



中匯集團
Edvantage Group

Edvantage Group Holdings Limited

中匯集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock code : 0382



2019

**Environmental, Social and
Governance Report**

About the Report

Overview of the Report

Edvantage Group Holdings Limited, an exempted company incorporated in the Cayman Islands with limited liability, whose shares are listed on The Stock Exchange of Hong Kong Limited with Stock Code 0382 (hereinafter referred to as the **"Company"**, **"we"** or **"us"**), together with its subsidiaries, the **"Edvantage Group"** or the **"Group"**) hereby presents its first environmental, social and governance report (hereinafter referred to as the **"Report"**). The Report summarizes the strategy, practice and vision of Edvantage Group in respect of issues related to environment, society and governance in 2019, with a view to show that the Group adheres to the principle of sustainable development and is devoted to fulfilling its social responsibility as a corporate.

Reporting Scope and Reporting Period

Unless otherwise specified, the scope of the Report covers the two educational institutions of the Group in Zengcheng, Guangdong Province, namely, Huashang College Guangdong University of Finance & Economics (hereinafter referred to as **"Huashang College"**) and Guangzhou Huashang Vocational College (hereinafter referred to as **"Huashang Vocational College"**, collectively referred to as the **"Colleges"**).

The Report covers a time period from 1 September 2018 to 31 August 2019 (hereinafter referred to the **"Reporting Period"**), same as that covered by the 2019 Annual Report of the Group.

Preparation Basis of the Report

The Report is prepared in accordance with the Environmental, Social and Governance Reporting Guide as set out in Appendix 27 to the Rules Governing the Listing of Securities (hereinafter referred to as the **"Listing Rules"**) on The Stock Exchange of Hong Kong Limited (hereinafter referred to the **"Stock Exchange"**) and complies with all provisions of **"Comply or Explain"** as well as the principles of materiality, quantitative, balance and consistency.

Contact Us

We attach great importance to readers' valuable opinions. Should you have any questions or suggestions about the Report, please contact the Group via:

E-mail: cs@edvantagegroup.com.hk

The Company's address: Room 1115, 11/F, Wing On Plaza, 62 Mody Road, Tsim Sha Tsui, Kowloon, Hong Kong

Source of Data and Reliability Statement

The information disclosed in the Report is from the Group's internal documents, statistical reports and relevant public materials. The Group undertakes that the Report does not contain any false information, misleading statement or material omission, and takes responsibilities for the contents hereof as to the authenticity, accuracy and completeness.

Confirmation and Approval

The Report was approved by the Board of Directors of the Company (hereinafter referred to as the “**Board**”) on 13 March 2020 upon confirmation by the management of the Company. The Report is prepared in both Chinese and English. In case of any discrepancy between the Chinese and English versions of the Report, the Chinese version shall prevail. The electronic version of the Report is available on the website of the Stock Exchange (www.hkexnews.hk).

Identification of and Communication with Stakeholders

During its running of schools, the Group keeps refining its communication mechanism and maintains active communication and exchange with internal and external stakeholders such as governments/regulators, shareholders, investors, suppliers, partners, faculty, students, parents and the public communities, in an effort to fully understand their expectations and suggestions. Based on such understanding, the Group continues to improve its sustainable development strategy and planning, striving to consolidate mutual trust and cooperation and realize the sustainable development plan, so as to create a future with sustainable economic growth, environmental friendliness and social development.

Major Concerns of Stakeholders and Measures

Stakeholder	Concern	Means of Communication
Shareholders/ Investors	Business strategy; Return on investment; Corporate image; and Operating compliance.	General meetings; The Group's announcements; Regular briefings and meetings; Roadshows; and The Company's website.
Governments and regulators	Operating compliance; Tax payment as legally required; and Disclosure of information and submission of materials.	Visits; The Company's website; and Information disclosure of listed companies.
Associations of the industry	Operating compliance.	Visits; Meetings; Lectures; and Activities for exchanges.
Employees	Remuneration and benefits; Working environment; Employees' occupational safety and health; and Trainings and career development.	Employee representatives' assembly; Suggestion boxes on schools' websites; Group activities; and Online platform with comprehensive services in schools (Huashang e-Home).

Stakeholder	Concern	Means of Communication
Students and parents	Teaching quality; Teaching philosophy; Teaching management; Teaching service quality; Campus environment; and The health and safety of students.	Online evaluation of teaching; Seminars for teachers and students; Parents' meetings; Schools' websites; and Online platform with comprehensive services in schools (Huashang e-Home).
Communities	Community development; Social welfare; Employment opportunities; and Ecological environment.	Community service activities; Volunteer activities; Community communication meetings; and Press releases/announcements.

Environmental

Emissions

The Group pays heed to not only basic educational services, but also environmental protection and follows the principle of sustainable development in its daily management in an attempt to improve the environmental awareness of all its teachers and students and strives to build a green campus. We strictly abide by environmental laws and regulations, including but not limited to the *Environmental Protection Law*, *Law on the Prevention and Control of Atmospheric Pollution*, *Law on the Prevention and Control of Water Pollution*, *Law on the Prevention and Control of Solid Waste Pollution to the Environment* and *Law on Energy Conservation* of the People's Republic of China (hereinafter referred to as “**China**” or the “**PRC**”).

Exhaust

As the Group is engaged in educational services, no business activities are involved in its daily operation. Furthermore, canteens in the colleges have also been outsourced to catering management companies. The Group's air emissions derive mainly from automobiles. The types and data of emissions are as follows:

Major Emissions	Unit	Amount of Emission
NO _x	Kilogram	517.80
SO _x	Kilogram	1.38
Particles	Kilogram	43.64

Greenhouse Gases

The Group's direct emissions of greenhouse gases result principally from the burning of fuel in the Group's vehicles, while the indirect emissions of greenhouse gases are mainly from the purchased electricity, discarded waste paper and the flights its employees take for business trips.




Major Types of Emissions	Unit	Amount of Emission
Scope I		
Burning of fuel in vehicles:		
CO ₂	Metric tons of CO ₂ equivalent	221.63
Methane	Metric tons of CO ₂ equivalent	0.45
N ₂ O	Metric tons of CO ₂ equivalent	27.60
Total amount of emission from the burning of fuel in vehicles	Metric tons of CO ₂ equivalent	249.68
Trees planted	Metric tons of CO ₂ equivalent	(42.78) ¹

¹ By reference to Appendix 27 of the Listing Rules, the data only include plants that can reach at least 5 meters high.

Major Types of Emissions	Unit	Amount of Emission
Scope II		
Electricity	Metric tons of CO ₂ equivalent	22,298.05 ²
Scope III		
Waste paper	Metric tons of CO ₂ equivalent	14.76
Employees' business trips	Metric tons of CO ₂ equivalent	96.64
Total emissions		
Total emissions	Metric tons of CO ₂ equivalent	22,616.35
Intensity of total emissions	Metric tons of CO ₂ equivalent per employee ³	9.60

Measures to Mitigate Emissions

In order to effectively reduce the air emissions generated by the Group, the Group's measures for fleet management have included the following:

-  Reasonable driving. Private use of business vehicles is prohibited and long-distance dispatching is subject to strict review to reduce unnecessary travel;
-  Weekly inspection and maintenance of vehicles are conducted to enhance burning efficiency of fuel; and
-  Commuter services are provided to faculty and staff to reduce fuel consumption.

During the Reporting Period, more than 1,800 trees were planted in the Colleges. By planting trees, 42.78 metric tons of carbon dioxide emissions were reduced. We will continue to carry out afforestation to reduce emissions generated in the course of operation.

² The greenhouse gas emission factors of purchased electricity adopt the *Average Carbon Dioxide Emission Factors of China's Regional Power Grid in 2011 and 2012* issued by the National Development and Reform Commission.

³ As at 31 August 2019, the total number of the Group's employees was 2,355.

Hazardous and Non-Hazardous Wastes

The Group's solid emissions mainly come from all sorts of recyclable and non-recyclable household garbage generated in the Colleges, such as paper, office supplies, stationery, plastic, etc. The hazardous wastes are primarily insecticides and medical wastes. There are recyclers who collect medical wastes for detoxification on a monthly basis.

Detailed data of the Group's emissions during the Reporting Period are as follows:

Type of Energy	Unit	Amount Generated
Hazardous wastes	Metric ton	1.55
Intensity of hazardous wastes	Metric ton per employee ³	0.00066
Non-hazardous wastes	Metric ton	8.86
Intensity of non-hazardous wastes	Metric ton per employee ³	0.0038

Measures to Reduce Wastes Generated

The Group actively advocates the idea of green campus and adheres to the principle of “four ‘Re’ actions in environmental protection” (reduce, reuse, recycle and replace) in daily operation, aiming to minimize the generation of wastes and make full use of resources.

In terms of using paper, we require the staff to use double-sided photocopying and reuse single-sided paper for photocopying or printing of the first draft. In case of waste of paper, each department shall deduct RMB1 from its funds for each copy from its outlay. In terms of wastes, each College under the Group has set up garbage cans for classification to sort out the recyclable part of the solid wastes and hand them over to cleaning service companies for treatment.

Use of Resources

The Group's indirect energy consumption mainly comes from the purchased electricity.

³ As at 31 August 2019, the total number of the Group's employees was 2,355.

Total Energy Consumption

Type of energy	Unit	Consumption
Electricity		
Total electricity consumption	kWh	25,694,918
Intensity of total electricity consumption	kWh/total employee ³	10,910.79
Water source		
Total water consumption	Cubic meter	1,829,244
Intensity of total water consumption	Cubic meter/total employee ³	776.75

Energy Use Efficiency

In terms of electricity saving, the Colleges use low-power, recyclable and reusable energy-saving lamps to reduce the power consumption of lighting products, and in turn reduce carbon emissions. During the Reporting Period, the heat pump system in students' dormitories on campus was modified by the Group, thus reducing power consumption while enhancing the energy-saving efficiency. The Group has also formulated the *Management System to Secure Electricity Usage on Campus* to ensure electricity safety and encourage energy conservation. Specific measures include: Faculty members are required to turn off the equipment and power supply when they leave relevant places and when they are not using the equipment; connecting power supply without permission and using high-power electrical appliances on campus are forbidden.

In terms of water conservation, Huashang College under the Group has carried out a drainage renovation project for the air conditioning in its teaching buildings to eliminate the leakage of drainage pipes and reduce energy consumption. There are also signs in the toilets to remind students and staff to save water.

Appropriate Water Source

The Group faces no issues in sourcing water that is fit for purpose, and both its Colleges have stable water supply to meet daily operational needs.

The Environment and Natural Resources

Both of the Colleges will not have a particularly material impact on the environment and natural resources in their daily operation. The Group constantly follows the principle of protecting the environment and natural resources in the operation and ensures that it will not cause any significant impact on the environment and overuse natural resources.

³ As at 31 August 2019, the total number of the Group's employees was 2,355.

Social

Employment









“People-oriented” is the core value of Edvantage Group. We firmly believe that employees are the most valuable asset of an enterprise. The Group strictly abides by all applicable laws and regulations related to employment, including but not limited to China's *Labor Contract Law*, *Labor Law*, *Regulations on Paid Annual Leave of Employees*, *Law on the Protection of Women's Rights and Interests*, *Law on the Protection of Disabled Persons and Social Insurance Law*, etc.

The Group has specially formulated the *Human Resources Workflow* to manage its recruitment, induction training, employee hiring, employee resignation, employee promotion and other processes, so as to standardize the workflow and improve working efficiency. The Group is committed to building a diversified, anti-discrimination and inclusive working environment to ensure no employees will be discriminated against or deprived of opportunities due to gender, ethnic background, religious belief, color, sexual orientation, age, marital status or family status in respect of recruitment and promotion. In accordance with teaching plans and needs, we will select suitable and excellent candidates through the resume-screening process, and notify the candidates to have an interview after the selection by the head of the employing department. Only after written examination, preliminary examination by the department of human resources, interview by the employing department, interview by the head of the department of human resources, background investigation and approval by management is the recruitment of an employee finalized.

Employees who intend to resign shall inform the head of the relevant department and the management in charge in writing 30 days in advance (3 days in advance during the probation period). The department of human resources of the Group will arrange an interview to find out the reasons for the employee's resignation, and issue a resignation certificate for the employee after the handover between the employee and relevant departments is done and all resignation procedures are completed. The Group will carry out probation assessment and annual assessment for employees which will serve as important bases for rewards and punishments, salary adjustment and promotion, year-end bonus, etc. We rate our employees and adjust the corresponding salary and performance bonus according to the annual assessment to reward them for their contribution and stimulate their enthusiasm for work. For employees qualified for promotion, the head of the relevant department will inform the employee and submit a written promotion opinion to the department of human resources and the management in charge for approval.



The Group is devoted to providing a safe and healthy working environment for its employees so as to establish with them a close relationship with mutual trust. The Group provides a reasonable and satisfactory remuneration and benefits system for every employee, including basic salary and statutory five insurances plus one provident fund. We also provide high welfare policies to establish a working environment full of mutual assistance and friendliness between employees. Faculty and staff are entitled to basic statutory festivals and holidays. Basic salaries are paid to them during their sick leave, marriage leave, maternity leave and paternity leave in accordance with the applicable labor laws and regulations. The working hour is generally 8 hours per day and 40 hours per week on average with at least 1 day off per week based on the standard working hour system, or otherwise determined according to relevant laws and the specific positions of employees. Regular faculty and staff of the Group can also enjoy additional benefits and allowances, including but not limited to:

-  Monthly supplies;
-  Gifts and allowances at major festivals;
-  Birthday gifts;
-  Marriage allowances;
-  Birth allowances;
-  Hospitalization allowances/gifts;
-  Special hardship allowances; and
-  Annual physical examination, etc.

In order to enhance team cohesion and create a harmonious working atmosphere, the Group will also organize various group activities on a regular basis, such as one-day outdoor group birthday celebration for every quarter and one-day tour on Women's Day, etc.

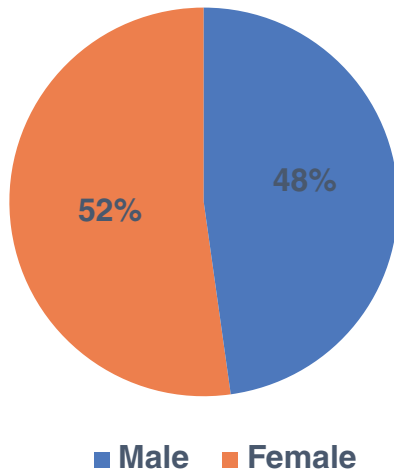


Total Number and Classification of Employees

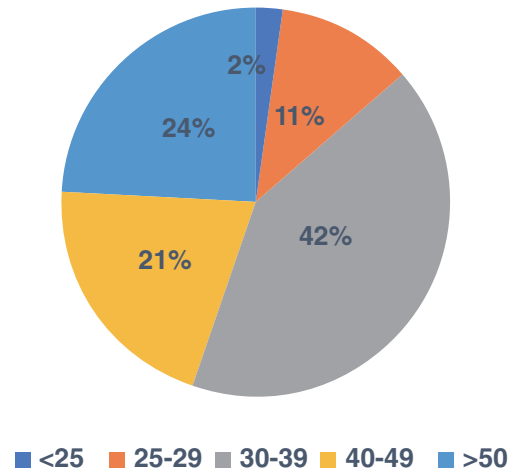
As at 31 August 2019, the Group had a total of 2,355 faculty members and staff. The detailed data are as follows:

Number of Employees	
Total number of employees	2,355
Number of distribution of male and female employees	
Female	1,229
Male	1,126
Number of age distribution	
<25	53
25-29	270
30-39	980
40-49	489
>50	563
Number of employees at different levels	
Management	67
Mid-level employee	66
Junior employee	2,222
Number of employees by region	
Hong Kong	7
Mainland, China	2,323
Others	25

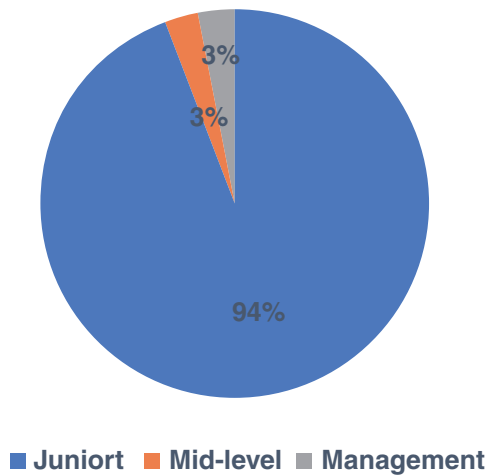
Number of distribution of male and female employees



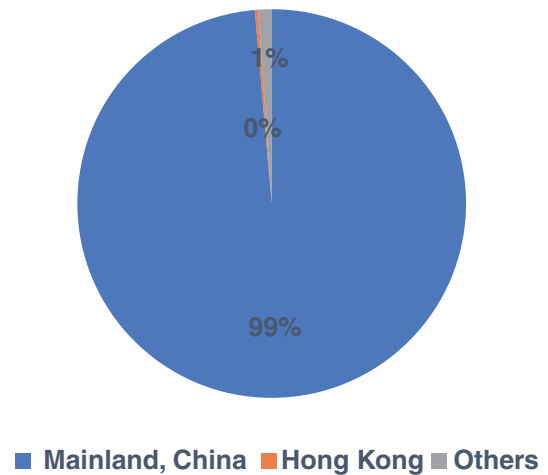
Number of age distribution



Number of employees at different levels



Number of employees by region

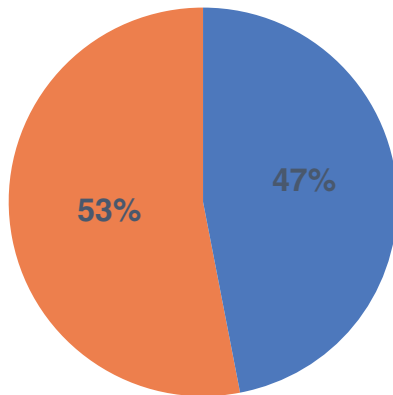


Employee Turnover

As at 31 August 2019, the detailed data of employee turnover rate are as follows:

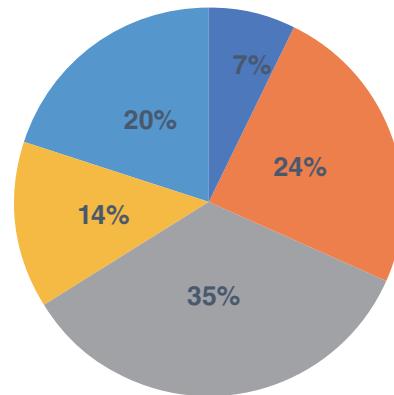
Total Loss of Employees		
	Number	% of total employees
Total number of loss	217	9%
Number of distribution of male and female employees		
	Number	% of total loss
Female	115	53%
Male	102	47%
Number of age distribution		
	Number	% of total loss
<25	16	7%
25-29	53	24%
30-39	75	35%
40-49	30	14%
>50	43	20%
Loss of employees by region		
	Number	% of total loss
Hong Kong	0	0%
Mainland, China	211	97%
Others	6	3%

Number of distribution of male and female employees



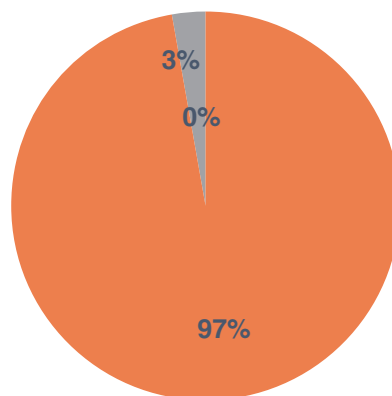
■ Male ■ Female

Number of age distribution



■ <25 ■ 25-29 ■ 30-39 ■ 40-49 ■ >50

Loss of employees by region



■ Hong Kong ■ Mainland, China ■ Others

Health and Safety

The Group makes much account of the health and safety of the faculty, staff and students on campus, and endeavors to create a healthy and safe campus environment for the faculty, staff and students. A set of strict safety management regulations and guidelines in terms of fire safety, sanitary management, facilities and equipment management and smoking prohibition is in place. The Group has strictly complied with applicable laws and regulations on health and safety, including but not limited to China's *Law on the Prevention and Control of Infectious Diseases*, *Food Safety Law*, *Regulations on the Sanitary Management of Student Canteens and Group Meals*, *Fire Protection Law* and other relevant laws and regulations.

The Group's health and safety supervision projects mainly include: management of food safety in canteens, management of drinking water and electricity safety on campus, public security management on campus, medical hygiene management, dormitory management and fire supervision and inspection. According to the arrangements of health and safety work, each unit is required to conduct supervision work and keep relevant records regularly to ensure the safety work is well implemented.

In order to ensure hygiene and food quality in canteens on the campuses, the Group, pursuant to the requirements of the *Food Safety Law*, has set up a school-enterprise cooperation center and a diet committee to regularly supervise the food safety in the Colleges' canteens every week. The Group has also implemented corresponding safety measures, including but not limited to: canteens must be licensed with a food business license and staff must possess a health certificate. The purchased food ingredients shall be with an inspection and quarantine certificate; samples of food shall be kept for inspection; and food shall be preserved in a sanitary environment.

To ensure safe drinking water supply on campus, the Group has specially formulated the *Management System for the Safety of Drinking Water on Campus* to supervise drinking water hygiene. The Group regularly takes samples to inspect the water quality and keeps relevant records of water quality inspection.

The fire safety work is also included in the daily safety management. The *Fire Safety Management System* has been formulated pursuant to the requirements of the *Fire Protection Law*. A safety education conference is held at the beginning of each semester, and regular fire drills are conducted, aiming to strengthen the fire safety awareness of all staff and students, and enhance their ability to respond to fire emergencies.



The Group also pays close attention to the physical and mental health of students, faculty and staff. The schools are equipped with clinics and psychological counseling centers to provide medical treatment and psychological counseling services for students, faculty and staff. According to the Group's *Regulations on Health Examination for Employees*, health examinations are provided for employees once a year to inform employees about their health status in a timely manner.

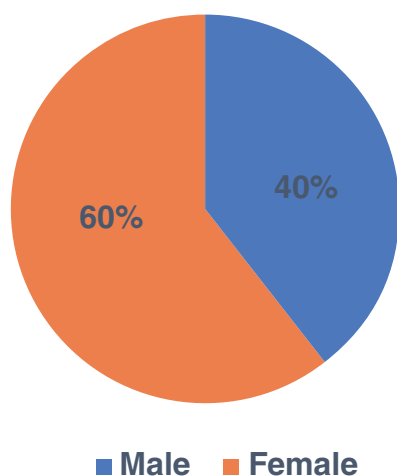
During the Reporting Period, the Group did not suffer any work-related fatalities nor any losses in working days from work-related injuries.

Development and Training

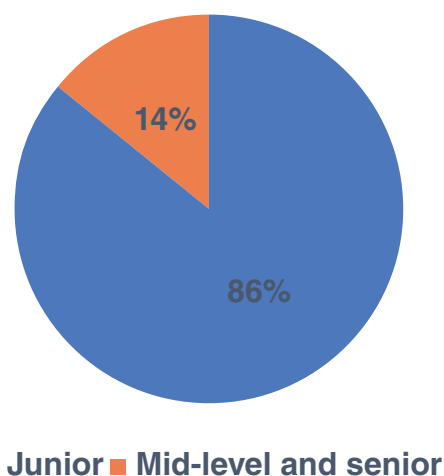
The teaching ability of teachers and the administrative ability of administrators directly affect the teaching quality and administrative level of a school. Therefore, the Group attaches great importance to the development and training of its staff, and has formulated a detailed training plan to improve the knowledge and professional ability of teachers and administrators. Such trainings are mainly divided into cultural and technical trainings internally organized and professional knowledge trainings provided by external institutions. During the Reporting Period, 29% of the Group's faculty and staff received trainings, among which each mid-level and senior management completed 25 hours of training on average and other junior employees completed 64 hours of training on average.

Employee Training		
	Number	% of total employees
Total trained employees	675	29%
Gender		
	Number	% of total trained employees
Female	407	60%
Male	268	40%
Type of employee		
	Number	% of total trained employees
Junior employees	581	86%
Mid-level and senior employees	94	14%
Training hour		
Total hours (hour)	39,320.5	
Average training hours completed (by gender)		
Female (hour)	62	
Male (hour)	52	
Average training hours completed (by type of employees)		
Junior employees (hour)	64	
Mid-level and senior employees (hour)	25	

Gender



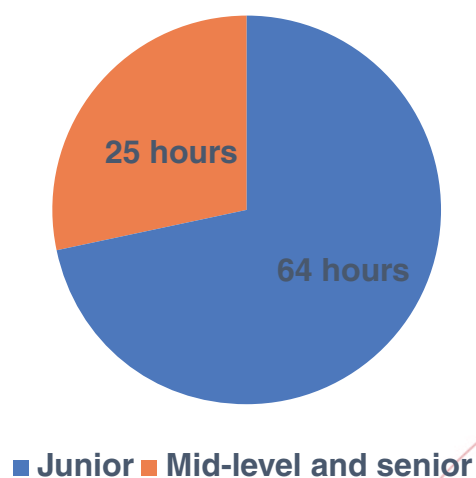
Type of employee



Average training hours completed (by gender)



Average training hours completed (by type of employee)



During the Reporting Period, the major training activities in the Colleges organized by the Group included but were not limited to:

- Induction training for new employees;
- Pre-job training for teachers;
- Pre-job training at provincial level for new student mentors;
- National Teacher Training Conference of the Association of Chartered Certified Accountants (“**ACCA**”);
- Further education for teachers (public subjects, elective subjects, professional subjects);
- Further education in accounting;
- Summer training of Kingdee Software (China) Co., Ltd.;
- Employment training regarding big data and artificial intelligence for personnel from colleges and universities across the country;
- Training course for improvement of management philosophy in higher education and of administrative personnel's ability in new era;
- Training course for improvement of Sino-UK cooperative teaching ability;
- Teacher training at the summer media leadership workshop; and
- 2018 management training of mid-level cadres at Global Business College of Australia, etc.

We also encourage faculty and staff to obtain various professional qualifications. During the Reporting Period, a total of 1,457 faculty and staff members possessed professional qualifications such as lecturer, professor, accountant, economist, securities practitioner, psychological consultant, enterprise human resource manager, engineer, etc.

Labor Standards

The Group firmly resists and opposes any form of child and forced labor, recruits and employs faculty and staff and protects their legitimate rights and interests in strict compliance with China's *Labor Law*, *Law on the Protection of Minors*, *Provisions on the Prohibition of Using Child Labor*, *Teachers Law* and other applicable laws and regulations.

The Group's human resources department will strictly supervise the recruitment, conduct background investigation on the applicants and check if his/her ID is authentic. He/She will not be recruited if any violation is spotted. The use of any false ID will be regarded as a fraud, and any labor contract that has been signed will also be deemed invalid.

During the Reporting Period, the Group did not have any events of forced labor and related complaints.

Supply Chain Management

In order to standardize the material supply procedures and strengthen the monitoring and management of cooperative suppliers, the Group has specially formulated the *Procurement Management System* to manage the Group's suppliers in terms of customer classification, screening, information-based management and assessment.

With a hope to create a safe, sanitary and comfortable teaching and living environment for teachers and students, the environmental and social risk factors of suppliers will be fully considered in addition to quality, reputation, price and other factors when selecting suppliers. For example, when purchasing daily necessities, drinking water equipment and teaching equipment, we check the qualification certificates provided by the supplier, including certificates regarding its environment and occupational safety and health such as whether its product is made of green and environmentally friendly materials. In the procurement for construction projects, suppliers will be required to provide business qualifications and a list of raw materials. After the supplier information is collected, new suppliers will be assessed by the procurement department, relevant department and financial personnel, and only after passage of the assessment will they become the Group's qualified suppliers. Information of such qualified suppliers will be entered into the enterprise resource planning (ERP) system.

Currently, the Group has a total of 20 qualified suppliers of books and teaching materials, renovation and decoration as well as printing from mainland, China, who are subject to annual assessment and rating every December. Cooperation with suppliers who fail the assessment will be terminated.

Teaching Quality

To strictly comply with *Non-state Education Promotion Law* and standardize teaching activities, maintain a good teaching order, practically establish a rigorous working style and improve teaching quality, the Group has formulated the *Regulations on the Supervision over Teaching*, *Working Procedures for Supervision over Teaching* and *Mechanism of Random Check on Classes*. The teaching supervision team of the Colleges will monitor and supervise the daily teaching quality of the whole college and teaching units, and inspect, supervise and evaluate the teaching level, order and quality of teachers. Supervision activities include but are not limited to: mid-term teaching inspection, annual assessment, random check on teachers in class and listening to lectures, seminars for teachers and students, etc. Any accident or fault will be taken as a teaching accident and reported and announced by the office of academic affairs to the whole College.

The Group has also formulated the *Implementing Regulations for Evaluation of Teaching by Students* which serves as a platform for students to give feedback on the teaching situation of teachers. Each semester, students are required to evaluate teaching quality online within a specified time period. The office of academic affairs will then analyze the online evaluation by students and calculate the comprehensive scores of the evaluated teachers. This measure can help and spur teachers to refine their teaching and improve teaching quality, and at the same time, provide important reference for the evaluation of teaching and management quality.

Thanks to excellent teachers, simple school spirit and effective management of talent quality, the Colleges under the Group were granted the award of Contemporary Excellent Private School in Guangdong and Outstanding Contribution Award of Contemporary Private School in Guangdong jointly issued by 5 units including Guangdong Society of Education and Guangdong Institute of China Contemporary Private Education in 2019.

Student Enrollment

The Group adopts reasonable and effective learning environment and teaching policies to attract students and parents and enrolls students primarily through WeChat, publications of the education department, educational exhibitions and other platforms and social media with high credibility. During the Reporting Period, the student enrollment held by the Group was in line with China's *Advertising Law* and other applicable and relevant laws and regulations.

Intellectual Property Rights

The Group is aware of the importance to protect intellectual property rights. In order to promote the cultural awareness of respecting intellectual property rights and abiding by laws in good faith, all software used by the Colleges is legally licensed, and the teaching materials used are ordered from reliable publishers. The Group highly values academic integrity and strictly observes the *Copyright Law of the People's Republic of China*. We have zero tolerance towards plagiarism and pursue due moral values in the education industry.

Privacy Policies

In order to ensure the information security of the Group, the Group has strictly abided by the *Network Safety Law* and formulated the *File Management Measures* to regulate the organizing, safekeeping, confidentiality and utilization of files, in an aim to reduce the risk of data leakage. The measures adopted to secure confidentiality include but are not limited to: the confidentiality levels of files are defined; the files are revised and declassified in accordance with relevant regulations; the confidential files are properly kept in special cabinets to which irrelevant staff have no access without authorization; the confidential files shall not be lent without the approval of the general manager, etc. The administrative office of the Group is responsible for supervising the management of files. Employees who are found to have violated the confidentiality provisions will be punished to the extent of how severe the situation is. During the Reporting Period, there were no any events in violation of data privacy occurred.

Service-Related Complaints and Solutions

The Group is open to comments from all parties, especially parents and students, and gets to know their needs through different communication channels. The office of academic affairs will, upon receipt of complaints about education services, immediately follow up the cases, overcome its own shortcomings in a timely manner and strengthen supervision and inspection. During the Reporting Period, the Group received 2 cases of complaint. After learning about the incidents, the office of academic affairs criticized the staff involved, had the cases announced, and deducted relevant staff's accumulated points for the year as a warning, aiming to convey a message to all teachers and students that faculty and staff should strictly discipline themselves and jointly maintain a good teaching environment.

Anti-Corruption

The Group strictly obeys China's *Anti-Money Laundering Law*, *Anti-Unfair Competition Law*, *Criminal Law* and other relevant laws and regulations, and adheres to the basic code of conduct of integrity and self-discipline. The Group has formulated the *Procurement Management System* to regulate the business conduct and professional ethics of employees, and prohibits any bribery, fraud and other illegal acts such as blackmail and money laundering. If employees find any violations, they can report to the person in charge of the administration department, which is responsible for investigating and collecting evidence and submitting it to the human resources department. The human resources department will determine the corresponding punishment pursuant to the detailed rules. If the national laws are violated by any employee or staff of the Group, the case will be reported and transferred to the judicial authority for further investigation and handling in accordance with the applicable law.

This year, the Group attended the signing ceremony and meeting for the joint construction of incorruptible tax authorities and enterprises jointly held by the state and local taxation bureaus in Zengcheng. At the meeting, the parties jointly interpreted the *Working Plan for the Joint Construction of Incorruptible Tax Authorities and Enterprises* and signed the *Agreement for the Joint Construction of Incorruptible Tax Authorities and Enterprises*. The Group accepted the plaque of "Demonstration of the Joint Construction of Incorruptible Tax Authorities and Enterprises" granted by the state and local taxation bureaus in honor of the Group's efforts in tax payment and incorruptible construction according to laws.

During the Reporting Period, the Group did not notice any corruption, bribery, extortion, fraud, money laundering or other violations.

Community Investment

As an educational enterprise, the Group is actively engaged in community construction and public welfare undertakings. Every year, the Group participates in various activities such as voluntary activities, charitable donations and activities to care for children. During the Reporting Period, the total hours of the faculty members and staff of the Group devoted into voluntary service reached 3,708 days.

The Group's on- and off-campus voluntary activities include but are not limited to:

- Voluntary teaching;
- Visits to nursing homes;
- Promotion of cultural, scientific and hygienic knowledge to rural communities in summer vacation;
- Fund-raising activities;
- Blood donation;
- Teaching activities for public welfare;
- Community services, etc.

Example 1: Voluntary teaching in Maiyunfang Primary School in Changling



The Red Cross Student Branch and the Youth Volunteer Association of the colleges affiliated to the Group, together with Maiyunfang Primary School in Changling, organized college students' voluntary teaching activities. Volunteers taught the children daily medical knowledge and played games with them. This activity aimed to repay the society, enrich the learning and life of primary and secondary school students in Zengcheng District, help the children grow up healthily, maintain and improve the social influence of youth volunteers and spread positive energy of the society.

Example 2: Visits to nursing homes

In order to strengthen the ideological and moral education of students and cultivate their sense of social responsibility, the Group's colleges organized visits to nursing homes to convey love to the elderly of the society.



General Disclosures and KPIs as set out in the Appendix 27 of the Listing Rules:

Item		Description	Chapter
A. Environmental			
A.1 Emissions			
General Disclosure		<p>Information on:</p> <p>(a) the policies; and</p> <p>(b) compliance with relevant laws and regulations that have a significant impact on the issuer</p> <p>relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.</p>	Emissions
KPIs	A1.1	The types of emissions and respective emissions data.	Exhaust
	A1.2	Greenhouse gas emissions in total and intensity.	Greenhouse Gases
	A1.3	Total hazardous waste produced and intensity.	Hazardous and Non-Hazardous Wastes
	A1.4	Total non-hazardous waste produced and intensity.	Hazardous and Non-Hazardous Wastes
	A1.5	Description of measures to mitigate emissions and results achieved.	Measures to Mitigate Emissions
	A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved.	Measures to Reduce Wastes Generated
A2: Use of Resources			
General Disclosure		Policies on the efficient use of resources, including energy, water and other raw materials.	Energy Use Efficiency

Item		Description	Chapter
KPIs	A2.1	Direct and/or indirect energy consumption by type in total and intensity.	Total Energy Consumption
	A2.2	Water consumption in total and intensity.	Total Energy Consumption
	A2.3	Description of energy use efficiency initiatives and results achieved.	Energy Use Efficiency
	A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved.	Appropriate Water Source
	A2.5	Total packaging material used for finished products and with reference to per unit produced.	N/A
A3: The Environment and Natural Resources			
General Disclosure		Policies on minimizing the issuer's significant impact on the environment and natural resources.	The Environment and Natural Resources
KPIs	A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	The Environment and Natural Resources
B. Social			
B1: Employment			
General Disclosure		<p>Information on:</p> <p>(a) the policies; and</p> <p>(b) compliance with relevant laws and regulations that have a significant impact on the issuer</p> <p>relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.</p>	Employment
KPIs	B1.1	Total workforce by gender, employment type, age group and geographical region.	Total Number and Classification of Employees
	B1.2	Employee turnover rate by gender, age group and geographical region.	Employee Turnover

Item		Description	Chapter
B2: Health and Safety			
General Disclosure		<p>Information on:</p> <ul style="list-style-type: none"> (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer <p>relating to providing a safe working environment and protecting employees from occupational hazards.</p>	Health and Safety
KPIs	B2.1	Number and rate of work-related fatalities.	Health and Safety
	B2.2	Lost days due to work injury.	Health and Safety
	B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	Health and Safety
B3: Development and Training			
General Disclosure		<p>Policies on improving employees' knowledge and skills for discharging duties at work.</p> <p>Description of training activities.</p>	Development and Training
KPIs	B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Development and Training
	B3.2	The average training hours completed per employee by gender and employee category.	Development and Training

Item		Description	Chapter
B4: Labor Standards			
General Disclosure		Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labor.	Labor Standards
KPIs	B4.1	Description of measures to review employment practices to avoid child and forced labor.	Labor Standards
	B4.2	Description of steps taken to eliminate such practices when discovered.	Labor Standards
B5: Supply Chain Management			
General Disclosure		Policies on managing environmental and social risks of the supply chain.	Supply Chain Management
KPIs	B5.1	Number of suppliers by geographical region.	Supply Chain Management
	B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	Supply Chain Management
B6: Product Responsibility			
General Disclosure		Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labeling and privacy matters relating to products and services provided and methods of redress.	Teaching Quality, Student Enrollment, Intellectual Property Rights and Privacy Policies

Item		Description	Chapter
KPIs	B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	N/A
	B6.2	Number of products and service-related complaints received and how they are dealt with.	Service-Related Complaints and Solutions
	B6.3	Description of practices relating to observing and protecting intellectual property rights.	Intellectual Property Rights
	B6.4	Description of quality assurance process and recall procedures.	Teaching Quality
	B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	Privacy Policies
B7: Anti-Corruption			
General Disclosure		<p>Information on:</p> <p>(a) the policies; and</p> <p>(b) compliance with relevant laws and regulations that have a significant impact on the issuer</p> <p>relating to bribery, extortion, fraud and money laundering.</p>	Anti-Corruption
KPIs	B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	Anti-Corruption
	B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	Anti-Corruption
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.	Community Investment
KPIs	B8.1	Focus areas of contribution (e.g. education, environmental concerns, labor needs, health, culture, sport).	Community Investment
	B8.2	Resources contributed (e.g. money or time) to the focus area.	Community Investment