

China General Education Group Limited 中国通才教育集团有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock Code : 2175



ENVIRONMENTAL,
SOCIAL AND
GOVERNANCE REPORT
2021

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About this Report

SUMMARY

China General Education Group Limited (“**China General Education Group**” or the “**Company**”), together with its subsidiaries (collectively the “**Group**” or “**we**”, “**us**” or “**our**”), is a leading provider of private higher education in Shanxi Province, the PRC. The Group is delighted to present our first Environmental, Social and Governance Report (the “**ESG Report**” or “**this report**”), which summarizes our initiatives, strategies and objectives relating to the environmental, social and governance issues and describes our visions and commitments to actualizing the sustainable development concept and performing our corporate social responsibility.

REPORTING STANDARDS

This report is prepared in accordance with the Environmental, Social and Governance Reporting Guide (the “**ESG Reporting Guide**”) set out in Appendix 27 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. The contents of this report comply with the “comply or explain” provisions and the four reporting principles (materiality, quantitative, balance and consistency) of the ESG Reporting Guide.

SCOPE OF THIS REPORT

This report describes the overall performance of the Group on the sustainable development policy relating to its core business and the fulfilment of our corporate social responsibility from 1 September 2020 to 31 August 2021 (the “**Year**” or the “**Reporting Period**”). Unless otherwise stated, this report covers the businesses directly controlled by China General Education Group, and the key environmental performance indicators cover one school of the Group, namely, Shanxi Technology and Business College, located in Taiyuan City, Shanxi Province, the PRC.

The policy documents, statements and information contained in this report cover the Company, its subsidiaries and consolidated affiliated entities (collectively referred to as the “**Group**”).

REPORTING LANGUAGES

This report is published in traditional Chinese and English. In case of any discrepancy, the traditional Chinese version shall prevail.

APPROVAL OF THIS REPORT

This report has been approved by the board of directors (the “**Board**”) of the Company on 21 January 2022.

REPORT FEEDBACK

We attach high importance to your opinions and feedback on this report. If you have any queries or suggestions, please feel free to contact us through the following channels:

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Group Profile

We are a leading provider of private higher education in Shanxi Province, the PRC. In the 2020/2021 school year, we ranked first among all private higher education institutions in Shanxi Province in terms of total full-time student enrollment, with a market share of 15.6%. We focus on providing application-oriented education to equip our students with practical skills relevant to careers. We continue to optimize our course offerings and practical training programs to provide our students with the practical and readily applicable skills. We have built a diverse and extensive range of course offerings from which our students can select according to their own interests and concentrations, comprising more than 1,000 courses and a total of 36 different majors and three concentrations for the 2020/2021 school year. We believe that the comprehensive education programs we offer and the success of our students finding job placements upon graduation have helped us to build a strong reputation and attract high-quality students from Shanxi Province and across China.

ESG Governance Structure

STATEMENT OF THE BOARD

Our Group has established a ESG governance structure to strengthen our management of environmental, social and governance issues. The Board is responsible for the overall supervision of environmental, social and governance issues of our Group, and conducts regular discussion, review and check on our Group's management approach, strategies, risks, performance and progress in respect of environmental, social and governance aspects. In order to exert the effectiveness of sustainable development governance effectively, the Board has allowed our Group to set up an Environmental, Social and Governance Working Group and authorised it to supervise and promote the implementation of various environmental, social and governance issues. Under the authority of the Board, the Environmental, Social and Governance Working Group will consider the opinions collected during the communication with various stakeholders and the results of the materiality assessment when formulating the environmental, social and governance management approach and strategies, to determine our Group's material ESG issues focus and priorities, and submit the same for approval and confirmation by the Board. In the future, we will review the progress based on our Group's goals relating to environment, sociality and governance to monitor and improve our work.

The Group has established ESG governance structure and implemented the concept of sustainable development in daily operations. The structure consists of three parts: decision-making level, organizational level ("**ESG committee**") and executive level.

- **Decision making level – The Board of the Company:** The Board is the highest decision-making level of the Group and is fully responsible for ESG decision-making and reporting. The Board monitors the sustainable development performance and progress of the Group, and reviews and approves the ESG management policies, strategies, objectives and annual work of the Group, including the evaluation, prioritization and management of important ESG issues, risks and opportunities. The Board also regularly reviews the ESG performance of the Group and its progress in achieving relevant objectives.
- **Organizational level – ESG Committee:** The ESG Committee of the Group is the second level of the governance structure. The ESG Committee is authorized by the Board and led by the executive director and senior management. Other members include representatives of various departments. The ESG Committee is responsible for formulating ESG management policies, strategies, objectives and annual work, promoting relevant implementation, and identifying, assessing, reviewing and managing important ESG issues, risks and opportunities. All work and relevant suggestions will be reported to the Board on a regular basis.
- **Executive level – Relevant departments of the Group:** the executive level is the third level of the governance structure, including all relevant departments of the Group. This level is responsible for organizing, promoting and implementing various ESG related tasks according to the ESG management policies and strategies of the Group. The executive will regularly report all matters to the ESG Committee.

In order to identify, assess and manage environmental, social and governance issues that have a significant impact on daily operations, the Group has introduced the participation mechanism of the decision-making level – the Board, so as to clarify the ESG objectives, control ESG risks, and further form the standardization and normalization of the participation of the Board in ESG governance. The Board sets the overall direction of the Group's environmental, social and governance strategy by benchmarking against the suggestions of the ESG Committee and the ESG data generated from the executive level in daily operations, guides the consistent improvement of ESG management through target splitting, and ensures the effectiveness of the environmental, social and governance mechanism.

Core Value of the Group

Our mission is to “work conscientiously to cultivate qualified talent for society” (兢兢業業為社會培養合格人才). We are dedicated to (i) building our College into a modern institution of higher education of superior quality, and (ii) equipping our students with practical and readily applicable skills that meet the ever-changing demands of the job market.

Identification and Communication with Stakeholders

While managing school and advancing business affairs, the Group also pays attention to the major issues of interest to shareholders, investors, staff, students, parents, governments, regulatory authorities, and communities (“**Stakeholders**”). The Group opens up multiple channels of communication and, through the continuous communication with the Stakeholders, is able to develop thorough understanding of the needs of different Stakeholders and provide appropriate solutions. At the same time, the Group believes that listening to the opinions of Stakeholders will help the Group to improve its environmental, social and governance performance comprehensively and objectively so as to better address the needs of different Stakeholders.

STAKEHOLDER GROUPS AND METHODS OF ENGAGEMENT

Major stakeholders	Expectations and demands	Main methods for communication
Shareholders/Investors	<ul style="list-style-type: none"> • Investment returns • Business growth • Robust operation 	<ul style="list-style-type: none"> • Annual general meeting and other general meetings • Interim and annual reports • Corporate communication • Results announcement • Shareholder visits • Investor meetings • Environmental, social and governance (ESG) meetings
Staff	<ul style="list-style-type: none"> • Teaching quality • Career development • Compensation and benefit packages • Healthy and safe working environment • Fair treatment 	<ul style="list-style-type: none"> • Survey on employees’ views • Channels for employees to express their views (forms, suggestion boxes, etc.) • Work performance appraisals and interviews • Group discussions • Meetings and interviews • Seminars/workshops/lectures • Volunteer activities
Students and Parents	<ul style="list-style-type: none"> • Teaching quality • Robust operation • Healthy and safe campus • Student privacy protection • Employment rate 	<ul style="list-style-type: none"> • Feedback in class • Satisfaction questionnaire • Regular visits • Parent meetings • Online platforms • Phone calls • Mailboxes
Government and Regulatory authorities	<ul style="list-style-type: none"> • Compliant and rational operation • Business growth • Teaching quality • Information transparency 	<ul style="list-style-type: none"> • Meetings • Consulting • Lectures
Community	<ul style="list-style-type: none"> • Facilitating community development • Participating in public welfare and charity • Environmental protection 	<ul style="list-style-type: none"> • Community activities • Volunteer activities • Donations • Education funds/scholarships • Seminars/lectures/workshops • Meetings
Public	<ul style="list-style-type: none"> • Teaching quality • Teacher qualifications • Information transparency 	<ul style="list-style-type: none"> • School website • School activities • Media reports • WeChat official accounts

Materiality Assessments

The Group has always been committed to improving enterprise management and teaching strategies, actively implementing various sustainable development measures formulated by the Group, and focusing on the opinions and expectations of internal and external stakeholders.

The Group has identified 18 material ESG issues with reference to Environmental, Social and Governance Reporting Guide (《環境、社會及管治報告指引》) of The Stock Exchange of Hong Kong Limited, laws and regulations in education industry, the important topics in education industry identified by industry peers and the business scope of the Group. In order to fully understand the stakeholders' attention level to the above issues, the Group has conducted a detailed materiality assessment. The Group comprehensively considered its daily operation and the demands of stakeholders, and sorted various issues from the two dimensions of "importance to the corporation" and "importance to stakeholders" through the opinions collected by the teaching quality monitoring and evaluation center and students' feedback, so as to form the list of ESG material issues. The Board has confirmed and approved the results.

ESG issues of high materiality	Responding sections in ESG report
1. Health and safety of students	Employment and Labor Standards
2. Health and safety of employees	Employment and Labor Standards
3. Teacher qualifications and professional conduct of employees	Employment and Labor Standards
4. Compliance operations	Operating Practices
ESG issues of moderate materiality	Responding sections in ESG report
5. Anti-corruption	Operating Practices
6. Fair employment rights and welfare protections	Employment and Labor Standards
7. Training and development of employees	Employment and Labor Standards
8. Green campus and office	Environment
9. Air pollutant emissions and management	Environment
10. Greenhouse gas emissions and management	Environment
11. Use and management of water and materials	Environment
12. Teaching quality control	Operating Practices
13. Privacy protection	Operating Practices
ESG issues of general materiality	Responding sections in ESG report
14. Climate change	Environment
15. Energy management	Environment
16. Protection of intellectual property right	Operating Practices
17. Supply chain management	Operating Practices
18. Community investment and engagement	Community investment

Environmental, Social and Governance Report

I. ENVIRONMENT

Strictly complying with relevant national environmental laws and regulations, such as “Law of the People’s Republic of China on the Prevention and Control of Solid Waste Pollution”, “Environmental Protection Law of the People’s Republic of China”, “Law of the People’s Republic of China on the Prevention and Control of Environmental Pollution by Solid Wastes”, “Law of the People’s Republic of China on Appraising of Environment Impacts”, and “Regulations on the Administration of City Appearance and Environmental Sanitation”, the Group ensures that the daily operations of subordinate school do not have a significant impact on the environment and natural resources. The Group effectively promotes energy conservation and emission reduction, and strives to reduce the consumption of water, electricity, natural gas and the emission of other pollutants such as exhaust gas and waste of the school under the Group, to achieve effective and rational use of energy, and to promote the construction of energy-saving campus. During the Reporting Period, the Group did not have any illegal incidents that violated relevant laws and regulations, nor received any complaints about emissions of exhaust gas, greenhouse gas, or pollutants.

Emissions

We belong to the education industry and have a relatively small impact on the environment and natural resources. During the Reporting Period, the principal type of emission of the Group is exhaust gas generated by our vehicles and the emission from the use of natural gas in campus canteens and catering shops.

The types and data of air pollutant emissions generated by our vehicles during the Year are as follows:

Air pollutant emissions	Unit	2021
Nitrogen oxides (NO _x)	kg	1,120.0
Sulphur oxides (SO _x)	kg	3.0
Particulate matter (PM)	kg	107.3

Direct greenhouse gas (GHG) emissions from sources owned and controlled by the Group, such as the exhaust gas produced by our vehicles. Indirect GHG emissions from electricity generation, heating and cooling, or waste paper by the Group. During the Reporting Period, the Group’s emissions of major GHG are as below:

Greenhouse gas emissions	Unit	2021
Direct greenhouse gas emissions (Scope 1)	tonne of CO ₂ e	275.47
Greenhouse gas removals (Scope 1)	tonne of CO ₂ e	1.22
Indirect greenhouse gas emissions (Scope 2)	tonne of CO ₂ e	6,163.14
Total greenhouse gas emissions (Scope 1 and 2)	tonne of CO ₂ e	6,437.40
Greenhouse gas emission intensity (Scope 1 and 2)	tonne of CO ₂ e	0.34

Hazardous waste which includes waste from our infirmaries and laboratory waste generated by the Food Quality and Safety major, such as waste acid, waste alkali, heavy metal inorganic waste liquid, organic solvents (ethers, aldehydes, phenol, acetone, etc.), as well as disposable equipment contaminated with the above substances, is treated by qualified third parties commissioned by us. In particular, the waste from our infirmaries is required to be cleared and transported every 48 hours by qualified third-parties. During the Reporting Period, the Group generated a total of 0.1 tonnes of hazardous waste.

Environmental, Social and Governance Report

Non-hazardous waste which includes domestic waste from daily operation, such as office supplies waste and food residues. The Group prohibits the use of disposable tableware and advocates the use of environmental protection bags. The Group has implemented a system for separate collection of domestic waste at sources and at fixed locations within students, teachers and staff, canteens and shops, and has entrusted a qualified waste management company to collect and dispose of dry wastes. In terms of the disposal of kitchen waste, we have purchased wet waste processors, and signed a qualified third-party treatment company, so that kitchen waste can be processed on the spot on a daily basis, and will not be left on campus overnight or taken out of the campus. At the same time, each window of the canteen is also required to be equipped with an oil fume purifier. During the Reporting Period, the Group generated a total 12,960 tonnes of domestic waste, all of which were well collected and disposed by the professional treatment company.

During the Reporting Period, there was no significant change in the Group's treatment measures regarding emissions, non-hazardous waste and hazardous waste compared with those in previous years. At the same time, the Group successfully reduced the impact of pollution emissions by improving combustion efficiency through upgrading the boiler. The Group will actively implement plans and measures to reduce emissions, non-hazardous wastes and hazardous wastes, so as to maintain or reduce the generation density of emissions and wastes. The Group plans to achieve the goal of reducing non-hazardous waste emissions by 5% in fiscal year 2021 compared to fiscal year 2020.

Use of Resources

The Group implements plans for promoting the rational use of water, electricity, natural gas and other energy and resources, and advocates students to cultivate good habits of resource usage to prevent unnecessary waste. During the Reporting Period, the main energy consumption of the Group are as follows:

Energy consumption	Unit	2021
Total electricity consumption	MWh	10,101.8
Total electricity consumption intensity (per m ²)	MWh/m ²	0.02
Total electricity consumption intensity (per employee and student)	MWh/number of employee and student	0.54
Total water consumption	tonnes	332,644
Total water consumption intensity (per m ²)	tonnes/m ²	0.69
Total water consumption intensity (per employee and student)	tonnes/number of employee and student	17.80
Total natural gas consumption	m ³	2,888,184
Total natural gas consumption intensity (per m ²)	m ³ /m ²	6.00
Total natural gas consumption intensity (per employee and student)	m ³ /number of employee and student	154.56
Total gasoline consumption	litres	16,761
Total gasoline consumption intensity (per employee and student)	litres/number of employee and student	0.90
Total diesel consumption	litres	39,941
Total diesel consumption intensity (per employee and student)	litres/number of employee and student	2.14

Environmental, Social and Governance Report

The Group promotes paperless office. All departments and units of the school are required to strengthen the training, learning, and use of the “digital campus” collaborative office system on the school’s intranet to enhance digital collaborating capabilities and improve work efficiency. The Group also issued the “Regulations on A4 Printing Paper Consumption”, which stipulated the upper limit of the annual consumption of various types of paper used by colleges and administrative departments, and established a paper register to regulate the amount of paper used. During the Reporting Period, the Group used three types of paper, namely A4, A3, and 8K, with a total consumption of 5,093.9 kg.

The Group does not encounter the problem of obtaining suitable water sources. The Group obtains water through Taiyuan Water Supply Group Co., Ltd. and Beige Centralized Service Station in Xiaodian District, Taiyuan City. The Group implemented the transformation of the school’s water supply network, by replacing water-saving devices with induction valves, solenoid valves, and constructing pilot projects for water reuse in the school, thereby increasing the school’s water reuse rate. The school carried out the publicity week activities of “World Water Day” and “China Water Week”, by posting water-saving signs, water-saving posters, and water-saving banners in conspicuous locations to promote good practices in water conservation.

During the Reporting Period, the total consumption of electricity of the Group was 10,101.8 MWh, and the electricity consumption intensity was 0.54 MWh per capita. The total consumption of gasoline is 16,761 liters, and the gasoline consumption intensity is 0.90 liters per capita. In terms of saving electricity, the Group offers energy-saving education to enhance students’ awareness of saving electricity, avoid unnecessary use of lights in classrooms and dormitories, and reduce the possibility of waste of electricity.

Since the Group does not manufacture any products, the packaging material used for finished products is not applicable to the business of the Group. In addition, the Group reduced material consumption and unnecessary use of packaging materials by using waste plates to transform into wardrobes, using old pipes to weld carts, repairing damaged water pumps, and repairing school tables and chairs with old materials.

The Group will continue to actively implement plans and measures for water, electricity and material conservation to maintain or reduce the use of resources. In the future, more specific quantitative environmental objectives and implementation measures will be formulated to protect the environment and cherish the use of natural resources.

Environmental aspects	Targets
Energy Conservation	The Group will actively implement the electricity-saving plan and measures to maintain or reduce the intensity of electricity consumption.
Water Conservation	The Group will actively implement the water-saving plan and measures to maintain or reduce the intensity of water consumption.
Waste Reduction	The Group will actively implement the material-saving plan and measures to maintain or reduce the intensity of waste production.
Greenhouse Gas Emissions	The Group will actively implement the electricity-saving plan and measures to maintain or reduce the intensity of greenhouse gas emissions.

Environmental, Social and Governance Report

Environment and Natural Resources

The Group does not have any significant impact on the environment and natural resources during daily operation. The Group advocates “low-carbon traveling” to minimise the emission of air pollutions and GHG from vehicles. In the meantime, the Group constantly monitors the emission of pollutants and the energy consumption of water, electricity and natural gas to ensure that the Group’s daily operation has the lowest impact on the surrounding environment and natural resources.

Climate Change

Climate change has led to frequent extreme weather and has a significant impact on daily operations. Therefore, the Group has formulated working mechanisms and relevant policies to identify and mitigate climate change issues that may have a significant impact. At the same time, the Group actively adjusts the use of resources and energy, and improves the disaster relief ability of teachers and students through training, so as to improve the ability of teachers and students to deal with disasters and accidents caused by extreme weather. The Group recognizes that typhoons, rainstorms, floods, extremely hot and extremely cold weather may cause potential risk, such as damage to documents, equipment and buildings, and extreme temperatures will increase the risk of work-related injuries such as heatstroke and frostbite. The Group has formulated emergency measures in advance to deal with extreme weather caused by climate change. The Group strives to protect the life safety of teachers and students and the safety of campus property.

Environmental, Social and Governance Report

II. EMPLOYMENT AND LABOR STANDARDS

The Group has established a sound human resource management system in accordance with national laws, regulations and local policies, and has formulated corresponding systems in five aspects: talent introduction, talent management, talent service, talent assessment, and talent exchange. It contains specific rules for recruitment, salary, retirement, etc., so that the distribution of working time for each position is reasonable, and provides staff with equal opportunities for training, development and promotion.

Employments

The Group strictly abides by “Labor Law of the People’s Republic of China”, “Law of the People’s Republic of China on Employment Contracts”, “Employment Promotion Law of the People’s Republic of China”, “Education Law of the People’s Republic of China”, “Civil Code of the People’s Republic of China”, “Social Insurance Law of the People’s Republic of China”, “Special Provisions on Labor Protection of Female Employees”, “Teachers Law of the People’s Republic of China”, “Law of People’s Republic of China on Labor-dispute Mediation and Arbitration”, and local labor laws and regulations in Shanxi Province in hiring teachers and staff. During the Reporting Period, the Group complied with all applicable employment laws and regulations, and did not violate laws and regulations related to recruitment and promotion, salary and dismissal, working hours, holidays, equal opportunities, diversification, anti-discrimination, and other welfare. There are no punitive incidents such as warnings, fines, or penalties due to violations of laws and regulations.

During the Reporting Period, there were no major changes in the Group’s human resources policies and related employment procedures. Recruitment and employment work were carried out in strict compliance with the provisions of the “Compendium of Human Resources Management Systems”, regardless of candidate’s gender, age, or ethnicity, which provide teachers and staffs with fair promotion opportunities and a harmonious working environment.

In terms of teacher recruitment, before officially hiring teachers, the Group requires candidates to participate in comprehensive written examinations and conduct strict interviews. The Group generally considers candidates’ teaching experience, academic performance and degrees, as well as their written examination and interview performance. The Group may also require candidates to deliver a lecture on the spot as part of the hiring process. Before being formally hired, the Group will require candidates to pass a one-week observation period and a three – to six-month probation period which helps to ensure that newly recruited teachers can get used to the culture and teaching methods of the Group.

In terms of teaching qualification assessment, to ensure that the Group continues to provide high-quality education to students, the Group monitors the overall teaching quality of each semester through regular inspections. Staff of the Group’s Academic Affairs Office and Teaching Quality Monitoring and Evaluation Center participate in classes from time to time without prior notice to assess teaching quality, including the implementation and progress of teaching plans, teachers’ attitudes, teaching methods and effectiveness of classroom instructions. In addition, through questionnaire surveys and in-person discussions, teachers are evaluated by students participating in the class and by peers in the teacher’s department. When making decisions about the salary and promotion of teachers in our college, the Group will take the results of teachers’ assessment into consideration.

Environmental, Social and Governance Report

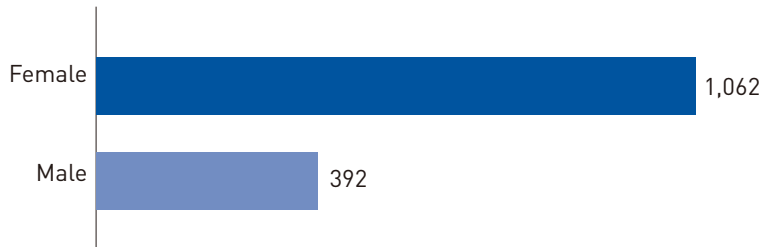
In terms of compensation and welfare, the Group provides competitive salary and welfare to retain, recruit and attract high-quality teachers. The Group strictly follows the “Interim Regulations on Wage Payment”, “Regulations on the Management of Housing Provident Funds”, “Regulations on Paid Annual Leave for Employees” and other laws and regulations to ensure that employees enjoy various statutory welfare. The Group also assists in the handling of pension insurance, medical insurance, maternity insurance, unemployment insurance, critical illness insurance and other social insurance plans for the on-the-job employees who meet the requirements for handling social insurance. In addition, the Group strictly abides by the provisions of the Labor Law to ensure that employees enjoy various vocations, such as public holidays, paid annual leave, sick leave, wedding leave, maternity leave, etc. During major Chinese traditional holidays, the Group will also provide employees with relevant benefits. The Group has also formulated relatively complete welfare systems such as the “Welfare Management System”, “Staff Teaching Age Award Distribution Measures”, “Annuity Management Measures” and other relatively complete welfare systems to effectively guarantee the welfare of staff.

In terms of promotion assessment, the Group maintains a promotion system so that our teachers can see their potential for success in the college and the fact that their contributions and dedication are highly valued and recognized. The Group has always provided employees with an equal career development platform, and treats every employee fairly in terms of employment, assessment, promotion, training, etc., and does not allow the occurrence of discriminatory incidents due to religion, gender, age, race, etc. During the Reporting Period, the Group did not have any incidents of discrimination.

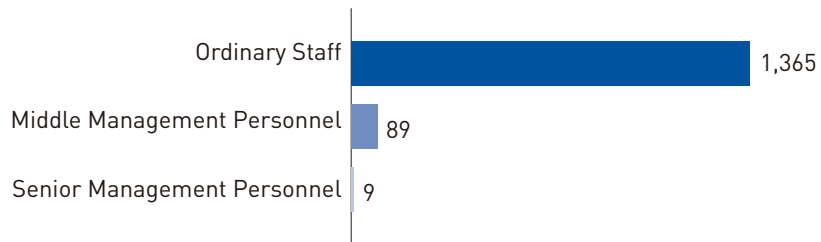
By the end of the Reporting Period, the Group had a total of 1,454 employees, of which the proportions of male and female were 27.0% and 73.0%, respectively. Due to the characteristics of the education industry, the proportion of female employees of the Group is relatively high. The Group provides female employees with statutory benefits including maternity leave, marriage leave, and breastfeeding leave in accordance with the law to ensure that they are not discriminated against or insulted. During the Reporting Period, the overall employee turnover rate of the Group was 8.3%, of which the turnover rate of male employees and female employees were 2.7% and 5.6%, respectively. From the perspective of the age distribution of lost employees, the turnover rate of employees aged 30 and below is 3.0%, the turnover rate of employees aged 31 to 40 is 3.4%, the turnover rate of employees aged 41 to 50 is 0.3%, and the turnover rate of employees aged 51 to 60 is 1.0%, and the turnover rate of employees over 60 years old is 0.6%.

EMPLOYMENT INDICATORS

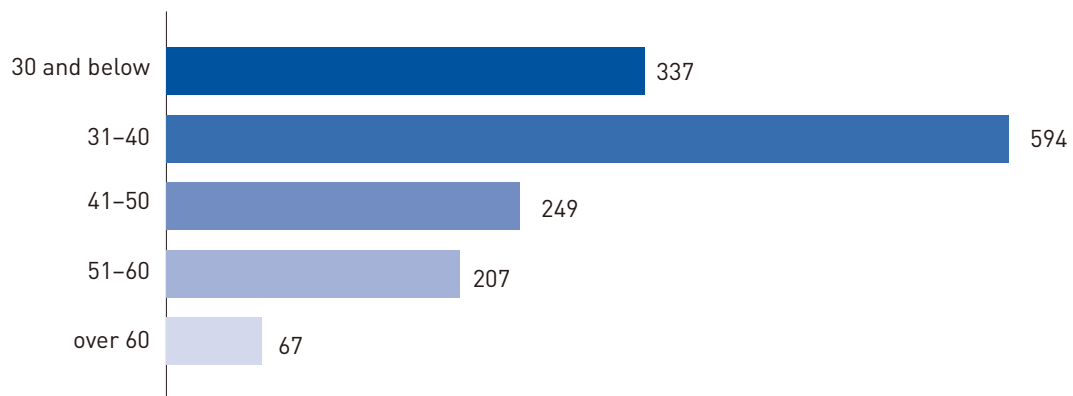
Staff by Gender in 2021



Staff by Employment Type in 2021



Staff by Age in 2021



Environmental, Social and Governance Report

Health and Safety

The Group strictly abides by “Food Safety Law of the People’s Republic of China”, “Hygienic Management Regulations for Student Canteens and Group Meals for Students”, “Public Sanitation Management Regulations”, “Law of the People’s Republic of China on the Prevention and Control of Infectious Diseases”, “Fire Law of People’s Republic of China” and other relevant laws and regulations in the PRC. During the Reporting Period, there were no punitive incidents such as warnings, fines, etc. due to violations of relevant laws and regulations, and no work-related fatalities and loss of working days due to work-related injuries. Through years of operation, the school has never had any major accidents. It has been awarded as an advanced school for the establishment of a “safe campus” in Shanxi Province for ten consecutive years, and has won a good social reputation.

The Group attaches great importance to the health and safety issues of school employees and students during their stay at school, and has established strict safety management regulations and guidelines for fire safety, sanitation management, facility and equipment management, and smoking bans, such as “Commuter Vehicle Safety Management Regulations”, “College Vehicle Management Regulations” and “Safety Work Management Regulations”, etc. At the same time, safety training, AIDS prevention and control, infectious disease prevention and control, fire drills and other related trainings were carried out, which effectively provide teachers and students with a healthy and safe working and learning environment.

Prevention and Control of COVID-19: Since the outbreak of the COVID-19 epidemic, the Group has actively assumed its social responsibilities, strictly followed the national and local government’s epidemic control requirements, and actively carried out epidemic prevention work during the epidemic without disturbing daily teaching practices in academic semester. The Group established an anti-epidemic working group, implemented the principal responsibility system, formulated anti-epidemic work plans before and after the beginning of academic year, thoroughly disinfected offices and school buildings as soon as possible, prepared various anti-epidemic materials, and provided anti-epidemic training for employees to make the most adequate preparation for the formal start of academic year. With regard to student management and staff management, the specific epidemic prevention measures of the Group include:

- **Student Management:** Strictly following the requirements of the education authorities to postpone the start of academic year, and conducted a general survey of students’ home isolation. The Group organizes all teachers to use WeChat, phone call, online classrooms, etc. to popularize epidemic prevention knowledge to students. The schools under the Group develop online teaching resources and ensure daily teaching activities for students during the epidemic through live-streaming, recorded video, and offline interaction.

Environmental, Social and Governance Report

- **Staff Management:** During the period of the epidemic, the Group puts forward the “no salary reduction” policy and made arrangements for epidemic prevention work to ensure the health of employees. The Group popularizes epidemic prevention knowledge among employees, urges middle-level management personnel of the Group to communicate with employees in a timely manner via telephone, WeChat, etc., and conducts a general survey on the isolation of employees at home in accordance with the requirements of superior authorities.



Prevention and Control of COVID-19

- **Fire Management:** The Group incorporates fire safety work into its daily management, including holding regular meetings every month and organising fire safety lectures and drills to provide employees training on fire and electricity safety. In addition, the Group also specifically provides emergency management, hazardous material handling, occupational health and safety related training for employees. Moreover, the Group holds fire drills and emergency escape drills every semester to promote the awareness of fire safety and at the same time exercise teachers and students' ability to respond to emergencies. The Group organizes fire drills every year, inviting local firemen to the school to promote fire safety knowledge to teachers, employees and students.



Fire Drill

- **Campus Hygiene Management:** In order to improve the health of students, the Group has established and improved policies and systems related to hygiene management and continuously improved disease prevention and control systems, infectious disease isolation systems, physical examination systems, and health file management systems.

Environmental, Social and Governance Report

In terms of food hygiene and safety, the Group has established an inspection system, regular health certification verification system, food quality quick inspection room, canteen hygiene inspection system and other means to improve the hygiene management level of the campus in an all-round way to provide health and safety for students and teachers. During the COVID-19 epidemic, the Group has carried out non-dead-angle disinfection and sterilization in the public area and regular disinfection measures to ensure that it provides students and employees with a learning, working and dining environment that is healthy and safe.

In addition, the Group has also formulated detailed management systems for commonly used equipment such as air conditioners. Through regular inspection and maintenance of equipment on campus, safety dangers are reduced. Regarding air-conditioning systems and indoor carpets and other equipment that are prone to accumulate dust and other harmful substances to the human body, regular cleaning, disinfection and sterilization work are carried out to effectively protect the lives of students and employees.

Furthermore, the daily safety and health inspection systems established by the Group also include: campus security inspection system, non-staff personnel registration system, commuter vehicle safety management regulations, student vehicle management regulations, apartment safety management system, property safety system, etc. The Group requires all units to make relevant records and conduct regular inspections to ensure that safety work is conducted correctly.

During the Reporting Period, the Group had no work-related injuries or deaths.



Food Safety and Hygiene Training

Development and Training

The Group is well aware that the quality of school's teaching services and management standards are the most important reference indicators for students to choose a school. Therefore, the Group provides a variety of trainings for staff to improve the professional ability of teachers. The Group has developed three categories, a total of 28 projects.

For newly recruited teachers, the Group has set up a series of training courses, which cover the improvement of teaching skills, professional literacy training, basic teaching skills training, teaching practice, the management policies and culture of the Group. The Group also continues to provide teachers with special training courses such as professional development and curriculum construction to help them improve their personal career development and teaching quality, and keep abreast of the latest changes in new teaching theories and methods.

During the Reporting Period, the Group organized and completed 48 trainings, and a total of 3,746 person-times completed relevant training. During the epidemic period, the Group actively carried out epidemic prevention training, popularized epidemic prevention knowledge and improved the public health and safety awareness of employees and students.

Environmental, Social and Governance Report

During the Reporting Period, the Group organized a total of 48 training activities, and a total of 3,746 people completed relevant training. During the COVID-19 epidemic, the Group actively carried out epidemic prevention training, popularized anti-epidemic knowledge, and improved the public health and safety awareness of employees and students.

The following are the main types and contents of training provided by the Group for school teachers and management cadres during the Reporting Period:

Training Types	Contents
Ideological and political education	Party history theme study, ideological and political theory study
Management training	Practical teaching management, systematic construction on teaching work, scientific research literacy topic practical operation training
Summer camp for new teachers	University Teaching Information Construction + Informationized Teaching Resources Construction and Application, Higher Education Reform and Development Trend, Targeted Improvement of Teaching Skills, etc.
Teaching basic skills training	Basic skills of classroom language, Basic skills of organizing teaching, Basic skills of teaching guidance and inspiration, etc.
Teacher workshop	Data Processing Methods in Project Research, Domestic Visiting Sharing Session for Key Teachers, Aesthetic Education Elements in Curriculum Aesthetic Education, etc.



Employee Training

Environmental, Social and Governance Report

Labor Standards

The Group has strictly complied with “Labor Law of the People’s Republic of China”, “Law of the People’s Republic of China on the Protection of Minors”, “Provisions on Prohibition of Child Labor”, “Teachers Law of the People’s Republic of China”, and other relevant laws and regulations in the PRC in recruiting and hiring teachers and employees, and protecting their legal rights and interests.

The Group resolutely resists and opposes any form of child labor and forced labor practices, including forced labor, improper punitive measures, etc. The Group has clearly stipulated that child labor and forced labor are not to be employed in the recruitment system and procedures. The Group strictly implements the recruitment and employment procedures in the “Compendium of Human Resources Management Systems”, carefully checking the identity information of candidates before being officially hired, to ensure that personal information is true and effective.

During the Reporting Period, the Group did not have any form of forced labor or child labor incidents and related complaints, since the minimum requirement of the Group’s talent introduction is master degree. If any violations were to be detected, the Group would immediately cease any labor activities. Any false documents would be considered fraudulent and the Group would have the right to terminate the labor contract immediately.

Environmental, Social and Governance Report

III. OPERATING PRACTICES

Supply Chain Management

During the Reporting Period, the Group formulated the “Material Procurement Management System” and “Supplier Information Database and Access and Exit Management Measures” to standardize the material supply procedures and strengthen the supervision of suppliers, and to make every effort to create a safe, hygienic and comfortable teaching and living environment for teachers and students.

The materials purchased by the Group are mainly office supplies, electronic equipment, teaching materials, software, technical services, uniforms, etc. During the Reporting Period, the Group had a total of 40 suppliers, 30 of which were from Shanxi Province, and the remaining ten were qualified suppliers from cities such as Beijing, Shanghai, and Guangzhou. Our cooperation is all carried out in accordance with the relevant supplier and material procurement management systems we have formulated to implement unified management.

The Group strictly complies with the “Material Procurement Management System” to purchase and distribute materials required for daily operations. At the same time, in order to standardize material supply procedures, improve work efficiency, complete material supply with high quality and efficiency, and strengthen the monitoring and management of cooperative suppliers, the Group has formulated the “Supplier Information Database and Access and Exit Management Measures” for the Group to conduct scientific management, including strict regulations on five aspects that are supplier classification, ranking, numbering, access mechanism, and exit mechanism. When selecting suppliers, in addition to factors such as quality, reputation, and qualifications, we also fully consider the suppliers’ environmental and social risk factors. For example, it is required to check the qualification certificates provided by suppliers when purchasing daily necessities and teaching equipment, including environmental, occupational safety and health certificates. At the same time, according to the list of energy-saving and environmentally-friendly items and certification issued by the State Administration of Market Supervision, priority is given to purchasing products that meet environmental and energy-saving requirements.

The Group has established a complete monitoring system for the suppliers and material procurement, and also attaches great importance to the credit quality of suppliers. During the review and supply period, the temporary suppliers with bad credit records, poor social reputation, and suppliers who have deceived the product quality and service they supply and refuse to rectify, the Group enforces the return procedure to ensure the safety and stability of the school in daily operations.

Service Responsibility

The Group strictly complies with “Safe Production Law of the People’s Republic of China”, “Labor Law of the People’s Republic of China”, “Taiyuan City Health Education and Health Promotion Work Regulations”, “Taiyuan City Safety Production Accidents Inspection and Management Supervision and Management Measures”, “Fire Safety Management of Higher Education Institutions”, “Regulations on Fire Safety Management of Colleges and Universities”, “Notice on Further Promoting Water Conservation in Colleges and Universities”, and relevant national laws and regulations applicable to schools at all levels to provide education services for students. The Group has introduced many systems, policies and activities to improve the quality of teaching services.

Environmental, Social and Governance Report

The Group has established a teaching quality monitoring and evaluation center, a two-level teaching quality monitoring system, and a preliminary teaching quality assurance system composed of six subsystems, including a decision-making command system, a quality target system, a resource allocation system, a process management system, a monitoring and evaluation system, and a feedback improvement system. The Group set up a teaching quality monitoring team composed of teaching management personnel, teaching supervisors and student information officers, further revised and improved the teaching management system by formulating quality standards and evaluation methods for each teaching steps, and extensively carried out teaching supervision activities in which the classroom teaching, examination papers, and graduation thesis were inspected and supervised.

The Group also organizes and implements on-campus self-assessments, and conducts special evaluations of teaching units, undergraduate majors and courses. At the same time, relevant management measures have been formulated to standardize data acquisition and reporting, so as to strengthen data analysis and the practical application of data. The management cadres send instructions with the findings from data to guide relevant departments to improve their work, which also provided a basis for the Group's scientific decision-making, deployment and control. In addition, the Group organizes annual student satisfaction surveys to systematically and routinely monitor teaching work.

In accordance with the Group's teaching management system, the Group's School Academic Affairs Office has issued the corresponding accountability and handling system, including "Quality Standards for Major Teaching Links of Shanxi Technology and Business College", "Shanxi Technology and Business College Teachers' Teaching Log Filling Standards", "Shanxi Technology and Business College Test Paper Review Standards", "Shanxi Technology and Business College Measures for Evaluation and Management of Normal Performances", "Working Regulations for Teaching Management of Shanxi Technology and Business College", and issued corresponding responsibilities such as "Measures for the Identification and Handling of Teaching Accidents of Shanxi Technology and Business College", and "Measures for Identification and Handling of Examination Violations of Shanxi Technology and Business College". During the Reporting Period, the Group did not receive any complaint about educational services.

The Group adopts reasonable and effective marketing strategies to attract students and parents. The main marketing channels include the school's official website, the school's official WeChat platform and Shanxi Traffic Broadcasting to promote the school's enrollment strategy. During the Reporting Period, the Group's marketing and promotion activities were in compliance with legal requirements such as the Advertising Law.

Intellectual Property Rights

The Group understands the importance of maintaining intellectual property rights. In order to promote the intellectual property culture awareness, the teaching materials used by the school of the Group are all ordered from authorised publishers and the software are obtained authorized licenses. In order to strengthen the protection of the Group's intellectual property rights and standardize the management of intellectual property rights, the Group's "Management Measures for Intellectual Property Rights" has been formulated in strict accordance with the "Copyright Law of the People's Republic of China". The Group also provides training on intellectual property rights to all employees to help them better understand the boundaries of patent rights and technical secrets, trademark rights, commercial secrets, copyright (including computer software), and other intellectual property rights protected by national laws. During the Reporting Period, the Group did not have any violations of intellectual property rights and related complaints.

Environmental, Social and Governance Report

Privacy Protection

The Group is committed to protecting the privacy of students and parents, and strictly abides by the “Confidentiality Law of the People’s Republic of China” and various confidentiality systems stipulated by the state. The Group strictly abides by the relevant national laws and regulations on the protection of personal information in the daily operation. The Group also formulated the “Personal Information and Data Security Management System”, “Teacher and Student Data Security and Privacy Monitoring Methods” and “Notice on Strengthening Information Security and Privacy Protection” for the privacy of students and parents. The confidential security measures include but are not limited to: desensitization of personal sensitive information; signing data confidentiality agreement whenever is necessary. During the Reporting Period, the Group did not have any breaches of data privacy.

Anti-corruption

The Group strictly abides by “Criminal Law of the People’s Republic of China”, “Company law of the People’s Republic of China”, “Contract Law of the People’s Republic of China”, “Interim Provisions on Prohibition of Commercial Bribery”, “Anti-Money Laundering Law of the People’s Republic of China”, “General Principles of the Civil Law of the People’s Republic of China”, the “Anti-Unfair Competition Law of the People’s Republic of China”, and relevant national laws and regulations applicable to schools at all levels to prevent any corruption, such as bribery, extortion, fraud, and money laundering.

In order to regulate the professional conduct of all employees, the Group strictly abides by relevant laws, industry norms and standards, professional ethics, and company rules and regulations. At the same time, the Group has also established the Disciplinary Inspection Committee to prevent bribery, extortion, fraud and money laundering and other frauds.

During the Reporting Period, there were no significant changes to the monitoring measures formulated by the Group to against corruption. Major measures are as follows:

- Setting up a disciplinary inspection committee, whose main responsibility is to assist the management in strengthening the construction and development of anti-corruption work; supervise and inspect the implementation of the anti-corruption system and the integrity and self-discipline of leading cadres;
- Setting up a disciplinary inspection committee monitoring office, whose main responsibility is to accept, investigate and deal with school administrative organizations and administrative staff’s violations of bribery, extortion, fraud, money laundering and other fraudulent activities;
- Setting up a disciplinary inspection committee inspection office, whose main responsibilities are to summarize and compile common, typical, and tendentious problems in school daily operations and give feedback to the management in a timely manner; supervise the implementation of school projects and prohibit fraud;
- Setting up complaints and proposals administration open up channels for teachers and students to put forward opinions and suggestions.

Environmental, Social and Governance Report

In addition, the Group regularly organizes the “Integrity and Diligence Education Week” every year to further strengthen the construction of teacher ethics creating a clean and upright education atmosphere. Management and boards of directors are required to participate in relevant anti-corruption education propaganda and training to cultivate anti-bribery, anti-extortion, anti-fraud and anti-money laundering awareness.

During the Reporting Period, the Group did not have any fraud cases such as bribery, extortion, fraud and money laundering.



“Integrity and Diligence Education Week”

IV. COMMUNITY INVESTMENT

The Group actively fulfills its corporate social responsibilities and devotes itself to public welfare and community construction and development, and organizes teachers and students to carry out activities to support community education, humanistic care, culture and art, and urban construction.

On the other hand, the Group fully embodies staff care and provides diversified training and promotion opportunities. In addition, the Group attaches great importance to the moral education of students and strives to cultivate students with high moral character and strong sense of social responsibility.

During the Reporting Period, the Group actively assumed social responsibilities through various channels and methods. The Group actively engaged in voluntary services and public welfare volunteer activities and encourage employees and students to participate more in public welfare activities making contributions to improving society and people’s livelihood.

Environmental, Social and Governance Report

Public Welfare Volunteer Activities

During the Reporting Period, the main public welfare volunteer activities organized by the school of the Group include:

School	Public welfare volunteer activities
Shanxi Technology and Business College	<ul style="list-style-type: none">➤ On 15 July 2021, the School of Art and Design under the college opened an art exhibition to commemorate the 100th anniversary the party. The art exhibition is an opportunity for students' summer social practice volunteer activities for promoting art culture to the countryside.➤ On 15 July 2021, the Social Practice Volunteer Service Team of Preschool Education school under the college entered Wenshui County, Luliang City to support local education which built a window for children in local area to understand the outside world and society.➤ On 15 July 2021, the School of Computer Information Engineering under the college entered Huangtu Town, Linfen City to carry out voluntary service activities. Volunteers repaired computers for villagers and popularized related knowledge.➤ On 15 July 2021, the School of Construction Engineering under the college entered Nanzheng Village, Yangqu County, Taiyuan City to carry out voluntary service activities. Volunteers used their professional advantages to help villagers conduct field surveys and assist rural construction.➤ On 13 July 2021, the School of Finance under the college went to Dianzidi Village, Yangqu County, Taiyuan City, Shanxi Province to carry out the summer social practice activities.➤ On 1 May 2021, 77 volunteers from the school of Media and Communication began to provide public welfare volunteer services in the Taiyuan Botanical Garden. Served more than 10,000 tourists for 10 hours a day, and used actions to fulfill the social responsibility of young students.➤ On 20 April 2021, volunteers from the Preschool Education school launched a volunteer service activity to convey warmth to the elderly through paintings➤ On 12 November 2020, the Pioneer Team of the School of Preschool Education launched a special project "Children's Heart and Children's Dreams" to provide volunteer services for children with cancer and autism illuminate their world with humble efforts.



Public Welfare Volunteer Activities

Social Donation

The Group actively participates in social care activities and carries out voluntary donation activities encouraging students to bring their idle learning utensils and daily necessities to the donation site and donate them to Yantulou Primary School in Shangqiu City, Henan Province.



Social Donation

Environmental, Social and Governance Report

Staff Care

Teachers and staff are an important asset of an educational service organization. The Group has always paid great attention to the care of its staff. The Group provides assistance in the form of funds, materials, manpower and spiritual condolences to teachers and staff who have encountered difficulties in life.

The Group provides welfare to staff during holidays such as Women's Day, Dragon Boat Festival, Mid-Autumn Festival, Teacher's Day, Spring Festival every year. The Group will also carry out a variety of spiritual and cultural activities for staff to fully meet their diversify needs. During the Reporting Period, the main staff care activities organized by the Group include:

School	Staff care activities
Shanxi Technology and Business College	<ul style="list-style-type: none">➤ On 28 July 2020, the college established the Cheongsam Association, hoping to enhance the elegant temperament of intellectual women in the college.➤ On 16 October 2020, the college's Fitness Yoga Association launched a yoga guidance training to improve the health awareness of staff and help them enjoy their life relieve the pressure from work.➤ On 29 October 2020, the college launch a special lecture on "Occupational Health Knowledge". Experts on safety education and health were invited to the campus to promote health knowledge for staff.➤ On 5 December 2020, the college held a chorus competition. There were 13 participating teams and 1 performance team in this choral competition, with nearly 800 participants.➤ On 19 December 2020, the college invited psychological counseling lecturers to provide developmental psychological counseling and psychological support to teachers and students.➤ On 8 March 2021, the college held the 2021 table tennis competition to enrich the life of staff.➤ On 27 May 2021, the school held a lecture on children massage to meet the needs of staff for children massage.

Environmental, Social and Governance Report

Awards and Honors

In the past fiscal year, the Group has actively dedicated itself to community construction and has played a leading role in the communities where it is located. During the Reporting Period, the Group has won over 20 awards and honors. During the Reporting Period, the main awards received by the Group's college are:

Awards and honors	Awarding agency
In 2021, Shanxi Technology and Business College won the Excellent Organization Award in the "I am Growing Up in the Epidemic" theme essay competition	Shanxi Provincial Department of Education Care for the Next Generation Committee; Shanxi Youth Psychology and Education Research Association
2020 The 6th China "Internet +" University Student Innovation and Entrepreneurship Competition – Provincial Gold Award, Silver Award, Bronze Award	Organizing Committee of the 6th Shanxi Construction Bank Cup Internet + College Student Innovation and Entrepreneurship Competition
The 13th China University Student Computer Design Competition in 2020 – National Third Prize; Provincial First Prize, Second Prize, Third Prize	Organizing Committee of China University Student Computer Design Competition
2020 The 13th China University Student Computer Design Competition Shanxi Provincial Competition – Provincial Third Prize	Shanxi Provincial Organizing Committee of China University Student Computer Design Contest
2020 National College Student Advertising Art Competition – Provincial First Prize, Second Prize, Third Prize, Excellence Award	National College Student Advertising Art Competition Organizing Committee
The 12th "Xingjin Challenge Cup" Chinese College Student Entrepreneurship Planning Competition – Provincial Silver Award, Bronze Award	Central Committee of the Communist Youth League, China Association for Science and Technology, Ministry of Education, National Federation of Students
2020 The 6th College Student Art Exhibition in Shanxi Province – Provincial Second Prize and Third Prize	Shanxi Department of Education

Environmental, Social and Governance Report

Awards and honors	Awarding agency
The 16th National Youth Bingxin Literature Activity – Provincial First Prize, Second Prize, Third Prize	National Youth Bingxin Literature Organizing Committee
2021 Jinzhong National Cultural and Ecological Protection Experimental Zone “Traditional Craft Creative Deduction Invitational” – Provincial Third Prize	Shanxi Department of Culture and Tourism
“National Youth Cup” National College Art Design Competition – National First Prize, Second Prize, Third Prize	Organizing Committee of the 4th Art Design Competition
The 17th National University Student Digital Intelligence Enterprise Management Sand Table Competition – Provincial First Prize	China Higher Education Association Higher Finance and Economics Education Branch, China Federation of Commerce, Xindao Technology Co., Ltd.
The 7th “Oriental Wealth Cup” National College Student Financial Elite Challenge – National First Prize	Youth Development Department of the Central Committee of the Communist Youth League, Oriental Fortune, National School Communist Youth League Research Center
The 4th National University Economics Comprehensive Game Experimental Competition – National First Prize	Professional Committee of Game Theory and Experimental Economics of China Quantitative Economics Association, Economics and Management Working Group of Professional Committee of Humanities of Virtual Simulation Experiment Teaching Innovation Alliance
Advanced Unit of the 17th “Contemporary Cup” National Preschool Teacher Vocational Skills Competition	“Infant Education Guide Magazine”, Contemporary Preschool Education Network, Contemporary Preschool Education Research Association, National Preschool Teachers Vocational Skills Competition Organizing Committee

Appendix I. Key Performance Indicators

CHART 1: AIR POLLUTION EMISSIONS

Air pollution emissions	Unit	2021
Nitrogen oxides (NO _x)	kg	1,120.0
Sulphur oxides (SO _x)	kg	2.9
Particulate matter (PM)	kg	107.3

CHART 2: GREENHOUSE GAS EMISSIONS

Greenhouse gas emissions	Unit	2021
Direct greenhouse gas emissions (Scope 1)	tonne of CO ₂ e	275.47
Greenhouse gas removals (Scope 1)	tonne of CO ₂ e	1.22
Indirect greenhouse gas emissions (Scope 2)	tonne of CO ₂ e	6,163.14
Total greenhouse gas emissions (Scope 1 and 2)	tonne of CO ₂ e	6,437.40
Greenhouse gas emission intensity (Scope 1 and 2)	tonne of CO ₂ e	0.34

CHART 3: ENERGY CONSUMPTION

Energy consumption	Unit	2021
Total electricity consumption	MWh	10,101.8
Total electricity consumption intensity (per m ²)	MWh/m ²	0.02
Total electricity consumption intensity (per employee and student)	MWh/number of employee and student	0.54
Total water consumption	tonnes	332,644
Total water consumption intensity (per m ²)	tonnes/m ²	0.69
Total water consumption intensity (per employee and student)	tonnes/number of employee and student	17.80
Total natural gas consumption	m ³	2,888,184
Total natural gas consumption intensity (per m ²)	m ³ /m ²	6.00
Total natural gas consumption intensity (per employee and student)	m ³ /number of employee and student	154.56
Total gasoline consumption	litres	16,761
Total gasoline consumption intensity (per employee and student)	litres/number of employee and student	0.90
Total diesel consumption	litres	39,941
Total diesel consumption intensity (per employee and student)	litres/number of employee and student	2.14

Appendix I. Key Performance Indicators

CHART 4: WASTE

Waste	Unit	2021
Hazardous waste	tonnes	0.1
Non-hazardous waste	tonnes	12,960

CHART 5: PAPER CONSUMPTION

Paper consumption	Unit	2021
Total paper consumption	kg	5,093.9
A3	kg	34.9
A4	kg	5,029.5
8K	kg	29.5

CHART 6: ALL EMPLOYEES

Employees	Unit	2021
Total number of employees	person	1,454
Total number of employees (by gender)		
Female employees	person	1,062
Male employees	person	392
Total number of employees (by age group)		
Below 30	person	337
31-40	person	594
41-50	person	249
51-60	person	207
Above 60	person	67

Appendix I. Key Performance Indicators

Employees	Unit	2021
Total number of employees (by employment type)		
Ordinary Staff	person	1,356
Middle Management Personnel	person	89
Senior Management Personnel	person	9
Total number of employees (by region)		
Shanxi Province	person	1,454
Turnover rate (by gender)		
Female employees	percent	2.7
Male employees	percent	5.6
Turnover rate (by age group)		
Below 30	percent	3.0
31-40	percent	3.4
41-50	percent	0.3
51-60	percent	1.0
Above 60	percent	0.6
Turnover rate (by region)		
Shanxi Province	percent	8.3

Appendix I. Key Performance Indicators

CHART 7: OCCUPATIONAL HEALTH AND SAFETY

Occupational health and safety	Unit	2021
Number of work-related fatalities in 2021	person	0
Number of work-related fatalities in 2020	person	0
Number of work-related fatalities in 2019	person	0
Lost days due to work injury	day	0

CHART 8: DEVELOPMENT AND TRAINING

Occupational training	Unit	2021
Cumulative number of trainees	person	3,746
Cumulative training times	time	48
Percentage of employees trained (by gender)		
Female employees	percent	73.03
Male employees	percent	26.97
Percentage of employees trained (by employment type)		
Ordinary Staff	percent	93.25
Middle Management Personnel	percent	6.12
Senior Management Personnel	percent	0.63
Average training hours per employee (by gender)		
Female employees	hours	100
Male employees	hours	100
Average training hours per employee (by employment type)		
Ordinary Staff	hours	100
Middle Management Personnel	hours	100
Senior Management Personnel	hours	100

Appendix I. Key Performance Indicators

CHART 9: LABOR STANDARDS

Labor Standards	Unit	2021
Number of child labor	person	0
Number of forced labor	person	0

CHART 10: ANTI-CORRUPTION

Anti-corruption	Unit	2021
Number of concluded corruption-related litigation cases against the Group or employees	Case	0

Appendix II. Environmental, Social and Governance Reporting Guide Index

Contents of Indicators		Relevant Section
A. Environmental Category		
A1: Emissions	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and GHG emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.
		I. Environment
	A1.1	The types of emissions and respective emissions data.
		I. Environment – Emissions Appendix I: Key Performance Indicators
	A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions in total and intensity.
		I. Environment – Emissions Appendix I: Key Performance Indicators
	A1.3	Total hazardous waste produced and intensity.
		I. Environment – Emissions Appendix I: Key Performance Indicators
	A1.4	Total non-hazardous waste produced and intensity.
		I. Environment – Emissions Appendix I: Key Performance Indicators
	A1.5	Description of emissions target(s) set and steps taken to achieve them.
		I. Environment – Emissions
	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.
		I. Environment – Emissions

Appendix II. Environmental, Social and Governance Reporting Guide Index

Contents of Indicators			Relevant Section
A2: Use of resources	General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	I. Environment – Use of Resources
	A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total and intensity.	I. Environment – Use of Resources Appendix I: Key Performance Indicators
	A2.2	Water consumption in total and intensity.	I. Environment – Use of Resources Appendix I: Key Performance Indicators
	A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	I. Environment – Use of Resources
	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.	I. Environment – Use of Resources
	A2.5	Total packaging material used for finished products and with reference to per unit produced.	Not applicable to the business of the Group
A3: Environment and natural resources	General Disclosure	Policies on minimizing the issuer's significant impact on the environment and natural resources.	I. Environment – Environment and Natural Resources
	A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	I. Environment – Environment and natural resources

Appendix II. Environmental, Social and Governance Reporting Guide Index

Contents of Indicators			Relevant Section
A4: Climate Change	General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	I. Environment – 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.	I. Environment – Climate Change
B. Social			
B1: Employments	General Disclosure	Information on the policies and 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, anti-discrimination, and other benefits and welfare.	II. Employment and Labor standards
	B1.1	Total workforce by gender, employment type, age group and geographical region.	II. Employment and Labor standards – Employment Appendix I: Key Performance Indicators
	B1.2	Employee turnover rate by gender, age group and geographical region.	II. Employment and Labor standards – Employment Appendix I: Key Performance Indicators

Appendix II. Environmental, Social and Governance Reporting Guide Index

Contents of Indicators			Relevant Section
B2: Health and safety	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	II. Employment and Labor standards – Health and Safety
	B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	II. Employment and Labor standards – Health and Safety Appendix I: Key Performance Indicators
	B2.2	Lost days due to work injury.	II. Employment and Labor standards – Health and Safety Appendix I: Key Performance Indicators
	B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	II. Employment and Labor standards – Health and Safety
B3: Development and training	General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	II. Employment and Labor standards – Development and Training
	B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	II. Employment and Labor standards – Development and Training Appendix I: Key Performance Indicators

Appendix II. Environmental, Social and Governance Reporting Guide Index

Contents of Indicators		Relevant Section	
	B3.2	The average training hours completed per employee by gender and employee category.	II. Employment and Labor standards – Development and Training Appendix I: Key Performance Indicators
B4: Labor standards	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labor.	II. Employment and Labor standards – Labor Standards
	B4.1	Description of measures to review employment practices to avoid child and forced labor.	II. Employment and Labor standards – Labor Standards
	B4.2	Description of steps taken to eliminate such practices when discovered.	II. Employment and Labor standards – Labor Standards
B5: Supply chain management	General disclosure	Policies on managing environmental and social risks of the supply chain.	III. Operating Practices
	B5.1	Number of suppliers by geographical region.	III. Operating Practices – Supply Chain Management
	B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	III. Operating Practices – Supply Chain Management
	B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	III. Operating Practices – Supply Chain Management
	B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	III. Operating Practices – Supply Chain Management

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Contents of Indicators		Relevant Section	
B6: Product responsibility	General disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	III. Operating Practices – Service Responsibility
	B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Not applicable to the business of the Group
	B6.2	Number of products and service-related complaints received and how they are dealt with.	III. Operating Practices – Service Responsibility
	B6.3	Description of practices relating to observing and protecting intellectual property rights.	III. Operating Practices – Intellectual Property Rights
	B6.4	Description of quality assurance process and recall procedures.	Not applicable to the business of the Group
	B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	III. Operating Practices – Privacy Protection

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Contents of Indicators		Relevant Section	
B7: Anti-corruption	General disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	III. Operating Practices – Anti-corruption
	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.	III. Operating Practices – Anti-corruption
	B7.2	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.	III. Operating Practices – Anti-corruption
	B7.3	Description of anti-corruption training provided to directors and staff.	III. Operating Practices – Anti-corruption
B8: Community investment	General disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	IV. Community investment
	B8.1	Focus areas of contribution (e.g. education, environmental concerns, labor needs, health, culture, sport).	IV. Community investment – Public Welfare Volunteer Activities
	B8.2	Resources contributed to the focus area.	IV. Community investment