



VIRSCEND EDUCATION COMPANY LIMITED

成實外教育有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 1565

A Profound
Chinese Foundation,
A Panoramic
Global Outlook,
An **Innovative**
Future

2019

ENVIRONMENTAL,
SOCIAL AND
GOVERNANCE REPORT

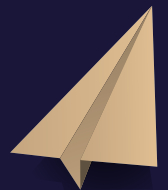


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ABOUT THIS REPORT

BASIS OF COMPILATION

The report is prepared in accordance with the requirements of Appendix 27 “Environmental, Social and Governance Reporting Guide” of the “Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited” of The Stock Exchange of Hong Kong Limited (the “Hong Kong Stock Exchange”).

REPORTING SCOPE

This is the fourth Environmental, Social and Governance (“ESG”) report published by Virscend Education Company Limited. This report covers our Environmental, Social and Governance performance and related information from 1 January 2019 to 31 December 2019. Unless otherwise stated, the scope of this report is the same as that of the 2019 Annual Report of Virscend Education Company Limited.

INFORMATION SOURCE

This report is prepared in compliance with the principles of materiality, quantity, balance and consistency set out in the “Environmental, Social and Governance Reporting Guide”, with all the information came from statistics reports and relevant documents of Virscend Education Company Limited. The Company warrants that there are no false representations, misleading statements and material omissions in the report, and is responsible for the truthfulness, accuracy and completeness of the content herein.

APPELLATION STATEMENT

For convenience, the “Group”, the “Company”, “We” and “Virscend Education” refer to “Virscend Education Company Limited” in this report.

APPROVAL AND ACCESS TO THE REPORT

This report adheres to the principles of materiality set out in the “Environmental, Social and Governance Reporting Guide” and was approved for publication by the Board on 30 March 2020. This report includes both Chinese and English versions. If there is any discrepancy, please refer to the Chinese version. An electronic version of the report is available at the official website of the Company (www.virscendeducation.com) and the website of the Hong Kong Stock Exchange (www.hkexnews.hk).

OPINION AND FEEDBACK

If you have any queries or feedback on this report or its contents, you are always welcome to contact us through the following channels:

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SENIOR MANAGEMENT'S STATEMENT

In the past year of 2019, educators of Virscend pursued with sweats and unceasing quests on the path to dreams, by writing moving stories one after another with faith, passion, and responsibility, depicting different wonderful pictures. We advanced competitions of disciplines, gave back to society through charity activities, and repeatedly achieved good results in art and sports competitions. Our existing schools set new records, while our new schools emerged. Each school builds one brand, and each place forms one landscape, every bit of it is filled with the craftsmanship, diligence, and compassion of educators of Virscend.

Virscend Education fully implements the educational principles of the new era and adheres to the socialist orientation in running schools. Sticking to the original intentions and dreams of strengthening the country through education, cultivating talents for the country, and running schools to people's satisfaction, we emphasize the idea of educating people on the basis of moral ethics, quality education, wisdom education, and explorations on shared education, seek development in stability, strive for innovation in development and breakthroughs in innovation, and work hard to move forward in the process of cultivating socialist successors and builders.

Virscend Education always adheres to the principle that only with quality can one create its own brand, and only with its own brand can one achieve further development. We pay close attention to the quality of education, teacher's training, the reform of teaching and research and teaching management. With elaborate guidance of quality education, innovative training by characteristic education, comprehensive development of quality education, tailored education and international education, our development is moving forward, steadily and powerfully.

Virscend Education has created a spirit and a culture with practice and hard work. Virscend Education culture is a concept, an idea, a value and a concentrated expression of historical traditions, timeless classics, and profound heritage. It is the "chip" that defines Virscend Education management model, system, development direction, core competitiveness and brand influence. This kind of education culture is to pursue excellence, challenge the limit, and eventually generate glorious culture, and is the pride of Virscend Education culture.

In the future, educators of Virscend will continue to adhere to educating people based on moral ethics, to be the dream chasers of a thriving nation in education, and the fighters who guard its position, seize the day and live it to the full, and to take on new missions. New journey stimulates novel power. Virscend Education aims to excel in procuring education that encompass the pride of students, recognition from parents, joy from staffs, confidence of the Board and satisfaction of the people.

ABOUT US

OUR PROFILE

Virscend Education Company Limited began to invest and tap into the education industry in 2000. It was listed on the main board of the Hong Kong Stock Exchange in January 2016 (stock code: 1565), and is a service provider offering comprehensive private education services from pre-school to grade 12 ("K-12"), university and international education. At the end of the reporting period, Virscend Education has established and operated a total of 21 schools (including associated operation).

List of schools established and operated by Virscend Education (In order of school establishment)

Name of School	Scope of Services
Chengdu Institute Sichuan International Studies University	Provision of university education services
Chengdu Foreign Languages School	Provision of high and middle school education services
Chengdu Experimental Foreign Languages School	Provision of high and middle school education services
Chengdu Experimental Foreign Languages School (Western Campus)	Provision of high and middle school education services
Primary School Attached to Chengdu Foreign Languages School	Provision of elementary school education services
Kindergarten of the Primary School attached to Chengdu Jinniu District Foreign Languages School	Provision of kindergarten education services
Chengdu Foreign Languages School of Panzhihua	Provision of high and middle school education services
Primary School Attached to Chengdu Experimental Foreign Languages School	Provision of elementary school education services
Kindergarten of the Primary School Attached to Chengdu Foreign Languages School of Zigong (the "Chengdu Foreign Languages Kindergarten of Zigong")	Provision of kindergarten education services
Chengdu Foreign Languages School of Zigong	Provision of elementary and middle school education services
Chengdu Foreign Languages High School of Zigong (the "Zigong High School")	Provision of high school education services
Chengdu Experimental Foreign Languages School of Xindu Wulongshan	Provision of elementary and middle school education services
Wulongshan Campus of Chengdu Experimental Foreign Languages School	Provision of high school education services
Gaoxin Meinian Campus of Primary School attached to Chengdu Foreign Languages School (the "Gaoxin Meinian Primary School")	Provision of elementary school education services
Chengdu Experimental Foreign Languages School of Quxian	Provision of middle school education services
Virscend High School of Quxian (the "Quxian High School")	Provision of high school education services
Virscend University (California, USA)	Provision of university education services
Virscend High School of Ya'an (the "Ya'an High School")	Provision of high school education services
Virscend School of Ya'an	Provision of middle school education services
Primary school Attached to Chengdu Foreign Languages School (Xichen Campus) (the "Xichen Primary School")	Provision of elementary school education services
Chengdu Foreign Languages School – Gaoxin Campus ^{(Note(a))}	Provision of high school education services

Note:

- (a) Chengdu Foreign Languages School Gaoxin Campus is an associated school, of which the school sponsor's interest is owned as to 20% by Sichuan Derui and is operated by the Group.

ABOUT US

OUR MILESTONES

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- 2000** We founded Chengdu Foreign Languages School as a joint school sponsor.
- 2002** We founded Chengdu Experimental Foreign Languages School as a joint school sponsor.
- 2003** We founded Chengdu Experimental Foreign Languages School (Western Campus) and Primary School attached to Chengdu Foreign Languages School as the sole school sponsor.
- 2004** We founded Chengdu Institute Sichuan International Studies University as a joint school sponsor.
- 2007** Primary School attached to Chengdu Foreign Languages School founded Kindergarten of Primary School attached to Chengdu Jinniu District Foreign Languages School as the sole school sponsor.
- 2016** Virscend Education Company Limited was listed on the main board of the Hong Kong Stock Exchange (stock code: 1565).
- 2017** We founded Chengdu Foreign Languages School of Panzhihua, Primary School attached to Chengdu Experimental Foreign Languages School as the sole or joint school sponsor; and founded Wulongshan Campus of Chengdu Experimental Foreign Languages School, Chengdu Experimental Foreign Languages School of Xindu Wulongshan, Gaoxin Meinian Primary School, the Zigong High School, Chengdu Foreign Languages School of Zigong, Chengdu Foreign Languages Kindergarten of Zigong, Virscend University (USA) as a joint school sponsor.
- 2018** We founded Chengdu Experimental Foreign Languages School of Quxian, the Quxian High School as the sole school sponsor.
- 2019** We founded and operated Virscend School of Ya'an, Ya'an High School and Xichen Primary School as the sole school sponsor.

ABOUT US

OUR HONORS

Virscend Education upheld its advanced educational model and developed several “benchmark” schools nationwide, with its teaching philosophy receiving social recognition. In 2019, Virscend Education has achieved fruitful results. Teachers and students from various campuses have won numerous honors, symbolizing a new chapter for Virscend Education. In terms of our campuses, we received recognition and encouragement from educational institutions, associations and authoritative organizations of different levels, initiating guidance teaching with our consistent advanced concept; in terms of our teachers, our award-winning course development, teaching competition, course evaluation and professional guidance are keeping tabs on our students with excellent teaching quality and solid teaching skills; in terms of our students, we promoted and nurtured quality education of the new era, and made further breakthrough in the competition of the five major subjects, fostering more topnotch talents for our country. At the same time, we publicized the all-rounded development of teenagers, and nourished a group of “contemporary” students who are courageous enough to accomplish in moral and intellectual education, sports and arts. Please refer to the table below for some of the honors received by each campus of Virscend Education.

HONORS OF OUR SCHOOLS (PARTIAL)

Awards	Awarding Unit	Award-winning School	Time
2018 Advanced Unit for Common Development of Healthy Sichuan	Safety and Health Education.com	Chengdu Foreign Languages School	January 2019
Outstanding Organization Award of 2018 “Star of Outlook” English Talent Competition	Sichuan Organizing Committee of “Star of Outlook” English Talent Competition	Chengdu Foreign Languages School	February 2019
2018 Advanced Water-Conservation Unit of Pidū District, Chengdu City	Water-conservation Management Office of Pidū District, Chengdu City	Chengdu Foreign Languages School	March 2019
Member Unit of Polylingual Education and Development Sub-center of National Basic Foreign Language Education and Research Training Center	Foreign Language and Research Press	Chengdu Foreign Languages School	April 2019
Training Base and Excellent Student Base of the 17th National Creative English Essays Contest	Organizing Committee of National Creative English Essays Contest	Chengdu Foreign Languages School	April 2019
Title of “Outstanding School of Olympiad in Informatics”	China Computer Federation	Chengdu Foreign Languages School	August 2019

ABOUT US

Awards	Awarding Unit	Award-winning School	Time
Title of “National Demonstrative Foreign Language School”	Administrative Committee of National Foreign Language School Work Research Institute	Chengdu Foreign Languages School	October 2019
Advanced Unit of School Logistics	Academic Board of School Logistics Management under Education Management Branch of The Chinese Society of Education	Chengdu Foreign Languages School	October 2019
Outstanding Organization Award of Fudan University International Model United Nations	Fudan University International Model United Nations	Chengdu Experimental Foreign Languages School	July 2019
Excellent Team, Excellent Association and Excellent Proposal Demonstration Team of the 6th China Youth Model CPPCC in 2019	Organizing Committee of China Youth Model CPPCC	Chengdu Experimental Foreign Languages School	August 2019
Member Unit of Middle-school German Teaching Alliance	Middle-school German Teaching Alliance	Chengdu Experimental Foreign Languages School	October 2019
Honor and Medal of American Mathematics Competition	Mathematical Association of America	Chengdu Experimental Foreign Languages School	2019
Excellent Student Base of the 17th National Creative English Essays Contest	Organizing Committee of National Creative English Essays Contest	Chengdu Experimental Foreign Languages School (Western Campus)	October 2019
Outstanding School in General High-school Education and Teaching for 2018-2019 School Year	Chengdu Municipal Education Bureau	Chengdu Experimental Foreign Languages School (Western Campus)	November 2019

ABOUT US

Awards	Awarding Unit	Award-winning School	Time
Ranked No.1 in the national independent colleges of arts on “Wu Shulian 2019 China Independent College Rankings”, No.2 in terms of undergraduate employment and enrolment quotas nationwide, and 20th in independent colleges in terms of comprehensive strength (among 255 colleges)	How to Choose University and Major---Guidance for 2019 College Application (Private Universities and Independent Colleges)	Chengdu Institute Sichuan International Studies University	September 2019
First Prize of the 16th National Dance Sport Festival	General Administration of Sport of China	Primary School Attached to Chengdu Foreign Languages School	September 2019
Advanced Unit of the 4th Sichuan Writing Competition	Writer Association of Sichuan Province	Primary School Attached to Chengdu Foreign Languages School	May 2019
Little Writer Training Base School of Young Writer Society of Sichuan Province	Writer Association of Sichuan Province	Primary School Attached to Chengdu Foreign Languages School	October 2019
First Teamwork Prize of the 15th Chengdu Adolescent Robotics Competition (Functional Chariot) & (Program Appliance) of the 2019 Chengdu Adolescent Science and Technology Education Activities	Chengdu Municipal Education Bureau and Chengdu Science and Technology Institution	Primary School Attached to Chengdu Foreign Languages School	December 2019
Star Group Prize of the 38th “Suzhixing Cup” National Youth Calligraphy and Paintings Contest, and the Honorary title of “2019 National Top 10 Elite School for Calligraphy and Paintings Education”	China Art Education Commission and Adolescent Painting Research Association of International Art Federation of China Calligraphy and Painting Press	Primary School Attached to Chengdu Experimental Foreign Languages School	November 2019

ABOUT US

Awards	Awarding Unit	Award-winning School	Time
Best Full-length Presentation Team of Georgetown NAIMUN (China Conference)	International Relationship Association of Georgetown, America	Wulongshan Campus of Chengdu Experimental Foreign Languages School	July 2019
No.3 in terms of gross team scores and two championships in 2019 "Qian'an Cup" China Middle and Primary School Wushu Championship	China Student Sport Federation	Chengdu Experimental Foreign Languages School of Xindu Wulongshan (Primary School)	August 2019
Member of School Alliance of Chinese Wushu Cultural Heritage Cooperation	School Alliance of Chinese Wushu Cultural Heritage Cooperation	Chengdu Experimental Foreign Languages School of Xindu Wulongshan (Primary School)	November 2019
Experimental School of Quality Courses	Quality Courses League of China Middle and Primary Schools (Kindergartens)	Gaoxin Meinian Primary School	November 2019
First Prize of the 15th Chengdu Adolescent Robotics Competition (Creative Design, Basic Line-cruising, UI Visual Programming & Program Appliance) of the 2019 Chengdu Adolescent Science and Technology Education Activities	Chengdu Municipal Education Bureau and Chengdu Science and Technology Institution	Gaoxin Meinian Primary School	December 2019

ESG MANAGEMENT

OUR VISION OF MANAGEMENT

Virscend Education is committed to providing quality education services to students, cultivating their global vision and equipping them with practical knowledge. We uphold people-oriented teaching strategies and implement effective school management, we respect students' personal lives while stimulating their learning potential, and care for their lifelong achievements. Our focus is on the nurturing of students' overall development, so that they will be prepared to face challenges in the future.

Our teaching is targeted at the advancement of students' "knowledge, character, ability and quality", we adhere to the guiding ideas of "laying the foundation for the development of students and taking up the duty of shaping the future of the nation", and strive to cultivate high-quality new generation Chinese students who have a sense of social responsibility, national sentiment and worldwide perspective. We abide by the educational philosophy of "people-oriented and comprehensive education", we advocate an all-round education concept of schooling through management, teaching, environment and service. We actively promote the integration of social responsibility ideas into Group management and campus operations, strive for sustainable development. We aim to set up schools for the people, teach for the motherland, scale new heights for the students, and stand tall in the world for our nation.

WORK DEVELOPMENT

To combine the development requirements of the new era, the Group kept on improving our ESG management system. We established an ESG working group headed by our financial department and assisted by teaching quality department, teachers (management) development center, administration office, human resources department, brand promotion department, logistics support department, equipment department and all of our campuses. The working group regularly planned and organized the updates on ESG-related policies and systems every year, collecting and integrating ESG practice performance, and reviewing ESG year performance of the Group, providing recommendations to the Board. After preparation of the ESG report, it is submitted by the ESG working group to the Board for authorization.





In 2019, the ESG working group specifically organized a ESG training for the Board of the Group, which allowed Board members to gain better understanding of the latest ESG compliance requirements of the Hong Kong Stock Exchange, thus further deepens our ESG management work. In the future, we will continue to consolidate the functions of the ESG working group, optimize the coordination among different departments, gradually form an institutionalized ESG management system and promote efficient operation of all departments and campuses, thus gradually accomplish the sustainable development goals of the Group.

ESG MANAGEMENT

STAKEHOLDERS COMMUNICATION

We have established a comprehensive communication system to gain better understanding of and make response to the expectations and demands of our stakeholders such as our investors/shareholders, teachers/staff, students, parents, government/regulatory authorities and community. We will continue to enhance the effectiveness of communication and strive to create a long-term value.

Table of Stakeholders Communication

Stakeholder	Main Concerns	Communication & Response
 Investors/ Shareholders	<ul style="list-style-type: none"> Compliant operations and management Operation results Information transparency 	<ul style="list-style-type: none"> General meetings Company announcements and press release HKEx website/the Company's website
 Teachers/Staff	<ul style="list-style-type: none"> Safeguard employees' interests Safe and healthy work environment Favorable platforms for employees to develop their careers Competitive salary package 	<ul style="list-style-type: none"> Department meeting/educational research activities Training and exchange programs for teachers/staff Evaluation of teaching quality Teachers/staff assessment
 Students	<ul style="list-style-type: none"> Premium teaching quality Ample teaching resources Advanced teaching methods Comfortable learning environment Diversified activities 	<ul style="list-style-type: none"> Themed class meetings/lectures School principal's mailboxes Survey on levels of satisfaction
 Parents	<ul style="list-style-type: none"> Premium teaching quality Outstanding development of teachers' ethics and morality Safeguard the physical and mental health of students Guarantee the diet and campus safety of students 	<ul style="list-style-type: none"> Parents meeting Open day for parents Meet the Principal Day School principal's mailboxes

ESG MANAGEMENT

Stakeholder	Main Concerns	Communication & Response
 Suppliers/Partners	<ul style="list-style-type: none"> • Cooperation and mutual benefit • Establish long-term cooperation • Fair competition 	<ul style="list-style-type: none"> • Supplier evaluation • On-site visits to suppliers • Supplier gatherings • Strategic cooperation
 Government and regulatory authorities	<ul style="list-style-type: none"> • Compliance with laws and regulations • Pay tax in accordance with the laws • Safe teaching environment • Create positive social benefits 	<ul style="list-style-type: none"> • Compliance report • Regular visits • Accept on-site inspections • Participation in conferences/seminars
 Community/Public	<ul style="list-style-type: none"> • Public welfare and charity projects • Social activities for students • Updates on education development 	<ul style="list-style-type: none"> • Public welfare activities • Charitable activities • Volunteer activities

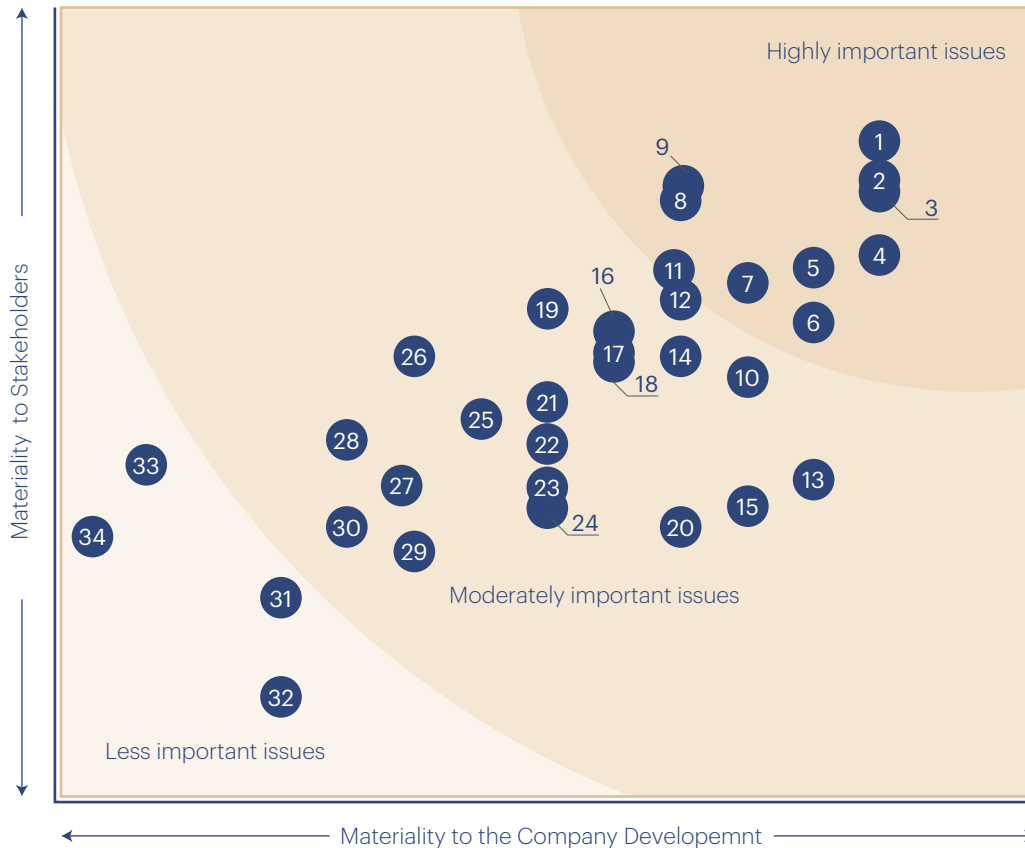
ESG MATERIAL ISSUES

Stakeholders' level of concern on various ESG topics and judgment on the importance of these issues are the basis of the Company's assessment on the priorities of these subjects. In 2019, based on more than 4,000 extensive surveys and interviews completed in 2018, we performed multiple in depth interviews with our internal management and staffs to understand the changes in the opinions and demands of key stakeholders. In addition, we performed field trips to 3 campuses of middle school, high school and university. By synthesizing our operation status, we made adjustments to the order of material issues.

We used the evaluation and expectations of stakeholders on the sustainability performance of the Group to constitute an important reference material for our materiality assessment. In this report, we fully address the key issues that are more crucial to us such as "teaching quality", "development and supervision of teachers' ethics and morality" and "philosophy, mode and aim of education". Meanwhile, we shall take heed of the concerns and demands of stakeholders, adjust our sustainable development strategy and management policies accordingly.

ESG MANAGEMENT

ESG ISSUES MATERIALITY MATRIX OF 2019



Highly important issues

- 1 Teaching quality
- 2 Development and supervision of teachers' ethics and morality
- 3 Philosophy, mode and aim of education
- 4 Management and structure of teaching teams
- 5 Development and innovation of educational research systems
- 6 Concept of sustainable development
- 7 Teaching resources
- 8 Safeguard the physical and mental health of students
- 9 Guarantee the safety of students
- 10 Handle complaints from students and parents, improvement of service
- 11 Protection of employees' safety, health and rights

Moderately important issues

- 12 Philosophy and policy of recruitment
- 13 Teaching courses, models and tools
- 14 Compliant operation and anti-corruption
- 15 Attract and retain employees
- 16 Campus life and social activities
- 17 Promulgate concept and practice of environmental protection
- 18 Green campus and office environment
- 19 Employees' career development and training
- 20 Students' satisfaction
- 21 Employee remuneration and benefits
- 22 Professional skill training adapted to market demand
- 23 Greenhouse gas emissions and measures to control emission
- 24 Supply chain management
- 25 Care for employees
- 26 Protection of students' and parents' privacy and personal information

- 27 Whereabouts of graduates

- 28 Water use and protection of water resource

- 29 Protection and promotion of cultural heritage

- 30 Rational use of land

Less important issues

- 31 Public welfare of community

- 32 Employment rate of graduates

- 33 Energy consumption and energy saving measures

- 34 Amount of waste produced and reduction measures

LIFELONG EDUCATION FOR STUDENTS

Virscend Education explores innovative and advanced education philosophy and model to integrate and optimize cross-cultural premium educational resources. It has strict control over teaching quality in various sessions which strives to provide students with lifelong education, hence nurturing all-rounded talents who can shine on the international stage.

IMPLEMENTING ACADEMIC PHILOSOPHY

TEACHING FOR THE NATION, RUNNING SCHOOLS FOR THE PEOPLE

Education is the basis of any long term national development plan. Virscend Education cultivates the talents needed by the motherland and society, we impart knowledge, revamp old learnings, discover new facts and explore the unknowns, enable children to better understand the reality and go on to change the world.

We always keep the fundamental mission of education in mind and cultivate outstanding builders and successors of the motherland. We cultivate patriotic feelings, carry out our social obligations, take responsibility for the future of the nation, and strive for the great revival of our country!

We drive the development of our schools in earnest and aim at providing harmonious school life, we also pursue integration of teaching resources to meet the needs of diverse education. Our mission is to demonstrate the characteristics of private education and serve the people by running first-rate learning institutes.

CONNECTING CHINA TO THE WORLD THROUGH LANGUAGE STUDIES

Virscend Education established its base in the province of Sichuan and specializes in teaching foreign language. We believe that mastering a foreign language can broaden students' horizon and foster their international perspective. Our mission and commitment are to offer first-rate foreign language education and cultivate elite foreign language talents.

English is our second language; we are aware that there is an additional task in teaching English to pave the path for internationalizing our education in the future. We adhere to the policy of taking English as the main subject, complemented by the studies of other languages, and through these learning we are drawn closer to the world. We are the first school in Southwestern China to offer dual language courses such as English + German, English + French and English + Japanese. We shall continue to promote the multilingual teaching model and gradually introduce language courses on Russian and Spanish, our ultimate mission is to foster multilingual talents for the country.

FOSTER INTEGRITY AND PROMOTE ROUNDED DEVELOPMENT TO STUDENTS, TEACH THEM ACCORDING TO THEIR APTITUDE

Education should be centered on the personal development of the students, with moral training at its forefront. We stand firm in upholding moral values at school, and are resolved to achieve this aim by positive motivation, giving students guidance, inspiration and encouragement. Our focus is on the character-building of each individual, shaping and developing their moral sense by showing them the proper way.

We also encourage creativity and individuality by providing students with a variety of elective courses and activities, such as fitness and sports, leisure hobbies, stage performance, explorations into foreign and Chinese traditional culture, in order to enrich students' campus life and lay solid foundations for their future lives.

LIFELONG EDUCATION FOR STUDENTS

GATHERING EDUCATION RESOURCES

Virscend Education strives to nurture all-rounded students with global vision and practical knowledge by providing premium quality courses and abundant international exchange for students. Meanwhile, Virscend Education leverages on the Group's cohesiveness to gather premium internal education resources to facilitate teaching and support learning in multiple channels, thus protecting our students.

PREMIUM QUALITY COURSES

We set our sights on the comprehensive and balanced development of students, focus on the differences of students and strive to polish premium quality courses. We nourish the integrated ability of our students on the basis of strengthening the academic knowledge of students. We have offered various compulsory and elective courses, arranged engaging activities to lay the solid foundation for students' personal development and lifelong success.

- *SPECIALIZES IN FOREIGN LANGUAGE, GUIDING STUDENTS TO TALK TO THE WORLD*

Virscend Education focuses on internationalized trends of education, grasps the pulse of international education, fully investigates the demand of internationalized talents training, integrates curriculum resources based on international comprehensive education, thus enhancing the management of international education and teaching and improving the quality of our schools. We integrate our course resources such as "foreign language courses, curriculum elective courses, academic infused courses, integrated practice courses", which nurtures internationalized talents with genuine internationalized education.

We have established dual language experimental classes for English + Japanese, English + French and English + German in several K-12 schools. At the same time, we have expanded students' international horizons and stepped onto the world stage by strengthening foreign cooperation and exchanges, actively holding international research camps, inviting international experts to give lectures and developing international model United Nations projects. In addition, in every school year, our schools regularly hold speeches, debates, dramas and other activities of foreign languages, improving students' foreign language skills and cultivating students' interests and hobbies simultaneously.

LIFELONG EDUCATION FOR STUDENTS



CASE STUDY

FLOWERS ARE BLOOMING IN THE FIELDS, AND THEY CAN SLOWLY “SING” ENGLISH DRAMA ACTIVITIES OF CHENGDU EXPERIMENTAL FOREIGN LANGUAGES SCHOOL

In order to demonstrate the characteristics of the foreign languages school and enrich the life of teachers and students, the School launched the “English Musical Drama Competition” to create a more relaxing and intuitive English learning atmosphere for students. The competition put up a creative stage for students, which not only improved the students’ spoken English, but also showed the students’ beautiful youth style. The lively performances of the classmates are just like the picture with blooming flowers that can slowly “sing”!



Guided by social needs, our university adheres to the “application + multi-skills + innovation” three-in-one foreign language talent training model, providing students with a first-class language learning environment and extensive international exchange and development opportunities, and is committed to cultivating high-quality comprehensive talents with integrity and competence, one specialty and multiple skills, an international perspective and “foreign language + professional knowledge”. We focus on the positioning of “characteristics and dislocations” for our construction and development, actively explore the construction of an ecological platform for foreign language specialty clusters with the characteristics of applied foreign language colleges, and expand single foreign language major into a technical and occupational language skill type and multi-lingual type in a coordinated manner.

LIFELONG EDUCATION FOR STUDENTS



CASE STUDY

KEY SPECIALTY MAJORS CONSTRUCTION OF CHENGDU INSTITUTE SICHUAN INTERNATIONAL STUDIES UNIVERSITY

Chengdu Institute Sichuan International Studies University focuses on the specialty majors in French, translation, Russian and Korean, and goes deeper and further into the direction of technical and occupational language skill for talent development.

FRENCH MAJOR

Adhering to the industrial orientation and taking "French + engineering direction" as the talent training framework, it is committed to cultivating new type of applied French talents with strong language skills and related engineering and technical expertise that are connected with the market, replacing the traditional "two-person working mode of translators + professionals" with "one-person working mode".

TRANSLATION MAJOR

Taking the interpretation and translation practice course as a start-point, it introduces real translation projects, translation techniques, and workshop models into the classroom, explores and promotes the innovation in applied talent training models in the enrichment of students' professional experience. We have formed a new model that uses our own translation company as a platform and the deep integration of schools and enterprises as a guarantee to drive the cultivation of innovative talents.

RUSSIAN MAJOR

It pursues the coordinated development of "Russian + English" and "Russian + Special Purpose Translation" majors, jointly formulated special curriculum with the Royal University of Technology in St. Petersburg, Russia and the National Military Technical University of Baltic Sea and jointly developed the "CEC International Talent Dual-track Joint Training Plan" with the Linguist Translation Group (語言家翻譯集團), providing international professional talents with strong basic knowledge and extensive skills for the "Belt and Road" initiative.

KOREAN MAJOR

"Korean + Automotive Engineering" major embeds automotive engineering technology courses into professional training programs to accurately match the needs of the Sichuan automotive industry for Korean language engineering and technical personnel; at the same time, it also seizes the historic opportunity to build Chengdu into a "Beauty Capital", in 2019, a new course "Medical Beauty and Korean" was opened, and the development of "Korean + Medical Beauty" major started.



LIFELONG EDUCATION FOR STUDENTS

• *CULTIVATING STUDENTS' SCIENTIFIC WAY OF THINKING BASED ON EXPERIMENTS*

At Virscend Education, we allow our students to use both their hands and brains in the laboratory to explore scientific knowledge while enhancing their hands-on ability, laying a solid foundation for cultivating children's scientific way of thinking. We use experimental teaching to strengthen the connection between curriculum knowledge and life, to stimulate students' interest in learning, to enable students to gain practical experience and cultivate scientific way of thinking.



CASE STUDY

MATHEMATICS LABORATORY "SWEET BUILDING"

In a math class at Primary School attached to Chengdu Foreign Languages School (Xichen Campus), the teacher allowed students to experience the mathematical idea of "conjecture-verification-optimization" in the process of teaching and experiments. The students used candy and wooden sticks to build up various three-dimensional graphics, and experienced the difference in the stability of the graphics. Through the experiment, they understood, in an effective way, the knowledge of geometry and improved their spatial imagination. Through lively and interesting mathematics experiment classes, students' interest in mathematics has greatly increased, and they have developed the ability to unite and collaborate, discover, and solve problems, as well as a scientific way of thinking, gaining more room for growth.



LIFELONG EDUCATION FOR STUDENTS

- *USING PROGRAMMING AS A WAY TO STIMULATE STUDENTS' INNOVATIVE SPIRIT*

In the era of information: science and technology are developing rapidly. In order to enable students to be at the forefront of future technology, we are actively responding to new opportunities and new challenges under the wave of new technologies. Programming courses are included in the school-based curriculum to open new ways of thinking for students, bursting out infinite imagination and creativity.



CASE STUDY

USING PROGRAMMING TECHNOLOGY TO OPEN THE HORIZON OF ROBOTS

In order to develop children's problem analyzing and modeling capabilities, and to realize and verify their ideas through codes, Chengdu Foreign Languages School of Panzihua has opened an elective course on robot programming. In the classroom, students gathered multi-disciplinary technical knowledge such as mathematics, science, technology, artificial intelligence, etc., and used programming skills to learn how to build robots. In the process of learning programming, children are constantly exploring, being creative, and learning how to discover problems, plan problems, and solve problems.



LIFELONG EDUCATION FOR STUDENTS

- *USING ART AS A MEDIUM TO MOULD STUDENTS' ELEGANT TEMPERAMENT*

Art education is an important means and measure for us to implement quality education. It is an indispensable factor for the healthy growth of students and an important means for students to achieve their own comprehensive development and self-improvement. We have offered a variety of art interest and specialty courses in hope that our students will grow in the nourishment of art education, so as to appreciate the beauty of artistic creation and expression.



CASE STUDY

EDUCATING PEOPLE WITH ART AND CULTURE

The Primary School attached to Chengdu Foreign Languages School combines traditional art courses with national intangible cultural heritage, offering calligraphy, painting, tie-dyeing, bronze imitation and other artistic courses. In the classroom, children combine traditional culture with modern culture, go back through the history, travel into the future, and render the world colorful and gorgeous.



LIFELONG EDUCATION FOR STUDENTS

- *USING SCIENCE AND TECHNOLOGY AS A MEANS TO SATISFY STUDENTS' NEEDS FOR DIVERSIFIED STUDY*

We combine teaching with information technology, and continue to provide students with more convenient and efficient curriculum resources through technological innovation. In 2019, we promoted the application of language intelligence and big data technology in middle school English writing teaching through the widespread application of the continuously innovative "English + AI" intelligent learning platform. On the one hand, with the assistance of the human-computer interactive writing model, we have accumulated a wealth of school-based data, which lays a solid data foundation for learning orientation, instructional teaching and subject teaching and research. Teachers also get to know the overall and individual writing of students through the writing data service. On the other hand, through human-computer interactive writing exercises, students showed an overall upward trend in various aspects, such as vocabulary, difficulty in vocabulary and average sentence length, and students' personal writing performance has been gradually improved.

During the period in which this report was prepared, novel coronavirus (COVID-19) spread throughout the country. During this special period, we guided students not to leave home or return to school, while teachers did not stop teaching and students did not stop learning, to ensure that the teaching work was carried out in an orderly manner. In order to do a good job in online teaching, each school has set up online teaching working groups to guide the development and process of online teaching in schools. Abiding by the implementation principles of systematic coordination, flexible teaching, and sharing resources, we set up live classrooms through online platforms, where we can carry out online teaching works, such as online lessons and interactive tutoring, and through online live lessons conducted by teachers, students can use the network to study independently. We also answer questions online through commonly used social platforms, and build virtual classrooms for teachers and students with "face-to-face" teaching and voice guidance to ensure that students do not fall behind in their study.

LIFELONG EDUCATION FOR STUDENTS

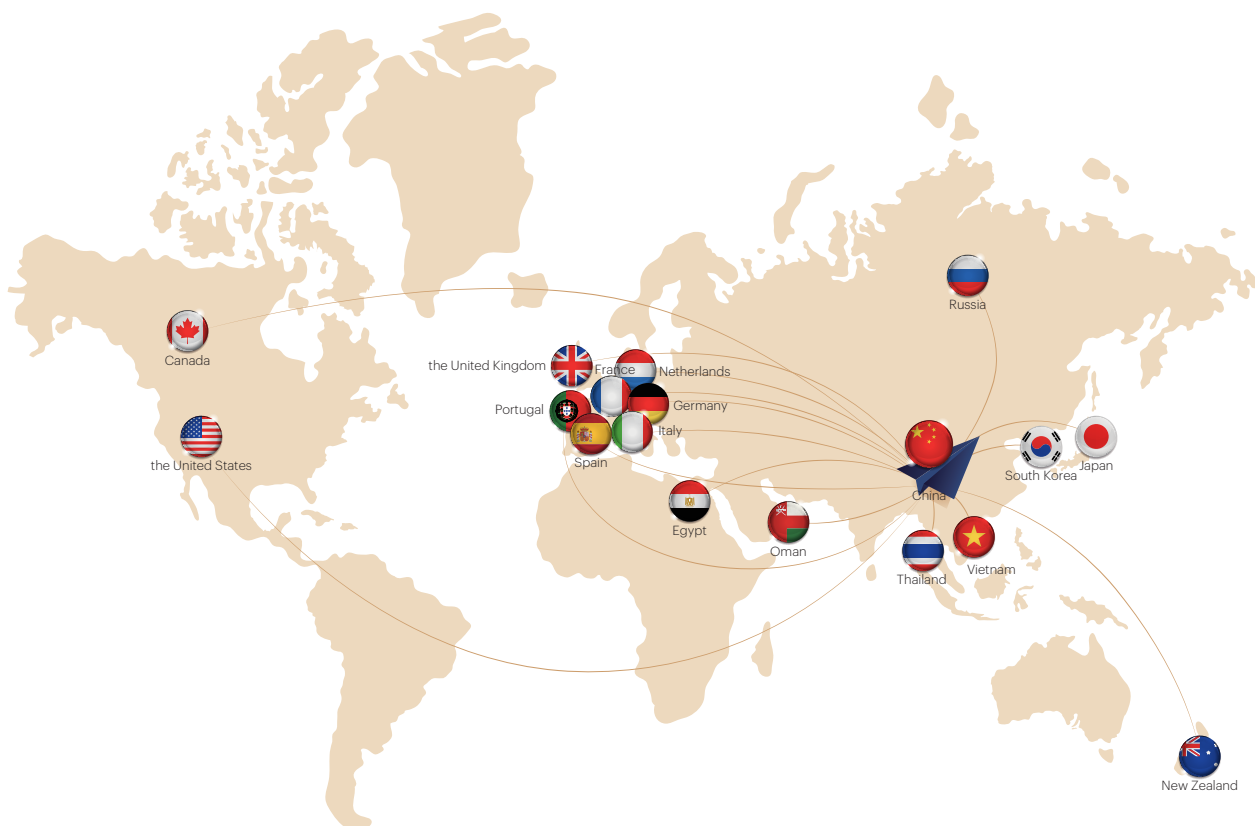
ABUNDANT INTERNATIONAL EXCHANGE

Countries around the world have different educational and scientific research concepts and practical explorations. Virscend Education promotes global talents flow through international cooperation and exchanges, and strengthens cross-country, cross-institution, and cross-subject dialogue and interaction. We hope that in the process of benchmarking the horizontal dimension with the times, we can effectively respond to changes in the world's development pattern and knowledge innovation, carry forward our fine traditions, and draw on the advantages and experience of others.

Being a foreign language teaching institute gives us an edge in conducting frequent international exchange and strengthening the international perspective of our faculty. It also builds up students' understanding of international affairs, broadens their vision and encourages them to participate in international activities, so that students can go to the world stage. Our schools have established friendly relationships with groups and schools in the United States, Britain, Japan, Germany, France, Switzerland and Singapore. Visiting these countries and exchanges between teachers and students help us absorb advanced concepts and enhance our teaching standards.

In 2019, Ritsumeikan University in Japan and Chengdu Foreign Languages School renewed a friendly agreement to kick start cooperation in the next five years. The Japanese university will provide recommended places for 12th grade students in the English and Japanese language classes of Chengdu Foreign Languages School, broadening the path for senior high school graduates to enter the university. At the same time, the two sides will make positive contributions to the friendly exchange between China and Japan.

INTERNATIONAL PARTNER SCHOOLS OF VIRSCEND SPREAD ALL OVER THE WORLD



LIFELONG EDUCATION FOR STUDENTS



CASE STUDY

EXCHANGE STUDENT TOUR

In February 2019, Chengdu Foreign Languages School participated in the exchange programs of Harvard University, Yale University and MIT. Outstanding students visited prestigious schools in the United States during the winter vacation for a 10-day undergraduate study and research experience. They directly chose courses of these universities, went through with the daily study and experienced the life of undergraduates in famous universities.

The exchange student tour allows students to experience the open and rigorous academic atmosphere of American universities while absorbing knowledge, provides our students with an opportunity to connect with the world's best educational resources in advance and helps them to identify their future direction.



CASE STUDY

SUMMER INTERNSHIP PROGRAM IN THE UNITED STATES

It is currently an inevitable trend for colleges to increase social activities for their students. In 2019, Chengdu Institute Sichuan International Studies University built a bridge for students to participate in the summer paid internship program "Summer Work & Travel USA" in the United States, giving students the opportunity to work in American companies as interns. Students participating in the summer paid internship program in the United States had the opportunity to work together with students from all over the world during the summer vacation, which provided Chinese students with an opportunity to know the world and their peers in other countries, and helped students to establish a big world perspective and an international outlook on life.

LIFELONG EDUCATION FOR STUDENTS

VALUABLE RESOURCES SHARING

Exchanges and cooperation between our schools are encouraged in order to share premium teaching resources, human resources and environmental resources. We draw on the different strengths and unique characteristics of each school to achieve complementary cooperation for mutual benefit and optimize use of our resources.

We have set up an inter-school resource pool of outstanding teachers, established a teacher-sharing and exchange mechanism which provides access to teachers with special skills. Some of our schools have better facilities, especially in terms of laboratory equipment, they share these resources by receiving students from other schools to use their facilities. In this way our schools formed a mutual supporting network to promote the development of students.

In 2019, in order to implement the Group's work plan of "old schools helping new schools, sharing premium resources, and comprehensively improving the quality of teaching and core competitiveness of Virscend Education", we videotaped the classes given by outstanding teachers in each school. We have set up a working group for videotaping examples of lessons to ensure the quality of lesson videotaping and post-production. We have leveraged on the high-quality resources of the Chinese language/Mathematics/English language courses of Primary School attached to Chengdu Foreign Languages School, the senior high school mathematics courses of Chengdu Foreign Languages School, and junior high school Chinese language courses of Chengdu Experimental Foreign Languages School. We videotaped primary school Chinese language/Mathematics/English language classes, senior high school mathematics classes and junior high school Chinese language classes given by key teachers as examples of classes. By videotaping 166 classes, the overall strength of the outstanding teachers of the Group was displayed. At the same time, it also built a good platform for new teachers in new schools to learn from these examples.



CASE STUDY

VIDEOTAPING CLASSES

1. Senior teacher gives lesson in the Primary School attached to Chengdu Foreign Languages School
2. Teachers learn from videotaped examples of classes and share their views
3. Experts of the Group answer questions
4. writing down results of the workshop



LIFELONG EDUCATION FOR STUDENTS



CASE STUDY

FEEDBACK ON VIDEOTAPED CLASSES

The videotaped classes set good examples for the teachers of Chengdu Foreign Languages School of Zigong, and allow new teachers to better understand teaching concepts and control their classroom. At the same time, experienced teachers also indicate that videotaped classes give them new inspirations and bring a positive impact on their teaching.



ENHANCING TEACHING QUALITY

Excellent education is our core competitiveness, and also an important guarantee for the healthy development of our schools. The Group set up a teaching quality department and a teacher (cadre) development center, and established a teaching and research group in the primary schools, junior high schools and senior high schools to jointly carry out research, supervision, evaluation on teaching and training for management and teachers of schools, with a view to improve teaching standards and quality of each school.

IN-DEPTH TEACHING RESEARCH

To ensure that the teaching content keeps pace with the times, we pay special attention to the new education reform and curriculum reform. We also conduct researches on new academic topic, layered teaching and classroom effectiveness. We actively participate in researches on teaching, academic annual meeting, domestic and foreign academic activities and other trainings to conduct in-depth teaching research and to improve the ability of teachers and teaching quality.

In order to ensure the overall quality of teaching, we have set up an one-week-in-advance mechanism and one-day-in-advance mechanism in many schools, so that we can conduct one week in advance researches on classes of every week and one day in advance researches on each class. One-week-in-advance mechanism allows the teaching and research team to independently design the teaching contents according to its specifications; when the discussion is conducted, the speaker will give the lecture, and other teachers will make supplements, so that they can all express opinions. Based on the formation of a common teaching plan, we will conduct researches on the following classes one day in advance to improve the quality of teaching.

LIFELONG EDUCATION FOR STUDENTS

- *RESEARCHES ON TEACHING MATERIALS, FOCUSING ON PRACTICE*

Virscend Education has established internally a system to steadily implement new teaching materials in an orderly manner. If new teaching materials are promulgated, Virscend's teaching quality department will organize an expert team for analysis on these new teaching materials in terms of its compilation basis, content structure and teaching suggestions, etc., so that teachers can further understand the characteristics of the new teaching materials and know how to use them. We encourage teachers to take bold steps in experimenting, to meet challenges head-on, to become researchers of new teaching materials, and while contributing to the success of students, to allow themselves to grow with the new era.



CASE STUDY

SEMINAR ON THE USE OF CHINESE TEACHING MATERIALS OF PRIMARY SCHOOLS COMPILED BY THE MINISTRY OF EDUCATION OF CHINA

In September 2019, the Chinese teaching materials compiled by the Ministry of Education of China began to be used throughout the country. "How to use teaching materials" became a primary concern for first-line Chinese teachers. In November 2019, the Primary School attached to Chengdu Foreign Languages School held a seminar on the use of Chinese teaching materials of primary schools compiled by the Ministry of Education of China. At the seminar, the teachers reviewed the process of learning and using the teaching materials, and shared their understanding of the teaching materials. Due to changes in the selection of contents in the latest teaching materials, Virscend Education required that every Chinese teacher should establish a sense of scientific research in the process of using the teaching materials and making good use of them. Teachers therefore attached importance to the core literacy of Chinese, rebuilt the Chinese knowledge system, and implemented the "three-in-one" reading and teaching system to build a composition training system under the new curriculum concept.



LIFELONG EDUCATION FOR STUDENTS

• *LESSON STUDY, REFLECTING ON PROBLEMS*

Lesson study is a form of teaching and research based on teachers' teaching practice, an anatomical analysis of the curriculum and reflection on problems to find solutions. In 2019, 20 key teachers from the Group's schools formed a team and conducted a 28-week lesson study with external colleges and universities to seek to improve teachers' teaching skills, and to further enhance teaching quality. In September 2019, at the International Lessons Conference in Amsterdam, the Netherlands, we exchanged and interacted with experts and scholars with respect to some results of the lesson study to draw on excellent concepts and experience.



CASE STUDY

LESSON STUDY "ENGLISH NEWSPAPER READING CLASS"

In 2019, Chengdu Foreign Languages School invited experts and professors from Chengdu Normal University to jointly carry out a study on the teaching model of "English Newspaper Reading Class". Teachers, experts and professors conducted in-depth discussions on the significance of the subject research, theoretical basis, main content and objectives, innovations and expected results, and proposed new ideas for improving the reading of senior high school students and matching the requirements of higher-level training.



• *TEACHING THE SAME CLASS IN DIFFERENT WAYS*

In the "teaching the same class in different ways" activity, teachers of the same discipline will conduct a class on the same subject using different teaching styles, and convey their own interpretation of the teaching materials. As participants demonstrate their different approaches in teaching, their peers will evaluate the effectiveness and seek improvement through discussion, in this way, teachers take chance to discuss issues encountered in schools and look into ways of honing teaching skills. By exploring the creative and individualized teaching styles of teachers, we help them to grow professionally. We encourage teachers to adopt new educational concepts and teaching methods and promote teaching reforms and improve student's interest in study.

In 2019, based on physics, chemistry, art, comprehensive groups and other discipline groups, we organized in different campuses 48 activities of "teaching the same class in different ways", and nearly 600 teachers participated in the teaching and research activities and learned a lot.

LIFELONG EDUCATION FOR STUDENTS



CASE STUDY

SEEKING COMMON GROUND AMONG DIFFERENCES

In December 2019, Ms. Hu of Wulongshan Campus of Chengdu Experimental Foreign Languages School, Ms. Tian of Chengdu Foreign Languages School of Zigong and Mr. Li of Chengdu Foreign Languages School of Panzihua conducted a new physics class on the topic of "Joule's Law".

Ms. Hu started the class with an experiment of burning matches and foil to stimulate students' interest in exploration, and encouraged students to connect currents during the experiment, inspiring students to draw conclusions in the process of independent inquiry.

At the beginning of the class, Ms. Tian took out the house appliance "Little Sun", which quickly activated the classroom atmosphere. Immediately afterwards, Ms. Tian asked students to use the "little sun" to ignite matches and to think about the concept of "heat", thereby guiding students to explore the question of "what factors are related to heat". The entire classroom was scientific, rigorous, vivid and interesting, demonstrating distinctive features of her teaching.

Mr. Li emphasized the interaction with students. The whole classroom was completed by students' own experiment and group study and discussions under the guidance of the teacher. Level of participation and enthusiasm of students were very high.

Through this "teaching the same class in different ways" activity, the physics teachers from the three schools learned from each other.



LIFELONG EDUCATION FOR STUDENTS

RIGOROUS TEACHING MANAGEMENT

Virscend Education makes full use of management functions such as planning, organization, coordination and control, conducts strict supervision and fair evaluation on teaching, and comprehensively promotes the teaching management.

- *SUPERVISION ON TEACHING, GOING DEEP INTO THE FRONT LINE*

We adhere to the concept that only with quality can one create its own brand, and only with its own brand can one achieve further development. We emphasize that supervision work should focus on teaching practices and behaviors, strengthening quality control, and ensuring the balanced development of students, as well as comprehensively improving the quality of teaching based on the actual situation of each school.

Our quality supervision team strives to achieve “seeking common ground while harboring differences”. In the process of supervision, the teaching quality department drew on the resource advantages of the “central teaching and research group” and offered effective suggestions on how to upgrade teaching methods in accordance with the actual situation of each school, allowing them to form their own characteristics in terms of school running education model, education quality and school culture. At the same time, we know that for the supervision work to be effective, it must go deep into the front line. We start with the teaching routine and implement the inspection system plan with respect to class preparation, handling of lessons and homework.

In 2019, the teaching quality department organically integrated with each school, and established a quality management and supervision group under the leadership of each principal and with direct participation of the vice principal of education and teaching. The teaching quality department has visited schools 160 times to carry out teaching management and supervision work. We inspected more than 3,000 teaching management documents or materials, and made detailed records to ensure that we have records, evaluations and feedbacks.

LIFELONG EDUCATION FOR STUDENTS



CASE STUDY

RECORDS OF TEACHING SUPERVISION

The teaching quality department walked into the classroom, watched the teaching process of the teachers, and had discussions and exchanges with the teachers of the relevant teaching and research groups after the class, as well as evaluated each course in detail, and put forward valuable opinions on the organization and design of the teaching.



In terms of school teaching management, the teaching quality department visited each school and carefully checked the following teaching documents:

- About 60 school curriculum and implementation schedules of three major courses;
- About 100 teaching materials or course materials;
- Nearly 50 work plans of teaching affairs department and teacher development centers and implementation plans of mentoring programmes;
- Nearly 700 teaching work plans, review plans and research plans, etc. of teaching and research groups, lesson preparation groups, and research groups;
- Nearly 2,000 teacher's work logs, records of listening to lessons of other teachers and evaluations;
- About 500 school teaching logs, open class schedules, examination score analysis tables and various teaching routine management and inspection system documents.



LIFELONG EDUCATION FOR STUDENTS

- *OPEN AND FAIR TEACHING EVALUATION*

Teaching evaluation is a key step in regulating teaching behavior. We constantly improve the teaching evaluation system, establish a humanized and scientific evaluation mechanism, and achieve “promoting reform by evaluation” and “promoting teaching by evaluation.”

In 2019, we evaluated teaching activities from different aspects such as design of lessons, level of participation of students in the classroom, the cultivation of students’ innovative ability, the degree of effective interaction, the attention on students’ emotional experience and technical specifications, and comprehensively considered teacher’s self-evaluation, student’s evaluation, evaluation by the teaching quality department, and school evaluation results to help teachers to discover problems, form active and normal evaluation work practices and improve teaching quality.

- **TEACHER’S SELF-EVALUATION:**

Teacher’s feelings, inspirations, changes, needs, opinions or suggestions after completing teaching activities, as well as timely communication and feedback facilitate teacher’s improvement and effective guidance by the quality department.

- **STUDENT’S EVALUATION:**

Conducting interviews with students and evaluating teachers’ performance in the classroom facilitate all-round understanding of classes and teachers, adjustments of teaching guidance according to academic conditions and improvement of teaching effectiveness with explicit goals.

- **EVALUATION BY THE TEACHING QUALITY DEPARTMENT:**

According to the actual opinions of students, we will give timely feedback to teachers in order to continuously adjust and optimize the teaching plan, and according to the results of school’s relevant subject exams, the school and teachers will be assessed accordingly.

- **SCHOOL EVALUATION AND ASSESSMENT:**

Schools formulate a plan to carry out assessments of teaching and its effect, and include the assessment results in the teacher’s evaluation, promotion and performance assessment.

OUR COMMITMENTS TO PARENTS

We make a commitment to parents that we will take students' food safety and personal safety as the top priority, ensure food safety in canteens and school safety, and provide students with a high-quality and safe growth environment, so that parents can be satisfied. We provide parents with a platform to participate in the growth of their children and the construction of campuses, and listen carefully to their suggestions on schools and teachers, so as to inspire us to create a beautiful campus where children can grow up happily and parents can be satisfied.

CAMPUS DIET

It is the school's job to ensure the healthy and vigorous growth of every student. We strictly abide by the laws and regulations such as the "Food Safety Law of the People's Republic of China", the "Operating Rules on Food Safety in Catering Service", and the "Regulations on School Food Safety and Nutrition and Health Management", standardize the management of all aspects of the canteens, and are committed to creating a healthy and safe dining environment. During the reporting period, no food hygiene and safety incidents occurred in all the canteens of the Group.

- **ALL CANTEENS STRICTLY COMPLY WITH REGULATIONS**

All the student canteens are properly registered in accordance with the laws, ensuring that the facilities, equipment conditions, sanitation, personnel, food purchases, safety precautions, etc. meet the relevant requirements. They have obtained relevant licenses and have undergone qualification audit, being supervised in accordance with the provisions of higher-level administrations. All the canteens are subject to random check, inspections and monitoring by the municipal education bureau, the municipal health and family planning bureau and the market supervision administration department.

- **PURCHASE OF FOOD INGREDIENTS**

We formulated "Supplier Management System" and "Food Import Inspection System" to standardize the procurement of food ingredients, requiring ingredients suppliers to provide the date of production, date of purchase of the various ingredients and animal quarantine certificate for the meat to ensure that the foodstuff is fresh and of good quality. All the certificates must be complete and detailed records are kept to ensure that the source is controllable and well documented. For foods that do not meet safety standards and requirements, we prohibit the purchase and sale.

OUR COMMITMENTS TO PARENTS

- **CATEGORIZATION OF FOOD STORAGE**

We formulated “Operating Rules on Food Storage”, “Regular Food Inspection and Clearance System” and comply with the categorization and separate storage of food according to food characteristics. Perishables are stored in refrigerators in a timely manner, whereas dry ingredients are stored in dry condition. We regularly check whether the ingredients are out of date, spoiled or bitten by insects, and whether the containers, tools and equipment for storing, transporting and handling food in the canteen meet the food safety requirements.

- **ATTENTIVE FOOD-MAKING**

We formulated “Food Quality Commitment System” and the “Canteen Facilities Cleaning and Disinfection System”. During the food processing, the ingredients must follow the steps of “washing, swaying, cleaning, drying, cooking”, and the tableware must be “washed, cleaned, disinfected”. The school canteen develops weekly recipes and provides lunch and dinner according to the principle of “Staple food + Meat + Vegetables” to ensure a green and nutritious diet.

- **TRACEABILITY**

We established a food traceability system, which stipulates the person in charge of reserving samples and clarifies the operation of reserving samples, recording information, sealing, storage and other aspects. We reserve samples of three meals a day, so that the source of food can be traced and we will be able to tackle emergency cases of food poisoning.

- **TRANSPARENT INFORMATION DISCLOSURE**

Our canteens regularly display the relevant information on food safety, tableware disinfection and food safety levels in accordance with the regulations of the Sichuan Food and Drug Administration. At the same time, monitoring equipment is installed inside the canteen to create a “bright kitchen and bright stoves”, which is subject to joint supervision by all parties in real time to control the safety and hygiene conditions in the canteens.

OUR COMMITMENTS TO PARENTS

• STAFF MANAGEMENT

We require canteen employees to perform physical health checkup every day and only after they are qualified can they get to work. We promulgate the "Reward and Punishment System for the Evaluation of Canteen Staff". Through a comprehensive evaluation of all canteen staff, each employee is encouraged to earnestly implement the various systems to ensure the safety and hygiene of the school canteens. In addition, the people in charge of the Group and each school campus regularly conduct training on safety laws and regulations, rules, standards, and other safety knowledge for employees to improve their ability.

• SUPERVISION

We have set up a leader - supervision system. School-level leaders go to the students' canteens daily to conduct inspections and supervision on the canteen staff, and to learn about students' level of satisfaction with dishes and canteen services. We set up a Dietary Committee which comprises of student representatives. The committee communicates with the heads of the canteen regularly and arranges parents and class student representatives to visit the kitchen regularly, write feedback, and report it in time and truthfully in the parent group on WeChat.

• COMPLAINTS AND SUGGESTIONS

We formulate the "School Canteen Complaint Handling System", set up a complaint channel in the canteen, and receive suggestions and supervision from students, parents and teachers on our food safety, hygiene, price, nutrition, etc.; regularly conduct a questionnaire survey on the quality of canteen dishes to understand students' level of satisfaction with dishes and staff service, and to actively make improvements.

- 1 Each canteen conducts food safety inspections from time to time
- 2 Dietary Committee's feedback on meal supervision



01



02

OUR COMMITMENTS TO PARENTS

CAMPUS SAFETY

Safety is of uttermost importance, and campus safety is the foundation of all school work. We attach great importance to campus safety management, constantly improve the safety management system, pay close attention to the safety management and education in important aspects, such as fire protection, transportation, and public events, and strive to create a safe and stable environment for students. During the reporting period, no major safety incidents occurred in any campus of the Group.

- **FIRE SAFETY MANAGEMENT**

In order to prevent and reduce fire hazards, each campus formulates the "Fire Safety Management System", "Fire Protection Facilities and Fire Fighting Equipment Management System" and "Fire Inspection System" in accordance with the "Fire Control Law of the People's Republic of China" and "Regulations on Fire Safety Management of Authorities, Groups, Enterprises and Institutions" and based on the actual conditions of the schools. In accordance with the requirements of relevant systems, dormitories, canteens, libraries, reading rooms, instrument rooms, computer rooms, printing rooms are listed as the key areas of fire safety, where the No Flames signs are displayed, and we have established the relevant fire-fighting protocols. We arrange staff to supervise and inspect the fire safety facilities in key areas and parts every day to ensure their normal use, and regularly organize professionals to investigate and rectify hidden dangers in crowded places and power generation rooms, power distribution rooms and other key parts.

Schools actively invite local fire departments and public security departments to hold lectures and fire drills, organize teachers and students to learn fire laws, first aid knowledge, conduct fire safety training, and carry out firefighting and emergency evacuation drills, etc., striving to improve the health consciousness and self-protection ability of teachers and students.

- **CAMPUS TRAFFIC CONTROL**

We have formulated the "Campus Traffic Management Measures", which requires that external vehicles entering the campus must cooperate with the security guards in its inquiry, and can only enter the campus after being registered by the guards; those who carry prohibited items and unregistered external persons are prohibited from entering the school; at the same time, each school regularly carries out special governance work on the parking of campus vehicles to maintain a good order. We have formulated the "School Vehicle Management System", which requires traffic staffers to constantly check the status of the vehicles in its charge and the validity of the documents, prohibit driving in violation of regulations, conserve energy, cherish the vehicle, and provide better services to our teachers and students.

OUR COMMITMENTS TO PARENTS

• PUBLIC EVENT PREVENTION

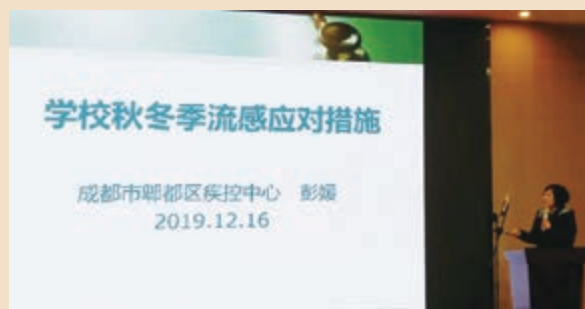
We attach great importance to the hygiene and health work of each campus. Each school has a medical office and is equipped with basic medical equipment and a school medical team. We regularly invite professional doctors to hold lectures and training on disease prevention and control, and popularize public health knowledge in the school bulletin board to enhance the awareness of disease prevention and control among all teachers and students, so that teachers and students can master the basic measures to deal with seasonal infectious diseases.



CASE STUDY

SPECIAL TRAINING ON INFLUENZA PREVENTION

On 16 December, the junior high school campus of Chengdu Foreign Languages School held a special training on "Winter Disease Prevention", inviting Chief of the Infectious Disease Prevention and Control Section, Center for Disease Control and Prevention to give a lecture on "Response Measures on Autumn and Winter Influenza in Schools" for teachers and students, put forward some specific measures and methods to deal with influenza, further increase teacher's understanding of influenza, effectively strengthen the prevention and control of winter epidemics in schools, and enhance the awareness of teachers and students on the prevention of winter infectious diseases.



OUR COMMITMENTS TO PARENTS

In order to avoid harm to the physical and mental health of students caused by the terrorist violence on campus, and further strengthen the school's counter-terrorism capabilities, we invite experts to guide the campus counter-terrorism drills to enhance the safety awareness and prevention capabilities of all staff and students.



CASE STUDY

CAMPUS COUNTER-TERRORISM DRILL

On 18 June, Gaoxin Meinian Primary School launched a campus anti-terrorism drill. Before the drill, the school formulated a detailed plan to introduce teachers and students to self-protection measures against terrorists and terrorist acts. After the drill started, the teacher led the students outdoors to evacuate, while the students in the classroom quickly evaded in the corner of the classroom, and the school security staff quickly subdued the "gangsters" who entered the school. Afterwards, the school resumed to normal, and the anti-terrorism drill concluded successfully. Through this exercise, teachers and students learned self-protection and escape methods, and improved safety precautions. At the same time, school security personnel also improved their emergency response capabilities.



OUR COMMITMENTS TO PARENTS

SCHOOL-AND-FAMILY INTERACTION

Education requires effective interaction between teachers and students, and the growth of students depends on long-term communication between parents and schools. We take “Sharing emotions and joy on the way of nurturing children” as the core of our school-and-family culture, and build platforms for smooth communication, including telephone, WeChat group, parent meeting, parent open day, reception desk, education platform, principal’s mailbox, school official website message board and other channels. We listen carefully to the feedback and suggestions of parents, and form a joint force with parents to contribute to the physical and mental health of each student.

• SHARING EMOTIONS WITH TEACHERS

In order to enhance the mutual understanding between parents and teachers, we actively carry out activities, such as open day for parents and experience activities for parents of new students, to allow parents to enter the campus, feel the classroom atmosphere, teaching concept and campus environment by themselves, and communicate face-to-face with teachers to understand each other’s real ideas and opinions on teaching and student’s cultivation. At the same time, we will unite the schools, parents, and teachers to form a trinity education platform to strengthen communication and help parents better understand the school’s educational philosophy and methods.



01 Open day for parents in Chengdu Foreign Languages School of Panzhuhua

02 Experience activities for parents of new students in Kindergarten of Primary School attached to Chengdu Foreign Languages School

• NURTURING CHILDREN WITH SCHOOLS

We advocate abandoning the old form of “announcement of exam results” and “praise and criticism” in parents meeting, and instead advocate a new form of “parents and school working together and talking about student’s growth”. The schools regularly hold parent meetings so that parents and schools can be timely accessible to the children’s learning and living conditions both at school and at home to achieve the ideal effect of information sharing; teachers can also collect parents’ opinions and suggestions on their work and school construction to promote school-and-family co-education.

We pay attention to working with parents to complete the smooth transition to children’s mental maturity. By hiring external experts and internal lecturers to regularly provide theme lectures, we provide parents with instructions in teaching skills and school-and-family communication. In 2019, Chengdu Experimental Foreign Languages School invited well-known children’s education experts to bring a lecture on the theme of “how to get along with adolescent children” for parents of second year middle school students, indicating the direction for parents.

OUR COMMITMENTS TO PARENTS

• SHARING JOY WITH CHILDREN

We encourage parents to participate in all stages of their children's growth, so that children can feel the beauty of life in a strong atmosphere of love. We innovatively organize interactive activities, such as parent-child reading and parent games, and invite parents to participate more in the growth of their children, increasing the relationship between children and parents and promoting a happy and harmonious atmosphere in the family.



- 1 Parent-child reading activity in Chengdu Experimental Foreign Languages School of Xindu Wulongshan
- 2 Parent games of Wulongshan Campus of Chengdu Experimental Foreign Languages School

In order to better respond to the feedback of parents, we establish a clear system of complaint handling. We will listen to parent's opinions, show our understanding and empathy to them, and promptly conduct relevant investigations before our conclusion, enabling our objective and reasonable treatment to those issues. We take the complaints as warnings to avoid similar situations, and actively improve various deficiencies, in order to continuously improve the teaching system and improve the quality of teaching.

During the reporting period, the Group's response rate to student and parent complaints was 100%.

PROFESSIONAL GROWTH FOR TEACHERS

Education is the cornerstone of a country, and teachers are the foundation of a school. We highly value talent teachers. Through establishing a fair and harmonious labor relationship, paving a professional path for the career development of teachers and showing humanistic cares with heartwarming consideration, we create a simple and sunny organizational atmosphere for teachers.

SAFEGUARDING BASIC RIGHTS

We strictly abide by the "Labor Law of the People's Republic of China", "Labor Contract Law of the People's Republic of China", "Law of the People's Republic of China on the Protection of Minors" (《中華人民共和國未成年人保護法》), "Prohibition of the Use of Child Labor" and other laws and regulations, and have formulated comprehensive management systems such as the "labor and personnel system", "recruitment mechanism" and "teacher's manual" that are in line with the reality of the Group.

We recruit through internet, career fairs and campus campaigns and other channels. Adhering to the recruiting principle of fairness and equality, applicants are treated equally, regardless of their gender, disability, ethnicity or religion. During the recruitment process, we require candidates to submit complete personal information, including ID and other documents required for the position. If any information is found to be inconsistent, the recruitment will be terminated to ensure that the employees we hire have relevant qualifications and avoid employing underage persons. We also bear in mind the principle of "hiring candidates demonstrating both morality and talents while emphasizing morality", so as to cultivate a teaching crew that are attaching great importance to teachers' ethics and conducts.

We enter into labor contracts with all employees to protect their legitimate interests, observe 40-hour per week working system as required by relevant regulations of the country, and resolutely resist forced labor.



Total workforce of the Group

4,853 persons



Subject teachers

69.0%

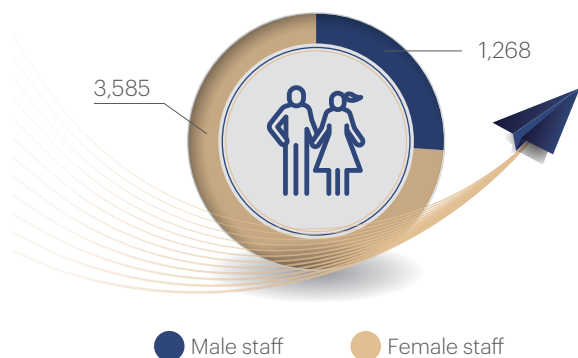


Female staff

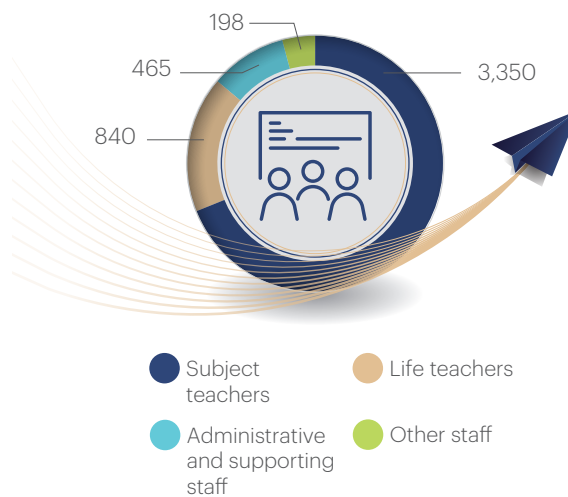
73.9%

PROFESSIONAL GROWTH FOR TEACHERS

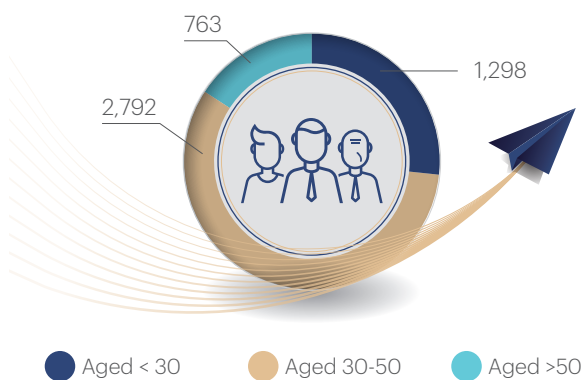
Gender distribution



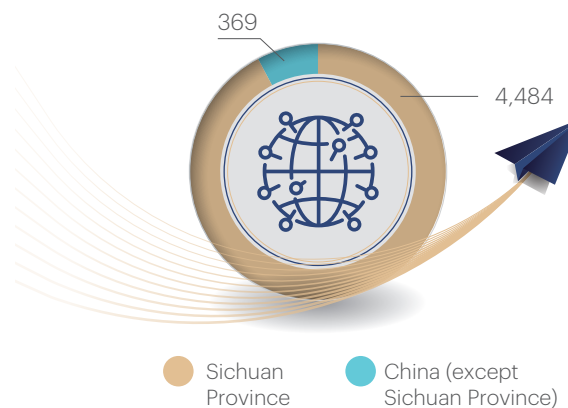
Employment type distribution



Age distribution



Geographical region distribution



PROFESSIONAL GROWTH FOR TEACHERS

EXPANDING FOR DEVELOPMENT

The development of the Group is inseparable from the continuous growth of every employee; therefore, an eminent training mechanism should be run throughout the development of employees. We establish a lifelong learning mechanism that covers from the first day to growing period to long-term development, continuously enhancing the teaching and moral education quality of teachers, tapping into their potentials, thereby forming a sound environment and corporate culture of conscientiousness and diligence in which continuous exploration is cherished.

In 2019, employees were given a total of 302,607 training hours, with an average of 62.35 hours per head.



Total training hours

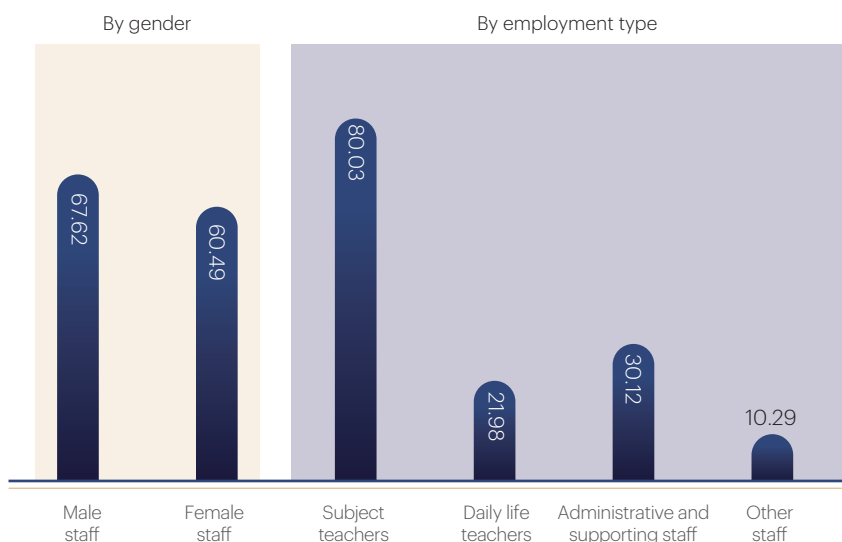
302,607 hours



Average training hour per head

62.35 hours

Average training hours of employees (Unit: hour)



PROFESSIONAL GROWTH FOR TEACHERS

AMPLE TEAMWORK

We, together with the schools of the Group, prepare a training manual and jointly implement a one-year training programme for new teachers in order to promote our school mission and culture, help them to assimilate into the culture of our school and ensure a smooth adaption to their new positions. The training programme, which integrates concentrate study and position training, offers follow-up guidance and evaluation of new teachers through a variety of methods, including special learning, team learning, mentoring programmes, apprenticeship, on-the-job fellowship programmes and customized training. Pre-job trainings for new teachers contain courses from group fitting-in, teacher ethics and legal regulations and career planning to humanities and social science and professionalism, with a hope to enable young teachers to adapt to basic job requirements in a relatively short term and to achieve professional development.



CASE STUDY

"SAILING FOR DREAMS" — THEMED ORIENTATION TRAINING FOR NEW TEACHERS

In August 2019, Virscend Education kicked off the one-year "2019 New Teacher Training Camp". All newly recruited teachers participated in the three-day "concentrated training" under the leadership of the teacher development leaders from different schools. Executive directors, chief executive operation officer, vice president, chief consultant and other leaders of the Group, experts and scholars stepped onto the stage to shed light on the future for new teachers, to foster in them a sense of mission and to teach them to establish a professional profile. There were more than 80 cadre teachers of different subject centers taking part in the training and guidance of different subjects. Such general and subject trainings have helped new teachers understand the requirements proposed by the basic education reform and development of China, the management and future development direction of the Group as well as the teaching standards and features of different subjects of the Group, thus reinforcing the sense of collective belonging and the professional identity and clarifying the goal for professional growth as a new teacher.



Mr. Ye Jiayu, the executive director of the Group delivered the opening speech

PROFESSIONAL GROWTH FOR TEACHERS

For the purpose of improving understanding among colleagues, we provide new teachers with lively team building activities and book sharing activities. New ideas of education and teaching sparked by the collision of thoughts from sharing and exchanges among teachers were beneficial for the growth of new teachers and for the improvement of their teaching quality.



CASE STUDY

SPECIAL TRAININGS ON INFLUENZA PREVENTION

On 14 July 2019, Wulongshan Campus of Chengdu Experimental Foreign Languages School carried out an internal adaptative training for newly recruited teachers, during which new teachers met each other through self-introduction and exchanging business cards, and quickly became familiar with each



other by playing collective games designed for boosting mutual-trust and collective cohesion. The enthusiasm generated from the impact of different minds will encourage new teachers to exert the utmost effort and to make progress together with their teams in future teaching activities.

PROFESSIONAL TRAINING IN MANY ASPECTS

In order to strengthen the construction of the education administrative cadre and teacher crew of the Group, we set up the Teacher (Cadre) Development Center and the Working Committee for Teacher Development to provide the training and development of teachers with more systematic planning and guidance of higher professionalism and comprehensiveness. We have formulated the Working Regulation of the Working Committee for Teacher Development, the Construction and Interim Management Measures for Training Course Resources of Primary and Middle School Teachers and other internal system, refined explicit training levels, and launched training programmes targeting employees of different levels, different growth sequences, from different companies and schools. By adopting various training methods like school-based training, trainings at the Group, provincial and national level, domestic and overseas educational inspection trips and academic seminars, we are able to meet the differentiate needs for professionalism improvement.

PROFESSIONAL GROWTH FOR TEACHERS

Levels of administrative cadre training



Levels of teacher training



	Target staff(s)	Training contents
School-based training	Newly recruited teacher(s) Qualified teacher(s)	General training(s) and specific training(s) for facilitating the improvement of professional ethics, knowledge and skills of the educational administrative and teaching teams and the subject teacher groups
Training at the Group level	Cadre teacher(s) Outstanding teacher(s) Administrative cadres at all levels	Through innovative theme-focused, problem-oriented, mission-driven tasks to consolidate achievements and play the leading role of radiative influence, so as to promote the quality of the administrative team of the Group as a whole
Training at the provincial level and training at the national level	Principal(s) or outstanding teacher(s) as selected by the Teacher Development Center of the Group and relevant schools	Exposing to and learning the cutting-edge development information of education and subjects to cultivate principal(s) and seed teachers from school-based training
Domestic and overseas educational inspection trips and academic seminars	Designed, organized and executed by schools and the Teacher Development Center of the Group based on actual requirements	Building up an academic communication platform for excellent administrative talents and outstanding teachers and future educators

PROFESSIONAL GROWTH FOR TEACHERS

In 2019, The Teacher (Cadre) Development Center of Virscend Education planned, designed and organized the implementation of the First Training Programme for Middle-school Principals, the Training Programme for Reserve Cadres, the Special Training Programme for Teacher Development, the Lesson Study Programme for Cadre Teachers and the Training Programme for New Teachers. A total of over 900 cadres and teachers participated in such trainings, including 33 leaders of newly established/founded middle schools of the Group, 54 reserve cadres at the school level, 188 directors of the Teacher Development Center and subject cadre teachers at the school level, 628 new K-12 teachers. We also provided training opportunities at the provincial and national levels for a number of principals and outstanding teachers. By all these trainings, the sharing of high-quality educational resources of the Group was furthered, the influence and the cohesion of the Group were increased, and the education administration capacity and classroom teaching abilities of cadre teachers were advanced.



CASE STUDY

THE FIRST TRAINING SESSION FOR MIDDLE-SCHOOL PRINCIPALS

In line with the actual demands of newly established and newly founded schools, from 20 October 2018 to 15 March 2019, the Teacher (Cadre) Development Center of the Group held the First Training Session for Middle-school Principals. Setting the school development plan as the authentic task and centering on the six study modules of the professional standards of principals, the development planning of school, education and teaching reform, comprehensive management practices, school management diagnosis and quality of principals, the session used expert lectures, themed seminars, educational inspections, workshops, exchange of learning results and other learning methods and follow-up guidance by an expert team to level up the participants' moral and humanity quality, reinforce their legal awareness and update education concepts, procuring the participants to review the problems confronted in the reform and development of schools from a strategic perspective, and heighten their macro thinking and strategic planning skills in shepherding the development of their schools.



PROFESSIONAL GROWTH FOR TEACHERS

In addition, the Teacher Development Center and the Academic Affairs Office of every school have been working in cooperation to conduct teacher training works in an organized and planned manner, according to the actual situation of the school. Expert lectures, collective lesson preparation, teaching competition and refining, and teaching plan presentation and evaluation were normalized, and activities such as young teacher salons, teacher studios, and “optional classroom micro-writing” were featured to encourage teachers to learn and grow in their work in a rapid manner. At the same time, various schools also organized joint teaching and research activities, leveraging on mutual coordination and driving by demonstration lessons of excellent teachers, they managed to propel the improvement of teaching quality and promote development together by drawing on the differences of teaching techniques and research models among schools.

STRICT TEACHERS’ ETHICS DEVELOPMENT

Every school is required to regularly implemented trainings aiming at building teacher’s ethics and conducts and to construct a teaching crew with good profile. In 2019, all schools of the Group had carried out proper ethics trainings based on their respective situation and formed sound teaching ethics reputation.

Each grade and department of Chengdu Foreign Languages School of Panzhihua held seminars on learning and discussion of teachers’ morality and conducts, fostering the ethics cultivation awareness of teachers. As a solemn commitment to the school, parents and the society, all teachers have signed the Undertaking of No Remedial Teaching Against the Regulations and No Reimbursable Tutoring by Primary and Middle School Teachers of Panzhihua (「攀枝花市中小學教師不違規補課不從事有償家教承諾書」) and the Undertaking of Observing the Ten Strict and the Ten Prohibited Provisions (「十嚴十不准規定承諾書」). Such measures have ensured satisfying achievements in the teachers’ ethics and conducts construction of the school. Moreover, Mr./Ms. Hu, one of the teachers of the school even won the honorary title of “Ethics Model of Panzhihua” (「攀枝花市師德標兵」).

Strictly putting the guiding principles of the documents such as the Code on Professional Ethics of Primary and Middle School Teachers and the Code of Conduct for Professional Ethics of Primary and Middle School (Kindergarten) Teachers in Chengdu into effect, Chengdu Experimental Foreign Languages School (Western Campus) improved teachers’ ethics and conducts through learning and practicing the Standards for Being a Good Students (《弟子規》), with an aim to verify teacher’s conducts, strengthen teachers’ ethics and set teachers as models. Meanwhile, ethics has been included in the annual large-scale appraisal of teachers by the school, in which one-vote veto mechanism is adopted.

Chengdu Experimental Foreign Languages School of Xindu Wulongshan launched the training concerning ethics and legal courses, with importance being attached to four aspects, namely, the awareness of teachers’ benevolence, the ability of teachers’ benevolence, the art of communication and the red lines of management, teachers were warned to keep the bottom line of ethics and to elevate their ethics cultivation.

FOCUS ON TALENT INCENTIVES

We are deeply aware of that reasonable compensation and benefits are the greatest driving force behind the continuous enhancement of employees. With an aim of motivating working enthusiasm and improving job satisfaction and stability of employees, we are committed to building a comprehensive compensation management system with multi-level benefits and guarantees.

PROFESSIONAL GROWTH FOR TEACHERS

COMPREHENSIVE COMPENSATION AND BENEFITS

In addition to improving the employee compensation system in steps, we offer competitive compensation with reference to market rate to employees. Besides, we participate in the statutory insurance schemes consisting of endowment insurance, medical insurance, unemployment insurance, employment injury insurance and maternity insurance and the housing provident fund scheme, and also make sure that compensation of all employees is accurately calculated and paid in a timely manner.

We provide multi-level benefits and guarantees for our employees. In addition to paid statutory holidays according to national requirements and other statutory benefits and remuneration, we offer subsidies or benefits-in-kind to our employees at special occasions as a condolence, such as employees' birthday, wedding or at the loss of immediate family members. In 2019, the Group newly revised (improved) several welfare policies and projects, including the Welfare Project Plan for Cadres at the School and Company Level, and put the Preferential Enrollment Policies for Children of Virscend Employees in place, etc. We determined to arrange more welfare projects to enhance the happiness of our employees. Moreover, leveraging on our own strengths, we admit school-age children of our employees in order to ease the burden of their parents, fully demonstrating the cares of Virscend Education for its employees and their families.

FAIR PROMOTION SYSTEM

We cherish the hard work of every employees. Through a clear and definite path of career development, employees are encouraged to seek self-improvement and make continuous progress. We assist our employees in exploring and developing their strength so as to achieve the growth of the Company together with employees' career development target.

The Group strictly adhere to relevant requirements in the personnel system in respect of promotion, whereby we promote qualified employees after assessments and evaluate outstanding employees to identify potential cadre members. Priorities will be given to those qualified as potential cadre members when there is vacancy of existing or new positions. There might be exceptional cases of promotion of employees proven by their specific contribution and excellent performance. Besides, list of candidates will be published before we approve any promotion according to assessment results and the business operation of the Company to ensure a fair and open promotion process.

EFFECTIVE INCENTIVE MECHANISM

The enthusiasm and creativity of employees is the driving force for our development. In order to give employees a platform and opportunities to fully demonstrate their talents, we continued to innovate incentive mechanisms and encourage employees to devote themselves to their careers.

As a measure for attaining the sharing of premium resources and improving the quality of teaching and core competitiveness in a comprehensive manner, we formulate the "Remuneration and Reward Scheme for the R&D Team of Recorded Courses" (《錄播課例研發團隊酬勞及獎勵方案》) to encourage capable teachers to actively participate in education research, and material and spiritual rewards will be granted to excellent R&D teams and individuals at the end of the school year.

We give full play to the role of models. By citing teachers for their distinguished teaching, we recognize the outstanding talents of such teachers, fostering in them a sense of pride and mission, while inspire more teachers to learn from such models, creating a good team atmosphere of continuous progress.

PROFESSIONAL GROWTH FOR TEACHERS

IMPROVING STAFF HAPPINESS

We guide our employees to develop a healthy lifestyle, build a safe and harmonious working environment that promotes mutual help and love for each other, and continue to execute humanistic care and support for employees, looking forward to standing as the source of joyful work, a warm and caring harbor and a solid and reliable backing for employees.

ENSURING THE HEALTH OF STAFF

Always taking the health and safety of employees as the cornerstone of operational development, and providing employees with a safe and healthy working environment, we attach great importance to employees' physical and mental health, and direct them to work healthily and live happily.

SAFETY IS OF PARAMOUNT IMPORTANCE

We attach great importance to the safety of the working environment. We set up teams of security guards and supporting function teams for every school, who are responsible for the safety of teachers' and staff members' dormitory and bus and offices, and for promptly eliminating factors that would threaten our staff in their works. Besides, we will carry out supervisory safety control in each campus periodically, and implement yearly correction measures of safety, in order to ensure safety and prevent crisis. We also require relevant staff to report difficulties to the Group and the competent government departments when identify one. Meanwhile, each school is also subject to the guidance and supervision of the competent department of education and public security of the provincial and city government.

During the reporting period, there was no significant incident involving any casualty of student or staff member.

HEALTH LIGHTS LIFE

We strictly abide by laws and regulations such as "Law of the People's Republic of China on the Prevention and Treatment of Occupational Diseases", and provide employees with free annual health check-ups and health lectures, and psychological counseling services for maintaining mental health and getting away from working and living stress.

We have organized and set up basketball clubs, football clubs, badminton clubs, fun games and yoga classes, so as to improve the health and help to keep work-life balance of our teachers and staff members.



01



02

1 Fun games of employees

2 Yoga classes

PROFESSIONAL GROWTH FOR TEACHERS



01



02

HEARTWARMING CARE OF STAFF

We deeply understand the needs of employees. As part of the effort to strengthen the spiritual cares for employees, we organize festival visits, birthday salutes and solicitudes to retired employees, etc., making every employee feel the warmth of the Company as a big family in an earnest way.

- **Birthday Salutations**

We take further step regarding employees' birthday care. Employees who are employed for more than one year will receive birthday cards, sincere greetings and warm wishes from the Company on their birthday.

- **Solicitudes to retired employees**

Being forgetful of those who fought to make the present possible for us, we cherish the hard work of every retired employee. Therefore, every year on the Teachers' Day, our school leaders will visit and show solicitudes to our retired employees.

- **Major festivals celebrations**

On important festivals, we will organize party for teachers and free movie watching activities for employees to express spiritual solicitude to them.



03



04

-
- 1 Movie watching activities of the Company
 - 2 2020 New Year Party of Chengdu Foreign Language School Employees
 - 3 Group Birthday Presents of Chengdu Experimental Foreign Languages School of Xindu Wulongshan
 - 4 Chengdu Experimental Foreign Language School sending solicitudes to retired employees

CORNERSTONE FOR ROBUST CORPORATE DEVELOPMENT

Strictly abiding by national laws and regulations and local systems, Virscend Education makes the observation of the red line and the cultivation of the awareness of compliance management a regular practice, refines and standardizes the compliance system, and forms an interlocking compliance guarantee system with a reciprocal causation process from organizational structure, system and measures to staffing, supervision and inspection, which can help to comprehensively prevent risks and improve management and operation.

ADHERING TO COMPLIANT OPERATION

We strictly abide by the relevant laws, regulations and regulatory requirements under the “Company Law of the People’s Republic of China”, “Education Law of the People’s Republic of China”, the “Non-state Education Promotion Law of the People’s Republic of China” and the “Implementing Regulations of the Law of the People’s Republic of China on the Promotion of Privately-run Schools” of the country and where our operations locate. We proactively identify and control risks from our industry and market, build up a management system for compliance and optimize the system of risk management, in order to ensure stable operation and prudent development of the Company and our schools.

As a private education enterprise, we comply with regulatory requirements such as the “Interim Measures for the Management of Collection of Non-State Education Fees” and the “Interim Measures for the Management of Collection of Kindergarten Fees”. When we adjust tuition fees, we will update the charging license and renew the same at its expiry in accordance with relevant laws and regulations. For the tuition fees collected, we establish a risk isolation system at schools and calculate number of students in the department of academic affairs and the amount of tuition fees in the finance department, in order to control risks of revenue and expenditure.

PROMOTING ANTI-CORRUPTION

The education sector shall be the example of promoting anti-corruption. We insist on the coordinated cultivation of ethics and anti-corruption. With equal importance being attached to education inspection and anti-corruption supervision, we drive the healthy development of education and teaching at schools operated by the Group in the aspects of system constraints, inspection and supervision, and cultural construction. During the reporting period, the Group had no litigation involving embezzlement or corruption.

- **SYSTEMATIC CONSTRAINTS OF CORRUPTION**

We show zero tolerance toward corruption. Strictly abiding by laws and regulations under the “Anti-Corruption and Bribery Law of the People’s Republic of China”, the “Anti-Money Laundering Law of the People’s Republic of China” and the “Interim Provisions on Banning Commercial Bribery”, we establish an anti-corruption mechanism to constrain and urge the implementation of anti-corruption, and carry on with measures to strengthen the anti-corruption and anti-commercial bribery management system.

We have the Measures for Embezzlement and Corruption Reporting (《關於貪污、腐敗檢舉處理辦法》) in place, and provide channels for communication such as petition, telephone and internet through the establishment of a reporting platform that covers the Company and all schools, so as to encourage reports of corruption, embezzlement, bribery and other violations of laws. At the same time, we also standardize the privacy protection of the whistleblowers, keeping relevant information in stringent confidentiality and prohibiting the disclosure of their privacy.

CORNERSTONE FOR ROBUST CORPORATE DEVELOPMENT

- **INSPECTION AND SUPERVISION**

The management of the Group regularly supervises and investigates the employees and the affiliated schools of the Group, understands the current status of the construction of a clean management in a systematic and all-round manner and strengthens the daily supervision of those who exercise rights. As for problems identified, prompt warning or rectification will be made, thus improving the pertinence and timeliness of supervision. For example, Wulongshan Campus of Chengdu Experimental Foreign Languages School has carried out anti-corruption assessment activities that can help to have a deeper understanding of the integrity of its teachers. The assessment results will be directly used in the selection of the most outstanding teachers, the evaluation of professional title and the appraisal of performance.

- **BUILDING OF CLEAN MANAGEMENT THROUGH CULTURAL ACTIVITIES**

By conducting integrity education and creating a culture of clean management, we encourage every employee to bear integrity in mind, maintain ethical conduct and be an honest person. We adhere to the policy of education-centered and prevention-first, urge the Group and all schools to conduct regular integrity training, and motivate the adoption of special classes, special reports, movie and video watching, going out for visits and other forms to carry out integrity education. We also encourage all affiliated schools to have their teachers to sign integrity commitments and improve the moral ethics quality of all teachers.

IMPLEMENTING RESPONSIBLE MARKETING

We uphold the principle of seeking truth from facts and observe the “Advertising Law of the People’s Republic of China” and the “Administrative Measures for Print Advertising” and other laws and regulations, undertaking that our advertising and promotional materials are true and accurate and not misleading. We set up a strategic publicity committee to formulate the “Regulations on External Publicity Management”, to strictly control the timeliness and accuracy of the internal publications, exhibition boards, banners and other internal publicity of the Group, as well as the information on televisions, newspapers and websites and other external publicity windows, to prevent false publicity and maintain the Brand image of the Company, striving to be responsible to the audience and to education.

In 2019, hoping to strengthen the new media construction of the Company, the Group formulated the “Operation Management Regulations (Pilot) for One Website and Weibo and WeChat”, and regulated the control over the websites, Weibo, WeChat and other external publicity channels of the Company and its affiliated schools. Under the principles of making stepped standardization following unified standards, centralizing supervision with delegated responsibilities, converging in the basic frameworks with diversified characteristics, and sharing resources in safe and confidential ways and other alike, we unify the management and maintenance of information at all schools. As for all contents of external publicity, we required relevant departments to ensure the accuracy, timeliness and applicability of the information, indicating the source of the forwarding information and releasing no information with unknown sources or inaccurate content. In this process, all schools must strictly follow the regulations to protect customer privacy and guard against information leakage.

CORNERSTONE FOR ROBUST CORPORATE DEVELOPMENT

PROTECTING INTELLECTUAL PROPERTY RIGHTS

We hold onto the idea of governing ourselves and teaching on the basis of moral ethics, and give full protection and respect to our own intellectual property rights and those of others. Abiding by laws and regulations under “Patent Law of the People’s Republic of China” and “Copyright Law of the People’s Republic of China”, we encourage, support and respect the articles and books, inventions and creations and achievements of teaching and scientific research of our teachers and students, and protect intellectual property rights by assisting in obtaining patent rights and copyrights. In addition, we review and summarize the intellectual property products of all schools regularly to prevent from infringement.

We apply external intellectual property rights in strict accordance with the provisions of the country, region and the product rights manual, and require all departments and campuses we operate to use genuine research and teaching materials, and fully respect the intellectual property rights of others.

ENHANCING SUPPLIER PERFORMANCE

We adhere to the concept of mutual benefit and maintain self-discipline in building strategic partnerships with suppliers. Our suppliers mainly engage in food, greening, engineering and other sectors. During the reporting period, we did business with a total of 103 suppliers, of whom 100 are located in Sichuan Province.

- **PREPARE SPECIFICATIONS FOR SUPPLY MANAGEMENT**

The Group attaches great importance to supplier management and high-quality supply chain construction. It has formulated a number of internal systems and adopted a series of measures to implement a full-process standardized management covering all steps of supplier selection, evaluation, and management.

Selection of suppliers

Based on the Equipment Department Management Provisions of the Group, we have implemented multi-departmental collaboration to fully understand the basic information, quality control, technical level, and after-sales services of the suppliers, and to investigate their credibility and performance capacities. We also include suppliers’ CSR requirements in the selection process, including their adoption of environmental protection measures, integrity, respect to employees’ efforts, prohibition of child labor in any form, equal treatment to employees and proper business practice. For suppliers offer similar products or services, we will reserve two or more suppliers to avoid the risk of unexpected interruption of the supply channel.

Evaluation of suppliers

According to Supplier Management System of the Group, we explicitly require relevant staff to evaluate the all-round strength of existing suppliers and new suppliers, and update the supplier list in accordance with the mechanism for the survival of the fittest. There are four grades in the evaluation, namely excellent, good, pass and fail. For the suppliers graded excellent, the Group will further consolidate cooperation; while the following suppliers will be removed from the list: being graded “fail”; committed fraud, coercion, bid-rigging while doing business with the Group; and being penalized by audit and supervision department of the Group.

Management of suppliers

We have developed an electronic information system regarding supplier execution which were managed by designated personnel. We have done a lot of works, including the establishment, review and evaluation of the List of Qualified Suppliers, removal of rulebreakers, disqualification of suppliers and addition of new suppliers. The list will be published regularly to ensure the true, accurate and valid information. In addition to requirements such as presenting proof of compliance with relevant national quality, environmental protection and safety accreditation, we also conduct on-site inspections of suppliers from time to time, so as to ensure compliance performance of suppliers.

PROFESSIONAL GROWTH FOR TEACHERS

- **FORMULATE WORKFLOW FOR BIDDING AND PROCUREMENT**

In order to standardize the management of bidding and procurement, the Group formulated a rigorous workflow of bidding and procurement based on “Bidding Law of the People’s Republic of China”, “Government Procurement Law of the People’s Republic of China”, “Measures for Handling Complaints by Government Procurement Suppliers”, “Working Regulations for Handling the Complaints of Sichuan Government by Procurement Suppliers” and “Interim Measures for Handling the Challenges against Sichuan Government by Procurement Suppliers”, etc., leaving no loop-hole for inappropriate manipulation.

We make information disclosure transparent through making bidding information process public; avoid the impact of accidental or personal bias through forming a bidding procurement evaluation team; and introduce another tier of guarantee through implementing a multi-departmental director review system with clarified accountability. An Anti-corruption Contract must be signed when entering into a procurement contract with supplier to discipline the integrity of both parties in the procurement process. Moreover, we have set up a supplier reporting and whistle-blowing channel to ensure the compliance throughout the procurement process.

- **PREFERENCE FOR GREEN PRODUCTS AND SERVICES**

We promote green supply chain. As a result, priority will be given to suppliers who have performed their responsibilities as required under the “Environmental Protection Law of the People’s Republic of China” (《中華人民共和國環境保護法》) in the process of bidding and procurement, aiming to indirectly steering suppliers to fulfill their environmental responsibilities. We cooperate with various local suppliers to minimize impacts of energy consumption and air pollutants emission caused by transportation. What’s more, all schools have put forward specific environmental protection requirements for the construction standards, construction techniques, building materials and equipment of infrastructure projects, so that each infrastructure project of such schools can meet the energy-saving and environmental protection requirements of the nation.

CARE FOR THE ENVIRONMENT

We strictly complied with the relevant environmental laws and regulations such as the “Environmental Protection Law of the People’s Republic of China”. Based on the characteristics of education industry, we exploit the advantage of trying before others, promoting environmental protection actions from the campus, and cultivating environmental protection awareness of children. All these efforts have helped to make the schools greener, and fill our students with vitality and hope.

BUILDING A GREEN CAMPUS

We incorporate environmentally friendly management measures into the comprehensive and daily management of all schools and keep to improve such measures. Based on the characteristics of each campus, we formulate systems of energy, water utilization and waste management, and strictly regulate the environmental protection requirements and behaviors in classrooms and offices to build campuses in harmonious coexistence with the natural environment.

As an educational service provider, our operation process does not involve finished products nor packaging materials, and therefore we are not subject to requirements of packaging materials management.

ENERGY MANAGEMENT

We create campus culture of energy conservation and consumption reduction in a positive stance, and formulate the “Regulations of the Official Consumption of Electricity and Water” and the “Regulations of the Dormitory Consumption of Electricity and Water” (《寢室節能管理制度》) to fully gauge the energy consumption management of equipment and lighting facilities in the processes of working, teaching and living.

Major measures for energy management include:

- to renovate school lighting facilities, vigorously promote energy-saving lamps and implement “green lighting projects”;
- to advocate and apply advanced energy-efficient teaching equipment and materials, phase out inefficient equipment, and prioritize the environmentally-friendly and energy-saving products in the procurement of equipment.
- to assign designated personnel to monitor high-power equipment to avoid unnecessary and irregular utilization and cut down standby consumption. For example, high-power equipment must be turned off in time after dining in the canteen;
- to encourage our employees to make good use of sunlight in their office and turn off lights when they leave the office, eradicating turning the lights on from morning to night.
- to reduce the power consumption and standby energy consumption of office equipment, reasonably turn on and use electrical equipment such as computers, printers, water dispensers, air conditioners, electric fans, etc. Rigid standards have been particularly set up to control the switching-on and the temperature when using air conditioners, and no one is allowed to use the air conditioner with the windows or doors open, so as to minimize energy consumption.

In 2019, a number of campuses operated by the Group issued measures for power-saving management, particularly proposing standards and initiatives regarding the power and energy consumption in teaching venues, public areas and other key energy-consuming areas. Furthermore, some campuses set up “saving prizes” to encourage meeting energy saving objectives.

CARE FOR THE ENVIRONMENT

WATER CONSUMPTION AND WASTEWATER MANAGEMENT

Water consumption management is an indispensable and important part of the operation of a green campus. We earnestly implement water consumption management in the three aspects of managing water consumption from the source, saving water in the consumption process and controlling wastewater in discharge. During the reporting period, the only source of our consumption of water was the municipal waterworks, and the Company did not encounter any water supply problems.

- *MANAGING FROM THE SOURCE*

We strengthen the daily maintenance and management of water facilities. Continuous efforts have been made in managing drinking water for teachers and students, clean water in public areas and other key water-using areas, and in keeping a good record of water consumption to prevent unreasonable water utilization.

We get across the water consumption situation of all schools through the water balance test and conduct analysis of reasonable water consumption based on the same, thus avoiding water dripping and leakage. According to the situation of different schools, domestic water is supplied based on the different demands of different floors, and stop valves are installed to control the supply to unused floors. In order to regulate water consumption behavior of students, we also upgrade and renovate the intelligent water control system, under which students fetch water by swiping cards, thus helping with the recording and management of water consumption in different areas in real time, and reducing waste of water resources from the source.

- *DAILY CONSERVATION*

Saving water starts with every drop. We introduce the “Regulations for Water Saving” to implement water saving measures by proactively promoting the use of water saving appliances, adopting reclaimed water/rainwater recycle systems, and posting water saving logos.

In 2019, Chengdu Foreign Languages School installed a rainwater collecting system and a drip irrigation system to utilize natural rainwater for greening, effectively improving the efficiency of water resources utilization.

- *UP TO STANDARD DISCHARGE*

Wastewater discharged by schools mainly includes domestic sewage and canteen wastewater. All schools operated by the Group hold sewage discharge permits, and the sewage generated is treated by sewage treatment facilities to ensure that the sewage discharge meets the relevant requirements of the “Integrated Wastewater Discharge Standard”. Besides, the use of phosphate-free detergents and degradable cleaning supplies is encouraged by our schools to minimize environmental impact.

Due to the characteristics of the education industry, wastewater discharge is not a significant issue in the operation and management of the Company. Therefore, no wastewater-related discharge data was recorded during the reporting period.

CARE FOR THE ENVIRONMENT

WASTE MANAGEMENT

Wastes produced by the Group include wasted paper, paper cups, light tubes, toner cartridges, ink cartridges and other household waste from daily office operation; kitchen garbage from every campus and waste chemicals from laboratory of certain middle schools, high schools and universities, etc.

In order to create a clean and comfortable working and learning environment, we strictly abide by the “Law of the People’s Republic of China on the Prevention and Control of Environmental Pollution by Solid Wastes” and “Administrative Measures for Urban Living Garbage”, on the basis of these regulations, we further develop effective internal measures and programs to actively implement waste processing and disposal works. Hazardous wastes, in particular, are properly stored and regularly transferred to qualified third-party operators for transshipment and disposal, so that the safe disposal rate of hazardous waste can reach 100%. Further, we manage to lessen the production of waste by measures such as saving paper and consumable items, precisely controlling the quantity of meals prepared by the kitchens and reducing kitchen garbage.

- *DISPOSAL OF OFFICE GARBAGE*

For the purpose of cutting paper consumption, we advocate sending information in the forms of e-mails and electronic document circulation and adopting duplex printing, and promote using porcelain wares instead of disposable paper cups. At the same time, we collect duplex printed paper, used envelope/letter paper, newspaper and wrapping paper by the office paper, newspaper and wrapping paper classification boxes placed in the office, respectively. In respect of used toner cartridge and batteries, we opt for replaceable toner cartridges and rechargeable batteries when making procurement. Scrapped ink cartridges are uniformly recycled and processed by their suppliers regularly.

- *DISPOSAL OF KITCHEN GARBAGE*

We have formulated the “Leftovers Disposal Management System” to regulate the treatment of kitchen garbage. According to the regulations, leftovers at canteens must go through harmless treatment, and discharge of kitchen garbage directly into sewers, public toilets and other domestic garbage collection facilities is strictly forbidden. In addition, canteens are required to classify and manage kitchen garbage which are treated separately. Kitchen wastes (vegetables, roots, animal offal, fur, etc.) produced by preliminary processing of raw materials shall be disposed of as domestic garbage and transported by sanitation workers; and swills (including food residue, rice, vegetables, soup, pot residue, reserved samples, etc.) should be disposed into special swill buckets, or the grease thereof separated by oil-water separators should be discharged into an oil separation tank, and transported and disposed of by qualified contractors, and shall not be sold to other units or individuals.

CARE FOR THE ENVIRONMENT

- *MANAGEMENT OF LABORATORY CHEMICALS*

Our schools have formulated the Hazardous Chemicals Safety Management System in accordance with the “Regulations on the Control over Safety of Dangerous Chemicals”, the “Measures for the Supervision and Management of Fire Control over Inflammable and Explosive Chemicals” and other regulations, specifying the requirements for the procurement, storage, usage and disposal of laboratory chemicals. All school chemicals shall be managed by designated personnel who are responsible for getting acquaintance with the safety and environment requirements of the chemicals before procurement, stored in special wares by categories and classifications to prevent from explosion or leakage, dispatched in strictly controlled quantity and used by teachers and students based on utilization requests, and destroyed by entrusted legally qualified entities instead of random dumping or landfill.

EXHAUST GAS MANAGEMENT

In order to reduce canteen cooking lampblack emission, the school canteen uses a composite electrostatic lampblack purifier to monitor and treat the lampblack, with a lampblack removal rate of 98%. We have also engaged the local environmental monitoring agency to monitor the canteen lampblack emission at our schools to ensure that their emission level comply with the “Food and Beverage Emission Standards”.

In order to reduce vehicle exhaust emissions, we have formulated the Corporate Vehicle Management System to better regulate the corporate vehicle utilization application, fuel consumption recording, vehicle maintenance, etc. We cross check the fuel consumption with the travelling distance to avoid wastage. At the same time, we advocate green travel and encourage commuting by public transportation, walking or cycling. We also implement travel management and encourage employees to carry out off-site work in the form of online communication or video conferencing, in order to reduce greenhouse gas emissions caused by unnecessary travel.

In addition, we have installed an activated carbon adsorption device at the ventilating end of the chemical laboratory to avoid environmental pollution and safety hazards caused by exhaust gas emissions.

CARE FOR THE ENVIRONMENT

ADVOCATING GREEN ENVIRONMENTAL PROTECTION

By further implementing the spirit of national, provincial and municipal propaganda departments' instructions on promoting green schools, we insist on educating students with green concepts to cultivate students' environmental values, environmental morality, environmental participation awareness and innovation awareness, with an aim to open up the education chain of green campus, green education, quality education and sustainable development education. We also carry out green public welfare activities to form social radiation and driving effects.

GREEN TEACHING

Green education is the seed of awakening environmental awareness. Based on the principle of "caring for and actively optimizing campus environment", we set up publicity positions such as placards, environmental protection pictures and student works to form a subtle environmental protection culture education. Each school carries out green education activities with its own distinctive features to build a campus culture that values environmental protection. We also encourage all our teachers and students to protect the environment together, consciously maintain the beauty of the campus and actively beautify classroom and office environment by personally planting green plants.

In 2019, revolving around the theme of "green development, first priority to energy conservation", the Company carried out in-depth energy-saving and low-carbon publicity and education to advocate the practice of diligence and frugality. All schools work together to carry out publicity activities such as "cutting costs, everyone please involve in creating a conservation-oriented school" and "green and environment protection go with me" in order to enhance conservation awareness among all students and teachers and create a campus culture of energy conservation and emission reduction.

CARE FOR THE ENVIRONMENT



CASE STUDY

GARBAGE CLASSIFICATION - STARTING FROM CHILDHOOD



From October to November 2019, the Kindergarten of the Primary School attached to Chengdu Foreign Languages School launched two-stage environmental protection education activities on the theme of garbage classification, which organized children to learn the “new fashion” of garbage classification and guided them to develop a good habit of properly sorting and throwing garbage.

CARE FOR THE ENVIRONMENT



CASE STUDY

BUILDING "SKY FARM"



The "Sky Farm" of Xichen School (Primary School) attached to Chengdu Foreign Languages School, which is a vegetable garden built on the roof by the school with limited space, makes full use of rainwater for irrigation. By participating in the management of the vegetable garden, students not only harvested fresh organic vegetables and understood the law of plant growth, but also contributed to building a green campus.

CARE FOR THE ENVIRONMENT



CASE STUDY

CASE: ENGAGING IN SOCIAL CLASSES AND DEVELOPING ENVIRONMENTAL EXPERIENCE EDUCATION

In 2019, life-centered and problem-solving oriented, Chengdu Foreign Languages School conducted various extra-curricular, extra-school and community activities of environmental practices in order to promote the development of students' environmental ethics and environmental protection behaviors. In 2019, the school organized students to participate in "Caring for the Environment Starts with Me" and other activities on important festivals such as Tree-Planting Day, Earth Day and World Environment Day, which enriched students' knowledge of environmental science and environmental law by lectures, poetry recitations, knowledge competitions, essay competitions, painting competitions, speech debates, scientific and technological activities. The school guided students to actively participate in actions within their abilities to protect the environment, such actions include planting and protecting green, garbage classification, waste battery recycling, caring for bird and bird protection, green consumption, as well as supervision of the surrounding environment. The school encourages students to write environmental papers and survey reports and make small inventions and designs in environmental protection, the school also encourages students to participate in various scientific gizmo and competitions on environmental protection knowledge in order to cultivate youth's innovative spirit and practical ability.

CARE FOR THE ENVIRONMENT

GREEN CHARITY

We call on all campuses to use the bridge of green charity projects to spread environmental protection knowledge and pass on green concepts to the society. The green charity injects green energy into society through children's youthful vitality and at the same time enriches children's extracurricular life and practices students' responsibilities for environmental protection.



CASE STUDY

"GARBAGE CLASSIFICATION ENTERS THE COMMUNITY" ACTIVITY



On 6 December 2019, under the leadership of teachers, students from Gaoxin Meinian Primary School conducted "Red Scarf Kaleidoscope · Star Action - Garbage Classification into the Community" activity in Tianfu Software Park to popularize the knowledge of garbage classification to the public. Students promoted the knowledge of garbage classification in Q&A by adopting the method of "preaching" or "little reporter's question", being filled with fun.

CARE FOR THE ENVIRONMENT

GREEN CAMPUS

We are committed to creating a campus landscape of “flowers blooming like brocades, green trees making shades” and a variety of landscapes that are “different in scenery at all times”. We attach importance to the maintenance of campus landscape and environmental optimization. We take care of the newly planted trees and lawns to ensure that “the trees are always green and the flowers are always blooming” to promote “people always come and learning is always there.” In 2019, the green area of all our campuses exceeded 500,000 square meters.

Creating a three-dimensional landscape

Based on the different species composition of trees, shrubs, flowers, lawns and other plants, they are scientifically matched and cultivated, and pruned, fertilized, irrigated, insect-proofed, cold-proofed, etc., at the same time we also pay attention to environmental sanitation protection and supervision.

Scenery is always there

According to the different growth processes of the plants in the four seasons, we conduct maintenance for cold protection in winter, fertilization in spring to promote growth, insect control and waterlogging prevention in summer, and trimming and fire protection in autumn, so as to ensure the good growth of plants.



Campus Green Landscape

GIVING BACK TO THE COMMUNITY WITHIN OUR ABILITY

Taking full advantage of educational resources and advantage, we actively practice corporate social responsibility, support the development of public welfare undertakings, create a harmonious social environment, and make our own contributions to serving and building a better society.

During the reporting period, we had a total of 14,015 attendees participating in voluntary activities, and invested approximately 110,108.43 hours.

INITIATING VOLUNTEER SERVICES

In order to cultivate students' practical abilities and improve students' comprehensive qualities, we have organized a variety of voluntarily practical activities to guide students out of the school to contact the society and use the knowledge and professional advantages which they learned to serve the society. We organize students to participate in volunteer translation activities in large-scale competitions and go to nursing homes, welfare homes, etc., to visit and console the elderly, get along with autistic children, and other activities to enhance students' sense of social responsibility, making students grow into a person who contributes to society.



CASE STUDY

CAPITALIZING ON OUR STRENGTH TO ENGAGE IN VOLUNTEER TRANSLATION

By taking full advantage of foreign languages and on the premise of volunteering, Chengdu Institute Sichuan International Studies University gives full play to the knowledge and skills of college students and actively organizes volunteers to participate in volunteer service activities in various large-scale tournament. In 2019, we organized hundreds of volunteers and students to participate in volunteer translations in large tournaments such as the Brand Agriculture Development International Symposium, Beijing Humboldt Forum, the 7th International Festival of the Intangible Cultural Heritage Volunteers, the 3rd International Poetry Festival, Universiade, Wuliangye Night Event, Hidden Champions Forum, Sino-German Innovation Platform, Sino-German Corporate Procurement Summit and China-Japan-Korea Go Game.



Volunteers at the Sino-German Innovation Summit

GIVING BACK TO THE COMMUNITY WITHIN OUR ABILITY



CASE STUDY

GREETINGS TO THE ELDERLY AND SHARING WARMTH

In 2019, teachers and students of Chengdu Experimental Foreign Languages School of Xindu Wulongshan (Primary School) participated in a caring charity activity with the theme of “caring for the elderly, warming the sunset with affections” and “caring for the elderly, starting with me”. During the two activities, the students walked into the nursing homes to show the elderly a series of performances themed “respecting the elderly, caring the elderly and loving the elderly”, brought gifts to the elderly and purchased daily life necessities and other supplies for the nursing homes, creating a social fashion that respects the elderly, cares the elderly, loves the elderly and helps the elderly.



CASE STUDY

A VOLUNTEER CHARITY THEMED “HELPING CHILDREN FROM THE STARS”

In the summer of 2019, Chengdu Experimental Foreign Languages School organized a volunteer activity to help children with autism. Volunteers walked into the inner world of autistic children, accompanied them to do handicrafts and participated in music lessons and somatosensory lessons together. Such warm-hearted social services have cultivated students' sense of social responsibility and team consciousness, and also sent warmth to special groups.



GIVING BACK TO THE COMMUNITY WITHIN OUR ABILITY

SUPPORTING SOCIAL WELFARE

Virscend Education always cares about the society and takes the initiative to shoulder the Group's social responsibility and corporate mission. In 2019, we actively held public welfare concerts, carried out the public welfare Red Bee Program, and also organized the "Spring Bud Project" evening party in Zigong and other activities to expand the influence of public welfare and convey more warmth. At the same time, we also organized teacher and student performances and raised love donations to finance the growth and education of girls and poor students.



CASE STUDY

"SPRING BUD PROJECT" 30TH ANNIVERSARY CHARITY GALA

On 30 November 2019, the "Growth & Thanksgiving - Zigong Public Welfare Activity Commemorating the 30th Anniversary of the "Spring Bud Project"" was held at Chengdu Foreign Languages School of Zigong. In the gala, the students gave a wonderful performance in the form of dance, singing and dancing, and described the spiritual journey of the poor students to grow into talents after being funded through the "Spring Bud Project". The participants said that they would actively join in the "Spring Bud Project" and other public welfare activities in the future, extend their hands of care and help, and let love flow and goodwill pass along.



GIVING BACK TO THE COMMUNITY WITHIN OUR ABILITY



CASE STUDY

"DELIGHTING THE SOUL WITH THE VOICE OF YOUTH" CHARITY CONCERT

In June 2019, the Wulongshan Campus of Chengdu Experimental Foreign Languages School held a public welfare concert focusing on mental health with the theme of "Moisturizing the Soul with the Voice of Youth". After the event, the school used all the proceeds of public welfare concerts to buy books and donated them to left-behind children in Mulan Town Center Primary School, Xindu District, Chengdu, to help them enrich their extracurricular reading and grow up healthily.



CASE STUDY

RED BEE WELFARE PROGRAM

In 2019, Tongmeng Carnival and the International Education Department of Virscend Education jointly launched "Red Bee Welfare Program" with the Red Cross, the Rende Foundation, Tie Our Love, Ganghong Group and NetEase Auto. Youthful teachers went deep into the Tibetan area, sending warm material blessings to the children beside the Jinlong Snow Mountain in Danba, Sichuan, and brought the meaning of traditional sinology and high-quality Maker Culture to this pure land which is carefully guarded by kind people.



PROSPECTS

In the future, we will continuously integrate the concept of sustainable development into the issues which have significant influence to Virscend Education, such issues include teaching quality, management of teacher team, teaching and research system innovation, student safety, employee care, compliant operations, environmental protection and public welfare undertakings, and we will strive to cope with development requirements in the new era, improve our sustainable development management system, effectively fulfill our corporate responsibilities, so as to achieve true harmony within the community, beautiful environment and reasonable governance.

We will strive to adapt to the development in the current era, and continue to explore advanced and innovative educational concepts and educational models, strictly control the quality of education, implement lean teaching, continue to integrate and optimize quality education resources of China and the West, and cultivate elites for the society who are capable of multi-faceted thinking and capable in competing on international level.

We will continue to attach importance to students' food safety and personal safety, put focus on the growth and education needs of students, carefully listen to parents' and students' suggestions to school and teachers, provide students with a quality and safe growth environment, and create a beautiful campus that children grow up happily and parents are satisfied.

We shall continue to broadly and fairly attract outstanding talents at home and abroad, formulate a diversified talent training and promotion program, and create diversified development opportunities for our employees. We will pay more attention to the physical and mental health of our employees, enhance employees' sense of belonging and trust to the Company, and motivate them in creating greater value for the Group.

We will always strictly abide by laws and regulations, insist on compliant operation, strengthen risk management, implement anti-corruption requirements, and promote a clean and honest atmosphere. At the same time, we will further build mutual trust and cooperation with supply partners, and promote suppliers to fulfil their responsibilities.

We shall continue to explore clean and green campus establishment, and integrate environmentally friendly concepts within our office operation and campus construction. We will promote green teaching practices, earnestly advocate and implement energy-saving and low carbon practices, so as to create green environment on our campuses.

We are constantly reminded of our roots. We will continue to carry out charitable projects, organize volunteer activities, and shall continue to share the Group's development achievements with the society, promote development of the local region where our campuses are based, support education efforts and poverty alleviation, and promote the dissemination of humanities and culture.

Education is the vital plan of the nation. As a leader of the domestic education industry in southwest China, we bear great burden and have a long way to go. We will focus on caring for the growth of each generation of students. At the same time, we will assume increasingly heavy responsibilities with more courage, and wholeheartedly contribute to the social and national sustainable development.

ESG KEY PERFORMANCE INDEX (“KPI”)

ESG index			Unit	2019
Environmental				
A1. Emission	A1.2 Greenhouse gas emissions in total and intensity			
	Total GHG emission	tons (carbon dioxide equivalent)		41,387.14
	Intensity of GHG emission	tons (carbon dioxide equivalent)/number of student		0.84
	GHG emission (scope 1) ^{(a)(1)}	tons (carbon dioxide equivalent)		14,489.15
	GHG emission (scope 2) ^{(b)(2)}	tons (carbon dioxide equivalent)		26,897.98
	A1.3 Total hazardous waste and intensity			
	Amount of hazardous waste ^(c)	tons		3.37
	Intensity of hazardous waste	tons/number of student		0.000068
	A1.4 Total non-hazardous waste and intensity			
	Amount of non-hazardous waste	tons		10,803.54
	Intensity of non-hazardous waste	tons/number of student		0.22

Notes

- GHG in Scope I of indicator A1.2 includes direct emissions generated by gasoline, diesel, natural gas and pipeline gas;
- GHG in Scope II of indicator A1.2 includes indirect emissions generated by outsourced electricity;
- Total amount of hazardous wastes of indicator A1.3 includes sum of amount generated from light tubes, batteries, ink tanks, printer cartridges and lab wastes;

Data computing standard

- Direct GHG produced by gasoline, diesel, natural gas and pipeline gas is calculated with reference to the “Guidelines for Accounting and Reporting Greenhouse Gas Emissions – China Public Building Operator Units (Enterprises) (Trial) of the People’s Republic of China” issued by the General office of the National Development and Reform Commission;
- Indirect GHG emission generated from purchase of electricity with reference to the “Guidelines for Accounting and Reporting Greenhouse Gas Emissions – China Public Building Operator Units (Enterprises) (Trial) of the People’s Republic of China” issued by the General office of the National Development and Reform Commission, among which, emission factor for electricity in Mainland China is calculated with reference to the Standards of “China Regional Grid Baseline Emission Factor in Emission Reduction Projects of 2017”;

ESG KEY PERFORMANCE INDEX (“KPI”)

ESG index		Unit	2019
Environmental			
A2. Use of Resources	A2.1 Energy consumption by type in total and intensity		
	Conversion of electricity for comprehensive energy consumption ^{(d)(3)}	10,000 kWh	9,618.82
	Conversion of electricity for comprehensive energy consumption intensity	kWh/number of student	1,944.81
	Electricity consumption	10,000 kWh	2,984.02
	Natural gas consumption	10,000 cubic meters	658.27
	Piped coal gas consumption	10,000 cubic meters	15.25
	Gasoline consumption	liter	87,936
	Diesel consumption	liter	8,009
	A2.2 Water consumption in total and intensity		
	Total amount of water consumption	10,000 tons	463.04
	Water consumption intensity	tons/number of student	93.62

Notes

d. Total energy consumption of indicator A2.1 includes the sum of consumptions of gasoline, diesel, natural gas and pipeline gas.

Data computing standard

3. The conversion of standard coal for the total energy consumption is made with reference to the “GB/T 2589-2008T General Principles for Calculation of the Comprehensive Energy Consumption”.

ESG KEY PERFORMANCE INDEX ("KPI")

ESG index	Unit	2019
Social		
B1. Employment	B1.1 Total workforce by gender, employment type, age group and geographical region	
	Total workforce	Persons 4,853
	By gender	
	Male employees	Persons 1,268
	Female employees	Persons 3,585
	By employment type	
	Subject teacher	Persons 3,350
	Life teacher	Persons 840
	Administrative and supporting staff	Persons 465
	Other staff	Persons 198
	By age	
	Aged 30 and below	Persons 1,298
	Aged 30 to 50	Persons 2,792
	Aged 50 and above	Persons 763
	By geographical region	
	Sichuan Province	Persons 4,484
	China (except Sichuan Province)	Persons 369
B2. Health and Safety	B2.1 Number of work-related fatalities	
	Number of work-related fatalities	Persons 0
	B2.2 Lost days due to work injury	
	Work injury	cases 2
	Total lost days due to work injury	days 49

ESG KEY PERFORMANCE INDEX ("KPI")

ESG index		Unit	2019
Social			
B3. Development and Training	B3.1 The percentage of employees trained by gender and employee category		
	The percentage of total number of employees trained	100%	80.57%
	By gender		
	Male employees	100%	25.24%
	Female employees	100%	74.76%
	By employment type		
	Subject teachers	100%	72.07%
	Life teachers	100%	20.18%
	Administrative and supporting staff	100%	7.75%
	Other staff member	100%	5.06%
	B3.2 The average training hours completed per employee by gender and employee category		
	all employees	hours	62.35
	By gender		
	Male employees	hours	67.62
	Female employees	hours	60.49
	By employment type		
	Subject teachers	hours	80.03
	Life teachers	hours	21.98
	Administrative and supporting staff	hours	30.12
	Other staff member	hours	10.29

ESG KEY PERFORMANCE INDEX ("KPI")

ESG index		Unit	2019
Social			
B5. Supply Chain Management	B5.1 Number of suppliers by geographical region		
	Sichuan Province	suppliers	100
	China (except Sichuan Province)	suppliers	3
B6. Product Responsibility	B6.2 Number of product and service related complaints received		
	Complaints response rate	100%	100%
B7. Anti-corruption	B7.1 Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and outcomes of the cases		
	Number of filed or concluded legal cases regarding corrupt practices	cases	0
B8. Community Investment	B8.2 Resources contributed to the focus area		
	Charitable donation	Renminbi Yuan	81,000
	Number of volunteers	persons	14,015
	Hours of volunteer work	hours	110,108

ESG INDEX GUIDE

Index	Reporting Guide Requirements	Chapters and Explanation
A. Environmental		
A1 Emissions		
General Disclosure	Information on: a. the policies; and b. compliance with relevant laws and regulations that have a significant impact on the issuer relating to air pollutants and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Building a Green Campus
A1.1	The types of emissions and respective emissions data.	Due to the characteristics of the education industry, the emission of pollutant sewage discharge is not an important issue in the operation and management of the company. Therefore, the respective emissions data are not disclosed during the reporting period.
A1.2	Greenhouse gas emissions in total (in tons) and, where appropriate, intensity (e.g. per unit of production volume and per facility).	ESG KPI
A1.3	Total hazardous waste produced (in tons) and, where appropriate, intensity (e.g. per unit of production volume and per facility).	ESG KPI Due to the characteristics of the education industry, hazardous waste is not a significant issue in the operation and management of the Company.
A1.4	Total non-hazardous waste produced (in tons) and, where appropriate, intensity (e.g. per unit of production volume and per facility).	ESG KPI
A1.5	Description of measures to mitigate emissions and results achieved.	Building a Green Campus Advocating Green Environmental Protection
A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved.	Building a Green Campus Advocating Green Environmental Protection

ESG INDEX GUIDE

Index	Reporting Guide Requirements	Chapters and Explanation
A. Environmental		
A2: Use of Resources		
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	Building a Green Campus
A2.1	Direct and/or indirect energy consumption by type in total (kWh in '000s) and intensity (e.g. per unit of production volume and per facility).	ESG KPI
A2.2	Water consumption in total and intensity (e.g. per unit of production volume and per facility).	ESG KPI
A2.3	Description of energy use efficiency initiatives and results achieved.	Building a Green Campus
A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved.	Building a Green Campus All the water used by the Company comes from municipal waterworks, and there is no problem in obtaining suitable water sources.
A2.5	Total packaging material used for finished products (in tons), and, if applicable, with reference to per unit produced.	N/A. We provide educational services and do not produce products, so there is no use of product packaging materials.
A3: Environment and Natural Resources		
General Disclosure	Policies on minimizing the issuer's significant impact on the environment and natural resources.	Building a Green Campus
A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Building a Green Campus Advocating Green Environmental Protection

ESG INDEX GUIDE

Index	Reporting Guide Requirements	Chapters and Explanation
B. Social		
B1: Employment		
General Disclosure	Information on: a. the policies; and b. compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, antidiscrimination, and other benefits and welfare.	Professional growth for teachers
B1.1	Total workforce by gender, employment type, age group and geographical region.	ESG KPI
B1.2	Employee turnover rate by gender, age group and geographical region.	ESG KPI
B2: Health and Safety		
General Disclosure	Information on: a. the policies; and b. compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Improving Staff Happiness During the reporting period, there was no significant incident of occupational health and safety.
B2.1	Number and rate of work-related fatalities.	ESG KPI
B2.2	Lost days due to work injury.	ESG KPI
B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	Improving Staff Happiness

ESG INDEX GUIDE

Index	Reporting Guide Requirements	Chapters and Explanation
B. Social		
B3: Development and Training		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Expanding for Development
B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	ESG KPI
B3.2	The average training hours completed per employee by gender and employee category.	ESG KPI
B4: Labour Standards		
General Disclosure	Information on: a. the policies; and b. compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Professional growth for teachers During the reporting period, there was no non-compliance of child or forced labour.
B4.1	Description of measures to review employment practices to avoid child and forced labour.	Professional growth for teachers
B4.2	Description of steps taken to eliminate such practices when discovered.	Professional growth for teachers

ESG INDEX GUIDE

Index	Reporting Guide Requirements	Chapters and Explanation
B. Social		
B5: Supply Chain Management		
General Disclosure	Policies on managing environmental and social risks of the supply chain.	Adhering to Compliant Operation
B5.1	Number of suppliers by geographical region.	ESG KPI
B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	Adhering to Compliant Operation
B6: Product Responsibility		
General Disclosure	Information on: a. the policies; and b. compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Lifelong education for students Our commitments to parents
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reason.	N/A. Since the Company provides education services and does not produce products, there is no product recycling.
B6.2	Number of products and service related complaints received and how they are dealt with.	School-and-Family Interaction ESG KPI
B6.3	Description of practices relating to observing and protecting intellectual property rights.	Adhering to Compliant Operation
B6.4	Description of quality assurance process and recall procedures.	Enhancing Teaching Quality
B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	Adhering to Compliant Operation

ESG INDEX GUIDE

Index	Reporting Guide Requirements	Chapters and Explanation
B. Social		
B7: Anti-corruption		
General Disclosure	Information on: a. the policies; and b. compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Adhering to Compliant Operation
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.	ESG KPI
B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	Adhering to Compliant Operation
B8: Community Investment		
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.	Giving back to the community within our ability
B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Giving back to the community within our ability
B8.2	Resources contributed (e.g. money or time) to the focus area.	ESG KPI

OPINIONS AND FEEDBACK

Dear readers,

Thank you for reading this report! This is our 2019 ESG Report, we hope that you can evaluate this report and provide your valuable feedback to help us improve our reporting work.

If you have any comments or suggestions on the Company's sustainable development, please feel free to email us: ir@virscendeducation.com

Feedback form for the 2019 Environmental, Social and Governance Report of Virscend Education Company Ltd.

Name

Company

Telephone

Email

Your opinion on our report: (Please tick in the corresponding boxes)

	Very good	good	Fair	Poor	Very Poor
Do you think this Report can reflect the Company's economic, environmental and social performance and its significant impact?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
What do you think about the clarity, accuracy and completeness of information and indicators disclosed in the Report?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
What do you think about the layout and design of the Report?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Which parts of the Report are you most interested in?

Is there any information missed out in the Report?

Do you have any suggestions for our future Environmental, Social and Governance Report?