no problem in sourcing water. All schools have been implementing measures on water management to encourage the staff members and students to save water.

Currently, water metres have been installed at all schools, and water consumption is regularly measured according to different levels. In addition, smart card metering terminals have been installed in students' and teachers' apartments and business operators. This system supports remote reading of water metres and consumption data, so that the Group can better understand and master the data of water use.

Daily water conservation efforts at Guizhou School



Water conservation promotion campaigns



Water and energy conservation: Smart cards for laundry machines in student apartments



Pipeline testing: Inspect underground water pipes for leaks

To further enhance awareness of energy conservation and water conservation, the Group and its schools have incorporated the monitoring of water and electricity management as well as saving and emission reduction into their daily management. Divisions and individuals that are in violation of these requirements will be subject to circulation of a notice of criticism. A corresponding incentive mechanism is also in place to reward staff members who have made contributions to resources conservation and emission reduction, to encourage active participation in environmental protection. For example, Yunnan School has formulated the "Water Management System of Rewarding Savings and Punishing Excess" as detailed below:

Incentive mechanism

Departmental rewards

- The actual water consumption of the water-using department for the year is reduced by 10% or more compared to the planned water use target
- Propose innovative suggestions or inventions for water conservation

Individual rewards

- Report to Water Conservation Management Department for repairment if leakage of water equipment, facilities, appliances or pipes is found
- Participate in a water-saving publicity and education activity

Add 1-2 points to the annual assessment of departmental objectives

Add 1-2 points to the annual assessment of departmental objectives

Add 0.5 point to individual year-end performance appraisal

Add 1 point to individual year-end performance appraisal

Water Conservation Measures

To achieve sustainable optimisation of water resources, the Group and its schools have established quantifiable water conservation targets and implemented a series of management measures aimed at ensuring water usage does not exceed local government water restriction requirements, while progressively reducing overall water consumption each year.



To this end, the Group has taken the following measures

- Strengthen the promotion of water conservation and cultivate water-saving habit among all teachers and students
- Water-consuming equipment at schools should be inspected regularly to identify and repair leaks in time
- Faucets and water valves in teaching buildings, public areas and apartments of students and teachers should be inspected from time to time to replace obsolete water appliances
- Adopt water-saving fixtures and install remote smart water metres to monitor water usage changes in real time through the system, allowing for timely implementation of corresponding water-saving measures to achieve effective water conservation
- The water supply system is monitored to ensure stable pressure of water supply and guarantee the safety and stability of the water supply system
- Install and update rainwater collection systems

Establishment of water conservation work group at Guizhou School

Guizhou School has established a Water Conservation Work Group composed of the Assistant Principal and the Infrastructure and Logistics Department. This team conducts regular and ad-hoc research, deployment, and inspections of water conservation efforts. They are responsible for system development, education and promotion, as well as the implementation and measurement of water conservation measures and their effectiveness. In recent years, Guizhou School has integrated water conservation efforts into the overall energy-saving and consumption reduction framework of the school. The work group holds specialised meetings regularly to identify issues, research solutions, and incorporate energy-saving efforts into the school's annual target assessments. During the Reporting Period, Guizhou School reached the construction standard of water-saving colleges and universities and were honored with the title of "Provincial Water-saving Colleges". Yunnan School and Central China School also received this award during the Reporting Period and were designated as "Water-saving Universities".

Waste and Air Pollutants Generation and Management

Based on the nature of the Group's business, the types of pollutants generated by each of its school are limited. Wastewater, exhaust gas, and solid waste are strictly categorised and collected according to local government requirements and handed over to government partners for processing. The schools' canteens or catering service suppliers primarily use natural gas as fuel to minimise the generation of air pollutants. Other hazardous wastes shall be collected and treated separately. The main source of exhaust emissions is car fuel. To reduce exhaust emissions, schools have taken a series of emission reduction measures. For details of air pollutant emissions from cars, please refer to "Environmental Performance Indicators".

The main non-hazardous waste generated by schools include kitchen waste, plastic, stationery, paper, glass, etc. Hazardous waste mainly includes fluorescent tubes, bulbs, printer cartridges, waste batteries, etc. A garbage sorting system and different recycling stations have been set up in schools to recycle plastic, wastepaper and waste stationery, and the waste treatment mode of "one recycling, two special treatments and three concentrations" is adopted to facilitate the circular development of "Turning Waste into Wealth". To standardise waste management on campus, for example, Central China School has adopted the "Waste Classification Action Plan of Central China School" starting from 2023. The objective is to enforce comprehensive waste classification across various areas and disciplines on campus, with a focus on overall waste reduction, source sorting, college best practices, and distinctive features (總體減量、源頭分類、學院首推、形成特色).

Waste and Air Pollutant Generation and Treatment

Waste disposal method

- **Recycling:**
 - Waste stationery, old clothes, all kinds of plastics, wastepaper and other recyclable garbage are collected and sold to waste collection stations by cleaning staff
- **Special treatments:**
 - Kitchen waste from daily life in schools is handed over to professional recycling companies for special treatment
 - Contractors are responsible for removal of waste bricks, waste ceramics, waste tiles and other construction wastes generated from the construction, decoration and renovation of schools
- **Centralised collection and transportation:**
 - 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 schools 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, collected and delivered to a waste disposer for disposal

Northeast School leads the community in setting a new "Green" trend



On September 13, 2023, the Smart Manufacturing Engineering College of Northeast School organised a "Leifeng Spirit Implementation Team" (雷鋒精神踐行團) activity in collaboration with the Beihai community in Limin Street, Hulan District, Harbin.

During the event, community workers explained garbage classification knowledge to the students, introduced the types of garbage classification, guided the students in identifying garbage classification labels, and tested everyone's understanding of garbage classification knowledge through interactive question-and-answer sessions. The students actively participated in the game interactions with great enthusiasm. By organically combining the game of Flying Chess with garbage classification knowledge, not only did the students learn how to classify garbage and enhance their awareness of garbage classification, but they also increased their sense of responsibility, achievement, and happiness in actively participating in community environmental governance.

Ecosystem Protection and Biodiversity

In respect of biodiversity, the Group and its schools always adhere to the concept of protecting the ecological environment. Each school has formulated a special plan for maintaining green areas on campus. The plan covers detailed maintenance plans, maintenance measures, pest prevention and other measures. Designated personnels are assigned to take charge of the schools' greening maintenance, and in this way guarantee sustainable development of a green campus. Additionally, to further ensure the harmony and safety of the campus environment, the Group and its schools clearly stipulate environmental protection requirements when signing contracts with suppliers at all levels, ensuring that their actions will not cause pollution or harm to the campus environment.

During the Reporting Period, the Group did not have any significant incidents causing damage to Biodiversity.



0 Damage incidents

Campus Environmental Activities

The Group and its school focus not only on promoting universal education and improving academic standards, but also on the role of the environment in education through a beautiful campus. Through the implementation of environmental protection measures, the campus environment has been improving, and students are guided to develop values of caring for the environment and cherishing resources.

"Campus Environmental Supervisor Appointment Ceremony" of Northeast School



On May 7, 2024, Northeast School held the launching meeting of the "College Student Volunteer Group for Campus Civilisation Construction and the Campus Environmental Supervisor Appointment Ceremony" (校園文明建設大學生志願團工作啟動會暨校園環境監督官聘任儀式). During this event, outstanding members of the volunteer team were formally appointed as Northeast School's Campus Environmental Supervisors, encouraging active participation in school development, representing students' voices effectively, and continuing volunteer activities focusing on maintaining learning order, campus environmental governance, and spiritual civilisation construction.


Low-Carbon Operations and Energy Efficiency

Against the backdrop of the severe challenges posed by climate change globally today, low-carbon operations and energy efficiency have become central themes across various sectors. The Group understand deeply that efficient resource management and utilisation are not only key drivers of sustainable development but also crucial pathways to address climate change. By optimising processes and enhancing energy efficiency, we can significantly reduce energy consumption and carbon emissions, thereby contributing to the protection of the ecological environment. All of these efforts reflect our unwavering commitment to the green and low-carbon concepts, as well as our proactive stance towards achieving coordinated economic and environmental development. The Group believes that only by closely integrating efficiency with energy conservation and emission reduction can we create a cleaner, more sustainable world for the future.


Responding to Climate Change

As global climate change is attracting growing concern, the Group and its schools have also been keeping a close watch on the international community's response to this issue. The Group and its schools have been actively implementing laws, regulations and policies such as the "Key Tasks for Tackling Climate Change (2023-2025)" and the "National Strategy for Climate Change Adaptation by 2035" formulated by the Chinese government. When preparing emergency plans, each school prioritises "the safety of students and staff members" and develops emergency response plans for extreme weather-related emergencies. Emergency measures for such scenarios have been emphasised in internal policies such as the "Emergency Response Plan for Campus Incidents of Northeast School" and the "Flood Relief Emergency Plan of Zhengzhou School".


With a global vision and sense of responsibility, the Chinese government has put forward the goal of striving to achieve carbon peak by 2030 and carbon neutrality by 2060. This commitment highlights the important role played by China in the global response to climate change. The Group and its schools have a deep understanding of this goal, actively responding to it and integrating it with daily operations. The following summary outlines the Group's specific actions on climate-related governance, strategies, risk management, and indicators and targets based on TCFD recommendations.

 Governance

Governance-wise, the Group has been establishing a framework for ESG governance, including governance to address climate change, with a purpose to jointly identify and study the impact of climate change on the Group's business activities. Since 2023, the Group have been referencing to the TCFD framework, in response to risks and opportunities posed by climate change. The Group gradually carries out related work on current status review, strategy development, risk management, identification, and the management of metrics and targets.

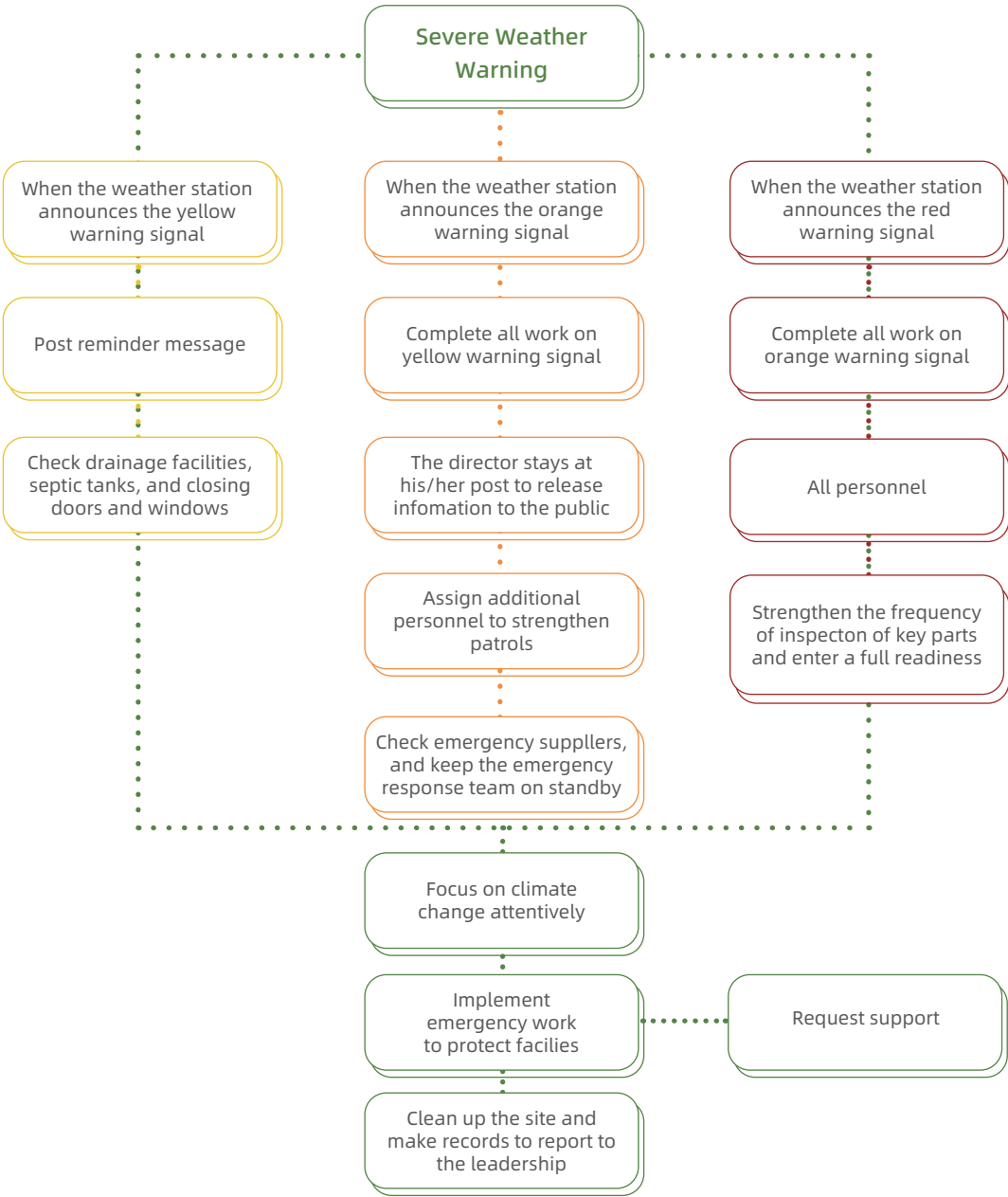
 Strategy

Climate-related risks can be classified into two major categories of risks related to the transition to a lower carbon economy and risks related to physical impacts of climate change. Transition risk may entail policy, legal, technological, market and reputational risks, while physical risks can be driven by acute risks (events such as floods and typhoons) or chronic risks (long-term shifts in climate patterns such as sustained high temperatures and rising sea levels).

 Risk Management

The Group is aware that environmental and climate-related risks can lead to operational and financial risks. For the identified climate related risks, the Group has developed an emergency plan, defined the methods and mechanisms for responding to emergencies, developed a process for identifying, assessing and responding to climate related risks, and established a three-tier response mechanism, covering the Group, schools and secondary colleges, to continuously monitor climate change. For example, if an event related to extreme weather changes is identified by the school in the course of their daily risk management, the event will be assessed and responded to proactively, and then reported to the Group Headquarter through the process of escalation of major issues.

The following diagram shows the flow chart of the Group's emergency response in the face of extreme weather:



Metrics and Targets:

Considering the Group's situation, it has identified climate-related risk metrics related to energy use efficiency, water efficiency, waste emission and GHG emissions. The Group has also set environmental targets (see "Environmental Targets" of the Report). In view of the changing nature of the Group's operating and marketing environment, the Group will conduct an ongoing review of its implementation and adjust its targets and proposed measures when necessary. Going forward, the Group will continue to improve strategy development, risk management, and the identification and management of metrics and targets, to tackle climate change in pursuit of sustainable development with various sectors of society.


Climate Risk Response Policy

The Group is dedicated to identifying climate-related risks and opportunities that impact on our operations, evaluating the extent and duration of these risks, and disclosing the measures taken by the Group to address them:

Climate Risk					
Category	Indicators	Related risks	Risk impact	Impact duration	Response
Physical risks					
Acute	The frequency and severity of extreme weather events are continuously increasing	Extreme climate or weather events are very likely to cause production equipment damage and employee safety incidents, giving rise to additional adverse impacts	Medium	Long-term	Included in the plan for public health emergencies and taken into overall consideration
Chronic	Long term shifts in climate patterns (e.g., sustained higher temperatures)	It will lead to an increase in operating costs and equipment maintenance and repair costs caused by the increase in cooling demand in summer	Low	Long-term	Replace energy consuming equipment
Transition risks					
Policy and legal	As policy actions around climate change continue to evolve, regulators will take stricter measures to limit GHG emissions and strengthen GHG emissions disclosure requirements	Facing stricter emission regulations has led to increased attention and emphasis on operational costs, equipment maintenance, and repairs	Low	Short-term	Quantify and manage GHG emissions, formulate measures to reduce GHG emissions
Technology innovation	Innovations in production technology in response to environmental requirements	Investments in new technologies may increase due to innovations in production technology in response to environmental requirements and product research and development (R&D) findings, or front-end costs may rise to adopt/deploy new operations and processes	Very low	Short-term	Pay attention to technical innovation and actively respond to relevant environmental requirements
Market	The market will opt for greener products	Under the guidance of policies and markets, and as the market is increasingly aware of lower-carbon alternatives and environmental protection, they will opt for greener products, such as FSC-certified paper, which may have an impact on the Group's raw material procurement	Low	Short-term	Formulate relevant procurement policies to reduce the consumption and procurement of relevant resources
Reputation	The growing concern over climate change is prompting corporates to pay more attention to climate-related issues	The Group may suffer from reputational risk if it fails to meet stakeholder expectations or there is any behaviour in violation of relevant laws and regulations	Very low	Long-term	Pay continuous attention to stakeholders' expectations, actively respond to and stage climate change related activities

In terms of transition risks, regarding policy and regulatory risks, as societal awareness of climate change deepens and related policies are implemented, energy prices may increase in our operating locations. This could involve setting energy usage limits, expanding the coverage of greenhouse gas emissions trading, or enhancing other environmental regulatory requirements, all of which could lead to increased operational costs. We will continue to monitor the impact of climate change on the Group's business and respond fully to policy requirements. Regarding acute physical risks, we are concerned about the effects of extreme weather on our production operations and have identified various natural disasters, extreme weather events, and adverse meteorological conditions that our operations may face.

Based on the Group's assessment of ESG risks, climate change is currently considered a moderate risk for the Group. The main related impacts are due to physical risks, including the instability in conducting educational activities caused by extreme weather events attributed to climate change, as well as uncertainties regarding the safety of staff members and students.



When extremely high temperature weather occurs, Yunnan School, Guizhou School and Guangxi Schools, which are located near the Tropic of Cancer and have both plateau climate and subtropical climate features, will be at higher risk of epidemic infectious diseases. According to the current risk assessment, these climate changes have little impact on the substantive finance or strategy of the Group and its schools, but the Group has also included it into the plan for public health emergencies for overall consideration.



Promotion of "Extreme Weather Disaster Prevention and Self-Rescue" at Luoyang School

Luoyang School is committed to cultivating the emergency self-rescue abilities of all students and teachers during extreme weather conditions. On May 12, 2024, "National Disaster Prevention and Reduction Day", the school's promotional platform disseminated official disaster reduction emergency guidelines from the National Disaster Reduction Centre and the Ministry of Emergency Management of People's Republic of China, emphasising the safety measures to be taken during extreme natural weather events such as earthquakes, heavy rainfall, floods, and tornadoes.

遭遇

龙卷风

你该怎么办？

在家中

▪ 务必远离门、窗和房屋的外围墙壁，躲到与龙卷风方向相反的墙壁或小房间内抱头蹲下，地下室或半地下室是躲避龙卷风最安全的地方

在车里

▪ 开车向相反方向躲避，或立即离开汽车，到低洼地躲避

在户外

▪ 就近寻找低洼地伏于地面，但要远离大树、电线杆、广告牌、围墙等，以免被砸、被压或发生触电事故

暴雨

警惕！

● 尽量不要外出，及时掌握天气情况

● 不要去山区沟谷旅游，不在河流、低洼地逗留

● 不要在不牢固的围墙、老旧建筑旁躲雨

● 不要贸然涉水前行，注意绕开路面漩涡、突泉

● 汽车在积水中熄火时，不要再启动，不要在车内等待救援

Carbon Reduction Measures

The Group and its schools have set long-term energy saving targets to improve energy efficiency and optimise energy use. To achieve this goal, we have taken energy-saving measures to reduce energy consumption and reduce greenhouse gas emissions. At the same time, the Group has also set long-term GHG emissions targets to promote low-carbon development and continue to strive for green campuses.



Specific Goal
By 2025, the Scope 1 and Scope 2 GHG emissions intensity of the Group and its schools will decrease by 5%

To this end, the Group has taken the following measures

- Promote energy-saving appliances and LED lamps to reduce power consumption
- Improve the thermal insulation performance of buildings and adopt more efficient heating systems to further reduce energy consumption
- Replace fuel vehicles with new energy vehicles
- Improve vehicle fuel efficiency, such as regular maintenance and introduction of high-efficiency fuel pumps, to minimise fuel consumption
- Actively explore the use of renewable energies, such as solar energy and wind energy, to further optimise energy structure
- Reduce dependence on traditional energies
- Use natural gas as the main fuel to reduce the use of coal
- Encourage teachers and staff to travel in an environmentally friendly manner, such as arranging commuter buses and encouraging staff to take public transport

Promotion of "Low Carbon Living, Green Travel" at Northeast School

Northeast School promotes the concept of low carbon living and disseminates energy-saving knowledge through official platforms. They urge teachers and students to adopt green practices such as "energy-efficient electricity use" and "cycling for transportation" to reduce carbon emissions generated in daily life.



Environmental Performance Indicators

🔗 Use of Resources			
Category	Fiscal year 2023/2024	Fiscal year 2022/2023	Unit
Direct energy consumption ¹	15,240	17,426	MWh
Total natural gas consumption	1,499,602	1,560,956	m ³
Natural gas consumption intensity	0.65	0.74	m ³ /m ² (gross floor area)
Total gasoline consumption (vehicle)	45,865	54,534	L
Gasoline consumption intensity (vehicle) ²	1,699	1,704	L/vehicle
Total diesel consumption	2,624	5,601	L
➤ Total diesel consumption (non-road mobile sources)	228	120	L
➤ Total diesel consumption (vehicle)	2,396	5,481	L
Diesel consumption intensity (non-road mobile sources)	228	120	L/item
Diesel consumption intensity (vehicle)	799	1,827	L/vehicle
Indirect energy consumption	90,992	80,521	MWh
Electricity consumption	73,090,588 ³	66,849,013 ⁴	kWh
Electricity consumption intensity	32	31 ⁵	kWh/m ² (gross floor area)
Purchased heat consumption	77,101	65,685	GJ
Purchased heat consumption intensity	0.3	0.3	GJ/m ² (gross floor area) ⁶
Total energy consumption	106,232	97,947	MWh
Total non-renewable energy consumed	106,232	97,947	MWh
Water consumption	3,706,878 ⁷	3,577,139	Tonnes
Water consumption intensity	1.6	1.7	Tonnes/m ² (gross floor area)

¹ 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)".

² During the Reporting Period, the Group owned a total of 30 gasoline vehicle, 3 diesel vehicles and 1 diesel generator. The relevant fuel consumption density is calculated by the number of various types of fuel equipment.

³ During the Reporting Period, many of the Group's schools added on-campus building facilities/new teaching equipment/expanded enrollment, and were no longer affected by campus lockdown caused by the COVID-19 pandemic, resulting in an increase in electricity consumption during the Reporting Period.

⁴ In order to maintain the consistency of statistical standards for fiscal year 2023/2024, the electricity consumption intensity for fiscal year 2022/2023 has been recalculated.

⁵ The electricity consumption density for the fiscal year 2022/2023 has been recalculated based on the updated electricity consumption.

⁶ Only Gansu School used the purchased heat use during the Reporting Period, and the gross floor area used to calculate intensity included this school only.

⁷ During the Reporting Period, many of the Group's schools added on-campus building facilities/new teaching equipment/expanded enrollment, and were no longer affected by campus lockdown caused by the COVID-19 pandemic, resulting in an increase in water resources consumption during the Reporting Period.

Emissions			
Category	Fiscal year 2023/2024	Fiscal year 2022/2023	Unit
Air pollutant Emissions ⁸			
CO emissions	356	512	Kg
NOx emissions	125	232	Kg
SOx emissions	0.86	0.90	Kg
PM2.5 emissions	3.7	7.4	Kg
PM10 emissions	4.0	8.1	Kg
Greenhouse gas emissions			
Scope 1			
Vehicle emissions	112	135	Tonnes
Non-road mobile source emission ⁹	0.59	0.33	Tonnes
Natural gas consumption emissions ¹⁰	3,242	3,419	Tonnes
Greenhouse Gas Offset by the Group's owned trees ¹¹	-6	-21	Tonnes
Scope 2 ¹²			
Electricity consumption emissions ¹³	42,466 ¹⁴	38,839 ¹⁵	Tonnes
Purchased heat consumption emissions ¹⁶	8,481	7,225	Tonnes
Total Emissions			
Greenhouse gas emissions	56,718 ¹⁷	49,639 ¹⁵	Tonnes
Greenhouse gas emissions intensity	0.03	0.02	Tonnes/m ² (gross floor area)

⁸ 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)".

⁹ The GHG emissions from non-road mobile sources are calculated with reference to the "Technical Guidelines for the Preparation of Emission Inventory from Non-road Mobile Source (Trial)".

¹⁰ The GHG emissions from natural gas combustion is calculated with reference to the "GHG Emission Accounting Methodology and Reporting Guidelines for Public Building Operators (Enterprises) (Trial)".

¹¹ The amount of GHG offsets from 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".

¹² During the Reporting Period, the Group's market-based Scope 2 emissions were consistent with its location-based Scope 2 emissions, therefore disclosed collectively.

¹³ During the Reporting Period, 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 2022)".

¹⁴ During the Reporting Period, many of the Group’s schools added on-campus building facilities/new teaching equipment/expanded enrollment, and were no longer affected by campus lockdown caused by the COVID-19 pandemic. As a result, the increase in electricity consumption during this Reporting Period has led to a corresponding rise in electricity consumption emissions.

¹⁵ The GHG emissions from electricity use for the fiscal year 2022/2023 has been recalculated based on the update electricity consumption.

¹⁶ During the Reporting Period, 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).

¹⁷ The main factor contributing to the increase in total GHG emissions during this Reporting Period is the rise in GHG emissions from electricity use. (The core reason for this increase is the many of the Group’s schools added on-campus building facilities/new teaching equipment/expanded enrollment, and were no longer affected by campus lockdown caused by the COVID-19 pandemic).

Wastes			
Category	Fiscal year 2023/2024	Fiscal year 2022/2023	Unit
Total hazardous wastes			
Printer cartridges			
Waste produced	851 ¹⁸	504	Item
Waste production intensity	0.0004	0.0002	Item/m ² (gross floor area)
Waste recycled	478	133	Item
Fluorescent tubes			
Waste produced	4,455	4,895	Item
Waste production intensity	0.002	0.002	Item/m ² (gross floor area)
Waste recycled	1,915	2,660	Item
Lamp bulbs			
Waste produced	2,135	5,726	Item
Waste production intensity	0.001	0.003	Item/m ² (gross floor area)
Waste recycled	935	1,290	Item
Total non-hazardous wastes			
Waste paper			
Waste produced	5,069	4,868	Kg
Waste production intensity	0.0022	0.0023 ¹⁹	Kg/m ² (gross floor area)
Waste recycled	2,036	4,676	Kg
Kitchen waste ²⁰			
Waste produced	0	0	Kg
Waste production intensity	0	0	Kg/m ² (gross floor area)
Waste recycled	0	0	Kg

¹⁸ During this Reporting Period, some schools under the Group have added new printing equipment and are no longer affected by campus lockdown caused by the COVID-19 pandemic. As a result, the generation of printer cartridges has increased in this Reporting Period.

¹⁹ There was an error in the calculation method for waste paper production density for the fiscal year 2022/2023, which has now been corrected. This is the revised waste paper production density for the fiscal year 2022/2023.

²⁰ During the Reporting Period, no kitchen waste was generated as all canteens were outsourced.

06

Regulatory Governance and Operational Integrity

The New Higher Education Group places integrity at its core, with compliance as its foundation, actively promoting anti-corruption, information security management, and intellectual property protection. By doing so, it aims to establish a paradigm of integrity in operations on the global business stage. Through the establishment of transparent and orderly governance structures and rigorous compliance mechanisms, the Group ensures that the legitimate rights and interests of every stakeholder are respected and protected.

- Business Ethics and Code of Conduct
- Information Security and Privacy Protection
- Information Security Incident Response
- Responsible Marketing and Intellectual Property Management

Contributions to SDGs:



Business Ethics and Code of Conduct

The Group adheres to operating legally and compliantly, maintaining a zero-tolerance stance towards infractions of regulations and business ethics. To ensure operational compliance with established standards and principles, we have formulated and implemented stringent internal policies and guidelines in supply chain management, personal information management of students and employees, promotional activities management, anti-corruption measures, and other areas.

We are strengthening our risk management efforts by developing draft guidelines for risk management in key areas. The compliance management department monitors risks, tracks and supervises the implementation and effectiveness of risk control measures, and is responsible for managing and maintaining the risk register.

The Group is committed to operating legally and compliantly, eliminating all forms of corruption and bribery in operations. We regularly conduct training and integrity education to enhance awareness. We are accelerating the development of internal control and integrity standards, promoting integrity, and requiring self-assessments by the Group and its schools to prevent corruption and bribery from a systemic level, ensuring impartiality, leading by example, and enhancing the sense of responsibility among all levels of leadership.

Group Governance Risk and Response

During the Reporting Period, the Group enhanced its risk management efforts by conducting risk identification, assessment, and control activities within key departments that intensively utilised funds across the Group and its schools. Subsequently, an internal risk register and risk control plan were consolidated, categorising internal risks into four levels: low, medium, high, and significant based on risk assessments.

Additionally, based on the evaluation results, we formulated targeted risk control measures and issued risk management guidelines covering general principles, organisational structure and responsibilities, risk monitoring and early warning, risk identification, assessment and list management, implementation and tracking of control measures, and other related aspects.

1 Risk management organisational structure:

The organisational structure and responsibilities specify the scope of rights and responsibilities of the risk control department and risk management divisions, and establish a network model of vertical management between the Group and the schools, and horizontal collaboration between the risk control department and risk management divisions.

2 Risk monitoring and early warning:

In terms of risk monitoring and early warning, a mechanism has been established under which the risk control department focuses on daily monitoring, supported by risk management divisions' regular and ad-hoc examinations. By sending risk warnings, the risk control department is reminded to strengthen the management of specific periods and scenarios.

3 Risk evaluation and identification:

The management, revision and process of the risk checklist have been refined to reflect the results of risk management in a timely manner.

4 Implementation and tracking of control measures and others:

Control measures are driven by effectiveness and dynamically adjusted in response to changes in risk events. The subsequent direction of risk management is also specified.

In the fiscal year 2023, the Group released version 2.0 of the "Management Measures on Internal Audit", revising and enhancing the responsibilities of the internal audit institutions at both the headquarters and the schools. The Measures have also imposed strict requirements on internal audit supervision, and set out the principles of independence, objectivity, prudence and comprehensiveness. The Compliance Management Department under the Audit Committee of the Group's Board of Directors is an independent internal audit function, which is staffed with full-time auditors. Under the leadership of the Audit Committee of the Board of Directors and in accordance with national and the Group's relevant systems and regulations, the Department performs independent internal audits and is accountable to the Group's Board of Directors and reports to the Audit Committee. At the end of each half-year and fiscal year, the Compliance Management Department submits an internal audit report to the Audit Committee, which includes but does not limit to the implementation of the internal audit plan and issues identified in the internal audit. Each department has clear responsibilities, progressing from the formulation of the annual audit plan to information archiving in a systematic manner.

To further enhance the risk management culture, the Group has organised a series of risk knowledge trainings to raise employees' comprehensive risk awareness, identify and eliminate risk events as soon as possible, and prevent the occurrence of incidents. The Group has formulated the "Development of Risk Prevention and Control System at Colleges" to further improve employees' risk awareness and risk prevention. Additionally, each school continues to fulfill its risk management responsibilities, enhancing their ability to prevent and control risks. For example, Northeast School has conducted training on auditing issue inventory to focus on the findings in audit reports and audit issue analysis, to enable procurement staff to identify procurement risks, thereby standardising work processes.

Integrity and Anti-corruption

Governance and anti-corruption have become crucial cornerstones for the healthy development of universities. We understand deeply that fostering a campus atmosphere of integrity is key to creating a just, transparent learning, and working environment. Universities not only bear the responsibility of education and research but also carry the mission of nurturing future pillars of society. Therefore, we consistently prioritise integrity governance and anti-corruption as our primary task, actively advancing the implementation of relevant policies and mechanisms to ensure that every decision and action align with ethical standards, thereby upholding the credibility and fairness of education.

To strengthen the culture of integrity, we are dedicated to cultivating a scholarly atmosphere of integrity to lay a solid foundation for nurturing high-quality talents. The Group and its schools have developed and issued multiple internal policies, such as the "Measures for the Integrity-related Conversations among management of China New Higher Education Group (Trial)" and the "Accountability Management Regulations of China New Higher Education Group". Furthermore, we require over a thousand employees at the Group and school levels, including department heads and above, especially those in key areas such as procurement, infrastructure, investment attraction, training, and enrollment, to sign the "Integrity Commitment Letter" (《廉潔承諾書》). Additionally, we have all supplier signed the "Partnership Integrity Commitment Notification" (《合作夥伴廉潔承諾告知書》).

Internal policies of the Group and its schools, including but are not limited to


- Fraud Monitoring Management System
- Internal Control System of China New Higher Education Group
- Accountability Management Regulations of China New Higher Education Group
- Internal Audit Management Regulations of China New Higher Education Group
- Measures for the Integrity-related Conversations among management of China New Higher Education Group (Trial)
- Integrity Commitment Letter
- Partnership Integrity Commitment Notification



Sticking to our unwavering guiding principles of "truthfulness, fairness, and justice" and "education, prevention, and addressing issues before they escalate", we rigorously penalise all illegal and irregular behaviours. In accordance with the "Accountability Management Regulations of China New Higher Education Group" (《新高教集團問責管理規定》) formulated based on relevant laws and regulations, the Group has clearly outlined governance measures for addressing illegal conduct. Depending on the severity of employee misconduct, disciplinary actions such as warnings, reprimands, demotions, suspensions, and dismissals are imposed.

Furthermore, recognising that internal audit work involves various aspects of corporate internal management, the Group has imposed stricter requirements on oversight in this area. To this end, we have established the "Internal Audit Management Regulations of China New Higher Education Group" (《新高教集團內部審計管理規定》) and set up an independent internal audit department. Under the leadership of the Board of Directors, the department independently conducts audits in accordance with national and Group regulations, focusing on monitoring fund-intensive departments at the headquarters and schools, and conducting special audits in key risk areas.

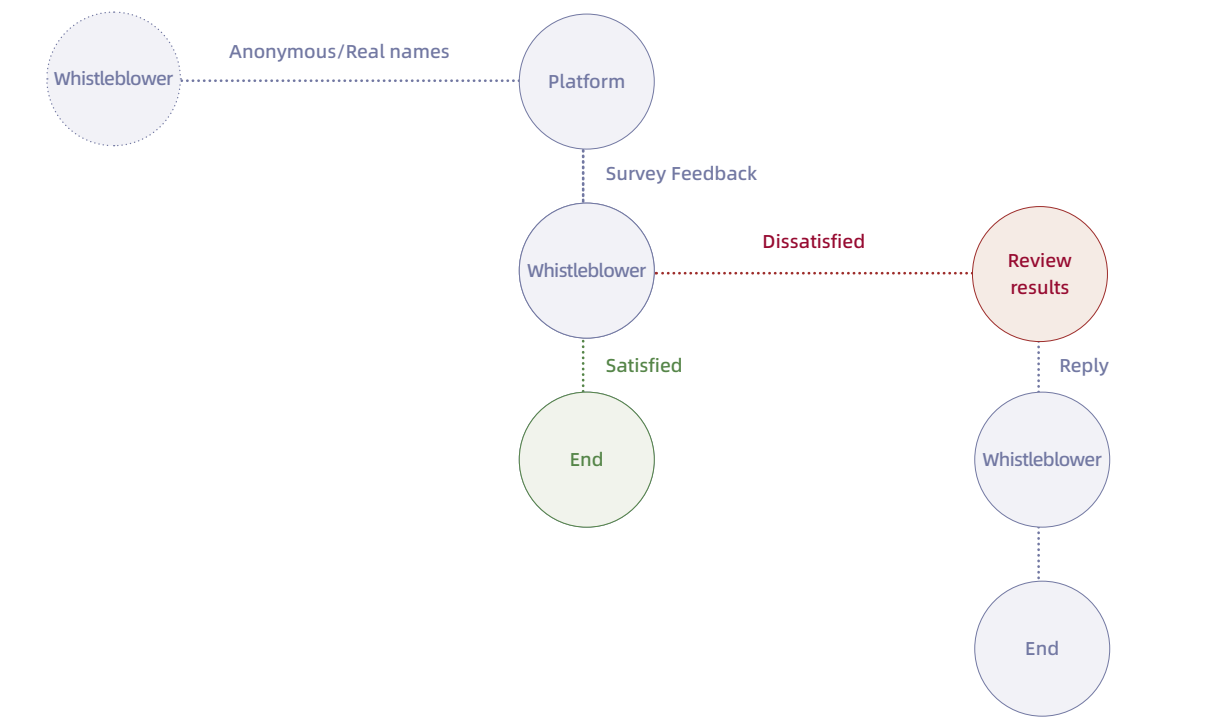
During the Reporting Period, the Group did not receive any corruption lawsuits against the Group or our employees, reflecting our effective measures and efforts in promoting anti-corruption and integrity.



0 Cases of corruption litigation


Reporting Mechanism

During the Reporting Period, we actively enhanced our anti-corruption reporting system by establishing clear procedures in the "Management System for Handling Complaints, Reports, and Appeals" (《處理檢舉、投訴和申訴工作管理制度》). This includes various reporting channels like postal delivery, personal visits, hotlines, whistleblower system platforms, and integrity supervision reporting mailboxes. We focused on improving the handling of reporting clues and ensuring the confidentiality and protection of complainants' personal information. Whistleblowing centers were established in each school, and whistleblowing avenues were provided to suppliers and collaborators, emphasising governance and integrity enhancement throughout the Group and its schools.



Whistleblowers can choose to report anonymously or provide their identity when reporting. Upon receiving a report, the platform will promptly respond to the whistleblower and regularly provide feedback on the investigation results. If the whistleblower is dissatisfied with the feedback, they can request a review of the results. We classify and handle whistleblower tips based on severity. Mild cases are typically handled directly by the disciplinary inspection department, while more complex or serious cases are directly referred to judicial authorities for handling.

During the Reporting Period, there were zero confirmed cases of corruption and fraud within the Group and its schools that were substantiated and submitted to judicial authorities for handling. Each complaint was meticulously handled by the Group and school oversight and audit departments, with detailed investigations conducted into the reported content.



0 Cases of corruption and fraud

Anti-corruption Training

To combat corruption, we prioritise training as a key preventive measure. We provide targeted training on corruption, conflict of interest, and integrity matters for key employees and the Board. These sessions enhance their understanding of business ethics and anti-corruption practices.



During the Reporting Period, we conducted multiple anti-corruption training sessions for the Board and employees. A total of 8,805 employees, including all of the Board members, participated in anti-corruption training, with an attendance rate of 87%, a significant increase from the previous year.



Staff training participation rate

87%



Information Security and Privacy Protection

During the Reporting Period, the Group continued to enhance data management and confidentiality, prioritising both network security and information technology development to ensure comprehensive data security at all levels. We adhere the "Civil Code of the People’s Republic of China" and the "Information Protection Law of the People’s Republic of China", and have established a confidentiality system that clearly defines the scope of confidential matters and their classification levels. In response to incidents of data breaches or leaks, the Group promptly takes appropriate measures, formulates accountability plans, and applies corresponding disciplinary actions to individuals responsible.

Within the Reporting Period, Gansu School updated its information security-related regulations by issuing the "Campus Network Information Security Accountability System of Lanzhou College of Information Science and Technology" (《蘭州信息科技學院校園網絡信息安全責任追究制度》) to regulate staff’s online security behaviours. Violations of this system may result in warnings, temporary suspension of internet privileges, administrative penalties, or referral to judicial authorities for severe cases. Additionally, we sign confidentiality agreements with clients to ensure the security of their information.

Information Security and Cybersecurity Measures

To ensure information security and prioritise interests across the Group, we carefully consider data security and accuracy protection in policy formulation and processes. Our privacy policy extends throughout our operations, encompassing supply chain and employee data security. To bolster data security management, the Group has established a "Confidentiality System" that explicitly outlines the scope and classification levels of confidential matters, specifies requirements for confidential matters, and outlines procedures for handling incidents of data breaches and leaks, along with accountability measures. Furthermore, each of our schools has tailored information security management plans and data security inspection methods to ensure comprehensive implementation of information security measures.

The Group's internal policies (including but not limited to)

➤

Information Security Management Measures of Yunnan School

➤

Information Security Management System of Gansu School

➤

Network Security Management System of Guangxi Schools

➤

Network Security Monitoring and Assurance Plan of Guangxi Schools

➤

Campus Network and Information Security Management System of Luoyang School

➤

Campus Network Security Management System of Guizhou School

➤

Network Information Security Management Regulations of Zhengzhou School

To ensure the security management of information systems across our schools like Yunnan School, specific work rules and management systems have been designated for various system management operations, such as the "Data Centre Management System of Yunnan School" (《雲南學校中心機房管理制度》) and the "Computer Virus Prevention Management System of Yunnan School" (《雲南學校電腦病毒防範管理制度》) aiming to mitigate risks of errors, fraud, and facility misuse resulting from improper information system usage by staff. In a similar commitment to enhancing security practices, Gansu School has formalised its management structures by developing the "Information Security Management System of Gansu School" (《甘肅學校信息安全管理制度》) at the school’s IT centre, aligning with pertinent laws, regulations, and normative documents to standardise information security operations effectively.

Furthermore, the Group and its schools actively collaborate with other prestigious institutions to promote cybersecurity efforts. Leveraging their high-quality faculty and student resources along with robust information security management systems as a medium, they deeply engage and drive the national standardisation of cybersecurity practices across educational institutions.

Northeast School joined the National Cybersecurity Industry Integration Consortium
(全國網絡安全行業產教融合共同體)

On July 5, 2024, Northeast School officially announced its membership in the National Cybersecurity Industry Integration Consortium, becoming a significant member of this community. This decision marks Northeast School’s deep involvement and active contributions in the field of network security education and injects new energy into the community’s further development.

Established in September 2023, the National Cybersecurity Industry Integration Consortium has brought together 274 member units, including 195 educational institutions, 79 enterprises, associations, and research organisations. Northeast School, known for its emphasis on practical teaching and the fusion of academia and industry, has been committed to nurturing highly skilled professionals with innovative spirits and practical capabilities. By joining the Consortium, the school aims to leverage the resources and platform provided by the community to strengthen cooperation and exchanges with leading enterprises and research institutions in the industry. Together, they will work to advance the development of network security education.

哈 尔 滨 华 德 学 院

加入全国网络安全行业
产教融合共同体

成为第304个成员单位

全国网络安全行业产教融合共同体是由工业和信息化部教育与考试中心指导，东南大学、常州信息职业技术学院、深信服科技股份有限公司牵头，联合行业组织、院校、科研机构、上下游企业等共同发起。已由江苏省教育厅推荐，教育部“现代职业教育体系改革管理公共信息服务平台”注册。

共同体主要任务

➤

搭建校企合作平台

➤

助推“双师型”教师队伍建设

➤

研发网络安全教学资源

➤

开展社会化人才培养

➤

探索国际化数字人才培养

肩负人才培养的使命，探寻志同道合的伙伴，
共同体计划持续招募中，欢迎有意向院校及单位加入



Information Security Incident Response

To address network and information security incidents, we rigorously manage emergency responses and aftermath to prevent and reduce potential losses and harm. At the same time, we implement accountability in accordance with the network information security responsibility accountability system.

The Group and its schools have developed security emergency plans to handle events such as cyber hacking, virus intrusions, system failures, and data loss. We have established alert systems and emergency procedures to ensure swift and orderly remedial actions in the event of an incident, minimising security losses. To enhance infrastructure and network security capabilities, we aim to create a secure and stable network operating environment while reinforcing information security measures. Additionally, schools conduct regular network vulnerability scans and real-time monitoring of critical data to enhance responsiveness to information security risks.

During the Reporting Period, the Group held 4 network security meetings and conducted quarterly information network security campaigns to enhance the overall awareness of network security among all staff and students. One information security inspection was organised, effectively boosting information security. There were no incidents of information leakage within the Group during the Reporting Period.

The Group and its schools have signed confidentiality agreements with employees, achieving a 100% signing rate.



Confidentiality agreement signing rate

100%

We have implemented comprehensive information security measures to enhance the level of information security management:

- 1 Enhancing awareness of network security prevention to improve the security capabilities of each school
- 2 Conducting regular self-inspections for network security vulnerabilities and promptly addressing high-risk issues
- 3 Strengthening team management by organising regular skills training, actively reporting network security arrangements to superiors, and enhancing the Group information security explanations and promotional efforts
- 4 Undertaking network security compliance rectifications to meet relevant requirements for security assessments



Northeast School hosted “Guarding Campus Safety by Preventing Fraud Risks” (防範詐騙風險，守護校園安全) seminar

On September 19, 2023, Northeast School hosted a seminar titled "Guarding Campus Safety by Preventing Fraud Risks". Students from various majors were gathered to educate them on common fraud tactics prevalent among university students. The aim was to raise awareness about information security, urging students to be cautious about disclosing personal information to suspicious individuals to prevent falling into online fraud traps.





Northeast School promoted National Cybersecurity Awareness Week

During the National Cybersecurity Awareness Week (September 9 to September 15, 2023), Northeast School utilised a variety of engaging methods such as exhibition boards, electronic screens, banners, flags, website notifications, campus broadcasts, cybersecurity handbooks, and campus network usage guide cards to disseminate a wealth of information on cybersecurity to all faculty and students. This initiative aimed to raise awareness that cybersecurity is closely related to everyone’s interests, encouraging individuals to proactively self-check, reflect, and enhance their cybersecurity awareness to fortify their own cybersecurity defenses.



Responsible Marketing and Intellectual Property Management

Responsible marketing and intellectual property management have become integral components of university development. Our schools not only bear the responsibility of education and research but also need to demonstrate a high sense of responsibility and ethical standards in marketing activities. We understand that safeguarding intellectual property not only protects innovative achievements but also promotes fair competition and sustainable development. Therefore, we actively implement relevant policies to ensure adherence to intellectual property principles in academic and commercial activities. Through enhanced promotion and training, we are committed to raising awareness of responsible marketing among all teachers and students and establishing a sound intellectual property management system. These initiatives reflect our deep commitment to responsible marketing and intellectual property management, aiming to contribute positively to the creation of an honest, transparent academic environment.




Responsible Marketing

The Group strictly complies with the "Advertising Law of the People’s Republic of China", the "Trademark Law of the People’s Republic of China", and related laws and regulations to ensure the truthfulness and accuracy of promotional information, eliminating false and exaggerated advertising. To standardise promotional activities and uphold the brand image, we have internally formulated the "Publicity Management Measures of China New Higher Education Group" (《新高教集團宣傳工作管理辦法》), providing specific instructions on internal news promotion, routine external promotion, emergency news promotion, and public opinion crisis management, promoting the standardised development of publicity work.

Through the establishment of a comprehensive teaching and service quality management system, we ensure the efficient operation and continuous improvement of educational activities. By strengthening brand marketing and publicity, we enhance the school’s reputation and influence, enabling more families to understand our educational philosophy and distinctive features. Additionally, we have established a crisis management mechanism to swiftly and effectively respond to emergencies, safeguarding the school’s reputation. During the Reporting Period, we introduced the "Responsible Marketing Policy of China New Higher Education Group" (《新高教集團負責任營銷政策》), disclosed on the Group’s website, to ensure all promotional activities are accurate, transparent, respect the rights of teachers, students, and stakeholders, comply with regulatory requirements of educational supervisory bodies, relevant laws and regulations on education and advertising in China, and promote positive values to the public.

Communicating and engaging with parents is one of our key response measures. By regularly organising parent meetings, open days, and online communication platforms, we actively listen to parents’ opinions and suggestions, collectively focusing on students’ growth and development. Simultaneously, we are dedicated to enhancing the quality and image of teachers, providing professional training and career development opportunities to ensure teachers can serve students at a higher standard.

Focusing on the holistic development of students is also a crucial aspect of our brand building. Through a variety of extracurricular activities and personalised guidance, we assist students in achieving comprehensive progress in academic, psychological, and social aspects.



Intellectual Property Rights

In terms of intellectual property rights, we adhere to the "Trademark Law of the People’s Republic of China" and rigorously manage and enforce intellectual property protection. At the Group level, we have established the "Regulations on Protection and Management of Intellectual Property Rights of Colleges", which requires employees to purchase and use genuine teaching materials and computer software and strongly oppose any infringement of intellectual property rights. Both the Group and its schools have developed relevant systems to focus on intellectual property achievements. During this Reporting Period, teachers from the Group's 8 schools successfully applied for 103 intellectual property patents, including utility model patents, design patents, and software copyrights.

Appendix

Applicable laws and regulations

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

Laws and Regulations that have a Significant Impact on the Group		Possible Significant Impact
Emissions	Overall environmental management Environmental Protection Law of the People’s Republic of China Environmental Protection Regulations of Yunnan Province Ecological Environment Protection Regulations of Guizhou Province Environmental Protection Regulations of Guangxi Zhuang Autonomous Region	Business activities of the schools shall obtain pre-approval or post-approval from the environmental supervision authority before commencement. During the operation process, the schools shall devote management resources for planning and improving the resource utilisation efficiency of the schools and building environmental protection facilities and maintaining its normal operation, to ensure that the environmental protection measures and pollutant emissions comply 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 the Group’s social reputation will be adversely affected.
	Energy management Energy Conservation Law of the People’s Republic of China Renewable Energy Law of the People’s Republic of China	
	Water resources management Water Pollution Prevention and Control Law of the People’s Republic of China Water Law of the People’s Republic of China	
	Air pollutant emission management Atmospheric Pollution Prevention and Control Law of the People’s Republic of China Comprehensive Emission Standards for Air Pollutants Atmospheric Pollution Prevention and Control Regulations of Gansu Province Atmospheric Pollution Prevention and Control Regulations of Hubei Province	
	Waste management Law of the People’s Republic of China on the Prevention and Control of Environmental Pollution Caused by Solid Wastes Rules for the Implementation of Emission Permit Management in Gansu Province (Trial) Technical Policy for Urban Sewage Treatment and Pollution Prevention	

Laws and Regulations that have a Significant Impact on the Group		Possible Significant Impact
Employment and Labour Practices	Labour laws and regulations Labour Law of the People’s Republic of China Labour Contract Law of the People’s Republic of China Law of the People’s Republic of China on the Protection of Women’s Rights and Interests Law of the People’s Republic of China on the Protection of Minors Trade Union Law of the People’s Republic of China Special Rules on the Labour Protection of Female Employees Regulations on the Paid Annual Leave of Employees Regulation on Public Holidays for National Annual Festivals and Memorial Days	A designated department has been established to develop and implement labour employment systems and procedures, ensuring the employment relationship meets the Group’s 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 the Group’s competitiveness and social reputation.
	Social security and welfare Social Insurance Law of the People’s Republic of China Regulations on Work-Related Injury Insurances	
Health and Safety	Fire Protection Law of the People’s Republic of China Food Safety Law of the People’s Republic of China Construction Law of the People’s Republic of China Working Regulation for the Hygiene at School Regulations on the Administration of Production Safety in Construction Projects	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.
Product Responsibility, Responsible Marketing, Intellectual Property Protection	Patent Law of the People’s Republic of China Copyright Law of the People’s Republic of China Advertising Law of the People’s Republic of China Civil Code of the People’s Republic of China Law of the People’s Republic of China on Protection of Consumer Rights and Interests Trademark Law of the People’s Republic of China Implementation Regulations on the Trademark Law of the People’s Republic of China Regulations on Protection and Management of Intellectual Property Rights of Colleges	The school shall maintain a corresponding scale of teaching staff and teaching facilities, to ensure the teaching quality, otherwise it will lead to a decline in competitiveness and loss of students.
Anti-corruption	Criminal Law of the People’s Republic of China Anti-Unfair Competition Law of the People’s Republic of China Bidding Law of the People’s Republic of China Supervision Law of the People’s Republic of China Company Law of the People’s Republic of China Interim Provisions on Prohibiting Commercial Bribery	The Group shall set up an internal monitoring and auditing team and continuously optimise 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.

Content Index for HKEX ESG Reporting Guide 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
A. Environmental			
Aspect A1: Emissions			
General Disclosure	Information relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer.	GRI 2: General Disclosure 2-27 GRI 3: Disclosure on Material Topics 3-3	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 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 Waste 306-3	Environmental Performance Indicators
A1.5	Description of emissions target(s) set and steps taken to achieve them.	GRI 3: Disclosure on Material Topics 3-3 GRI 305: Disclosure on Emission 305-5	Environmental Performance Indicators
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 3: Disclosure on Material Topics 3-3 GRI 306: Disclosures on Waste 306-4 and 306-5	Environmental Performance Indicators
Aspect A2: Use of Resource			
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	GRI 3: Disclosure on Material Topics 3-3	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	Green Operation and Environmental Protection

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
A. Environmental			
Aspect A2: Use of Resource			
A2.3	Description of energy use efficiency target(s) set, and steps taken to achieve them.	GRI 3: Disclosure on Material Topics 3-3 GRI 302: Disclosures on Energy 302-4 and 302-5	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 3: Disclosure on Material Topics 3-3 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
Aspect A3: The Environment and Natural Resource			
General Disclosure	Policies on minimising the issuer’s significant impact on the environment and natural resources.	GRI 3: Disclosure on Material Topics 3-3	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 3: Disclosure on Material Topics 3-3 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
Aspect 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 3: Disclosure on Material Topics 3-3 GRI 2: General Disclosure 2-12	Green Operation and Environmental Protection
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	Green Operation and Environmental Protection
B. Social			
Aspect 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 2: General Disclosure 2-27 GRI 3: Disclosure on Material Topics 3-3	People-oriented Collaborative Development
B1.1	Total workforce by gender, employment type (e.g. full-time or part-time), age group and geographical region.	GRI 2: General Disclosure 2-7 GRI 405: Disclosures on Diversity and Equal Opportunity 405-1	People-oriented Collaborative Development

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
B. Social			
Aspect B1: Employment			
B1.2	Employee turnover rate by gender, age group and geographical region.	GRI 401: Disclosures on Employment 401-1	People-oriented Collaborative Development
Aspect 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 3: Disclosure on Material Topics 3-3 GRI 2: General Disclosure 2-27 GRI 403: Disclosures on Occupational Health and Safety 403-1	People-oriented Collaborative Development
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	People-oriented Collaborative Development
B2.2	Lost days due to work injury.	GRI 403: Disclosure on Occupational Health and Safety 403-9	People-oriented Collaborative Development
B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	GRI 3: Disclosure on Material Topics 3-3	People-oriented Collaborative Development
Aspect B3: Development and Training			
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	GRI 3: Disclosure on Material Topics 3-3 GRI 404: Disclosure on Training and Education 404-2	People-oriented Collaborative Development
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	People-oriented Collaborative Development
B3.2	The average training hours completed per employee by gender and employee category.	GRI 404: Disclosures on Training and Education 404-1	People-oriented Collaborative Development
Aspect 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 3: Disclosure on Material Topics 3-3 GRI 2: General Disclosure 2-27	People-oriented Collaborative Development
B4.1	Description of measures to review employment practices to avoid child and forced labour.	GRI 3: Disclosure on Material Topics 3-3 GRI 408: Disclosures on Child Labour 408-1 GRI 409: Disclosures on Forced or Compulsory Labour 409-1	People-oriented Collaborative Development

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
B. Social			
Aspect B4: Labour Standards			
B4.2	Description of steps taken to eliminate such practices when discovered.	GRI 3: Disclosure on Material Topics 3-3 GRI 408: Disclosures on Child Labour 408-1 GRI 409: Disclosures on Forced or Compulsory Labour 409-1	People-oriented Collaborative Development
Aspect B5: Supply Chain Management			
General Disclosure	Policies on managing environmental and social risks of the supply chain.	GRI 3: Disclosure on Material Topics 3-3	Clear Responsibilities and Stringent Quality Control
B5.1	Number of suppliers by geographical region.	GRI 2: General Disclosure 2-6	Clear Responsibilities and Stringent Quality Control
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 3: Disclosure on Material Topics 3-3 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 2: General Disclosure 2-6 GRI 303: Disclosure on Water and Waste Water 303-1	Clear Responsibilities and Stringent Quality Control
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 2: General Disclosure 2-6 GRI 3: Disclosure on Material Topics 3-3 GRI 308: Disclosures on Supplier Environmental Assessment 308-1 and 308-2	Clear Responsibilities and Stringent Quality Control
B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	GRI 3: Disclosure on Material Topics 3-3 GRI 306: Disclosure on Waste 306-1 GRI 308: Disclosure on Supplier Environmental Assessment 308-1	Clear Responsibilities and Stringent Quality Control
Aspect 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 2: General Disclosure 2-27 GRI 3: Disclosure on Material Topics 3-3 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	Clear Responsibilities and Stringent Quality Control

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
B. Social			
Aspect B6: Product Responsibility			
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 2: General Disclosure 2-29 GRI 3: Disclosure on Material Topics 3-3 GRI 418: Disclosures on Customer Privacy 418-1	Clear Responsibilities and Stringent Quality Control
B6.3	Description of practices relating to observing and protecting intellectual property rights.	Not covered by the GRI Sustainability Reporting Standards	Regulatory Governance and Operational Integrity
B6.4	Description of quality assurance process and recall Procedures.	Not covered by the GRI Sustainability Reporting Standards	The Group is not involved in product recycling procedures
B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	GRI 3: Disclosure on Material Topics 3-3	Regulatory Governance and Operational Integrity
Aspect 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 2: General Disclosure 2-27 GRI 3: Disclosure on Material Topics 3-3 GRI 419: Disclosures on Socioeconomic Compliance 419-1	Regulatory Governance and Operational Integrity
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	Regulatory Governance and Operational Integrity
B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	GRI 2: General Disclosure 2-26 GRI 3: Disclosure on Material Topics 3-3 GRI 205: Disclosures on Anti-corruption 205-1	Regulatory Governance and Operational Integrity
B7.3	Description of anti-corruption training provided to directors and staff.	RI 205: Disclosures on Anti-corruption 205-2	Regulatory Governance and Operational Integrity
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	GRI 3: Disclosure on Material Topics 3-3	Contributing to Society Through Education
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	Contributing to Society Through Education
B8.2	Resources contributed (e.g. money or time) to the focus area.	GRI 201: Disclosures on Economic Performance 201-1	Contributing to Society Through Education

Feedback

Dear readers:

Thank you for reading this Report. This is the 2023/2024 Environmental, Social and Governance Report released by China New Higher Education Group Limited. The Group hopes that you will let us know your views on this Report. [Please scan the QR code on the right to access the online feedback questionnaire](#) and provide your valuable opinions to us for the Report's continuous improvement.

Please send your feedback and suggestions on the Group's sustainable development to us via ir@xingaojiao.com.



Online Feedback Questionnaire

The Group would like to hear from you:

1. Do you think this Report outlines the Group’s important ESG information?

2. Do you think this Report makes a clear, accurate and complete disclosure of information and indicators?

3. Do you think this Report is reader-friendly in terms of content and style?

4. Which part of the Report you are most interested in?

5. What information do you think is missing in this Report?

6. What are your suggestions for the Group’s future ESG Reports?

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