



VIRSCEND EDUCATION COMPANY LIMITED

成實外教育有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 1565



International Education

University Education

Kindergarten

Pre-school Education



A **PROFOUND** Chinese Foundation,  
A **PANORAMIC** Global Outlook,  
An **INNOVATIVE FUTURE**

ENVIRONMENTAL, SOCIAL AND  
GOVERNANCE REPORT

**2020**

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## ABOUT THIS REPORT

### BASIS OF COMPILATION

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

### REPORTING SCOPE

This is the fifth Environmental, Social and Governance (“ESG”) report published by Virscend Education Company Limited. This report covers Environmental, Social and Governance performance of Virscend Education Company Limited and its subsidiaries from 1 January 2020 to 31 December 2020. Unless otherwise stated, the period covered in this report is the same as that of the 2020 Annual Report of Virscend Education Company Limited.

### INFORMATION SOURCE

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

### APPELLATION STATEMENT

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

### APPROVAL AND ACCESS TO THE REPORT

This report was approved for publication by the Board on 30 March, 2021. This report includes both Chinese and English versions. If there is any discrepancy, please refer to the Chinese version. An electronic version of the report is available at the official website of the Company ([www.virscendeducation.com](http://www.virscendeducation.com)) and the website of the HKEx ([www.hkexnews.hk](http://www.hkexnews.hk)).

### OPINION AND FEEDBACK

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

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## SENIOR MANAGEMENT'S STATEMENT

2020 was a precious year for Virscend Education as we celebrated our 20<sup>th</sup> anniversary. Over the past 20 years, Virscend Education has been pursuing knowledge and skills to educate people based on moral ethics. We provided guidance for our students on their learning journey based on current situation so as to contribute to the country; we injected creative vigor for the sustainable development of enterprises; we also spread warmth and contributed energy to the society.

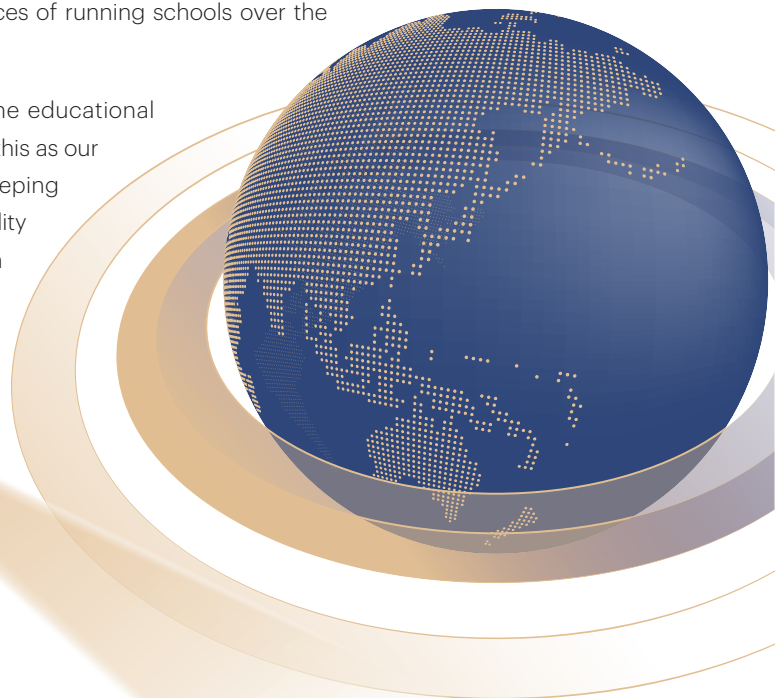
Adhering to the value and principles in establishing our schools, Virscend Education continued to embrace challenges, seek for quality education, improve our foreign language environment and international curriculum, and thoroughly prepare for the competition of the five major subjects in order to build a bright future for our students. To realize our educational philosophy, we strived to provide quality education and equip students with global insight and practical skills for all-round development by maintaining strict control over the quality of teaching, standardizing teaching management, deepening teaching research and focusing on teacher training.

During the critical moment of epidemic prevention and control, Virscend Education assumed the mission as guardian by implementing online teaching to achieve "suspending classes without suspending learning". In the post-pandemic era, we purchased epidemic prevention supplies to protect the campus from epidemic outbursts, providing strong support for resumption of classes at schools and student safety.

Virscend Education attached importance to long-term development and integrated the concept of sustainable development into our operation by advocating low-carbon practices, promoting green teaching, encouraging environmental protection and energy saving, and fostering environmental awareness in order to create a beautiful campus with our students. In addition, we upheld compliance standards and continued to strengthen risk management and control and promote anti-corruption to lay a solid foundation for our long-term development.

Bearing the responsibility towards our homeland in mind, Virscend Education has committed to social welfare and actively fulfilled our social responsibility for years to spread kindness. To live out our mission, we encouraged our students to have concern over the society and the people. We also contributed to the society by taking over schools with the aid of our quality education resources and experiences of running schools over the years.

In the future, Virscend Education will continue to pursue the educational dream of educating people based on moral ethics and regard this as our lifelong mission. Not forgetting our original intention and keeping this mission in mind, Virscend Education will provide high quality education by making oneself as an example and transform against headwinds and hurdles. We will also spare no effort to stand firmly on the frontline of education with solid knowledge background in order to achieve remarkable results.



# 1 ABOUT US

## 1.1 COMPANY OVERVIEW

Virscend Education Company Limited (HK.1565) is a comprehensive education service group with focus on formal grade 12 (“K-12”) education and higher education. As a pioneer of private education, the Group has been operating private schools in Sichuan Province for over 20 years. In 2020, the Group established 6 new schools in Chengdu and Yibin in Sichuan Province, the PRC. As at the end of the reporting period, Virscend Education has operated a total of 43 schools.<sup>1</sup>

### SCHOOL NETWORK

<b>Kindergarten</b>	Kindergarten of the Primary School attached to Chengdu Jinniu District Foreign Languages School	Kindergarten of the Primary School Attached to Chengdu Foreign Languages School of Zigong**
	Kindergarten of the Primary School attached to Chengdu Pidun District Foreign Languages School*	Kindergarten of Primary school of Chengdu Foreign Languages School of Yibin*
<b>Primary School</b>	Primary School Attached to Chengdu Foreign Languages School	Primary School Attached to Chengdu Experimental Foreign Languages School
	Gaoxin Meinian Campus of Chengdu Foreign Languages School (primary school)	Chengdu Experimental Foreign Languages School of Xindu Wulongshan (primary school)
	Chengdu Experimental Foreign Languages School (Western Campus) (primary school)	Chengdu Foreign Languages School of Xinjin (primary school)
	Chengdu Foreign Languages School of Zigong (primary school)**	Primary school Attached to Chengdu Foreign Languages School (“Xichen Campus”)
	Chengdu Experimental Foreign Languages School of Ya’an (primary school)	Deyang Chengdu Foreign Language School (primary school)
	Chengdu Foreign Languages School of Panzhihua (primary school)	Primary school of Chengdu Foreign Languages School of Yibin
<b>Secondary School</b>	Chengdu Foreign Languages School	Chengdu Experimental Foreign Languages School
	Chengdu Experimental Foreign Languages School (Western Campus)	Wulongshan Campus of Chengdu Experimental Foreign Languages School
	Chengdu Foreign Languages School Gaoxin Campus	Gaoxin Meinian Campus of Chengdu Foreign Languages School
	Chengdu Foreign Languages School of Xinjin	Chengdu Foreign Languages School of Zigong**
	Chengdu Foreign Languages School of Panzhihua (“Panzhihua School”)	Chengdu Experimental Foreign Languages School of Quxian
	Chengdu Experimental Foreign Languages School of Ya’an	Chengdu Foreign Languages School of Yibin
	Chengdu Experimental Foreign Languages School of Xindu Wulongshan (“Wulongshan School”)	Chengdu Foreign Language School of Deyang
	Virscend High School of Ya’an	Chengdu Foreign Languages High School of Yibin
	Virscend High School of Quxian (“Quxian High School”)	Chengdu Foreign Languages High School of Zigong**

<sup>1</sup> For illustration purpose, the school which provides multi-phases education programs is counted according to the number of the category of such education phases. For example, Chengdu Foreign Languages School which provides middle and high school education phases is counted as one middle school and one high school, respectively.

## 1 ABOUT US

<b>University</b>	Chengdu Institute Sichuan International Studies University Virscend University (California, USA)	Chengdu Institute Sichuan International Studies University Yibin Campus
<b>Non-formal Education</b>	Chengdu Fanmao Education Consulting Co., Ltd	Wah Tai Han Education Company Limited

Note: \* We provide comprehensive educational management and consulting services for two kindergartens.

\*\* On 7 August 2020, the Group entered into a cooperation termination agreement with counter parties in respect of Chengdu Foreign Languages School of Zigong, Chengdu Foreign Languages High School of Zigong and Kindergarten of the Primary School Attached to Chengdu Foreign Languages School of Zigong (collectively the “Zigong Schools”) pursuant to which all parties agreed to terminate the cooperation and the Group transferred its all sponsor interest in Zigong Schools to an independent third party. Till the date of this report, the approval from the relevant authorities for the transfer of school sponsor interest to a third party has yet to be obtained pending the discussion with relevant local government authorities with regard to the Group’s future involvement as to Zigong Schools’ business activities such as students recruitment, school operation model and etc.

### 1.2 MAJOR BUSINESSES

#### PRE-SCHOOL EDUCATION

On the basis of the work guidelines of regular ideological education, early childhood scientific education and standardization of work management, Virscend Education adopts international leading educational concepts to design and build kindergartens while adhering to the operation concept of green, environmental protection, health, self-confidence and active happiness to provide a high-quality educational environment which caters to the world and combines the essence of Chinese and foreign cultures for pre-school education.

#### FUNDAMENTAL EDUCATION

Through student-oriented teaching strategies and effective school management, Virscend Education is committed to vigorously promoting quality fundamental education, cultivating students’ core literacy and key abilities, accelerating internationalization, and focusing on promoting students’ overall development with the aim of advancing students’ “knowledge, character, ability, and quality”.

#### HIGHER EDUCATION

Our goal of offering higher education is to spread advanced world culture, promote international exchange and cooperation, cultivate innovative talents, and serve economic and social development. Chengdu Institute Sichuan International Studies University Yibin Campus nurtures talents for the development of Sichuan Province while Virscend University in Irvine, California, the United States motivates students to develop innovative ideas and entrepreneurship to help them succeed in the global business environment.

#### INTERNATIONAL EDUCATION

Virscend Education provides superior international education resources to outstanding students. By introducing quality education resources and curriculum from overseas as well as various preparatory courses which are vital for the application of well-known universities, we pave the way for our students to the world’s top universities and train them to become elites with global competitiveness.

## EDUCATION CONSULTATION SERVICE

With the aim of nurturing more talents for our country, Virscend Education entered into school management cooperation agreements with public schools, private schools or kindergartens to provide school management services including education quality control, curriculum development, daily operation, teachers recruitment and training, branding, teaching methodology support and campus design, thereby sharing our experience of running school to expand the supply of quality education.

## ONE STOP COMPREHENSIVE EDUCATION PROGRAM

Virscend Education has been cooperating with certain commercial property owners to establish one-stop comprehensive education program in commercial complex with a floor area of approximately 5,000 to 10,000 square meters where various types of tailor-made education services will be offered to both the parents and their kids simultaneously. At the same time, it provides curriculum and management output services for institutions and individuals who intend to invest in the education program. The high-quality education courses independently developed and iterated by the Group include, among others, Chinese traditional culture, STEAM (Science, Technology, Engineer, Arts and Mathematics), after-school English tutoring and sports, etc. The daily management of enrollment, recruitment, teaching and research of all educational projects implements the operation mode of unified scheduling of the complex but relatively independently operation of sub-projects.

### 1.3 OUR HONORS

In the past 20 years of operation, Virscend Education has always taken quality of teaching as the top priority, and built up our core competitiveness based on the five-in-one education system and the eight-dimensional education elements. Given to its specialization in teaching foreign language, the Group encourages a balance between arts and science, and promotes all-round development of students. The number of our students enrolled in higher education has been increasing year by year and our teaching quality has been widely recognized by the education department and the community.

## EXCELLENT ACADEMIC RESULTS

Since the establishment of Virscend Education, the cumulative number of top scorer at National College Entrance Examination has reached 40, which is the best in Sichuan Province; 239 students have been awarded and 12 medals have been won in the competition of five major subjects. Our schools have achieved excellent results in various academic competitions and provided high-end talents to the top universities in China. In 2020, the first-tier university admission rate from three of the Group's long standing high schools<sup>2</sup> was 96.6%, including 87 recommended students in language category, which represented 82.08% of the total number of recommended students in Sichuan. 55, 520 and 87 of our students were admitted into Tsing Hua University and Peking University, first-class disciplines in first-class universities and the top 100 universities in the QS World University Rankings respectively, showing that our graduating students were highly regarded by the top universities in the world.

<sup>2</sup> These three of our long standing high schools include Chengdu Foreign Languages School, Chengdu Experimental Foreign Languages School and Chengdu Experimental Foreign Languages School (Western Campus).



## 1 ABOUT US

### SOCIAL HONORS (PARTIAL)

Awards	Awarding Unit	Award-winning School	Date
No.1 in "2020 National Independent Colleges of Language Rankings"	Cuaa.Net	Chengdu Institute Sichuan International Studies University	May 2020
Graded as Five-star China Superb Independent Colleges in "2020 China Independent College Ranking"	Cuaa.Net	Chengdu Institute Sichuan International Studies University	August 2020
Ranked 19th in comprehensive ranking of "Wu Shulian's Ranking of Independent Colleges in China 2020"	Wu Shulian, Head of Topic Group, China University Evaluation, China Academy of Management Science	Chengdu Institute Sichuan International Studies University	August 2020
Councillorship of Foreign Language Branch of China Association of Higher Education	Chinese Association of Higher Education	Chengdu Institute Sichuan International Studies University	September 2020
Advanced Unit of Scientific Research and Education in Chengdu	Chengdu Municipal Educational Science Research Institute/Chengdu Educational Science Planning Leading Group Office	Chengdu Foreign Languages School	May 2020
United States Academic Decathlon in China - Outstanding Achievement Award	United States Academic Decathlon	Chengdu Foreign Languages School Chengdu Experimental Foreign Languages School	November 2020
First Prize of New Teacher Training for "Quality Teaching in Chengdu, New Power of Taochu"	Chengdu Educational Science Research Institute	Chengdu Foreign Languages School	November 2020
"High-School-University Talent Incubation Centre for Top-tier Innovative Talents in Basic Disciplines" from Tsinghua University	Tsinghua University	Chengdu Foreign Languages School	November 2020
2019 - 2020 Chengdu Outstanding School for Education and Teaching of Ordinary High School	Chengdu Administration of Education	Chengdu Foreign Languages School Chengdu Experimental Foreign Languages School	December 2020

## 1 ABOUT US

Awards	Awarding Unit	Award-winning School	Date
Sichuan Secondary and Primary School Students Writing Competition - Advanced Organization Unit Award	Sichuan Youth Writer Association	Chengdu Experimental Foreign Languages School	April 2020
Outstanding Organization Award – the 5th “History Cup” High-school Student Historical Script Competition	Organizing Committee of “History Cup”	Chengdu Experimental Foreign Languages School	November 2020
Councillorship of Big Data Precise Education Alliance for the “Thirteenth Five-year” Plan of National Educational Science	Sichuan Institute of Education Science	Chengdu Experimental Foreign Languages School (Western Campus)	October 2020
Group First Prize of Lego Patrol Project in the 17th Chengdu Youth Robot Competition	Chengdu Science and Technology Association, Chengdu Municipal Education Bureau	Chengdu Foreign Languages School Gaoxin Campus	June 2020
First Prize of English Teaching and Research Group, Second Prize of Chinese Teaching and Research Group, Third Prize of Mathematics, Politics, History, Geography, Physics, Biology and Chemistry in Group Competition for Analysis of Gaokao Papers and Improvements in Class Teaching in the 4th Navigation Cup	Gaoxin Educational Development Centre	Chengdu Foreign Languages School Gaoxin Campus	November 2020
Outstanding Organizational Unit of Sichuan Branch for the 21st “Star of Hope” English Talent Competition	Sichuan Organizing Committee of English Talent Competition	Chengdu Experimental Foreign Languages School of Quxian	August 2020
National Role Model of Reform and Innovation amongst Private Exemplary Schools	Administrative Committee of China Private Educationist Association	Chengdu Foreign Languages School of Xinjin	November 2020

## 1 ABOUT US



Awards	Awarding Unit	Award-winning School	Date
First Prize of Primary School Group A in the Selected Move of Exercises between Lessons and First Prize of Primary School Group A in the Selected Move of Bouquet Cheerleading in the 2020 "Dancing for China – Dancing League"	Gymnastics Sports Centre of General Administration of Sport of China	Primary School Attached to Chengdu Foreign Languages School	December 2020
First Prize of Martial Arts in the 9th Secondary and Primary School Martial Arts Group Competition	Chengdu Administration of Sports	Primary School Attached to Chengdu Foreign Languages School	December 2020
Group Frist Prize in Computer Program Design Competition of Chengdu Secondary and Primary School	Chengdu Administration of Education	Primary School Attached to Chengdu Foreign Languages School	January 2020
Champion of Bouquet in Children Group C of 2020 National (Chengdu) Youth Cheerleading Elite Competition	Gymnastics Management Centre of the General Administration of Sport of China	Primary school Attached to Chengdu Foreign Languages School (Xichen Campus)	November 2020
National Youth Basketball Specialized School	Ministry of Education of the PRC	Chengdu Experimental Foreign Languages School of Xindu Wulongshan	January 2020
Global Taichiquan Online Competition (Domestic Taichiquan Group in 24 cities) First Prize: 7; Second Prize: 3; Third Prize:3	General Administration of Sport of China, China Wushu Association	Chengdu Experimental Foreign Languages School of Xindu Wulongshan	July 2020

## 1.4 ESG MANAGEMENT

### OUR VISION OF MANAGEMENT

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

### WORK PROGRESS

To combine with the development requirements of the new era, Virscend Education kept on improving our Environment, Safety and Governance (ESG) management system. As the operating decision-making body of the Group, the Board has overall responsibility for the Group's ESG matters and is responsible for formulating the Group's overall ESG strategies and identifying the relevant risks, and establishing an effective ESG management system, in order to regularly review the Group's ESG performance based on the targets formulated.

The Group established an ESG working group, headed by our financial department and assisted by teaching quality department, teachers (cadre) development center, administration office, human resources department (Party Building Committee), brand promotion department, logistics support department, equipment department and all of our campuses. On a yearly basis, the working group organizes updates on ESG-related policies and systems, collects and integrates our ESG practice performance, and provides recommendations to the Board after reviewing ESG year performance of the Group. The working group will prepare and submit the ESG report for approval by the Board.

In 2020, the Board organized an ESG training, for the purpose of gaining better understanding of the latest ESG compliance requirements of the Stock Exchange of Hong Kong Ltd. (referred to as the "HKEx"), thus deepening our ESG management work. In the future, we will continue to consolidate the Board's ESG governance responsibilities and the functions of the ESG working group, optimize the coordination among different departments, gradually form an institutionalized ESG management system, in order to promote efficient operation of all departments and campuses.

### STAKEHOLDERS COMMUNICATION

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

# 1 ABOUT US

Table of Stakeholders Communication



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

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

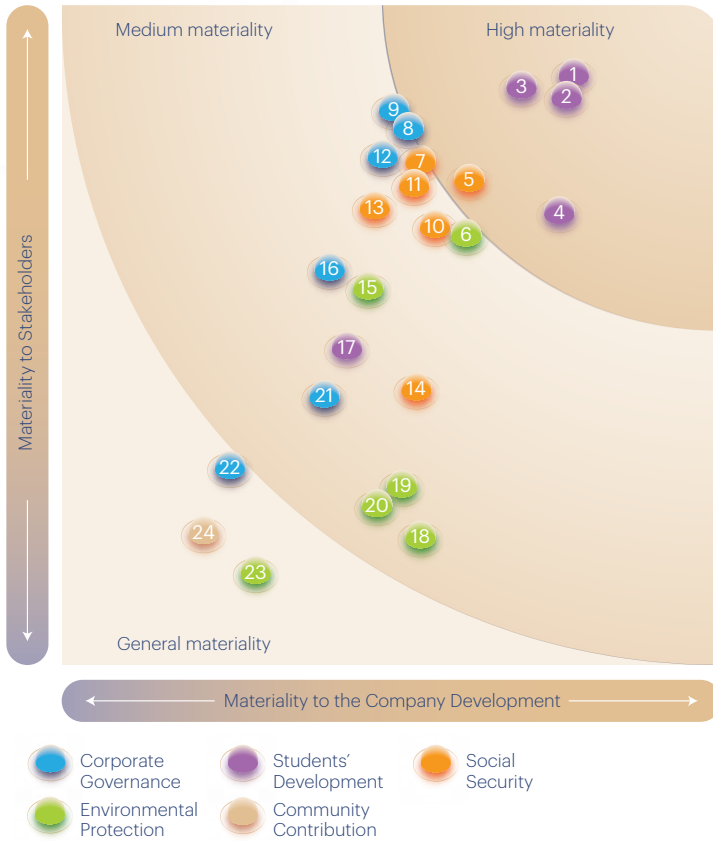
## ESG MATERIAL ISSUES

The Company's assessment on the priorities of ESG topics is based on stakeholders' level of concern and their judgment on the importance of various ESG topics. In 2020, according to the "Environmental, Social and Governance Reporting Guide" issued by the Hong Kong Stock Exchange, we reviewed the relevant issues of ESG governance for the previous year, and adjusted the ESG material issues with reference to the Company's business development for the current year and comparison to industry peers. Moreover, we conducted questionnaire surveys with stakeholders, including the management team, staff, students, parents, investors, suppliers, government and regulatory authorities, to understand the changes in the opinions and demands of key stakeholders. Based on 1,451 questionnaires in total and the actual corporate operation, we adjusted the order of material issues.

We treated the comments and expectations of stakeholders on the ESG performance of the Group as an important reference material for our materiality assessment. In this report, we fully address the key issues that are more crucial to us, such as "guarantee the safety and health of students", "improving teaching quality", "training up students' skills" and "educational philosophy and innovative education model". Meanwhile, we shall take heed of concerns and demands of stakeholders, and orderly optimize our ESG strategy and management policies accordingly.

# 1 ABOUT US

## ESG ISSUES MATERIALITY MATRIX OF 2020



### High materiality

- 1 Guarantee the safety and health of students
- 2 Improvement in teaching quality
- 3 Cultivation of students' ability
- 4 Educational philosophy and innovative educational model
- 5 Staff's development and training

### Medium materiality

- 6 Green campus and office environment
- 7 Occupational safety and health
- 8 Protection of personal privacy
- 9 Compliant operation
- 10 Employee remuneration and benefits
- 11 Compliance and equal employment
- 12 Supply chain management
- 13 Protection of staff's interests
- 14 Care for staff
- 15 Waste release management
- 16 Protection of intellectual property rights
- 17 Handle complaints from students and parents
- 18 Use and protection of water resource
- 19 Emission and control of greenhouse gases
- 20 Energy consumption and energy saving measures
- 21 Anti-corruption

### General materiality

- 22 Responsible marketing
- 23 Response to change in climate
- 24 Public welfare of community

## 1.5 COMPLIANT OPERATION

Virscend Education strictly abides by national laws and regulation. With improvement in internal management procedures and optimization of management structure, the awareness on honesty and integrity can be elevated. We always adhere to compliant operation and continue to enhance the level of management and operation, so as to comprehensively prevent risks and build up core competitiveness.

### 1.5.1 LEGITIMATE OPERATION

We strictly abide by the “Company Law of the People’s Republic of China”, “Education Law of the People’s Republic of China”, the “Non-state Education Promotion Law of the People’s Republic of China”, the “Implementing Regulations of the Law of the People’s Republic of China on the Promotion of Privately-run Schools” and other relevant laws, regulations and industrial requirements of the countries and where our operations locate. We focus on our own operational compliance and risk management, and the Board monitors the optimization of the Group’s compliance and risk management in order to comply with national and industry’s regulatory requirements and facilitate stable operation and prudent development of the Company and our schools.

As a private education enterprise, we comply with regulatory requirements such as the “Interim Measures for the Management of Collection of Non-State Education Fees” and the “Interim Measures for the Management of Collection of Kindergarten Fees”. When we adjust tuition fees, we will update the charging license in a timely manner to ensure the compliance and validity of the charging license. For the tuition fees collected, we established a risk isolation system at schools and crosschecked the number of students in the department of academic affairs with the amount of tuition fees in the finance department, in order to properly manage the revenue derived from tuition fee and expenditure and control financial risks.

We insist on pragmatic style and strictly abide by the “Advertising Law of the People’s Republic of China”, “Anti-Unfair Competition Law of the People’s Republic of China” and other relevant laws and regulations. We set up a strategic publicity committee to formulate the “Regulations on External Publicity Management”, to strictly control the advertisement and promotion, the information on which should be true and accurate, and false publicity and any wrongful acts which would violate regulatory requirements of the Advertising Law should be banned. Moreover, we comply with the Group’s “Operation Management Regulations for One Website and Weibo and WeChat” to regulate the new media construction, strictly execute the indication of source of forwarding information and protect customers’ private information for purpose of reinforcing the information safety management and prevention of information leakage.

We hold onto protection and respect to our own intellectual property rights and those of others. Abiding by the “Civil Code of the People’s Republic of China”, “Copyright Law of the People’s Republic of China”, “Patent Law of the People’s Republic of China” and other relevant laws and regulations, we encourage, support and respect the articles and books, inventions and creations and achievements of teaching and scientific research of our teachers and students. We help to promote protection of various intellectual property rights, review and summarize the intellectual property products of all schools regularly to prevent from infringement. We apply external intellectual property rights in accordance with the provisions of the country, corresponding region and the product rights manual, and require all departments and campuses we operate to strictly review all the teaching materials used during teaching process, insist on using genuine research and teaching materials, and fully respect the intellectual property rights of others.



## 1 ABOUT US

### 1.5.2 INTEGRITY AND SELF-DISCIPLINE

A person with extensive knowledge can be a teacher, while the person with correct personal conduct can be a role model. We insist on the coordinated cultivation of ethics and anti-corruption. With equal importance being attached to moral ethics and anti-corruption, we drive the healthy development of education and teaching at schools operated by the Group in the aspects of system constraints, inspection and supervision, and cultural construction. During the reporting period, the Group had no litigation involving embezzlement or corruption.

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

To reinforce the awareness of anti-corruption and self-discipline at source, we adhere to the policy of education centered and prevention-first, and urge the Group and all schools to conduct regular integrity promotion and educational activities. In 2020, by facilitating online learning materials and adoption of special classes, special reports, movie and video watching, going out for visits and other forms to carry out integrity education, a solid integrity mindset can be built up. We also encourage all affiliated schools to have their teachers to sign integrity commitments and consciously improve the moral ethics standard of all teachers.

The management of the Group is responsible for conducting and supervising the integrity construction, regularly organizing supervision and investigation of the staff and the affiliated schools, and strengthening the daily supervision of those who exercise rights. As for problems identified, prompt warning or rectification will be made to those corresponding personnel. Regular visits are arranged for inspection and supervision with the aim of implementing routine integrity risk prevention and control mechanism and comprehensively promoting the construction of a corruption-free management.

We have established clear reporting channels such as principal’s mailboxes, telephone and network and set up a reporting and whistleblowing channel covering the Company and all schools, for the purpose of anonymous reporting for violations of laws such as corruption, embezzlement and bribery. Regarding to the reports received, the Group will conduct joint-investigation with campuses in accordance with management system such as the “Measures for Embezzlement and Corruption Reporting” and deal with those personnel involved in a serious manner such as reminder or warning after verification. At the same time, we also standardized the privacy protection of the whistleblowers, keeping relevant information in stringent confidentiality and prohibiting the disclosure of their privacy.

## 2 EDUCATION FOR FUTURE

Virscend Education always believes that education can nurture a promising future for the country. Under the guidance by advanced and unique teaching philosophy, Virscend Education continues to optimize educational system for years, further deepens research on teaching, insists on strict control of teaching quality, explores innovative teaching model and integrates cross-cultural premium educational resources to provide students with lifelong education and nurture talents who can easily overcome challenges in the future for the society.

### 2.1 GENERATION OF ACADEMIC PHILOSOPHY

Advanced and unique academic philosophy provides a clear guideline for development of Virscend Education. Based on mainstream value in the society, we keep pace with development of corporate operation to ensure that our academic philosophy is pragmatic and manifests Virscend Education's characteristics in education.

#### TEACHING FOR THE NATION, RUNNING SCHOOLS FOR THE PEOPLE

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

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

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

## 2 EDUCATION FOR FUTURE

### CONNECTING CHINA TO THE WORLD THROUGH LANGUAGE STUDIES

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

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

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

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

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

## 2.2 IN-DEPTH TEACHING RESEARCH

As the cornerstone of quality teaching, we focus on polishing the teaching content and teaching method. With continuous in-depth understanding in Chinese teaching materials, research on frontier subject and study on practicing on teaching method, we continue to explore proper teaching design to ensure efficiency of lessons and enhance professionalism of teachers.

### 2.2.1 INTERPRETATION ON TEACHING MATERIALS WITH ACCURATE UNDERSTANDING

To further adapt the educational and teaching reform, the Teaching Quality Department of the Group takes the lead and organizes in-depth explanatory session for Chinese teaching materials which are used across the country to standardize teachers' understanding on teaching materials and enhance the accuracy of teaching content. In 2020, by organizing special lectures given by experts and training about teaching materials, the Group provides explanation, analysis and training of Chinese teaching materials to teachers, enhances understanding on knowledge point and examination point and concerns the teaching strategy with aim to highlight the effective cultivation on students' core ability by teaching materials. Moreover, the Group also arranges checking on teachers' teaching design, electronic and hand-writing teaching program used by teachers. The Group attaches importance to the quality of teaching program, and the strengthening of students' interaction in lessons to ensure the teaching quality from the source.



#### SEMINAR ON "STUDY AND PROPER USE OF NEW TEACHING MATERIALS"

In 2020, Primary School Attached to Chengdu Foreign Languages School invited professional teachers from Chengdu Education Research Institute to give a seminar about Chinese teaching materials. By in-depth analysis on academic philosophy of Chinese teaching materials and presentation of practical use of teaching materials in lessons, teachers can have a better understanding on Chinese teaching materials and further understand the key points and examination points covered by materials, which would help for accurate usage of such materials and guiding students to study in efficient way.



## 2 EDUCATION FOR FUTURE

### 2.2.2 SHEET-STYLE TEACHING DRIVING FOR SELF-DIRECTEDNESS

By establishing “Four Dimension and Four Sheets” teaching model, i.e. utilizing four major teaching tools (preview sheet, learning sheet, worksheet and assignment sheet) to regulate four major steps in teaching (guidance, learning, teaching and assessment), the direction and missions of lessons can hence be clarified, while customized guidance, conductive education, specialized explanation and reflective self-assessment towards students can be implemented, which can encourage self-direct learning of students and enhance lesson efficiency.



#### ***PILOT IMPLEMENTATION OF MISSION LEARNING SHEET***

To enhance students’ participation in lesson activities, in 2020, Chengdu Experimental Foreign Languages School of Ya’an (Primary School) promoted the pilot implementation of mission learning sheet, which was formulated by special teachers to clarify learning mission in lessons and encourage students to put in practice of reading, writing, thinking and reciting in lessons with aim to cultivate a good habit of self-direct learning.



### 2.2.3 SELF-EVALUATION WITH LESSON STUDIES

Lesson study is a form of teaching and research based on teachers' teaching practice, an anatomical analysis of the curriculum and reflection on problems to find solutions. In 2020, the Group organized a lesson study for new schools and made suggestions to optimize the teaching system of new schools and restructure the education system. Meanwhile, the "Multi-disciplinary Lesson Study" general research group of the Group conducted progress checks on the eight subjects lesson study teams from seven schools of the Group to ensure that the educational research philosophies were implemented into practical teaching, providing strong academic support for the Group.



#### ***PARTICIPATION IN THE WORLD LESSONS CONFERENCE***

In December 2020, about 146 teams from more than 30 countries and regions were selected by the Organizing Committee to participate in the online exchange activities of the World Association for Lesson Studies International Conference (WALS Conference). The teaching teams from four schools of Virscend Education conducted research on teaching design and teaching methods under the theme of "Cultivating the professional core qualities of Chinese students". As a part of it, the team from the Primary School Attached to Chengdu Experimental Foreign Languages School conducted a lesson study on "Children's poetry in improving students' creative abilities", using the teacher behavior observation scale, student learning behavior scale, student learning activity level scale and other measurement tools to examine the effectiveness of teaching activity improvement and student learning.



Through participating the WALS Conference, the teachers of the Group actively engaged in research on teaching materials, knowledge, student learning methods, and teaching methods, improving their problem-solving skills and further enhancing their professional abilities.

## 2 EDUCATION FOR FUTURE

### 2.2.4 TEACHING THE SAME CLASS IN DIFFERENT WAYS

In the “teaching the same class in different ways” activity, teachers of the same discipline will conduct a class on the same subject using different teaching styles, and convey their own interpretation of the teaching materials. In 2020, the Group promoted themed activity of teaching the same class in different ways, in which the teaching quality department of the Group drew up research themes that can solve practical teaching problems, then the school teachers conducted in-depth research on the themes and learned the best of different teaching methods and thus deepened their research results, so as to enhance the ability of solving practical teaching problems and help teachers grow professionally.



#### ***THE SAME CLASS IN DIFFERENT STYLES***

In October 2020, Ms. Law of Panzhuhua School, Ms. Yong of Wulongshan School and Ms. Ji of Quxian High School conducted a class on the topic of “Memorizing my mother” with their own styles.

Starting with the key words from the text, Ms. Law analyzed the characteristics of the mother’s image in depth, and through contextualization, cooperative inquiry and recitation, she induced students to taste the deep feelings and respect behind the simple and plain words. Ms. Yong introduced the text through a word-guessing game in an interesting way, and during the interaction with the students, they recalled the author’s life experience and the important influence of his mother in the changes of his life experience. Ms. Ji’s brilliant teaching approach allowed students to feel, appreciate, and comprehend the aura of mother love and the meaning of life through intimate and vivid teaching activities.

Through the presentation of the lessons in three different styles, it helped teachers to discover the balance between teaching contents and teaching values through mutual learning and exploration, thus forming more efficient and precise teaching methods and helping teachers to grow.



## 2.3 QUALITY RESOURCES SHARING

With the mission to provide first-class teaching services for the whole education, education for all and holistic education, Virscend Education continues to provide students with various quality lessons and abundant international exchange opportunities, and to use the cohesiveness of the Group to integrate quality teaching resources, promote teaching and learning to improve the teaching standard of the Group, and achieve comprehensive and quality development of education.

### 2.3.1 COOPERATION AND SHARE OF TEACHER RESOURCES

We have set up an inter-school resource pool of outstanding teachers, and established a teacher-sharing and exchange mechanism to share teachers between schools. As some of our schools have better facilities, especially in terms of laboratory equipment, they share these resources by receiving students from other schools to use their facilities. In 2020, We have developed more than 100 video classes of outstanding lessons in various disciplines, and transferred knowledge of outstanding teachers from different schools in a vivid way. Thus, our schools formed a mutual supporting network to promote the development of students.

We are led by students' needs and aim to promote personalized lessons and support, promote teachers layered teaching and research activities, encourage senior teachers to share their layered teaching experiences with new teachers, further realize precise teaching objectives, and improve the matching between teaching contents and students' abilities. In December 2020, the Group held an on-site seminar on layered teaching, and all teachers and management staff of the Group participated to study new teaching strategies under the new education policy. The seminar also promoted the development of layered teaching programs in four schools to meet the current development status of schools and enhance the level of personalized teaching.

### 2.3.2 LESSON RESOURCES WITH FEATURES

We attach importance sights on the comprehensive and balanced development of students, focus on the differences of students and strive to offer premium quality courses. We nourish the integrated ability of our students on the basis of strengthening the academic knowledge of students and encourage the schools to offer unique courses to lay the solid foundation for students' personal development and lifelong success.

- *FOREIGN LANGUAGE SPECIALIZING TEACHING*

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



## 2 EDUCATION FOR FUTURE

We have established dual language experimental classes for English + Japanese, English + French and English + German in several K-12 schools. At the same time, we have expanded students' international horizons and assisted them to step onto the world stage by strengthening foreign cooperation and exchanges, actively holding international research camps, inviting international experts to give lectures and developing international model United Nations projects.

Guided by social needs, our universities adhere to the "application + multi-skills + innovation" three-in-one foreign language talent training model, providing students with a first-class language learning environment and extensive international exchange and development opportunities, and are committed to cultivating high-quality comprehensive talents with integrity and competence, one specialty and multiple skills, an international perspective and "foreign language + professional knowledge".

- *COMPREHENSIVE LITERACY*

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

We are actively responding to new opportunities and new challenges under the wave of new technologies. Programming courses are included in the school-based curriculum to integrate teaching and information technology and promote the application of language intelligence and big-data technology in academic teaching through continuous innovation in the widespread application of intelligent learning platforms, and promote students' understanding of and interest in cutting-edge technology, so that they can stay at the forefront of future technology.

We firmly believe that in this ever-changing era, a strong will and a strong body are the foundation for students' long-term development. We emphasize the importance of physical education lessons to students' personality and physical education. Through the organization of various physical education programs and competitions, we not only improved student's physical fitness, but also helped them to build confidence, develop a never-give-up attitude and team spirit, and prepare them for stepping into the society.

As an important means and measure for us to implement quality education, art education helps students to realize their all-round development and improve their own cultivation. We offer a variety of art interest and specialty programs in the hope that children will be nourished by art education and be able to feel, appreciate, express and create beauty.

## 2.4 RIGOROUS CONTROL ON TEACHING QUALITIES

The quality control of teachers' teaching is the guarantee of students' learning effectiveness. Virscend Education makes full use of management functions such as planning, organization, coordination and control, conducts strict supervision and fair evaluation on teaching, and comprehensively promotes the teaching management.

### 2.4.1 SUPERVISION ON TEACHING, GOING DEEP INTO THE FRONT LINE

We insist on pursuing the effectiveness of teaching management, and focus on supervision work to stabilize teaching order, regulate teaching activities, train teachers, and deepen teaching reform. Based on the actual situation of each school, we strive to improve the ability of the teachers as well as the mental and physical health of the students in order to generally enhance the quality of teaching and achieve balanced development of the students.

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

In 2020, we launched a "Quality Week" in which teachers participated in public classes and lectures to discuss teaching methods, curriculum standards, examination points and revision methods, and relied on the in-depth study of the college entrance examination by the discipline groups to devise 5 sets of monthly exam questions for the college entrance examination with a view to improving the quality of the college entrance examination preparation with high-quality questions.

## 2 EDUCATION FOR FUTURE



CASE

### *RECORDS OF TEACHING SUPERVISION*

The teaching quality department of the Group walked into the classroom, watched the teaching process, and had discussions and exchanges with the teachers of the relevant teaching and research groups after the class, as well as evaluated each course in detail, and put forward valuable opinions on the organization and design of the teaching. In terms of school teaching management, the teaching quality department visited each school and carefully checked the revision schemes, research plans, teacher's work logs and other teaching document, providing sufficient evidences for comprehensive teaching.



### 2.4.2 OPEN AND FAIR TEACHING EVALUATION

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

- **TEACHER’S SELF-EVALUATION:** Teacher’s feelings, inspirations, changes, needs, opinions or suggestions after completing teaching activities, as well as timely communication and feedback facilitate teacher’s improvement and effective guidance by the quality department.
- **STUDENT’S EVALUATION:** Evaluating teachers’ performance in the classroom in terms of satisfaction of students’ needs facilitates all-round understanding of the works of teachers, adjustments of teaching guidance according to academic conditions and improvement of teaching effectiveness with explicit goals.
- **EVALUATION BY TEACHING QUALITY DEPARTMENT:** According to the actual opinions of students, we will give timely feedback to teachers in order to continuously adjust and optimize the teaching plan, and according to the results of school’s relevant subject exams, we will timely assess and review the teaching effectiveness of schools and teachers.
- **SCHOOL EVALUATION AND ASSESSMENT:** Schools formulate a plan to carry out interim and final assessments of teaching and its effect, and include the assessment results in the teacher’s evaluation, promotion and performance assessment.

## 2.5 LAUNCHING ONLINE TEACHING

In early 2020, the novel coronavirus pneumonia epidemic (the “COVID-19 epidemic”) was rampant, affecting everyone’s heart all the time. In order to protect students’ access to knowledge, Virscend Education actively responded to the epidemic prevention and control policies of government authorities by promptly issuing a notice on the work plan for the prevention and control of the novel coronavirus pneumonia epidemic, and started online teaching preparations in a timely manner, organized schools to develop practical teaching plans, evaluated convenient and efficient teaching platforms, and explored an effective teaching supervision model to ensure that students do not stop learning when the start of term was delayed to maintain their learning progress and quality.

## 2 EDUCATION FOR FUTURE

### 2.5.1 EFFICIENT PREPARATION AND CONTINUOUS RETENTION

At the early stage of the COVID-19, in accordance with the national policy guidelines, Virscend Education integrated the features of the schools and insisted on practical and scientific arrangements with rational selection of learning resources to achieve “one policy for each school in each place and one case for each class”, and organized online education activities scientifically according to the requirements of “appropriate amount of content and appropriate length”.

- **CONTENT ASSESSMENT:** Taking into account the learning habits and acceptance level of students, we taught the less difficult and suitable course content online to ensure students’ learning progress after the teachers’ evaluation.
- **PLATFORM TESTING:** In order to speed up the preparation of online courses, the Group’s teaching quality department conducted repeated tests on existing online platforms in the market and confirmed the online teaching platform based on the ease of use and user experience, so as to provide hardware protection for online teaching.
- **TEACHING GUIDANCE:** We organized training for senior teachers on the use of the online platform in advance while the subject center team issued guidance on online teaching, so that the Group could control the content, progress and focus of online teaching, and standardize online teaching methods and teaching plans.
- **PRELIMINARY LESSON PLAN:** We collected online teaching plans from schools and initially screened out some of the more completed and reproducible lesson plans and uploaded them to the school intranet so that other schools could learn and borrow from them and initially develop applicable teaching plans.
- **LESSON PLAN RESEARCH:** In response to the specific problems and difficulties in the school’s trial teaching plan, the teaching quality department of the Group made adjustments within a week in early March 2020 and set up a teaching team to implement bi-weekly lesson plan adjustments from April 2020 onward, continuously polishing and improving the applicability and practicality of the online lesson plans.

### 2.5.2 RESPONSIBLE SUPERVISION, QUALITY AND EFFICIENCY

During the online teaching period, the Group not only offered a wide variety of online courses to cultivate students' interest in integrated subjects, but also constantly improved the quality and progress of online teaching through continuous teaching supervision and feedback evaluation to ensure students' academic progress.

- *DIVERSIFIED CURRICULUM TO CULTIVATE INTEREST*

The Group's schools make full use of their subject characteristics, integrate the realities of life and the current situation of epidemic prevention, and actively initiate creative and diversified online teaching and learning activities. In 2020, the school's main task is to offer subjects learning activities and homework guidance, providing students with learning resources and support services to help them solve practical learning problems. The school has launched various thematic online classes with materials related to life to broaden students' horizons while teaching them about the COVID-19 epidemic and the key points of epidemic prevention. The school also conducts living classes to encourage students to actively participate in music experience, art practice, physical exercise, information technology trials, and science experiments to guide students' independent thinking and cultivate their self-discipline learning habits.

- *TEACHING SUPERVISION TO ENSURE QUALITY*

In order to improve the quality of online teaching, the Group has set up a comprehensive teaching and research network and organized schools to actively conduct online teaching and research activities with focus on collective teaching and research led by subject teaching and research groups, grade level lesson planning groups and comprehensive lesson planning groups to carry out different types of teaching and research activities classified by three aspects, namely subject, grade and curriculum so as to improve the subjects and refine the curriculums. The team of core teachers from the subject center's teaching and research team is responsible for timely analysis and answers to important and difficult points and random teaching problems that commonly occur in online teaching, and seriously practices online teaching gate-keeping. In addition, through real-time inspections of online classes by school leaders and classroom playback by the teaching quality department, we understand the actual situation of teachers' online teaching, identify and improve online teaching problems in a timely manner to ensure teaching quality.

To ensure a close home-schools connection, the schools actively communicate and collaborate with parents, and teachers regularly collect and provide guidance on students' health and learning, and the schools regularly collect feedback from parents on online teaching to understand the shortcomings of online teaching. At the same time, we also enhance students' attention and learning initiative through teachers' online assignment review and feedback, and strengthen students' classroom discussion and sharing to ensure the quality of students' home learning.

- *DOUBLE-LINKED TO FILL IN THE GAPS*

After the start of the school year, the school organized a test of the content of online teaching to understand the students' mastery of the knowledge points and conducted a 2-week learning transition, combining online teaching with offline education, allowing students to learn the content of new classes offline while promoting the checking of the content of online teaching to fill in the gaps, making timely evaluation and adjustment of students' learning progress and quality, and ensuring the quality of students' learning.

## 3 SERVICE CREATING TRUST

Virscend Education strictly adheres to the highest standards in food safety and campus security to provide a safe and healthy environment for students to grow up. Meanwhile, we continue to improve our teaching facilities, listen to the voices of parents and students, build a beautiful campus for students, create a first-class learning experience, and strive to “live up to the trust of parents and the trust of students”.

### 3.1 ENSURING FOOD SAFETY

The school takes its responsibility to protect the healthy growth of each student seriously. In order to ensure the food safety for students, we have been improving and implementing the food safety supervision system in accordance with the “Food Safety Law of the People’s Republic of China”, the “Operating Rules on Food Safety in Catering Service”, the “Regulations on School Food Safety and Nutrition and Health Management” and other laws and regulations, and further standardizing the food procurement, quality of dishes, nutritional balance, and cafeteria services, so as to promote the standardization of operation links and ensure school food hygiene and safety.

#### STANDARDIZED MANAGEMENT

##### SYSTEM STANDARDIZATION

We formulated a series of management system, covering the entire process of food safety management. In the procurement section, the “Supplier Management System” and “Food Import Inspection System” ensure the freshness and safety of ingredients and all ingredients should be traceable; in the storage section, the “Operating Rules on Food Storage” and “Regular Food Inspection and Clearance System” require a person in charge to be responsible for it, and the food should be stored by categories; in the cooking section, the “Food Quality Commitment System” and the “Canteen Facilities Cleaning and Disinfection System” ensure that the meals are nutritionally balanced and the tableware is clean and sterilized.

##### SAMPLE RETENTION STANDARDIZATION

We established a food traceability system, which stipulates the person in charge of reserving samples and regulates the packing and sealing, information marking, storage of samples and other aspects. We reserve samples of three meals a day, so as to optimize the accountability system and reduce the risk of emergency cases of food safety.

##### SUPERVISION STANDARDIZATION

We regularly display the relevant information on food safety, tableware disinfection and food safety levels, and installed a “bright kitchen and bright stoves”, a video monitoring system for all parties to supervise in real time. The canteen safety manager supervises the whole process of purchasing, keeping records, food hygiene, food safety, incoming inspection and production process daily. The school logistics office conducts training and assessment for all cafeteria staff every semester. The school establishes a “table principal”, in which parents of students or duty leaders participate in the kitchen work and dine in the cafeteria every week to promote the management level of the cafeteria through first-hand experience.

### 3 SERVICE CREATING TRUST

#### SMOOTH COMMUNICATION CHANNELS

We set up a complaint channel according to the “School Canteen Complaint Handling System” to accept students’ supervision. In addition, each school has set up a Dietary Committee, which comprises of parents and student representatives who would take turns to monitor the canteen facilities, environmental hygiene, procurement of raw materials, meal production, and students’ access to food and meals. The committee also hold meetings regularly to collect and reflect options and suggestions to the canteen so as to ensure the food quality and hygiene level can meet teachers’ and students’ requirement.



01



02

01. Food Safety Training
02. “Bright kitchen and Bright stoves”, video system

#### 3.2 PREVENTION AND CONTROL OF DISEASE TRANSMISSION

With great importance attached to public health safety in schools, we continue to strengthen personal protection and disease prevention and control science, and always pay attention to students’ health status to reduce the risk of disease transmission and actively curb public health incidents. Since the outbreak of the COVID-19 epidemic, Virscend Education has responded positively to the government’s epidemic prevention and control requirements and, in accordance with the working principles of “safety first, prevention first, unified command, division of labor, solid responsibility, and overall promotion,” quickly mobilized all faculty and staff to take actions and coordinated the implementation of epidemic prevention and control to ensure that education and teaching proceed in an orderly manner.

#### OPTIMIZING ORGANIZATIONAL SUPPORT

The Group set up an epidemic prevention and control group, and formulated the “Leading Group Solution for Prevention and Control of Novel Coronavirus Infected Pneumonia”, “General Plan for Prevention and Control of Novel Coronavirus Infected Pneumonia”, “Emergency Plan for Prevention and Control of Novel Coronavirus Infected Pneumonia” and other guiding documents for epidemic prevention and control and postponement of school opening. We have also set up five special working groups to carry out works related to epidemic prevention and control, public opinion propaganda, logistic support, inspection supervision and comprehensive management, so as to quickly implement the prevention and control measures to protect the health and safety of teachers and students.



## 3 SERVICE CREATING TRUST

### EPIDEMIC PREVENTION AND CONTROL DRILLS FOR RESUMPTION OF SCHOOL

In order to ensure a safe return to school after the Spring Festival, from March to April 2020, all schools of the Group organized emergency drills for the epidemic prevention and control, laying a solid foundation for a smooth start of school by simulating scenarios after the resumption of school such as daily cleaning and disinfection of the school campus on the operating days and non-operating days, temperature checking of students when entering the school, distribution of seats in classes, students going home after school at different times and emergency handling of abnormalities and school visit of parents.

### IMPLEMENTATION OF EPIDEMIC PREVENTION AND CONTROL

All schools are implementing the works related to epidemic prevention and control in an orderly manner. The logistics support department procured disinfection items, laundry supplies, masks, infrared thermometers, medical protective clothing and other materials required for epidemic prevention and control in advance to store up supplies; after the resumption of school, public places and facilities such as classrooms, laboratories, student dormitories, cafeterias and toilets are cleaned and disinfected regularly to reduce the spread of germs; continuous supervision and inspection works such as body temperature checking, entry and exit registration, infection risk screening, and dynamic monitoring of epidemic situation are strictly implemented to put routine preventive measures in place.

### STRENGTHENING PUBLICITY AND EDUCATION

The schools carried out hygiene and health education from school, personal, campus and home hygiene and health protection measures. We also share knowledge about epidemic prevention and control and relevant requirements with students and parents through various channels such as our official website, WeChat, parents group and circle of friends, and urge teachers and students not to believe and stop spreading rumors in order to maintain a safe and stable learning environment.

### GUARANTEED ACCESS TO INFORMATION

During the period of epidemic prevention and control, the Group requires the staff on duty to stay at their posts, perform their duties and ensure smooth communication 24 hours a day. The Group's epidemic leading team office is responsible for collecting information on the epidemic in each school and reporting to the competent institutions in accordance with the relevant provisions of the epidemic prevention and control reporting procedures, without concealing, misrepresenting or omitting any information.

### 3.3 ENSURING THE SAFETY OF CAMPUS

In respect of campus safety, we continue to promote system improvement, strengthen ideological education, effectively implement the management and supervision of personal safety, fire safety, traffic safety and disaster prevention and control, and follow up on the implementation of safety system indicators in a timely manner, so as to build a safe and harmonious campus environment for students and protect their healthy growth. During the reporting period, no major campus safety incidents occurred in any of the Group's campuses.

## PERSONAL SAFETY PROTECTION

We continue to improve our management system, such as emergency plans, to provide clear guidelines for personal safety protection. The logistics support department of the Group conducts safety hazard troubleshooting in schools, engine rooms and for facilities and equipment, and regularly conducts campus inspections to ensure campus's order. We pay attention to the safety of water, electricity and gas supply, and strengthen regular maintenance of facilities and equipment to guarantee that they are safe to be used. Each school organizes teachers and students to participate in various safety education activities such as anti-terrorism and riot prevention and training on campus bullying to improve the school's awareness to anti-terrorism and riot prevention, enhance campus violence prevention, and raise the safety awareness of all teachers, staff and students.

## FIRE SAFETY MANAGEMENT

In order to reduce the risk of fire and injury, according to the "Fire Law of the People's Republic of China" and other laws and regulations, each campus formulated management systems, such as the "Fire Safety Management System", "Fire Fighting Facilities and Fire Extinguishing Equipment Management System" and "Fire Prevention Inspection System", based on the actual situation of the school. Besides, the school carried out monthly fire safety inspections and hidden danger investigation, established fire prevention files and implemented daily use of fire safety inspections and records, so as to ensure rectification is carried out. Inspectors are appointed to supervise and examine fire safety facilities in key areas, and regularly replace fire safety facilities and equipment to ensure its functions. Each school also actively invites local fire departments and public security departments to hold lectures and fire drills, organizes fire safety training for teachers and students to educate fire regulations and first aid knowledge, and conducts fire emergency evacuation and other drills.



### ***BUILDING A SOLID SCHOOL "FIREWALL"***

On September 29, 2020, the Primary School Attached to Chengdu Experimental Foreign Languages School held a fire drill in cooperation with fire department. Under the supervision of the teachers on duty, students simulated an escape in a quick and orderly manner to the predetermined route, and learned to use fire extinguishing equipment, so that all teachers and students mastered the basic methods of prompt escape, self-help and mutual help in a fire.



## 3 SERVICE CREATING TRUST

### CAMPUS TRAFFIC CONTROL

We strictly control the traffic around the campus. We have formulated the “Campus Traffic Order Management Measures” and the gatekeeper system, and accordingly implemented strict identify checks and registration for external vehicles and personnel before they enter the campus. Meanwhile, each school regularly manages campus vehicle parking order in phases, in order to maintain campus order. We have also formulated the “School Vehicle Management System”, in which the car attendants are responsible for the regular inspection and document management of vehicles, in order to eliminate illegal driving and traffic accidents.

### 3.4 LISTENING TO FEEDBACKS SINCERELY

We have developed “Sharing emotions and joy on the way of nurturing children”, a core of our school-and-family culture, and have expanded a variety of communication channels, such as telephone, WeChat groups, parent meetings, parent open days, parenting platforms, principal’s mailboxes, and the school’s official website, in order to let parents to share their opinions. We maintain a harmonious relationship with parents by listening to students and parents, so as to form a synergy between school-and-family education and help students to grow.

#### LISTENING TO PARENTS

Each school established a school-and-family communication mechanism involving feedback and communication from students, parents and the school. During the COVID-19 epidemic, teachers of each class regularly inform parents of students’ lives in school in the WeChat group, so that parents can have a better understanding. At the same time, we continued to improve the complaint mechanism, listened to parents’ opinions and considered from their perspectives, clarified the reasons for complaints, followed up and responded to parents’ complaints in a timely manner, effectively addressed parents’ concerns, actively improved our deficiencies, in order to promote school’s management. During the reporting period, the response rate for complaints in all schools of the Group reached 100%.

#### RESPECT STUDENT OPINIONS

We encourage students to give feedback to the school through the principal’s mailbox and student seminars. We respect the right of students to express their opinions. In addition, we conduct a variety of parent-child activities from time to time to encourage parents to accompany students in their growth, promote family relations, and build a harmonious environment favourable to students’ growth.

### 3.5 RESPONSIBLE SUPPLY

Adhering to the concept of mutually beneficial and win-win cooperation, we strictly comply with relevant laws and regulations regarding supplier management, including bidding for procurement, inclusion screening, assessment and evaluation, dynamic management, etc., in order to promote responsible procurement, strengthen the fulfillment of environmental responsibility, and work together to facilitate the sustainable supply chain development.

#### STRENGTHENING SUPPLIER MANAGEMENT

The Group placed importance to supplier management, and thus formulated a number of internal systems to clarify regulations and took a series of measures to build a responsible supply chain in order to ensure the quality of supplies.

##### SELECTION OF SUPPLIERS

Based on the "Management System of the Equipment Department" of the Group, we had a comprehensive understanding of the supplier's operation and obligation performance, and paid attention to the supplier's quality of project safety, capital strength and reputation. We also include corporate social responsibility requirements in the selection process, including their adoption of environmental protection measures, integrity, respect to employees' efforts, prohibition of child labor in any form, equal treatment to employees and proper business practice. The Group maintains at least two suppliers of similar nature on our list to diversify the risk of supply disruption.

##### EVALUATION OF SUPPLIERS

According to the "Supplier Management System" of the Group, we evaluate the comprehensive capability of our existing and new suppliers, and remove the underperformed suppliers. Suppliers will be graded as "excellent", "good", "fair" or "unsatisfactory". The Group will reinforce the cooperation with suppliers with excellent grades, and remove suppliers with unsatisfactory performance or penalized by internal audit and control departments of the Group due to their misconduct, such as fraud, coercion and bid-rigging.

##### MANAGEMENT OF SUPPLIERS

We have developed an electronic information system regarding supplier management which were operated by designated personnel. We have established the List of Qualified Suppliers, and gone through the review and evaluation of the list, removed suppliers with non-compliances, disqualified suppliers and added new suppliers. We also published the list regularly to ensure that the basic information is true, accurate and valid in a timely manner.

## 3 SERVICE CREATING TRUST

### PROMOTING TRANSPARENT PROCUREMENT

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

We maintain good transparency by making the bidding information process public, establish a bidding and procurement evaluation team to select suitable suppliers in multiple dimensions to ensure fair and impartial evaluation, and implement a multi-departmental directors’ review system with clarified accountability to guarantee the bidding and procurement compliance control. An “Anti-corruption Contract” must be signed when entering into a procurement contract with supplier to restrain misconducts of both parties in the procurement process. Moreover, we set up a supplier whistleblowing channel with an aim to eliminate corruption and ensure the compliance throughout the procurement process.

### PROMOTING GREEN SUPPLY

We encourage suppliers to practice environmental responsibility and give priority to suppliers who strictly comply with the “Environmental Protection Law of the People’s Republic of China” and other environmental protection regulations. We also prioritize local suppliers to ensure timely supply while reducing energy waste and pollution emissions caused by transportation. In addition, each school sets clear environmental requirements for construction standards, building processes, construction materials, and equipment for infrastructure projects to ensure that the projects world meet the national environmental and health standards.

## 4 TALENT LEADS TO DEVELOPMENT

We are convinced that a high-quality teaching crew is the source of our long-term competitiveness. We always pay attention to the rights and interests of our employees, continuously revitalize the cultivation of talents, build a diversified development platform, construct a safe and healthy workplace, create a happy and harmonious atmosphere, so as to provide quality talents for the development of the Group.

### 4.1 SAFEGUARDING EMPLOYEES' INTERESTS

We strictly abide by the "Labor Law of the People's Republic of China", "Labor Contract Law of the People's Republic of China", "Law of the People's Republic of China on the Protection of Minors", "Prohibition of the Use of Child Labor" and other laws and regulations, and have formulated comprehensive management systems such as the "labor and personnel system", "recruitment mechanism" and "teacher's manual", in order to protect the legitimate interests of employees.

#### EMPLOYMENT COMPLIANCE

We continue to improve our internal management system, covering the employment regulations for employees in terms of working hours, recruitment and termination, and insist on treating employees equally, prohibiting discrimination based on differences in gender, age, ethnicity, religion and physical condition, and providing equal and fair employment opportunities for employees. We sign labor (service) contracts with all regular employees to effectively protect all legitimate rights and interests of employees. The employment of child labor and forced labor of any kind by any campus or supply chain partner is strictly prohibited. We also verify the personal information of employees to be hired, including their identity documents, and strictly enforcing a 40-hour work week, so as to avoid employment incompliances such as child labor and forced labor.

We advocate a diverse and inclusive workplace, actively promote various recruitment channels via internet, campus recruitment and job fairs, and implement data portraits of the timeline of the recruitment process and applicants to clarify the recruitment progress and recruit outstanding talents for the Company in a timely manner. We also continue to optimize the employee structure and promote a reasonable distribution of employees in terms of gender, age and region to provide sufficient talent for the Group's development. As of the end of the reporting period, the total number of employees of Virscend Education reached 6,164, of which 1,503 were new employees, 74.08% were female employees, and 65.98% were subject teachers.



Strictly enforcing  
**40** hours per week



Total workforce of  
the Group  
**6,164**



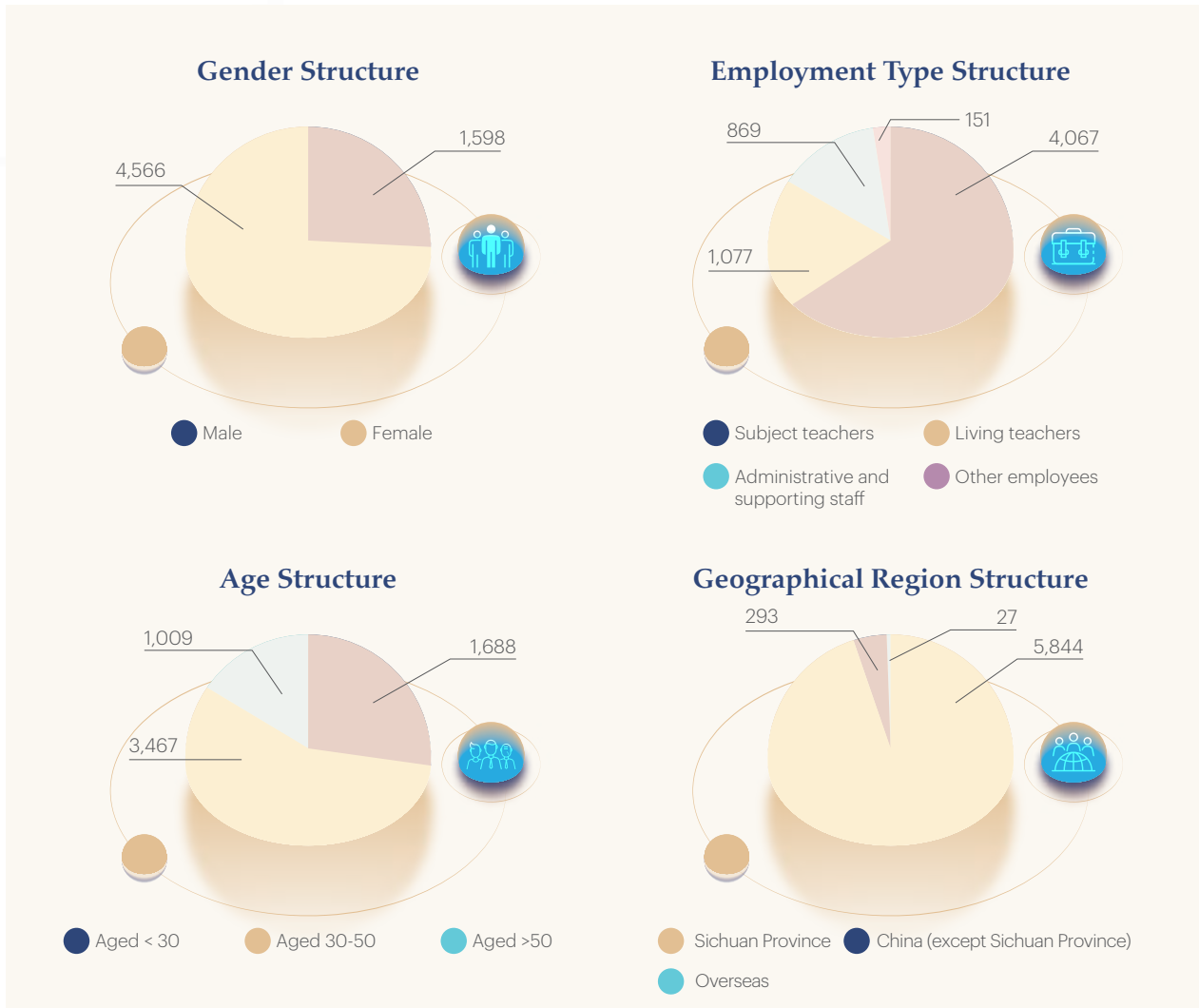
New staff members  
**1,503**



Subject teachers  
**65.98%**

## 4 TALENT LEADS TO DEVELOPMENT

### EMPLOYEE STRUCTURE IN 2020



### COMPENSATION AND BENEFITS

We continue to improve the system of employee compensation and benefits, and provide employees with competitive salaries and comprehensive welfare package in the industry. During the COVID-19 epidemic, we guarantee the timely and full payment of employees' salary and benefits, and increase the meal allowance for employees on duty during the epidemic to enhance their basic protection.

In addition to the basic five insurances and one pension, we adjust the social security insurance payment base according to the change of employees' salary in time to increase the social security insurance benefits enjoyed by employees. In addition to statutory holidays and paid annual leave, we provide festival subsidies and benefits-in-kind for employees and improve the salary incentive mechanism. We implement the "Preferential Enrollment Policies for Children of Virscend Employees" to help our employees to solve the problem of education of their school-age children, demonstrating the care of Virscend Education for its employees.

## 4 TALENT LEADS TO DEVELOPMENT

### 4.2 EXPANDING FOR DEVELOPMENT

In order to strengthen teachers' teaching ability and moral quality, promote comprehensive quality, and encourage continuous development of employees, we formulate a series of training programs to create a scientific and systematic training system for employees. We always pay attention to the growth of our staff, constantly improve the internal training and selection mechanism, smooth the career path, and revitalize the development of the enterprise with high-quality talents. At present, Virscend Education has formed a strong teaching crew, with 62 provincial and municipal special grade teachers, 45 municipal and district subject leaders, 27 national and provincial outstanding teachers, and about 630 senior teachers.

#### PROMOTION AND DIVERSIFIED DEVELOPMENT

We follow the system related to promotion management to assess employees who meet the criteria and possess the qualifications and abilities, and include them in the reserve cadres and potential cadre, giving them priority in consideration for appointment when there are vacancies or new positions. For candidates being promoted, we make public announcements in advance to ensure that the promotion process is fair, justified and open. In 2020, we formulated the "Management Measures for Middle-Level Cadres and above in Primary and Secondary Schools" (《中小學校中層幹部及以上人員管理辦法》) to regulate the qualifications of management cadres and the selection process, etc. We comprehensively examine the performance of promoted candidates in terms of morality, competence, diligence, performance and integrity, and make evaluations in a factual, objective and accurate manner.

We formulate scientific career development plans for all teaching staff, and according to the duties and responsibility required, we divide three major development paths, namely teachers' professional growth, teachers' management growth and company staff development.

- **PROFESSIONAL GROWTH:** With reference to the teacher's professional title evaluation standard, working years and salary structure will also be considered to form an incubation system from new teachers to mature teachers with characteristics of the Group.
- **MANAGEMENT GROWTH:** Expand teachers' administration and management capabilities on top of their foundation of professional teaching, encourage teachers to participate in education and teaching management of schools, with an aim to becoming capable in school-level management.
- **COMPANY STAFF DEVELOPMENT:** Establish dual career paths towards management and professional development, stipulate requirements for each grade, and encourage staff to continuously improve their abilities and qualities.

#### PROFESSIONAL AND MULTIDIMENSIONAL TRAINING

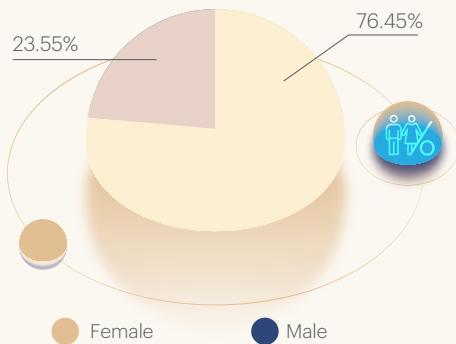
Our training system covers orientation training for new teachers, building professional competencies, and shaping teacher ethics, and promotes research, training, mentoring, and evaluation of teacher competencies to form a high-quality and professional crew of teachers. In 2020, the total employee training hours is 439,171.5 hours, with 71.25 hours of average training hour per head.



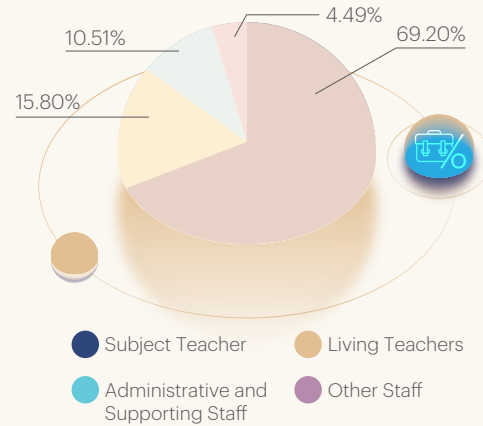
## 4 TALENT LEADS TO DEVELOPMENT

### EMPLOYEE TRAINING IN 2020

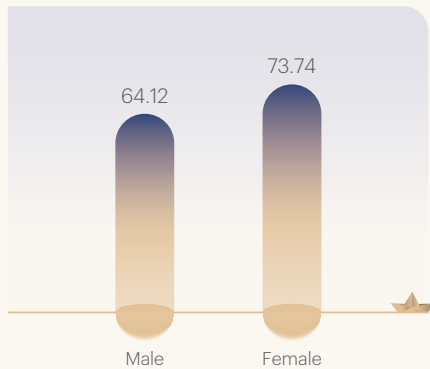
Percentage of Trainees by Gender



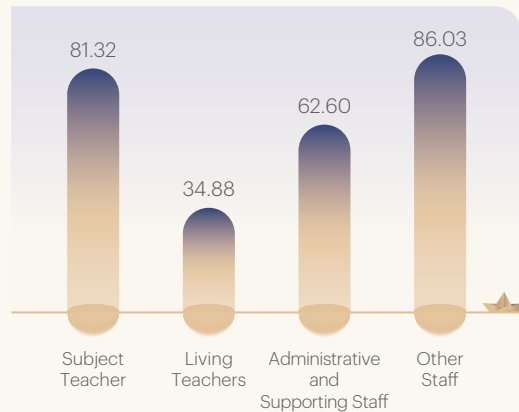
Percentage of Trainees by Employment Type



Average Training Hours by Gender (hour)



Average training hours by Employment Type (hour)



The Group actively responds to the national requirements for teacher development and formulates management systems such as “Teacher Development System”, “Teacher Development and Training System” and “Teacher Development Guidelines” to strengthen the foundation of the teacher development management system and provide guidelines for teacher training. In 2020, we compile a code book code class (a book). Each school can scan the QR code to view the teacher development training courses, results and other information, to provide a smooth flow of teacher development training in each school. In accordance with the institutional guidelines, we have designed multidimensional training programs for school leaders, core teachers, and new teachers to promote cultural integration, development of their professions and qualities.

## 4 TALENT LEADS TO DEVELOPMENT

- FOR NEW TEACHERS WITH 0-3 YEARS OF TEACHING EXPERIENCE:**

We have developed a “New Teacher Training Manual” and implemented a one-year “New Teacher Training Camp” program to provide follow-up guidance and assessment for new teachers through intensive learning and job shadowing, to facilitate their mastery of teaching routines and skills, shorten the transition period, and stimulate internal motivation for learning and development.
- FOR CORE TEACHERS:**

We provide more systematic, professional and comprehensive planning and guidance for teachers’ growth through school-based training, group training, provincial training, national training, academic conferences and lesson studies, to enhance professional competence in all aspects and train leading teachers in their subjects.
- FOR SCHOOL LEADERS:**

We organize programs such as reserve cadre workshops, primary and secondary school-level cadre workshops, special workshops on development of teachers, and workshops on moral education in primary and secondary schools, in order to expand cadres’ horizons and improve their professionalism and management abilities through intensive training, job shadowing, and minor topics research.



### ORIENTATION FOR NEWLY RECRUITED TEACHERS

In 2020, the Group held a centralized training conference for newly recruited teachers to explain the development trend of basic education and its requirements for teachers, and enhance their career, professional, and group identities. We invited expert teachers to conduct guidance training for 14 subject groups at the same time to strengthen the basic knowledge to the academic subjects and clarify teaching standards and teaching contents, so that newly recruited teacher can quickly adopt to their roles and improve their professionalism. After the training, the Group conducted the qualification assessment of new teachers to evaluate the progress of their tasks, issued induction certificates to newly recruited teacher who passed the assessment, and realized the achievement of the training.



## 4 TALENT LEADS TO DEVELOPMENT



### **TRAINING SESSION FOR CADRES AT THE SECONDARY AND PRIMARY SCHOOL LEVEL**

In October 2020, the Group launched a one-year workshop for primary and secondary school-level cadres (Phase II), organizing new school-level cadres and school-level reserve cadres of newly established schools to participate in the training, in which 7 learning modules and 18 topics were designed. The first and second sessions of the intensive study were focused on “Public Relations and Crisis Management”, “School Safety and Logistics Management”, and “School’s administration and Management” to help cadres expand their horizons, strengthen their “knowledge” and improve their school management skills.



### **ESTABLISHMENT OF THE COMMITTEE OF VIRSCEND EDUCATION MORAL EDUCATION CENTER**

In April 2020, we held a meeting of the establishment of the Committee of Moral Education Center, and strived to build a moral education system with a focus on “life education” and the characteristics of the Group. The Group will build a platform for sharing experiences of moral education work in each school, and moral education leaders of each school will share the results of and promote the planning of moral education work in the new year, so as to promote the professional, standardized and scientific development of moral education.



## 4 TALENT LEADS TO DEVELOPMENT

## 4.3 CREATING ENERGETIC WORKPLACE

We are committed to creating a healthy and safe working environment for our staff and attach great importance to their physical and mental health so we guide them to develop a healthy lifestyle and create an energetic workplace atmosphere in order to help them to achieve work-life balance. In accordance with the "Law of the People's Republic of China on the Prevention and Treatment of Occupational Diseases" and other laws and regulations, we provided annual health checkups and arranged health talks for our staff to prevent occupational diseases. We organized and set up basketball club, football club, badminton club, tai chi classes, yoga classes and fun games to encourage our staff to do physical exercise while enriching their spiritual life. We also provided psychological counseling services to them to relieve their pressure in a timely manner and paid attention to their physical and mental health. Moreover, we organized various employee engagement activities such as group birthday parties, festival celebrations and movie-watching activities to enhance corporate cohesion and employees' happiness.



01. Staff basketball competition
02. Mental care training talk
03. Movie-watching activity for the Group's staff
04. Group birthday party for teachers

## 5 PROTECTING THE ENVIRONMENT TOGETHER

We complied with the “Environmental Protection Law of the People’s Republic of China”, “Energy Conservation Law of the People’s Republic of China” and other environment-related laws and regulations, and continuously improved our environmental management system. We promote green operation and build a green campus by integrating the concept of green development into our daily operations to achieve energy conservation and emission reduction. We also raise environmental awareness through education and convey the concept of low-carbon life to our students so that we can work together to protect our green home.

### 5.1 BUILDING A GREEN CAMPUS

#### 5.1.1 ENERGY MANAGEMENT

We continue to promote energy conservation and emission reduction, and pay attention to energy saving in daily office and campus operations. We have formulated the “Regulations of the Official Consumption of Electricity and Water” and the “Regulations of the Dormitory Consumption of Electricity and Water” to fully gauge the use of resources in office, teaching and living processes.

In 2020, all campuses have been working on energy saving and consumption reduction by adopting reasonable regulations of electricity consumption and timely undergoing maintenance of abnormal electricity equipment. We continued to strengthen supervision works with the help of the logistics support department which regularly inspects and follows up on campus energy conservation and consumption reduction to ensure an effective long-term energy conservation management mechanism. Major measures for energy management include:

- ✦ to renovate school lighting facilities, vigorously promote energy-saving lamps and implement “Green Lighting Projects”;
- ✦ to advocate and apply advanced energy-efficient teaching equipment and materials, phase out inefficient equipment, and prioritize the environmentally-friendly and energy-saving products in the procurement of equipment;
- ✦ to assign designated personnel to monitor and check high-power equipment to avoid unnecessary and irregular utilization and cut down standby consumption. High-power equipment must be turned off in time after dining in the canteen;
- ✦ to encourage our employees to make good use of sunlight in offices and classrooms, and turn off lights when they leave the office, eradicating turning the lights on from morning to night;
- ✦ to reduce the power consumption and standby energy consumption of office equipment, reasonably turn on and use electrical equipment such as computers, printers, water dispensers, air conditioners, electric fans, etc. Rigid standards have been set up to control the switching-on and the temperature when using air conditioners, and no one is allowed to use the air conditioner with the windows or doors open;
- ✦ to implement a vehicle deployment system by which drivers are required to follow the route and destination on the list of order and are not allowed to arbitrarily change the route. For staff going to the same direction at the same time, they should share the vehicle as far as possible to reduce usage;
- ✦ to actively promote the green mode of travel, advocate the “135” green low-carbon travel mode, i.e. walk within 1 km, ride a bicycle within 3 km and use public transport within 5 km.

## 5 PROTECTING THE ENVIRONMENT TOGETHER

### 5.1.2 WATER CONSUMPTION AND WASTEWATER MANAGEMENT

We earnestly implement water consumption management in the three aspects of managing water consumption from the source, saving water in the consumption process and controlling wastewater in discharge. We actively respond to the guidelines given by the energy conservation supervision department in Chengdu, and set water consumption targets in every academic year for each school with reference to the per capita water consumption quotas of educational institutions and continuously monitor the progress to improve the efficiency of water utilization.

- *MANAGING FROM THE SOURCE*

We strengthen the daily maintenance and management of water facilities. Continuous efforts have been made in managing drinking water for teachers and students, clean water in public areas and other key water-using areas, and in keeping a good record of water consumption to prevent unreasonable water utilization. We get across the water consumption situation of all schools through the water balance test and conduct analysis of reasonable water consumption based on the same, thus avoiding water dripping and leakage. According to the situation of different schools, domestic water is supplied based on the different demands of different floors, and stop valves are installed to control the supply to unused floors. In order to regulate water consumption behavior of students, we also upgrade and renovate the intelligent water control system, under which students fetch water by swiping cards, thus helping with the recording and management of water consumption in different areas in real time, and reducing waste of water resources from the source.

- *DAILY CONSERVATION*

We introduce the “Regulations for Water Saving” to implement water saving measures by proactively promoting the use of water saving appliances, adopting reclaimed water/rainwater recycle systems, and posting water saving logos. By strengthening daily inspection, maintenance and management of water equipment for teaching, research and living, we try to avoid waste caused by abnormal operation of equipment. We also use sprinkler, micro-irrigation and drip irrigation for campus green space and landscape to save water resources.

In 2020, Chengdu Experimental Foreign Languages School of Quxian released a work plan on water conservation to promote the use of filtered sewage and achieve the recycling of water resources. Chengdu Foreign Languages School formulated a three-year water conserving school building plan, established a water conservation work leading team and appointed a water conservation manager to implement water conservation responsibilities, and continued water conservation education to help teachers and students develop good habits of water consumption through behavioral norms.

- *UP TO STANDARD DISCHARGE*

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

## 5 PROTECTING THE ENVIRONMENT TOGETHER

### 5.1.3 WASTE MANAGEMENT

Wastes produced by the Group during operation mainly include wasted paper, paper cups, light tubes, toner cartridges, ink cartridges and other household waste from daily office operation; kitchen garbage from every campus and waste chemicals from laboratory of certain middle schools, high schools and universities, etc. We strictly abide by the “Law of the People’s Republic of China on the Prevention and Control of Environmental Pollution by Solid Wastes” and “Administrative Measures for Urban Living Garbage”, and further develop effective internal management measures and programs to actively implement waste processing and disposal works.

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

In order to reduce food waste, all of our schools are actively promote “Clear Dish Campaign” to reduce waste on tables and video cameras have been installed at food waste dumping sites to monitor food waste. We have formulated the “Leftovers Disposal Management System” to regulate the treatment of kitchen garbage. According to the regulations, leftovers at canteens must go through harmless treatment and a record of kitchen garbage must be kept to facilitate management. In addition, canteens are required to classify and manage kitchen garbage which are treated separately. Kitchen wastes produced by preliminary processing of raw materials shall be disposed of as domestic garbage and transported by sanitation workers; and swills should be disposed into special swill buckets, or the grease thereof separated by oil-water separators should be discharged into an oil separation tank, and transported and disposed of by qualified contractors, and must not be sold to other units or individuals.

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

### 5.1.4 EXHAUST GAS MANAGEMENT

In order to reduce impact on air quality in schools and their neighborhood, the school canteen uses a composite electrostatic lampblack purifier which has passed environmental certification to monitor and treat the lampblack, with a lampblack removal rate up to 98%. We have also engaged the local environmental monitoring agency to conduct random inspections of the canteen lampblack emission at our schools to ensure that their emission level comply with the “Food and Beverage Emission Standards”. In addition, we have installed an activated carbon adsorption device at the ventilating end of the chemical laboratory to avoid environmental pollution caused by exhaust gas emissions.

## 5 PROTECTING THE ENVIRONMENT TOGETHER

In order to reduce vehicle exhaust emissions, we have formulated the “Corporate Vehicle Management System” to better regulate the corporate vehicle utilization application, fuel consumption recording, vehicle maintenance, etc. We also reduce the number of company vehicles and reduces vehicle fuel consumption and emissions by standardizing the deployment of idle company vehicles. Moreover, we implement travel management and encourage employees to carry out off-site work in the form of online communication or video conferencing, in order to reduce greenhouse gas emissions caused by unnecessary travel.

### 5.2 ADVOCATING GREEN ENVIRONMENTAL PROTECTION

#### 5.2.1 GREEN TEACHING

Green education is the seed of awakening environmental awareness. By organizing lectures under the national flag and encouraging hands-on experience, we guide the students to respect nature and attach importance to the protection of the ecological environment; we carry out green education activities with its own distinctive features to create a campus culture that values environmental protection. In 2020, with a view to advocating environmental protection, each school installed garbage classification bins to encourage garbage classification and recycling, and teach green knowledge to students through small daily tasks.



#### ***“GROWING UP WITH SKY FARM” GREEN EDUCATION***

With the theme of “Growing Up with Sky Farm”, Xichen Campus started green education work to nurture new era students with innovative spirit and practical ability. Under the leadership of teachers and the help from gardeners, the students worked hard in limited space of the rooftop vegetable garden to grow delicious and healthy vegetables with eco-fertilizers.





## 5 PROTECTING THE ENVIRONMENT TOGETHER

### 5.2.2 GREEN CAMPUS

We continue to build a beautiful campus with plants to nourish the soul of our teachers and students, and to open up the educational chain of green campus, green education, quality education and sustainable development education. We also encourage all teachers and students to take care of the environment by consciously maintaining the beauty of the campus and through hands-on experience in planting to have a close encounter of the nature kind. Green zones in each school are under the care of dedicated personnel who water, weed, fertilize and maintain the plants on a regular basis so as to effectively prevent pests and diseases, and to implement the planting and maintenance of plants.



### 5.3 COPING WITH CLIMATE CHANGE

Climate change leads to frequent extreme weather events, which has significant impact on corporate operations. In view of this, we will formulate a working mechanism and related policies to identify and mitigate climate change issues that may have or have had a significant impact on Virscend Education. Meanwhile, in response to weather changes, we will adjust the use of resources such as water for green zone maintenance and street lights, promote scientific and timely irrigation, and maximize the use of natural light in order to achieve reasonable use of water and energy resources. In regard to disasters and accidents that would be easily triggered by extreme weather, we focus on improving the emergency response capability of teachers and students by actively holding natural disaster drills such as earthquake drill to enhance the emergency response awareness and skills of all staff.



#### **FLOOD RELIEF**

On August 18, 2020, Chengdu Experimental Foreign Languages School of Ya'an experienced a major flood disaster. In order to mitigate the threat of the flood to the personal safety of teachers and students as well as the school property, the leading cadre and person-in-charge of the school directed and coordinated the evacuation of teachers at school in an emergency to ensure their safety, and reported the information about the disaster to the management of the Group and to the government at once so as to start the relief work immediately.

On the same day, a total of more than 3,000 persons, including a number of management members of the Group and person-in-charge of logistics support and equipment departments, together with the Ministry of Education, local governments, other caring enterprises and parents, went to the front line to support the school's relief work. The school set up a flood relief headquarters and immediately arranged for dredging to ensure the safety of our staff; all staff members spared no effort to rescue the teaching facilities and equipment in order to reduce the loss of school property; after the cleanup work, we quickly started the campus reconstruction work to restore the normal operation of the school and reduce the impact of the natural disaster on the school operation.

## 6 KINDNESS FOR GOOD

We are committed to social responsibility and support the development of public welfare undertakings by making use of our educational advantage and sharing our resources and experiences in education field with a view to creating a harmonious and supportive social environment and spreading kindness and warmth to the society.

### 6.1 SUPPORT FOR TAKING OVER OF SCHOOLS

As education leads to the balance of development, we endeavor to offer fair and quality education. To achieve our mission of cultivating more human resources for the country, we took over schools in need of help. According to our strategy of “running schools by experts”, we arranged outstanding cadres to take over the management of those schools and organized experts to provide comprehensive guidance while maintaining its own school tradition, educational ideology and management system to raise standards of the teaching team as well as the students and to promote an efficient development of school management. Leveraging the influence of Virscend Education brand, the quality of those schools were enhanced.



#### **MULTI-PARTY COOPERATION IN TAKING OVER OF SCHOOLS**

In 2020, Virscend Education entered into a three-party cooperation with Dayi County and Anren Overseas Chinese Town (安仁華僑城) for Anren Primary and Secondary School of Dayi (大邑縣安仁鎮學校). We, as a school-enterprise alliance, explored an innovative mode of school operation and carried out comprehensive and in-depth cooperation and exchange with the school in school management, teaching research

and education reform, teacher training, classroom opening, activity exchange and international education, etc. to improve the education level in rural areas, and to drive and lead to high quality development of rural schools so that more children can enjoy better education resources. So far, Virscend Education has taken over three schools, including Qingbaijiang Chengxiang School (青白江區城廂學校) and Chengdu Chengxiang Middle School (成都市城廂中學).



## 6 KINDNESS FOR GOOD

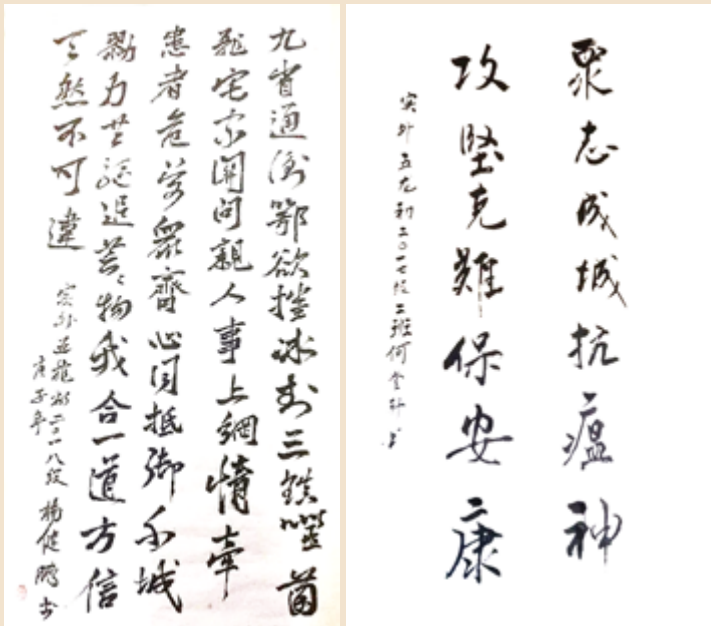
### 6.2 COMMITMENT TO SOCIAL WELFARE

While exploring quality education, Virscend Education always cares about the community and social welfare issues by continuously participating in voluntary activities. During the reporting period, we had a total of 11,762 attendees participating in voluntary activities, and invested approximately 71,507 hours.



#### WRITE AND DRAW TO GLORIFY HEROES IN THE FIGHT AGAINST CORONAVIRUS

In 2020, we organized essay writing, calligraphy, painting and other activities on the theme of “epidemic war” to encourage students to thank the heroes for their selfless efforts with works which reflected their true feelings.



■ Students' works

## 6 KINDNESS FOR GOOD



CASE

**PROVIDE TRANSLATION SERVICE FOR EPIDEMIC PREVENTION AND CONTROL**

On February 28, 2020, young teachers from the School of Asian and African Languages of Chengdu Institute Sichuan International Studies University quickly formed a translation team to participate in the translation and pick-up work of flights entering Chengdu Shuangliu International Airport from Japan and Korea despite of the fear of the new coronavirus. They provided practical help for foreign passengers in Chengdu, becoming respectable fighters in the prevention and control of epidemic.



■ 10 young teachers participating in translation team



CASE

**POVERTY ALLEVIATION PROJECT**

In 2020, with the theme of "Not forgetting our original intention, building a well-off society", Chengdu Institute Sichuan International Studies University held a "Poverty Alleviation Day" which featured charity donation activity and poverty alleviation results exhibition. The university encouraged teachers and students to donate money to help improve the basic condition of the counterpart villages and provide support for their industries and project implementation. Three extremely poor villages, namely Linzi Village, Muzigou Village and Huangshuitang Village in Pingba, Ganluo, Liangshan, Sichuan Province were helped in this event and lifted out of poverty smoothly.



■ Poverty alleviation project team

Three extremely poor villages, namely Linzi Village, Muzigou Village and Huangshuitang Village in Pingba, Ganluo, Liangshan, Sichuan Province were helped in this event and lifted out of poverty smoothly.

## 7 PROSPECTS

To achieve our goal of “reinvigorating China through education” and follow our educational philosophy of “connecting China to the world through language studies for future development”, Virscend Education strives to build an excellent educational management team, a first-class teaching team, an outstanding educational innovation mechanism and a quality teaching service. We have also introduced the concept of sustainable development based on current situation to draw continuous attention to issues such as environmental protection, update on teaching services, protection of student and employees’ rights and interests, internal management improvement and social charity, so as to provide guidelines for the Group’s long-term development.

Looking forward, Virscend Education will continue to adhere to our original intentions and mission of educating people based on moral ethics, and promote optimization of sustainable development and management. We will also continue to nurture holistic development of students and cultivate their global insight as well as comprehensive knowledge and skills by building a reliable learning environment which can protect their physical and mental health; optimize teaching services, promote popularization of education and innovation of teaching mode and upgrade the supply of quality teaching resources; care for employees, protect their welfare, safety and other legal rights, optimize and diversify the training system to lead the development of talents; enhance students’ awareness of environmental protection while actively protect the environment and conserve resources to build a green campus with a low-carbon concept; strictly abide by laws and regulations, maintain integrity in operation and advocate a corruption-free culture; actively carry out corporate social responsibility and organize various public welfare and volunteer activities to become a leading responsible enterprise in the industry.

## 8 APPENDIX

## 8.1 KEY ESG PERFORMANCE INDEX

ESG index	Unit	Data in 2020*	Data in 2019	
<b>Environmental</b>				
<b>A1 Emission</b>	<b>A1.2 Greenhouse gas emissions in total and intensity</b>			
	Total GHG emission	tons (carbon dioxide equivalent)	<b>38,304.67</b>	41,387.14
	Intensity of GHG emission	tons (carbon dioxide equivalent)/number of student	<b>0.66</b>	0.84
	GHG emission (scope 1) <sup>a (1)</sup>	tons (carbon dioxide equivalent)	<b>16,079.13</b>	14,489.15
	GHG emission (scope 2) <sup>b (2)</sup>	tons (carbon dioxide equivalent)	<b>22,225.54</b>	26,897.98
	<b>A1.3 Total hazardous waste produced and intensity</b>			
	Amount of hazardous waste <sup>c</sup>	tons	<b>6.42</b>	3.37
	Intensity of hazardous waste	tons/number of student	<b>0.000110</b>	0.000068
	<b>A1.4 Total non-hazardous waste produced and intensity</b>			
	Amount of non-hazardous waste <sup>d</sup>	tons	<b>9,982.31</b>	10,803.54
Intensity of non-hazardous waste	tons/number of student	<b>0.17</b>	0.22	

## Notes

\* In 2020, due to the impact of epidemic, all schools of Virscend Education were suspended for a certain period of time. As a result, the total GHG emission, amount of non-hazardous waste, amount of resources used such as gasoline, diesel, pipeline gas, purchased electricity and water decreased to a certain extent. Meanwhile, the Group implemented an online training model and the online training statistics were improved gradually, so the average number of hours of training for relevant categories of employees increased significantly this year.

a GHG in Scope I of indicator A1.2 includes direct emissions generated by gasoline, diesel, natural gas and pipeline gas;

b GHG in Scope II of indicator A1.2 includes indirect emissions generated by purchased electricity;

c Total amount of hazardous wastes of indicator A1.3 includes sum of amount generated from light tubes, batteries, ink tanks, printer cartridges and lab wastes;

d Total amount of non-hazardous wastes of indicator A1.4 includes sum of amount generated from domestic waste and food waste (oil, water and waste residue).

## Data computing standard

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

## 8 APPENDIX

	ESG index	Unit	Data in 2020*	Data in 2019
A2. Use of Resources	<b>A2.1 Energy consumption by type in total and intensity</b>			
	Conversion of electricity for comprehensive energy consumption <sup>(3)</sup>	10,000 kWh	9,825.17	9,618.82
	Conversion of electricity for comprehensive energy consumption intensity <sup>e</sup>	kWh/number of student	1,686.87	1,944.81
	Electricity consumption	10,000 kWh	2,465.67	2,984.02
	Natural gas consumption	10,000 cubic meters	733.68	658.27
	Piped coal gas consumption	10,000 cubic meters	12.96	15.25
	Gasoline consumption	liter	75,786	87,936
	Diesel consumption	liter	5,062	8,009
	<b>A2.2 Water consumption in total and intensity</b>			
	Total amount of water consumption	10,000 tons	372.57	463.04
Water consumption intensity	tons/number of student	63.97	93.62	

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

**Data computing standard**

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

ESG index	Unit	Data in 2020*	Data in 2019	
<b>Social</b>				
<b>B1. Employment</b>	<b>B1.1 Total workforce by gender, employment type, age group and geographical region</b>			
	Total workforce	persons	6,164	4,853
	<b>By gender</b>			
	Male employees	persons	1,598	1,268
	Female employees	persons	4,566	3,585
	<b>By employment type</b>			
	Subject teacher	persons	4,067	3,350
	Living teacher	persons	1,077	840
	Administrative and supporting staff	persons	869	465
	Other staff <sup>f</sup>	persons	151	198
	<b>By age</b>			
	Aged 30 and below	persons	1,688	1,298
	Aged 30 to 50	persons	3,467	2,792
	Aged 50 and above	persons	1,009	763
	<b>By geographical region</b>			
	Sichuan Province	persons	5,844	4,484
China (except Sichuan Province)	persons	293	369	
Overseas	persons	27	/	
<b>B2. Health and Safety</b>	<b>B2.1 Number of work-related fatalities</b>			
	Number of work-related fatalities	persons	0	0
	<b>B2.2 Lost days due to work injury</b>			
	Work injury	cases	5	2
Total lost days due to work injury	days	222	49	

<sup>f</sup> Other staff under employment type of indicator B1.1 includes cadres and mid-level cadres at the school level.



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	ESG index	Unit	Data in 2020*	Data in 2019	
<b>B3.Development and Training</b>	<b>B3.1 The percentage of employees trained by gender and employee category</b>				
		The percentage of total number of employees trained	100%	<b>83.48%</b>	80.57%
		<b>By gender</b>			
		Male employees	100%	<b>23.55%</b>	25.24%
		Female employees	100%	<b>76.45%</b>	74.76%
		<b>By employment type</b>			
		Subject teachers	100%	<b>69.20%</b>	72.07%
		Living teachers	100%	<b>15.80%</b>	20.18%
		Administrative and supporting staff	100%	<b>10.51%</b>	7.75%
		Other staff member	100%	<b>4.49%</b>	5.06%
		<b>B3.2 The average training hours completed per employee by gender and employee category</b>			
		All employees	hours	<b>71.25</b>	62.35
		<b>By gender</b>			
		Male employees	hours	<b>64.12</b>	67.62
		Female employees	hours	<b>73.74</b>	60.49
		<b>By employment type</b>			
	Subject teachers	hours	<b>81.32</b>	80.03	
	Living teachers	hours	<b>34.88</b>	21.98	
	Administrative and supporting staff	hours	<b>62.60</b>	30.12	
	Other staff member	hours	<b>86.03</b>	10.29	

	ESG index	Unit	Data in 2020*	Data in 2019
<b>B5. Supply Chain Management</b>	<b>B5.1 Number of suppliers by geographical region</b>			
	Sichuan Province	suppliers	67	100
	China (except Sichuan Province)	suppliers	4	3
<b>B6. Product Responsibility</b>	<b>B6.2 Number of product and service related complaints received</b>			
	Complaints response rate	100%	100%	100%
<b>B7. Anti-corruption</b>	<b>B7.1 Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period</b>			
	Number of filed or concluded legal cases regarding corrupt practices	cases	0	0
<b>B8. Community Investment</b>	<b>B8.2 Resources contributed to the focus area</b>			
	Charitable donation	Renminbi Yuan	0	81,000
	Number of volunteers	persons	11,762	14,015
	Hours of volunteer work	hours	71,507	110,108

## 8 APPENDIX

### 8.2 ESG INDEX GUIDE

ESG matters	Index	Reporting Guide Requirements	Chapters and Explanation
<b>Environmental</b>			
<b>A1:Emissions</b>	General Disclosure	Information on: a. the policies; and b. compliance with relevant laws and regulations that have a significant impact on the issuer  relating to air pollutants and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	5.1 Building a Green Campus
	A1.1	The types of emissions and respective emissions data.	Due to the characteristics of the education industry, the emission of air pollutant and pollutant sewage discharge is not an important issue in the operation and management of the company. Therefore, the respective emissions data are not disclosed during the reporting period.
	A1.2	Greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Key ESG Performance Index
	A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Key ESG Performance Index
	A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Key ESG Performance Index
	A1.5	Description of emission target(s) set and steps taken to achieve them.	5.1 Building a Green Campus
	A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	5.1 Building a Green Campus

ESG matters	Index	Reporting Guide Requirements	Chapters and Explanation
<b>Environmental</b>			
<b>A2: Use of Resources</b>	General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	5.1 Building a Green Campus
	A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	Key ESG Performance Index
	A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Key ESG Performance Index
	A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	5.1 Building a Green Campus
	A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	5.1 Building a Green Campus All the water used by the Group comes from municipal waterworks, and there is no problem in obtaining suitable water sources.
A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Since the Group provides educational services and does not involve finished products and does not use packaging materials in its operations, the topic of packaging materials management is not applicable to the Group.	

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ESG matters	Index	Reporting Guide Requirements	Chapters and Explanation
<b>Environmental</b>			
<b>A3: The Environment and Natural Resources</b>	General Disclosure	Policies on minimizing the issuer's significant impact on the environment and natural resources.	5.1 Building a Green Campus 5.2 Advocating Green Environmental Protection
	A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	5.1 Building a Green Campus 5.2 Advocating Green Environmental Protection
<b>A4: Climate Change</b>	General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	5.3 Coping with Climate Change
	A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	5.3 Coping with Climate Change

ESG matters	Index	Reporting Guide Requirements	Chapters and Explanation
<b>Social</b>			
<b>B1:Employment</b>	General Disclosure	Information on: a. the policies; and b. compliance with relevant laws and regulations that have a significant impact on the issuer  relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, antidiscrimination, and other benefits and welfare.	4.1 Safeguarding Employees' Interests 4.2 Expanding for Development 4.3 Creating Energetic Workplace
	B1.1	Total workforce by gender, employment type, age group and geographical region.	Key ESG Performance Index
	B1.2	Employee turnover rate by gender, age group and geographical region.	Key ESG Performance Index
	<b>B2:Health and Safety</b>	General Disclosure	Information on: a. the policies; and b. compliance with relevant laws and regulations that have a significant impact on the issuer  relating to providing a safe working environment and protecting employees from occupational hazards.
	B2.1	Number and rate of work-related fatalities	Key ESG Performance Index
	B2.2	Lost days due to work injury.	Key ESG Performance Index
	B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	3.1 Ensuring Food Safety 3.2 Prevention and Control of Disease Transmission 3.3 Ensuring the Safety of Campus 4.3 Creating Energetic Workplace

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ESG matters	Index	Reporting Guide Requirements	Chapters and Explanation
<b>Social</b>			
<b>B3:Development and Training</b>	General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	4.2 Expanding for Development
	B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Key ESG Performance Index
	B3.2	The average training hours completed per employee by gender and employee category.	Key ESG Performance Index
<b>B4:Labour Standards</b>	General Disclosure	Information on: a. the policies; and b. compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	4.1 Safeguarding Employees' Interests
	B4.1	Description of measures to review employment practices to avoid child and forced labour.	4.1 Safeguarding Employees' Interests
	B4.2	Description of steps taken to eliminate such practices when discovered.	4.1 Safeguarding Employees' Interests
<b>B5:Supply Chain Management</b>	General Disclosure	Policies on managing environmental and social risks of the supply chain.	3.5 Creating Responsible Supply
	B5.1	Number of suppliers by geographical region.	Key ESG Performance Index
	B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	3.5 Creating Responsible Supply
	B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	We would continue to pay attention to the environmental and social risks along the supply chain. And we would enhance our disclosure in the following year, so the KPI B5.3 has not been disclosed this year.
	B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	3.5 Creating Responsible Supply

ESG matters	Index	Reporting Guide Requirements	Chapters and Explanation
<b>Social</b>			
<b>B6:Product Responsibility</b>	General Disclosure	Information on: a. the policies; and b. compliance with relevant laws and regulations that have a significant impact on the issuer  relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	1.5 Compliant Operation
	B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Since the Company provides education services and does not produce products, there is no product recycling.
	B6.2	Number of products and service related complaints received and how they are dealt with.	3.4 Listening to Feedbacks Sincerely Key ESG Performance Index
	B6.3	Description of practices relating to observing and protecting intellectual property rights.	1.5 Compliant Operation
	B6.4	Description of quality assurance process and recall procedures.	2.4 Rigorous Control on Teaching Qualities
	B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	1.5 Compliant Operation



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ESG matters	Index	Reporting Guide Requirements	Chapters and Explanation
<b>Social</b>			
<b>B7:Anti-corruption</b>	General Disclosure	Information on: a. the policies; and b. compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	1.5 Compliant Operation
	B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	Key ESG Performance Index
	B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	1.5 Compliant Operation
	B7.3	Description of anti-corruption training provided to directors and staff.	1.5 Compliant Operation The related data has not been fully collected and disclosed this year. In the following year, the corresponding statistical mechanism will be established to prepare for future disclosure
<b>B8:Community Investment</b>	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.	6 Kindness for Good
	B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	6 Kindness for Good
	B8.2	Resources contributed (e.g. money or time) to the focus area	Key ESG Performance Index