

中國新高教集團有限公司 China New Higher Education Group Limited

(Incorporated in the Cayman Islands with Limited Liability) (於開曼群島註冊成立之有限公司) Stock Code 股份代號: 2001

2020 Environmental, social and governance report

Content

About This Report	3
Reporting Guideline	3
Reporting Scope	3
Report Statement	4
Feedback on This Report	4
About Us	5
Company Profile	5
Corporate Governance	7
Stakeholders' Participation	8
Communication Channels	8
Materiality Assessment	9
Help Students Become The Best They Can Be	12
Development Strategies and Achievements	12
OBE Teaching Model	14
High Quality Teaching Standards	15
Strengthen Moral Education and Cultivate Talents	21
Campus Safety	23



People-oriented	26
Employment Management	27
Employee Benefits	29
Employee Health and Safety	30
Employee Motivation	30
Green Operation	33
Green Campus	34
Green Office	39
Responsibility Management	40
Compliance Management	40
Supply Chain Management	41
Anti-corruption and Promoting Integrity	43
Caring for the Society	45
Promoting Education and Poverty Alleviation	45
Fighting Against Epidemic Together	47
Environmental Performance Indicators	49
Appendix I: Content Index of the Environmental, Social and Governance Reporting Guide	52



ABOUT THIS REPORT

Reporting Guideline

This Environmental, Social and Governance Report (the "ESG report" or "this Report") aims to provide the environmental, social and governance (the "ESG") performance of China New Higher Education Group Limited (the "Company", and its six schools, collectively, the "Group" or "We", "Our", "us") in 2020. This report is prepared by the Company in accordance with the "Environmental, Social and Governance Reporting Guide" (the "ESG Guide") under Appendix 27 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Main Board Listing Rules") of The Stock Exchange of Hong Kong Limited (the "SEHK"). This is the fifth ESG report published by the Company since its listing. The Group's management policies, strategies and performance of environmental and social aspects are disclosed in this report. This report shall be read in conjunction with the section of "Corporate Governance Report" in the "2020 Annual Report" so that readers can have a more comprehensive understanding of related concepts, measures and performance of the Group in respect of its ESG.

Reporting Scope

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

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

Unless otherwise stated, the reporting period is from 1 January 2020 to 31 August 2020 (the "**Reporting Period**").



Report Statement

This report is prepared in accordance with a systematic mechanism, including: identifying sustainable development issues, materiality assessment, information collection, data calculation, and compilation of report. The Board of Directors of the Company has approved the disclosures in this Report.

This report has complied with all provisions of "comply or explain" in the ESG Guide, and has been prepared in accordance with the reporting principles in the ESG Guide.

Materiality

The Group identifies material issues related to the Group through materiality assessment, and highlights the material issues verified by the Board in this Report. Materiality assessment includes identifying the main stakeholders of the Group, inviting the Board of Directors and the stakeholders to prioritize the importance of sustainable development issues, and conducting analysis of material issues. Please refer to the "Materiality Assessment" section in this Report for details of the materiality assessment work.

Quantitative

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

Consistency

This Report adopts the same compilation method as that of the previous annual report, so that readers can make meaningful comparison of the ESG information during the Reporting Period.

Feedback on This Report

If you have any precious advice on the work of the Group's ESG Report, you are welcome to contact the Investor Relations Department of the Group by the email: ir@xingaojiao.com.



ABOUT US

Company Profile

Founded in 1999, The Group is headquartered in Beijing, and listed on the Hong Kong Stock Exchange in April 2017 (stock code: 2001.HK). As a leader in China's private higher education with more than 20 years of experience in school operation, the Group has invested and established 7 universities¹ (including 4 undergraduate universities and 3 junior colleges) in 7 provinces across China. The total student enrollment reaches approximately 126,000 and it has cultivated over 300,000 students in total.

The Group is positioned as a leading higher education group in China, with the mission of "Help Students Become The Best They Can Be". We adhere to the goal of training first-class applicationoriented talents and practices the educational philosophy of "Strengthen Moral Education and Cultivate Talents, Teach Students in Accordance with Their Aptitude, Apply What One Has Learned"; and it keeps being integrated with national strategies, regional development, and industrial progress. The Group's schools are mainly career-oriented and focus on applicationoriented disciplines, so as to make students more competitive in the employment market, attract more excellent college graduates through well-established reputation, and finally copy the business model to different provinces. As a leader in high-quality employment, there are over 10,000 cooperating units which are high quality employment partners of the schools.

School network

1



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



Yunnan School



Northeast School



Guizhou School



4



Henan School



Gansu College



Guangxi Schools

Corporate Governance

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

Risk Management

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

In order to ensure the effectiveness of our risk management and internal control system, the Company has established risk management and internal control procedures for identifying, evaluating, and managing the significant risks associated with the achievement of its operational objectives. The Company will conduct and complete the Risk Management and Internal Control Procedures with scientific analysis and assessment, to recognize potential risk points. For more detailed information on corporate governance, please refer to the "Corporate Governance Report" in the 2020 Annual Report of the Company.

STAKEHOLDERS' PARTICIPATION

The Group communicates with stakeholders through various channels to actively understand their expectations and evaluations of the Group and their concerns about sustainable development issues, so as to help us determine key disclosure contents of this Report and examine and plan our own sustainable development work from various perspectives. We have continuously improved and upgraded the sustainable development issues concerned by stakeholders, and hope that this report can serve as a bridge for the communications among different stakeholders and we can respond to concerns of different people by providing clear and comprehensive environmental and social information.

Communication Channels

Stakeholders	Their Expectations	Routine Communication Channels
Government/Regulatory Authorities	High Quality Teaching Standards	• Site visits to the Company and schools
Shareholders/Investors	Latest operation information of the Group Performance of the Group	 Hold briefings of annual and interim results announcement regularly Organize the annual general meeting Regularly update the website to ensure that investors receive the latest company information Arrange investor meetings and participate in investor forums organized by brokerage firms to enable investors to understand the operation and development of the Group
Industry Associations	Promoting the development of the industry	 Actively participate in activities organized by industry associations, and the schools of the Group served as the President of the Private Education Professional Committee under the Chinese Society of Educational Development Strategy, the Chairman of the Group served as the Vice President of Chinese Society of Educational Development Strategy, the Vice President of the China Association for Non-Government Education and the Vice President of the Association of Universities (Colleges) of Applied Science
Employees/Teachers	A good career development platform A comfortable working environment	 Organize staff training to allow new colleagues to communicate with the management of various departments The headquarters and the schools hold work annual meeting, Spring Festival annual meeting, etc. Evaluate the performance of employees regularly Organize different types of large-scale and small-scale training courses or workshops Conduct department meetings regularly

Stakeholders	Their Expectations	Routine Communication Channels
Students	The schools provide high-quality education	Student satisfaction survey
Students' Parents	The schools provide high-quality education	• Regularly organize parents' meetings to actively communicate with them
Media	Understanding the development of the Group	Interview activities
Suppliers	Cooperation and win-win results	Evaluation processes on suppliersSupply process
Public	Cultivation of outstanding talents	Community activitiesInformation disclosure

Materiality Assessment

In order to effectively understand which ESG issues are most important to the Group, the Group invited different categories of stakeholders to participate in the materiality assessment of sustainable development issues during the Reporting Period. This materiality assessment is conducted by a questionnaire, aiming at combining the comments of all parties on different sustainable development issues, making specific responses in this Report and serving as an important reference for the Group's future sustainable development work planning. For the first time, all members of the Board of Directors of the Company conducted an internal materiality assessment results by reference to the external materiality assessment results.

The Group identifies material issues through the following four steps:

1. Identification of major stakeholders

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

- ➢ The Board of Directors
- ➢ Government/Regulatory Authorities
- Shareholders/Investors
- Employees/Teachers
- ▶ Public

- Students
- Students' Parents
- ► Media
- Business Partners/Suppliers

2. Questionnaire survey

With reference to the ESG Guide and based on the trends of the international community and the sustainable development of the education industry as well as the Group's deep understandings of the education industry, the Group identified 24 potential material issues related to the Group and understood stakeholders' concerns and other precious comments on all potential material issues through the questionnaire survey.

3. Analysis of the materiality assessment results

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

4. Verification of the materiality assessment results

The Group verified the ranking results of sustainable development issues by materiality, and determined the issues that scored more than half in the two dimensions of "importance to stakeholders" and "importance to the Group" as the material issues.

The following figure shows the Group's Materiality Analysis Matrix:



Materiality Assessment of Sustainable Development Issues

In this materiality assessment, the Group identified 10 material issues (which are listed in the upper right corner of the materiality analysis matrix chart). These are the issues that the internal and external stakeholders such as the the Board, employees, students, business partners concern about. This Report will highlight these issues in the subsequent chapters. The following table shows the chapters of this Report that respond to such material issues.

]	Material issues (in the order of importance)	Response chapters in this report	
1.	Teaching quality	Help Students Become The Best They Can Be	
2.	Educational philosophy and innovative educational model	Help Students Become The Best They Can Be	
3.	Cultivation of students' ability	Help Students Become The Best They Can Be	
4.	Development strategies of the Company	Help Students Become The Best They Can Be	
5.	Health and safety management at schools	People-oriented	
6.	Staff development and training	People-oriented	
7.	Occupational health and safety	People-oriented	
8.	Promotion and popularization of education	Caring for the society	
9.	Corporate governance	About us	
10.	Employment management	People-oriented	

HELP STUDENTS BECOME THE BEST THEY CAN BE

Development Strategy and Achievements

The Group's achievements in school operation over the past 20 years have been recognized by all communities. Facing the future, the Group will not forget why it started and move forward bravely and actively explore new modes and paths for the development of modern higher vocational education by adhering to the strategies of applied-driven approach and conglomeration, digitization, internationalization and brandization, make more efforts to achieve new breakthroughs with "employment-driven, quality-driven and discipline action", and carry forward the enterprise spirit of "constantly striving for self-improvement and pursuing excellence".

The Group continues to improve the quality of teaching, employment, management and service. We are constantly exploring innovative educational models to continuously improve the quality of students' study and life experience at schools, and our teaching and employment quality. Our achievements have driven us to keep moving forward and continue to supply talents for China's economic development. The Group has formulated the overall strategic goals of "Six Excellences" as its main development strategy in the future.

The overall strategic goal of "Six Excellences"

- Excellent school operation efficiency
- ► Excellent students' experience
- Excellent technological support
 - cal support > E

Application-oriented education

OBE teaching model reform

The Group integrates the international Outcome-Based Education (OBE) teaching model to practice application-oriented talent training, promote teaching reform, and improve teaching quality.



- ▹ First-class employment quality
- ▶ Excellent campus environment
- Excellent organizational capacity

School-enterprise "dual" education

The Group has in-depth cooperation with more than 1,100 well-known enterprises, among them, there are 1.39% of Fortune 500 companies and 12.62% of China 500 companies. All majors are matched with corresponding employment units. For example, the medical and nursing majors have been cooperated with more than 150 hospitals; the e-commerce majors have been cooperated with Alibaba, Tmall, JD, Suning and other large e-commerce companies; the Group newly launched 34 high-paying freshmen classes during 2020, cooperating relationship were formed with Huawei, Adobe, Chinasoft International, Tedu and other enterprises.

Focus on the establishment of majors of new medicine, new liberal arts and new engineering stream

The Group added 33 new majors, including: health inspection and quarantine, drug operation and management, traditional Chinese medicine rehabilitation technology, rehabilitation therapy, new energy vehicle technology, virtual reality application technology, robotics engineering, tea science, cross-border e-commerce, etc.

Over 1,000 training bases for integration of industry and teaching

Central China School cooperated with Huiyi Ophthalmology Hospital (慧宜眼科醫院) and Huiyi Hospital of Rheumatic Diseases (慧宜中西醫結合風濕醫院) to establish Science and Technology College of Hubei Minzu University Affiliated Ophthalmology Hospital and Affiliated Hospital of Rheumatic Diseases.

Leading by Science and Technology

TronClass teaching platform

The Group gradually realized online and offline hybrid teaching by TronClass teaching platform, which also played an important role during the COVID-19 epidemic, realizing the principle of "delay back to school, without delay in teaching and learning". The total number of hit on the online teaching plaform is more than 400 millions.

Safe campus management system

The Group has reached cooperation with Aliyun, Hikvision and other enterprises to establish a safe campus management system. Such system of Yunnan School and Gansu College are recognized as a demonstration by the governmental department and promoted and applied in other universities and colleges in the provinces.

Comprehensive digital service platform

Relying on the comprehensive digital service platform developed by Aliyun, the Group has provided teachers and students with comprehensive services including academic results, registration examinations, payment fees, evaluation of learning and teaching, apartment maintenance and comments.

Digital resource management system

The Group cooperated with Aliyun and Yonyou to upgrade its enterprise resource planning (ERP) resource management system and data decision-making system, and the effects of digital management are increasingly evident.

High level of employment

Star employment

The star employment² rate for the Group's schools increased by 111% as compared with that for the same period of 2019.

Employment rate

The Group's universities and colleges are granted the title of Top 50 National Employment (全國 就業工作50強) by the Ministry of Education, with an average employment rate of over 97%. As at mid-November 2020, the average employment rate of various schools of the Group exceeded that of similar schools in a corresponding province, of which the employment rate of Guangxi Schools exceeded 95%, leading the province's institutions.

"Qiduo.net" employment platform

Through the "Qiduo.net" employment platform, the Group has provided online training, guidance, recruitment and other employment services for students. Schools of the Group had held nearly 830 online and offline job fairs through the "Qiduo.net", continuing to improve the quality of employment.

OBE Teaching Model

The Group advocates the OBE teaching model with student-oriented, result-oriented and continuous improvement as the core. This teaching model pays attention to the learning achievements that students really obtain after finishing the learning course, rather than the students' academic scores. The OBE education emphasizes the student-centered education. We design teaching courses according to students' personalized learning needs and take the final learning goal as the starting point to ensure the appropriateness of the courses.

2 Definition of star employment: graduates with an annual salary of RMB80,000 or more, taking postgraduate entrance examinations, entering a provincial key undergraduate university, municipal and above civil servants, and studying abroad

Four Key Points of Implementing OBE Teaching Model



The Group's schools are actively promoting OBE curriculum construction and teaching reform. For example, Yunnan School has established the "OBE Curriculum Construction and Teaching Reform Committee" at school and college levels. The Committee is composed of teachers and industry experts with excellent academic background and extensive teaching experience, and promotes the construction of a "student-centered, learning results-oriented" curriculum system.

High-quality teaching standards

Providing high-quality teaching is the cornerstone of the Group's steady development. All along, the Group has continuously optimized its teaching quality assurance system to improve students' academic and employment rate by providing high-quality teaching. During the Reporting Period, The Group strictly abided by national and regional laws and regulations that had a significant impact on the Group, including the Education Law of the People's Republic of China, the Law of the People's Republic of China on the Promotion of Private Education, the Higher Education Law of the People's Republic of China and the Vocational Education Law of the People's Republic of China, and is committed to providing students with a high-quality learning system.

In order to maintain high-quality teaching standards, the Group's schools regularly held schoolwide teaching work meetings to study the development trend of higher education, summarize the experience of teaching reform, and put forward teaching tasks and objectives. In addition, the Group has a perfect teaching quality assurance system, which carries out quality guarantee work on five systems, namely teaching management and organization, teaching quality targets, teaching quality assessment, teaching quality information collection and teaching behaviors incentives and restrictions.

The Group's internal assurance system for teaching quality:

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



The Group maintains a high level of teaching quality through various internal assurance systems. The photo showed the digital control training room of Henan School



Teaching quality monitoring and operation

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

Teaching surveys	Teaching surveys are conducted in the beginning and middle of each semester. The survey at the beginning of each semester covers the inspections on the implementation of talent cultivation plans and the teaching plans of lecturers. The survey at the middle of each semester covers the inspections on problems in all teaching processes and the solving of the problems as well as symposiums with representatives of teachers and students in various forms to fully understand the teaching status.
Special inspections	According to the evaluation requirements of the Ministry of Education, check the teaching files on a case-by-case basis; spot check examination papers, graduation theses, teaching documents and other documents, and timely rectify any problems found.
Class attendance and tour inspections	The Teaching Quality Monitoring Center conducts class attendance and tour inspections on teaching by school leaders and relevant management members at the beginning and middle of each semester. The Teaching Quality Monitoring Center makes feedbacks on class attendances to the teaching institutions and the teaching institutions makes feedbacks to teachers in proper ways.
Feedbacks on teaching by student messengers	The feedback work of student messengers on teaching starts from the beginning of each semester to the end of the semester. Messengers are required to collect highlights, problems, shortcomings and suggestions on teaching in respect of the education and teaching of teachers and teaching infrastructure of schools once a month.

Apart from an effective monitoring mechanism for teaching quality, the evaluation of teaching quality by all parties also helps us to continuously improve the quality of our teaching services. Therefore, the School Quality Monitoring and Teacher Development Center organizes a full teaching evaluation activity every semester, inviting students, peers and teaching experts to evaluate the teaching quality of our schools. In addition, our teachers are also required to carry out special self-assessment such as classroom teaching evaluation. The results of teaching quality evaluation are used in the annual analysis report of teaching quality, which helps us to examine the teaching work in this academic year and formulate the teaching plan for the next academic year.

Teachers and teaching allocation

The quality of teacher team is the key factor determining the education standard, so we constantly strengthen the capacity of teacher team. We adhere to the principle of "introducing external teachers and training existing teachers", and according to the needs of the construction of key disciplines, featured disciplines and specialties, we have continuously increased the training and introduction of high-quality talents in a targeted manner. The Group has formulated a "double-qualified³" teacher team building plan to introduce outstanding talents with practical experience in enterprises. We have also adopted a special preferential policy to expand the size of the teacher team to ensure the quality of teaching for majors with large social demand, large enrollment and relatively weak teaching staff capacity.

The Group has an excellent teacher team, and our teachers have been granted numerous awards for many years. For example, in 2020, Henan School won 3 provincial specialties, 2 provincial excellent courses, 5 provincial awards for party building, 4 municipal awards and 27 awards for teachers' teaching competitions. In 2020, the teachers of Guangxi Schools won 22 awards, including 3 national awards, 17 provincial awards and 2 municipal awards. These awards represented recognition of the educational professionalism and teaching ability of the Group's teachers.

The Group continued to expand its educational network. We continuously increased our teaching funding input, especially basic teaching facilities. We continued to improve teaching conditions such as training rooms, network equipment, teaching and scientific research instruments and equipment, improve the hardware conditions for students' practical teaching, and enhance the overall educational strength and level. In addition, the Group further improved the campus environment to enhance the learning experience of students.

³ Represents that teachers are required to obtain other professional qualifications besides teachers' professional qualifications.

The following are the key renovations of teaching facilities and campus environment for schools:

Yunnan School	Upgraded and renovated more than 40 existing teaching experiment and training rooms. At present, there are 134 basic laboratories, professional laboratories and training facilities in the school.
Guizhou School	Multi-dimensional improvement in campus environment and infrastructure, including renovation and upgrading of canteens, flowerbeds at the main entrance, classrooms, apartments, maple woods, lecture hall, library, and initiating the construction of the school gymnasium project.
Northeast School	There are 12 large-sized practical teaching centers covering 197 laboratories; renovation of 18 laboratories affiliated to the Modern Welding Technology Training Center and the Electrical Engineering and Automation Practice Center.
Central China School	Completed the upgrading of a total of 5 student apartments, and commenced the construction of the Student Integrated Service Center, the west gate and the landscape project.
Henan School	Prepared for the construction of 15 student apartments and 1 U-shaped teaching building; added new shops and campus transportation vehicles; built 12 new training bases, including a caravan conversion base which is the first one among universities and colleges in Henan Province.
Guangxi Schools	Renovated the student life square and planned the upgrade of campus restaurant; built 2 high-equipped computer rooms and pre-school education and other advantageous professional training rooms.





Upgraded Students' Cafeteria in Guangxi Schools



IFLYTEK Training Room



Jingdong School-Enterprise Cooperation



Upgraded Hall in Guizhou School

Collection of comments from students and parents

The Group attaches great importance to the evaluation and valuable comments of all students and their parents on its schools, and actively collects their comments or suggestions on all aspects of its schools' work, so as to further improve our teaching quality. The Group also has the Student Complaint Handling Process and the Principal's Mailbox so that students have a clear channel to voice out their complaints. Each school handles students' complaints or opinions systematically and provides timely replies to students, implements the first accountability system, and helps students resolve their needs and requests as much as possible.

When handling complaints from students and their parents, we adhere to the following three principles:

- 1. Timely principle: for different types of complaints, we set a time limit for handling complaints and give timely feedback;
- 2. Principle of fairness and justice: we handle complaints from students and their parents objectively, fairly and impartially, without favouring either party;
- 3. Management Principle: we have a management database to deal with all complaints effectively.

The Group expects to understand and follow up the needs of students and their parents in a timely manner through an effective complaint management mechanism, so as to continuously review and enhance the quality of the Group's teaching services. During the Reporting Period, we received 34 complaints about our products and services, with a complaint resolution rate of 100%.

Strengthen Moral Education and Cultivate Talents

The Group adheres to the principle of strengthening moral education and cultivating talents, guides students to develop good morality and behaviour habits, and cultivates talents with all-round development of "virtue, intellectual, physical, artistic and laboring". Apart from basic education, the Group attaches great importance to cultivating students' comprehensive ability, and focusing on students' moral and professional quality to improve students' inherent attainment.



We integrate the moral education into the whole process of cultivating talents, adhering to the cultivation of talents as the core, and teaching students in accordance with their aptitude; adhering to the students' learning and success as the core to explore effective teaching and learning methods, and pay attention to the diversification and individuation of talent cultivation. In addition, we attach importance to students' extracurricular learning and give full play to the complementary roles of various scientific research activities, academic exchanges, community activities and discipline competitions in talent cultivation, so as to achieve an all-round improvement in the quality of talent cultivation.

Case:

"Honest Campus Tour" Short Drama Competition, Henan School Henan School took honesty as the theme and held campus short drama competitions to publicize vividly the importance of honesty.



Case: Campus Culture Festival, Guangxi Schools

Guangxi Schools held campus culture festivals to promote the virtues of traditional Chinese culture.



Campus Safety

The Group has formulated a series of policies on fire safety, public health, food safety and campus security to ensure the health and safety of teachers, students and employees. During the Reporting Period, the Group strictly complied with national and regional laws and regulations on health and safety and did not receive any complaints or lawsuits in violation of relevant laws and regulations.

The Group complied with health and safety related laws and regulations that have a significant impact on us (including but not limited to)	Internal policies of the Group (including but not limited to)
 Fire Prevention Law of the People's Republic of China the Working Regulation for the Hygiene at School Food Safety Law of the People's Republic of China Construction Law of the People's Republic of China Regulations on the Administration of Production Safety in Construction Projects 	 Regulations on the Administration of Safe Production Mini Fire Station's Fire Prevention and Emergency Evacuation Plan Mini Fire Station's Education and Training System Restaurant Management System of Yunnan Technology and Business University Public Health Plan of Luoyang Science and Technology Vocational College Fire Prevention and Fire Extinguishing Emergency Evacuation Plan of Luoyang Science and Technology Vocational College Emergency Plan for Food Safety at Canteen of Guizhou Technology and Business Institute Measures for the Administration of Canteens and Merchants in Guizhou Technology and Business Institute

Disaster response

In order to effectively prevent and respond to disasters, the Group's schools have formulated disaster management measures to fully prevent and contain disaster accidents and reduce the number of casualties. Taking Henan School as an example, it has formulated management systems such as "Fire Prevention and Fire Extinguishing Emergency Evacuation Plan", which clearly stated fire prevention and fighting measures, emergency evacuation plan and relevant training of fire safety personnel at the school. In addition, Henan School has also set up a leading group for fire prevention, fire fighting and emergency evacuation. This group is responsible for the daily management, safety inspection, training and drills of the school's fire prevention. It checks the fire prevention situation of the school every semester and deals with fire hazards in a timely manner.

Case: 2020 Earthquake and Fire Protection Comprehensive Exercise, Guizhou School In order to further enhance the crisis awareness of teachers, students and employees in dealing with disasters and their ability to escape and save themselves, Guizhou School conducted comprehensive earthquake and fire drills for teachers and freshpersons. The drill simulated that a 6.5-magnitude earthquake was breaking out in the surrounding area, and teachers and students resting in the dormitory were required to avoid disasters in the dormitory. After the strong earthquake, some wires and lines were broken, causing a short circuit and then a fire and emitting a large amount of smoke. The security department immediately started the disaster emergency evacuation plan, carried out emergency evacuation and fire fighting work in an orderly manner, and teachers and students evacuated the disaster site urgently. The success of this exercise further improved teachers and students as disudents' ability to respond to unexpected accidents and seek self-rescue and mutual aid.



Disease prevention and control

A school has highly-dense population with a high risk in spreading infectious diseases. In order to ensure the health and life safety of our teachers and students, we have established various systems to prevent and control public health emergencies. The Group's schools are required to monitor the health status of students, carry out health education to students, help students cultivate good health habits, improve teachers' health environment and conditions, and strengthen the prevention and treatment of infectious diseases and common diseases among students in accordance with the Working Regulation for the Hygiene at School. In addition, our schools are also required to publicize the prevention and control knowledge of public health emergencies to teachers and students, improve the information monitoring and notification network of public health emergencies, and establish a rapid response and emergency handling mechanism.

In order to ensure the health and safety of teachers and students during the COVID-19 epidemic, the Group quickly made strict arrangements and adopted a series of epidemic prevention measures at campus, including strengthening disinfection and cleaning and body temperature detection at campus. We also took measures to stop face-to-face courses, adjusted the teaching plan, curriculum arrangement and form of teaching, applied the online teaching platform to carry out online teaching according to the original teaching plan and the original class time. The Group had also improved the functions of its digital service platform by conducting professional consultancy institution, enabling us to monitor the health status of nearly 130,000 teachers and students of our schools in real time during the period of COVID-19, ensuring "zero" occurrence of epidemic liability accidents to provide important support for the epidemic prevention and control.

Food safety

The Group attaches great importance to food safety on campus, and monitors all school canteens at high standards to prevent any food poisoning accidents. All schools of the Group had formulated food safety-related management systems to standardize canteen facilities and equipment and food procurement, transportation, processing and storage procedures. Taking Northeast School as an example, it has formulated certain policies such as the Regulation on Safety of Harbin Huade University to strengthen food hygiene management, requiring canteens to purchase canteen food uniformly, regulate purchase channels and obtain relevant certificates, so as to prevent expired, deteriorated, harmful, toxic and contaminated food entering our campus. In order to ensure that teachers and students can drink safe and hygienic water, Northeast School also strictly implemented the water source safety management system and strengthened the safety precautions of water tanks at the school.

The Group's schools had also formulated food safety emergency handling plans, and established a complete rescue and operation mechanism to deal with sudden major food safety accidents, and standardized and provided a guide for such handling work to minimize the hazards of accidents. We implemented hierarchical management of major food safety accidents based on the scope, nature and extent of harm of food safety accidents. Each of the schools also had a leading group for food safety accident emergency work to deal with sudden major food safety accidents. In the process of prevention, notification, reporting, investigation, control and handling of major food safety accidents, once misconduct and dereliction of duty are found, we will work with relevant departments to investigate the responsibility of relevant responsible persons according to relevant laws and regulations.

Campus security

We cooperated with external video surveillance suppliers to uniformly deploy the surveillance systems in all schools and build a safe campus platform. Our surveillance system realizes panoramic linkage on campus, classrooms, dormitories, canteens, food, vehicles, etc. to ensure the all-round safety of teachers and students on campus. We have also introduced new technologies such as face recognition, big data behaviour analysis, one-click alarm, mobility, etc. to comprehensively investigate and eliminate potential safety hazards on campus.



Safe Campus Platform of Henan School

PEOPLE-ORIENTED

The "people-oriented" is one of the core concepts of the Group. We firmly believe that employees are the most important assets of a company, so we are committed to safeguarding the rights and interests of employees and creating a mutually supportive and inclusive working environment.

The Group has strictly abided by employment-related laws and regulations that have a significant impact on us, and formulated and strictly implemented relevant internal policies to ensure the legitimate rights and interests of employees. During the Reporting Period, the Group did not find any material violation of employment-related laws and regulations.

The Group complied with employment-related laws and regulations that have a significant impact on us (including but not limited to)	Internal policies of the Group (including but not limited to)
 Labour laws and regulations Labour Law of the People's Republic of China Labour Contract Law of the People's Republic of China Special Rules on the Labour Protection of Female Employees Law of the People's Republic of China on the Protection of Women's Rights and Interests Provisions on the Prohibition of the Employment of Child Labour Law of the People's Republic of China on the Protection of Minors Social Security and Welfare Social Insurance Law of the People's Republic of China Regulations on Work-Related Injury Insurance 	 Remuneration Management System Recruitment Management System Management Measures of the Training for Teachers and Staff Incentive Systems on Talent Recruitment by All Employees of China New Higher Education Group Measures on Implementation of Reserve Cadres Cultivation of China New Higher Education Group Measures on Implementation and Management of Training for Teachers and Staff of the Group Attendance and Vacation Management System for Headquarters of China New Higher Education Group Benefit Management System for Headquarters of China New Higher Education Group



Employment Management

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Recruitment and Dismissal	The Group's Recruitment Management System regulates the standards and procedures for staff recruitment, and improves recruitment efficiency and talent quality. Job applicants need to go through a rigorous recruitment process before they can be hired, including written examination, preliminary qualification examination, preliminary professional examination, second-round examination and background investigation. We have always adopted an open, fair and anti-discriminatory recruitment policy and treated every job applicant equally. Job applicants will not be treated differently because of their age, gender, race, nationality, religion or physical defects.
	 All employees are employed in accordance with the following three principles: Based on the principle that knowledge, moral character, ability, experience and other conditions are suitable for positions or posts; All examinations shall be conducted according to the prescribed procedures, and the principle of merit-based admission shall be taken as the principle; Exceptional employment must comply with the principle of approval by the Group.
	In addition, the Group also has a standardized resignation process for employees. If an employee intends to apply for resignation, he/she should submit a formal resignation application to the head of his/her department in person according to the procedures. The resignation application will be verified by the employee relationship staff, then approved by the person in charge and the head of the human resources department, and finally approved by the president. After the resignation application is approved, the employee is required to handover his/her work to ensure that the work is followed up by other employees. If an employee is involved in violations of laws and regulations or serious dereliction of duty, the Group will terminate the labour contract with such employee according to internal procedures.
Remuneration and Promotion	In order to attract and pool outstanding talents, the Group has provided competitive remuneration and benefits, and makes a remuneration adjustment annually. We will decide the adjustment range according to inflation rate, increase in living standard, market talent supply and demand, annual performance evaluation and other factors.
	The Group has formulated the Measures on Implementation of Reserve Cadres Cultivation of China New Higher Education Group and established a sound cadre selection and training mechanism. We have established a reserve cadre pool according to the selection principle of "openness, fairness and justice", and regard excellent performance in annual assessment and various appraisals as a necessary condition for selection and reserve of talents. We have adjusted the reserve cadre pool at all levels every year.
Working hours and holidays	We have implanted the system of working five days a week with eight hours a day. Employees can enjoy public holidays, paid annual leave, marriage leave, maternity leave, sick leave and funeral leave etc
Prevention of child labour and forced labour	The Group strictly prohibits the employment of child labour and forced labour. To prevent such situations, we check the personal identity documents of candidates during the recruitment and employment process to ensure that they are persons aged 16 or above. In addition, we sign equal employment contracts with employees and will not force employees to work over normal working hours. If the situation occurs, we will hold the staff of the relevant departments accountable for it.
2 CO	6

The Group disclosed the performance indicators of the employment aspect according to the ESG Guide. During the Reporting Period, the total number of employees of the Group was 7,430. The following figure shows the number and percentage of employees by different categories:



28

Employee Benefits

The Group is committed to becoming the best employer in the eyes of employees. All along, we have not only purchased pension insurance, unemployment insurance, medical insurance, work-related injury insurance, maternity insurance and housing accumulation fund for employees by laws, but also provided various benefits for employees, including annual physical examination, academic allowance, title allowance, departmental team building allowance, birthday gift, holiday gift, free afternoon tea and other benefits. During the Reporting Period, the Group held different types of festivals and activities to care for employees to strengthen the cohesion among employees and their sense of belonging to the Group.

Case: The Group's 21st Birthday Activity, "Happy Work, Grows Rapidly" The day of 21 June 2020 is the 21st anniversary of the Group. The headquarters of the Group organized celebrations on this day to share the joy of growth with employees.



Case: Central China School "36th Teacher's Day" Commendation Meeting In September 2020, Central China School held the "36th Teacher's Day" commendation meeting, giving rewards and recognition to outstanding faculty members. It granted more than ten awards, including the "Excellent Team Award for Online Teaching in Response to the COVID-19 Epidemic", "Team Award for Major Special Contribution to Employment", "Excellent Class Teacher", "Management Service Award", "Teaching and Research Award", "Student Competition Guidance Award" and "Excellent Teacher".



Case: Guangxi Schools Distributed Holiday Benefits to Faculty Members Guangxi Schools distributed zongzi, specialties and other gifts to the faculty members on Dragon Boat Festival and Mid-Autumn Festival, thanking the faculty members for their hard work.



Employee Health and Safety

The occupational health and safety of office staff and faculty members at schools are also of vital importance. Therefore, the Group is strived to create a safe and worry-free working environment for its employees to ensure that they can work with peace of mind. According to the requirements of the Labour Law of the People's Republic of China, the Regulations on Work-related Injury Insurance and other national laws and regulations that have a significant influence on us, the Group purchased work-related injury insurance and basic medical insurance for employees to provide relevant occupational health and safety protection. In order to enhance the faculty members' safety awareness and ability to deal with emergencies, the Group's schools also carried out various health and safety training and drills to enhance the faculty members' safety awareness and ability to deal with emergencies. The Group disclosed the performance indicators of the health and safety aspect according to the ESG Guide. During the Reporting Period, the Group did not involve any work-related fatalities.

Safety performance

	2020	2019	2018	Unit
Number of work-related deaths	0	0	0	person
Rate of work-related deaths	0%	0%	0%	Percentage



Employee Motivation

An excellent teaching team is the pillar of high-quality education. Therefore, the Group invests a lot of resources to provide various trainings for its faculty members every year to continuously improve their educational professional level and teaching ability. The types of training mainly includes external training, internal training and joint training. In addition, we also provide targeted training according to different types of positions.



Purpose of training

Position	Purpose of training
Middle and senior management	Learn and master modern management theory and technology, fully understand the relevant national directions, policies and regulations, and improve the ability of prediction, decision-making and control.
Grass-roots management and teaching assistants	Enrich knowledge through training, improve practical working ability, and master the professional knowledge and working skills of each position.
Full-time teacher	Accept their own professional skills training, consolidate and improve the basic theoretical knowledge level and modern educational technical level of the major, master advanced teaching modes, means and methods, and improve the teaching standard.
All employees	Carry out training and study on various rules and regulations, operating procedures, code of conduct, professional ethics, labour discipline and other aspects to enhance professional ethics.

Case: Special Training of "Cadre Leadership Series-Talent Selection Ability" In July 2020, the Group carried out the special training of "Cadre Leadership Series-Talent Selection Ability", which strengthened the awareness of cadre talent selection, improved the standard of cadre selection, enhanced the cadre management ability, and built a talent team with high quality and strong leadership for the sustainable development of the Group.



The Group disclosed the performance indicators of the development and training aspect according to the ESG Guide. The following figure shows the percentage⁴ of employees trained and the average training hours⁵ of employees by gender and employee type during the Reporting Period:



Average Training Hours of Employees (by Gender)



4

5

Percentage of Employees Trained (by Type of Employment)



Average Training Hours of Employees (by Type of Employment)



The percentage of trained employees in each category is calculated by the formula: Number of trained employees in that type/Total number of trained employees $\times 100\%$.

The average training hours for each type of employees is calculated by the formula: Number of training hours for that type of employees/Total number of employees trained in that type $\times 100\%$.

GREEN OPERATION

The Group has been committed to the construction of green campus and the implementation of green office, and adheres to the sustainable development operation mode. As an educational service organization, our main operating venues are schools and offices. The main environmental impacts in the operation process include the impacts caused by energy consumption, water consumption, air pollutants generated by school transportation, domestic sewage discharge, and generation of hazardous and non-hazardous waste. In response to these major environmental impacts, we have formulated a series of campus and office environmental management policies to integrate environmental awareness into our daily operations and continuously improve the Group's environmental management performance. During the Reporting Period, the Group strictly abided by laws and regulations related to environmental protection that had a significant influence on us and did not receive any complaints or lawsuits regarding violations of relevant laws and regulations.

The Group complied with laws and regulations related to environmental protection that had a significant impact on us (including but not limited to)	Internal policies of the Group (including but not limited to)
 Overall environmental management Environmental Protection Law of the People's Republic of China Environmental Protection Regulations of Yunnan Province Environmental Protection Regulations of Guangxi Zhuang Autonomous Region Energy management Energy Conservation Law of the People's Republic of China Renewable Energy Law of the People's Republic of China Water resources management Water Pollution Prevention and Control Law of the People's Republic of China Water Law of the People's Republic of China Comprehensive Emission Standard for Air Pollutants Waste management Law of the People's Republic of China on Prevention and Control of Environmental Provention of Environmental Provention of China 	 School Campus Waste Treatment Systems of Yunnan Technology and Business University Environment and Health Management Systems of Guizhou Technology and Business Institute Environment and Health Inspection and Reporting Systems of Guangxi Yinghua International Occupation College Environmental Protection Management Measures of Science and Technology College of Hubei Minzu University Office Green Office Management Measures of the Headquarters of the Group Waste Management Measures of the Headquarters of the Group Office Resources and Items Allocation Management Measures of the Headquarters of the Group

Green Campus

The Group actively introduces the elements of sustainable development into its campuses to create a green and beautiful campus. Our schools have formulated relevant management policies for energy management, water resources use, sewage treatment, air pollutant management, waste disposal and other aspects, and have been paying attention to its environmental performance in the daily operation process. As the Group's schools are located nationwide, all schools are required to formulate environmental management policies that complies with local laws and regulations and actual operating conditions to effectively manage their main environmental factors and related impacts.

As the COVID-19 epidemic caused schools to suspend the face-to-face courses, most of the environmental data during the Reporting Period decreased significantly as compared with that of last year. Therefore, it is difficult for us to directly compare the environmental data for the Reporting Period with the previous disclosure to evaluate the actual results of various environmental measures. These affected environmental performances mainly include emission reduction results of emissions and wastes and efficiency in the use of energy and water resources.

Electricity saving

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

- Energy-saving labels should be posted in public areas.
- Purchase energy-saving equipment, such as air conditioners and cookers.
- Teachers and students are advocated to set the standby mode for computers when they are not used and the power for office equipment not used is required to turn off.
- Set the temperature of air conditioners at office and corridor to not be lower than $26 \degree$ in summer.
- Security staff should turn off lights during patrol inspections at night and only necessary patrol and monitoring lighting should be maintained.
- It is required that canteens should use natural gas with relatively low pollution for cooking.

Water Saving

All business premises of the Group use municipal tap water with no issue in sourcing water. All schools implemented various measures on the management of water resources to facilitate the faculty members and students to save water, including but not limited to,:

- Posting "Save water, starting from every drop" labels in schools.
- Keeping records and monitoring the use of water in schools.
- Selecting water-saving appliances and installing high-tech water-using appliances such as infrared induction water-saving switches.
- Setting indicators on water use in student dormitory and excess expenses shall be borne by students on their own.
- Conducting water leakage detection in the public faucet in schools, and arranging impairment by maintenance personnel in time.
- Using the reclaimed water recycling system.

In order to implement the Group's policy of water conservation and improve the economic benefits of water use, Yunnan School formulated the Water Conservation Management Regulations and set up a water conservation leading group to strengthen the protection of water resources. The Water Conservation Leading Group is responsible for the management of water conservation in schools, including formulating water conservation targets, water conservation plans and water conservation measures, and publicizing water conservation in various departments. The following are some water-saving measures:

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

In addition, Yunnan School also formulated the Water Management System of Rewarding Savings and Punishing Excess to further improve the water-saving awareness of all employees and improve water efficiency, and to reward water-saving employees.


Departmental Rewards

The act of being rewarded	Annual task target assessment of department
• Saving 10% or more for the departmental annual actual water consumption on the basis of the planned water consumption index	Add 1-2 points
• Put forward innovative suggestions or inventions in water conservation	Add 1-2 points

Individual rewards

The act of being rewarded	Personal Year-end Performance Appraisal
• If water equipment, facilities, appliances and pipes are found to be leaking, immediately contact the water conservation management department for warranty	Add 0.5 points
• Participate in water-saving publicity and education activities for every time	Add 1 point

At present, both Yunnan School and Guizhou School have set up campus sewage treatment systems to treat all domestic sewage on campus in a centralized way to avoid pollution of nearby water bodies by domestic sewage generated on campus. In addition, the schools extract treated sewage that meets the discharge standards and use it for campus greening and watering to achieve the goal of recycling water. Taking Yunnan School as an example, in order to better standardize the daily operation and management of domestic sewage treatment, Yunnan School further formulated the Management System of Reclaimed Water Treatment Station of Yunnan Technology and Business University and the Operating Rules of Reclaimed Water Treatment of Yunnan Technology and Business University.

Case: Water Resources Management in Schools

- 1. Yunnan School used reclaimed water to irrigate trees on campus with reuse of reclaimed water reaches 2,200 m³ per day.
- Guizhou School used reclaimed water to irrigate trees on campus with reuse of reclaimed water reaches 755 m³ per month.

Reduction in the emission of air pollutants

The Group formulated measures to reduce the emission of air pollutants mainly against the emission of air pollutants from schools, including gas burning from canteens and fuel burning from school vehicles. The Group's school canteens mainly used relatively clean natural gas as fuel to minimize the generation of air pollutants. In order to reduce the emission of air pollutants from school vehicles, we used vehicles with higher emission standards. During the Reporting Period, the Group reduced frequency of use of motor vehicles, resulting in a decrease in air pollutant emissions from motor vehicles. For details, please refer to "Environmental Performance Indicators".

Improvement on waste recycling

The Group adopted the waste treatment mode of "one recycling, two special handlings and three concentrations".

One recycling	• Recycle and sort out waste stationery, old clothes, all kinds of plastics, waste paper and other recyclable garbage, and dispose them to waste collection stations by cleaning personnel.	
Two special handlings	• Kitchen waste from daily life in schools is handed over to professional recycling companies for special treatment.	
	• The contractor shall be responsible for removal of waste bricks, waste ceramics, waste tiles and other construction wastes generated from the construction, decoration and renovation of schools.	
Three concentrations	• Garbage removal personnel in the areas of schools are responsible for centralized collection of recyclable garbage, non-recyclable garbage and hazardous waste, and send them to the campus garbage station for disposal. After hazardous wastes are sorted out and collected properly by schools, they will hand them over to a qualified third-party waste disposer for disposal. As for other non-hazardous wastes, we collect them separately and then hand them over to a third-party waste disposer for removal.	

Based on the nature of the education business, the types of pollutants we generate are limited. The main non-hazardous wastes generated by schools include kitchen waste, plastic, stationery, paper, glass, etc. Hazardous wastes mainly include fluorescent tubes, bulbs, printer cartridges, waste batteries, etc. In order to improve the waste recovery rate, we set up different types of recycling stations in schools, such as plastic, waste paper and waste stationery recycling stations. During the Reporting Period, we organized a series of activities related to waste reduction, which enhanced the awareness of students and employees on waste reduction.



Guangxi Schools invited environmental protection experts to give lectures on garbage classification knowledge



Central China School held kitchen waste composting activities



Green Office

The main environmental factors of the Group's offices include greenhouse gas emissions caused by power consumption, waste water emissions, use of office items and generation of office wastes. The impact of these factors on the environment is relatively slight, but we are still committed to managing and reducing the environmental impact in the business process, and strictly implement the Regulation on Management of Green Office at the Headquarters of the Group which is applicable to Beijing Headquarters. The regulation covers three parts, namely procurement, use and waste. The specific contents of the regulation are as follows:

Procurement	• Prioritizing the procurement of environmentally friendly products, such as reusable printer cartridges, degradable plastic bags, recyclable paper, refrigerators and air-conditioners with energy efficiency labels, etc.
Use	 Use of office items Reducing the use of office items as much as possible to reduce the generation of wastes. Reducing the use of one-off items and use degradable one-off items as much as possible when necessary. Reducing the use of paper and transmit information in electronic form as much as possible. Strictly managing the use of photocopiers and paper. Using double-sided printing. Use of energy and water resources Strengthening power use management, including energy-saving
	 management on lights, office equipment and air-conditioners. Strengthening water use management to avoid unnecessary waste.
Waste	• Implementing classified management of wastes and strengthening the recycling of wastes to effectively use recycled resources and reduce the generation of wastes.
	• Hazardous wastes such as printer cartridges and waste batteries shall be disposed in strict compliance with the requirements of the Regulation on Classified Disposal and Management of Solid Wastes and delivered to qualified third-party waste disposal agencies for handling.



RESPONSIBILITY MANAGEMENT

The Group attaches great importance to the compliance of the operation process, the confidentiality of students' personal information and supply chain cooperation. We have formulated and strictly implemented corresponding internal policies in terms of publicity activity management, privacy protection, responsible procurement and honesty and compliance.

Compliance Management

As an educational group, we have strictly managed and implemented the protection work related to intellectual property rights, and strictly abided by the Patent Law of the People's Republic of China, Copyright Law of the People's Republic of China, the Protection of Intellectual Property Rights of Universities and other laws and regulations that have a significant influence on us. It is required to use genuine computer software for work and genuine teaching materials for teaching, and strictly discipline ourselves to avoid infringement of intellectual property rights.

The Group has formulated the Confidentiality System to effectively implement relevant work to protect students' personal data and safeguard the security and interests of the Group. This system regulated the scope and classification of confidential matters, the regulations and requirements of confidential matters, as well as the handling and accountability of loss of confidentiality and disclosure, effectively protecting the privacy of students and the Group from being leaked in any form. If the privacy of students and the Group is found to be leaked, the Group will take timely remedial measures and punish those responsible according to the severity of the leak. During the Reporting Period, the Group strictly abided by the Tort Liability Law of the People's Republic of China and other laws and regulations that have a significant impact on us.

In order to regulate the Group's publicity activities, the Group has formulated and implemented the Group's Advertisement Management Approach, which provides specific guidelines and handling methods for news reporting, external publicity, internal publicity, public emergency reporting and public opinion control. At the same time, the Group strictly abides by the Advertising Law of the People's Republic of China and other laws and regulations that have a significant influence on us. On the other hand, as the Group's business does not involve labelling of products and services, no such disclosure will be made in this report.



Supply Chain Management

In order to reduce procurement risks, control procurement costs and improve procurement performance, the Group has formulated the Procurement Management System (Trial) to regulate procurement activities and supplier management. The formulation of the Bidding Management System (Trial) has effectively strengthened the management and supervision of the Company's bidding activities.

The Group's suppliers are mainly infrastructure suppliers, service suppliers and material and equipment suppliers. We comprehensively manage supplier development, screening, dynamic tracking, assessment, hierarchical management and withdrawal from full-flow management. The Group has a supplier resource pool, which divides suppliers into "qualified suppliers" and "restricted suppliers". During the cooperation between the suppliers and the Group, if major breach of contract, violation of discipline or unfair competition by any suppliers are found after verification, or performance evaluation score of any suppliers is less than 60 on an annual basis, these suppliers will be classified as "restricted suppliers". It is strictly prohibited for the Group to cooperate with "restricted suppliers" in any form. If the Group is found to cooperate with these suppliers, the relevant persons will be held accountable for it.

The Group expects to reduce procurement risks by proactively finding high-quality new suppliers. At the same time, we have strict requirements for supplier development and screening, and all suppliers must pass qualification examination for screening. For projects with large purchase amount or in the situation that the strength level of suppliers cannot be determined only through qualification examination, we require suppliers to pass on-site inspection before screening.

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

Shortlisted stage	The supplier's basic industrial and commercial qualification, advanced level of main production equipment and testing equipment, production scale, financial capacity, technical indicators of key products, usage status of main users (performance, service life) and after-sales service.
Bid evaluation stage	Cooperate with the supplier with most favourable price on the premise that the products, quality, construction period and service meet the requirements of the demand department. The best-ranked supplier will be selected for cooperation after a comprehensive quantitative evaluation by the evaluation team in respect of product, quality, schedule, service, team members, price and payment method by the evaluation team.
Supplier performance evaluation stage	Basic information of suppliers, years of cooperation with the Group, usage status of the Group's products (quantity, amount, service life), project progress, communication and cooperation, after-sales service, price level, financial payments and debts, as well as whether the suppliers are involved in any on-going dispute.

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

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

In order to reduce environmental impacts such as energy consumption and air pollutant emissions caused by transportation, the Group preferred to local suppliers. During the Reporting Period, the Group cooperated with 377 suppliers, and all of suppliers were selected according to the above policies.

Anti-corruption and Promoting Integrity

The Group upholds a zero-tolerance attitude towards any form of corruption, strictly implements its internal management system to eradicate illegal acts such as bribery, extortion, fraud and money laundering, thus laying a solid foundation for the Group's development. The Group strictly abided by national and regional laws and regulations related to anti-corruption that have a significant impact on us, including but not limited to the Criminal Law of the People's Republic of China, the Anti-Unfair Competition Law of the People's Republic of China, and the Bidding Law of the People's Republic of China. During the Reporting Period, the Group did not find any major violations of laws and regulations on the prevention of bribery, extortion, fraud and money laundering, nor did it receive any corruption lawsuits against the Group or our employees that have been concluded.

The Group's internal policies related to anti-corruption, includes the Fraud Monitoring and Management System, the China New Higher Education's Internal Control System and the Administrative Punishment Regulation on Faculty of China New Higher Education Group (Trial), to regulate the professional behaviour and ethics of all employees of the Group. In order to standardize the internal audit work, the Group has also formulated the supervision system such as the Regulation on the Management of Internal Audit Work of China New Higher Education Group to set up an independent internal audit institution. Under the leadership of the Board of Directors, the internal audit institution independently carry out its internal audit work in accordance with the relevant systems and requirements of the State and the Group, focusing on monitoring the headquarters and the departments with frequent use of capitals of all schools and especially conducted special audits with different focuses.

The Group also has a well-established corruption whistleblowing mechanism, which provides different whistleblowing channels, such as letter delivery, in-person visit, e-mail and whistleblowing hotline. The supervision and audit department will handle each whistleblowing case carefully, verify and investigate the information provided by the whistle-blower in detail. The Group's Management System for Handling Accusation, Complaint and Appeal sets out the handling procedures for corruption whistleblowing, so as to strengthen the Group's handling of whistleblowing, complaints and claims and safeguard the legitimate rights and interests of relevant persons. We implement hierarchical treatment for all whistleblowing, and minor whistleblowing is handled directly by the discipline inspection and supervision departments; for more complicated or serious whistleblowing, we will hand it over to judicial institutions for handling. In the process of handling corruption whistleblowing, we strictly keep the identity of whistle-blower confidential to protect their rights and interests.

During the Reporting Period, the Group actively launched anti-corruption publicity activities through various means, such as posters, videos and seminars. In addition, we organized a number of anti-corruption training activities to enhance employees' awareness of corruption prevention and understanding of relevant policies in order to build a good culture of integrity.

Case: Advanced Training Course for Improving Discipline Inspection, Supervision and Auditing Ability under the New Situation In August 2020, the senior management of the supervision and auditing departments of the Group's headquarters and schools participated in the two-day training course held by the Training Center of Zhuhai Branch of Beijing Normal University, and communicated with experts to improve the work ability related to discipline inspection, supervision and auditing.



Case: Electronic Commitment Letter of Integrity and Self-discipline In order to further strengthen the integrity construction of the Group and its schools and implement the relevant regulations and spirit of the Group, we have launched an electronic commitment letter of integrity and self-discipline to strengthen the faculty members' awareness of integrity and self-discipline.



CARING FOR THE SOCIETY

The Group strives to fulfill its corporate social responsibility and actively promotes the development of philanthropy. Education plays an important role in poverty alleviation, so we have taken our own advantages to focus on popularizing universal education and poverty alleviation for many years. At the same time, we also organized other public welfare activities, such as caring for the elderly and child development. During the Reporting Period, as affected by the COVID-19 epidemic, some charitable activities of the Group had been delayed.

Promoting Education and Poverty Alleviation

The Group is committed to promoting universal education, actively formulating the work of poverty alleviation through education, and insisting on "never allowing a university student deprived of education due to financial difficulties". As such, we have established a subsidy system with "awards, assistance, loans and work-study" as the main direction, and formulated the Guidance on Poverty Alleviation of China New Higher Education Group (Trial). During the Reporting Period, the Group increased its assistance efforts to ensure that the proportion of aided students was further expanded and the level of assistance was further improved, and finally the problem of students from poor families deprived of education was basically solved.

During the Reporting Period, Yunnan School set up work-study positions at libraries, academic affairs offices, training centers and other departments to encourage needy students to participate in practical exercises through work-study programs and cultivate students' spirit of self-improvement and self-reliance. In addition, in early 2007, Yunnan School had set up ethnic minority development support classes for ethnic minorities with the population of less than 100,000 like Dulong, De'ang and Bulang, and implemented the "three fees" free policy of tuition fees, teaching materials and accommodation fees, effectively and efficiently solving a series of problems concerned by needy students. This policy has been continuously in effect and Yunnan School was awarded the "National Dedication Award for Poverty Alleviation" by the Leading Group for Poverty Alleviation and Development of the State Council.



Students aided from the "Ethnic Minority Development Support Class" of Yunnan School visited the campus

The Group has also formulated the Employment Assistance Work Plan for Graduates from Needy Households with Filing Cards in Rural Areas to help graduates with financial difficulties to find jobs. During the Reporting Period, there were 3,337 students from needy households who set up their filing cards among the graduates of all colleges and universities under the Group. As at 31 December 2020, 3,220 of them had been employed, and the employment poverty alleviation rate was nearly 100%.



Case: "I Place One Order for Poverty Alleviation" Activity of Guizhou School On the Dragon Boat Festival in 2020, Guizhou School introduced the online shopping platform of agricultural products in Qianxinan Prefecture, and actively publicized and carried out the activity of "I place one order for poverty alleviation." The faculty members support the poverty alleviation work in Guizhou by purchasing affordable local characteristic agricultural products. In addition, Guizhou School also purchased agricultural products from Anlong County, distributed them to all the faculty members of the school with a commemorative card and welfare fund to each faculty member, so as to enhance the participation and experience of the faculty members and help Guizhou poverty alleviation.





Case:

Guizhou School's Activity of "Going to the Countryside to Spread Scientific and Literacy Knowledge and Offer Medical Service to Farmers" In August, 2020, Guizhou School organized a student volunteer team to give care to the villagers in Xima Village, Zhanjie Town, and donated cooking oil and rice to relieve their living pressure. Students had face-to-face communication with villagers to understand their difficulties and needs, and help villagers understand the COVID-19 epidemic prevention and control measures.



Case: Henan School's Activity of "Holding Hands with the Elderly and Warming the Heart of the Elderly" In October 2020, Henan School organized students to visit the elderly at Songhe Nursing Home, the Seventh People's Hospital of Luoyang, and care about their physical and mental health. In addition, students also prepared performance show to give joy to the elderly.



Fighting Against Epidemic Together

On 2 March 2020, the Group organized a donation activity from its colleges and universities to support the COVID-19 epidemic prevention and control work. The faculty members and students actively participated in voluntary donation activities, and the Chairman of the Group also donated more than RMB130,000 in his own name. In just two weeks, we raised nearly RMB1.4 million and a large number of materials for the epidemic prevention.



Apart from raising funds and materials, the Group, its faculty members and students had also taken various actions to support the epidemic prevention work. The following are some examples:

- The Group took the initiative to formulate a scholarship subsidy scheme for the children of frontline medical personnel against the epidemic, and paid tribute and support to frontline medical personnel against the epidemic.
- Teachers and students from our universities took the initiative to act as volunteers to against the epidemic.
- Teachers and students from Central China School participated in transportation of epidemic prevention materials by helicopters.
- Students from Guangxi Schools spontaneously joined the "Anti-epidemic Food Delivery Team" to give midnight snack to the medical personnel on duty.
- Since the outbreak of the epidemic, the supply of vegetables has been tight, and students from Yunnan School organized to donate 170 tons of vegetables to hospitals.



Teacher Yang Yang (first from right) of Central China School contacted and coordinated the helicopter to airlift materials for epidemic prevention to Hefeng County



Cui Ziyi, a student from Yunnan School, organized a donation of 170 tons of vegetables



ENVIRONMENTAL PERFORMANCE INDICATORS

Use of Resources

	20206	2019	Unit
Direct energy consumption ⁷	9,845	23,540	MWh
Total natural gas consumption	891,197	2,108,511	m ³
Natural gas consumption intensity ⁸	1.4	2.7	m ³ /m ² (gross floor area)
Total gasoline consumption (vehicle)	12,650	48,673	L
Gasoline consumption intensity (vehicle) ⁹	791	1,803	L/vehicle
Total ethanol gasoline consumption (vehicle)	7,044	9,400	L
Ethanol gasoline consumption intensity (vehicle)	1,174	671	L/vehicle
Total diesel consumption (vehicle)	2,776	20,429	L
Diesel consumption intensity (vehicle)	555	4,086	L/vehicle
Indirect energy consumption	17,360	39,158	MWh
Electricity consumption	17,360,397	39,158,331	kWh
Electricity consumption intensity	11.7	21.6	kWh/m ² (gross floor area ¹⁰)
Water consumption	2,029,453	2,772,804	Tonnes
Water consumption intensity	1.4	1.5	Tonnes/m ² (gross floor area)

- 6 The disclosure scope of environmental performance data in the Reporting Period includes 6 schools, which is consistent with that of the 2019 ESG report. As the Group changed its financial year end date, the time range of environmental performance data in this Reporting Period is different from that in 2019, and the data collected covered the period of 8 months only. In addition, as affected by the epidemic, students from many universities and colleges of the Group only started to return to school in May, so most environmental data decreased as compared with 2019.
- 7 The calculation method of direct energy consumption refers to the Accounting Methods and Reporting Guidelines for Greenhouse Gas Emissions from Public Building Operating Units (Enterprises) (Trial) (《公共 建築運營單位 (企業)溫室氣體排放核算方法和報告指南 (試行)).
- 8 During the Reporting Period, the schools using natural gas included Guizhou School, Central China School and Northeast School. The calculation of intensity/sq.m. GFA included only the above three schools.
- 9 During the Reporting Period, the Group had a total of 16 gasoline vehicles, 6 ethanol gasoline vehicles and 5 diesel vehicles. The relevant fuel consumption intensity was calculated based on the number of various types of fuel vehicles.
- 10 In this Report, all square meters of gross floor area are used as denominator of density calculation for environmental data, and the calculation of square meters of building area covered 6 schools.



Emissions

	2020	2019	Unit
Vehicle Air Pollutant Emissions ¹¹			
CO Emissions	310	733	kg
NO _x Emissions	111	382	kg
So _x Emissions	0.4	1.1	kg
PM2.5 Emissions	3.8	12.5	kg
PM10 Emissions	4.2	13.8	kg
Greenhouse Gas Emissions			
– Scope 1			
Vehicle Emissions	43	152	Tonnes
Natural Gas Consumption Emissions ¹²	1,927	4,559	Tonnes
Greenhouse Gas Offset by the Group's owned trees ¹³	-420	-411	Tonnes
– Scope 2			
Electricity Consumption Emissions ¹⁴	10,592	21,942	Tonnes
- Total Emissions			
Total Greenhouse Gas Emissions	12,142	26,241	Tonnes
Total Greenhouse Gas Emissions Intensity	0.008	0.02	Tonnes/m ² (gross floor area)

- 11 The calculation method of vehicle air pollutant emissions refers to the Technical Guidelines for Compilation of Road Motor Vehicle Air Pollutant Emission List (Trial) (《道路機動車大氣污染物排放清單編制技術指南 (試行)》).
- 12 The calculation method of greenhouse gas emissions from natural gas combustion refers to the Accounting Methods and Reporting Guidelines for Greenhouse Gas Emissions from Public Building Operating Units (Enterprises) (Trial) (《公共建築運營單位 (企業)溫室氣體排放核算方法和報告指南 (試行)).
- 13 The calculation method of greenhouse gas offset of trees refers to the Guidelines to Account for and Report on Greenhouse Gas Emissions and Removals for Buildings (Commercial, Residential or Institutional Purposes) in Hong Kong issued by the Environmental Protection Department.
- 14 The calculation method of greenhouse gas emissions from electricity consumption refers to the Notice on the Preparation of the 2018 Carbon Emissions Reporting and Verification and Emissions Monitoring Plan (《關於 做好2018年度碳排放報告與核查及排放監測計劃制定工作的通知》) issued by the Ministry of Ecology and Environment of the People's Republic of China in January 2019.

Waste

	2020	2019	Unit
Production of the Hazardous Waste			
Printer Cartridges Waste			
Production	486	467	Pieces
Production Intensity	0.0003	0.0003	Pieces/m ² (gross floor area)
Recovery	230	140	Pieces
Fluorescent Tube Waste			
Production	3,912	7,850	Pieces
Production Intensity	0.003	0.004	Pieces/m ² (gross floor area)
Recovery	2,015	2,670	Pieces
Lamb Bulb Waste			
Production	3,451	5,083	Pieces
Production Intensity	0.002	0.003	Pieces/m ² (gross floor area)
Recovery	1,813	2,150	Pieces
Production of the Non-hazardous Waste			
Waste Paper			
Production	2,431	5,323	kg
Production Intensity	0.002	0.003	kg/m ² (gross floor area)
Recovery	2,116	729	kg
Kitchen Waste			
Production	127,497	2,010,350	kg
Production Intensity	0.1	1.1	kg/m ² (gross floor area)
Recovery	19,838	79,150	kg



Appendix I: Content Index of the Environmental, Social and Governance Reporting Guide

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

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

B. Social				
Items		Descriptions	- C.S. P.	Reference Section or Explanation
Aspect B1: Empl	oyment			
General Disclosur	2	Information relating to compensation promotion, working hours, rest perior anti-discrimination, and other benefit (a) the policies; and (b) compliance with relevant law significant impact on the issu	ds, equal opportunity, diversity, s and welfare: s and regulations that have a	People-oriented
Recommended B1.1 Disclosures		Total workforce by gender, employm geographical region	ent type, age group and	People-oriented
	B1.2	Employee turnover rate by gender, ag	ge group and geographical region	/
Aspect B2: Healt	h and Safe	ty		·
General Disclosur	2	Information relating to providing a sa protecting employees from occupatio(a)the policies; and(b)compliance with relevant law significant impact on the issu	nal hazards: s and regulations that have a	Employee Health and Safety
Recommended B2.1 Disclosures B2.2		Number and rate of work-related fata	lities	Employee Health and Safety
		Lost days due to work injury		/
	B2.3	Description of occupational health ar they are implemented and monitored	d safety measures adopted, how	Employee Health and Safety

Aspect B3: Devel	opment an	d Training	a state
		Employee Motivation	
Recommended B3.1 Disclosures		The percentage of employees trained by gender and employee category (e.g. senior management, middle management)	Employee Motivation
	B3.2	The average training hours completed per employee by gender and employee category	Employee Motivation
Aspect B4: Labor	ır Standar	ds	
General Disclosur	e	Information relating to preventing child and forced labour:(a)the policies; and(b)compliance with relevant laws and regulations that have a significant impact on the issuer	Employment Management
Recommended Disclosures	B4.1	Description of measures to review employment practices to avoid child and forced labour	Employment Management
	B4.2	Description of steps taken to eliminate such practices when discovered	Employment Management
Aspect B5: Suppl	y Chain M	anagement	
General Disclosure	e	Policies on managing environmental and social risks of the supply chain	Supply Chain Management
Recommended	B5.1	Number of Suppliers by geographical region	/
Disclosures	B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored	Supply Chain Management

Aspect B6: Produ	ict Respon	sibility	1
General Disclosure		 Information relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer 	Help Students Become The Best They Can Be
Recommended Disclosures	B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons	The Group's business does not involve products recalled for safety and health reasons
	B6.2	Number of products and service related complaints received and how they are dealt with	High Quality Teaching Standards
	B6.3	Description of practices relating to observing and protecting intellectual property rights	Compliance Operation
	B6.4	Description of quality assurance process and recall procedures	High Quality Teaching Standards
	B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored	Compliance Operation
Aspect B7: Anti-c	corruption		
General Disclosure		 Information relating to bribery, extortion, fraud and money laundering: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer 	Anti-corruption and Promoting Integrity
Recommended Disclosures	B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the Reporting Period and the outcomes of the cases	Anti-corruption and Promoting Integrity
	B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored	Anti-corruption and Promoting Integrity
Aspect B8: Comm	nunity Inv	estment	
General Disclosure		Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests	Caring for the Society
Recommended Disclosures	B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport)	Caring for the Society
	B8.2	Resources contributed (e.g. money or time) to the focus area	Caring for the Society