中國銀杏教育集團有限公司
China Gingko Education Group Company Limited

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 1851

2021
Environmental, Social and Governance Report

Contents

About the Report

China Gingko Education Group Company Limited (the "**Company**") and its subsidiaries (including the consolidated affiliated entities) (collectively known as the "Group" or "**we**") is pleased to publish the Environmental, Social and Governance ("**ESG**") Report covering the period from 1 January 2021 to 31 December 2021 (the "**Reporting Period**"). The ESG Report not only elaborates our commitments and strategies but also summarises our efforts and achievements on corporate social responsibility and sustainable development.

Scope of the Report

The ESG Report details the Group's overall environmental and social policies when operating its businesses (namely the provision of higher education service provider business) in the People's Republic of China (the "**PRC**"). During the Reporting Period, the environmental and social key performance indicators ("**KPIs**") as disclosed are based on the performance of the Group's major operating activities of Gingko College of Hospitality Management (formerly known as Yinxing Hospitality Management College of CUIT) ("**Yinxing College**") in the PRC. The scope is determined based on whether the Group has operational control over the entity, and whether the entity has a material influence on the Group's performance or assets.

Reporting Framework

The ESG Report is prepared by the Group in accordance with the Environmental, Social and Governance Reporting Guide as set out in Appendix 27 of Rules Governing the Listing of Securities issued by the Stock Exchange of Hong Kong Limited (the "**Hong Kong Stock Exchange**") and in compliance with the "comply or explain" provisions thereof.

Reporting Principles

The content of the ESG Report is determined through stakeholder engagement and materiality assessment process, which includes identifying ESG-related issues, collecting and reviewing the management and stakeholders' opinions, assessing the relevance and materiality of the issues and preparing and validating the information reported. The ESG Report covers all key issues that are concerned by different stakeholders.

Quantitative environmental and social KPIs are disclosed in the ESG Report so that stakeholders are able to have a comprehensive understanding of the Group's ESG performance. Information of the standards, methodologies, references and source of key emission and conversion factors used on these KPIs are stated wherever appropriate. To enhance and maintain the comparability of the ESG Report between years, the Group adopts consistent reporting and calculation methodologies as far as practicable. In case of any changes in methodologies and specific standards, explanation has been provided in corresponding sections to facilitate information interpretation.

Suggestions and Feedback

Our continuous improvement relies on your valuable opinions. Your opinions will be highly valued. Should you have any advice or suggestions, please feel free to email us at justin@gingkoeducn.com.

About the Group

The Group is a higher education service provider which has been offering multifarious education programmes in Sichuan Province since 2002. Upholding our fundamental educational philosophy of "Bringing Excellence to Students and Serving Society (成就學生，服務社會)" and adhering to our motto of "Cultivating Service Awareness and Achieving the Unity of Knowledge and Action (服務養成，知行相濟)", we are committed to offering a variety of comprehensive programmes and training talents with practical skills applicable to the modern service industry.

Our college currently has 8 departments, which provide a wide range of courses spanning six disciplines, namely management, literature, engineering, education, economics and arts. Our college offers 27 bachelor's degree programmes and 27 junior college diploma programmes, among which the hospitality management programme is the leading programme, providing students with practical training courses taught by teachers with relevant industry experience and various internship opportunities in high-end hotels. Since the founding of our college, our diverse programmes, quality and experienced teachers as well as the active school-enterprise cooperation have gained recognitions and won many accolades from both national authorities and enterprises of the industry. As at 31 December 2021, approximately 14,900 students were registered in our college.

Board Statement

The Group believes that sound ESG principles and practices will increase investment value and provide long-term returns to stakeholders. In a bid to ensure the establishment of appropriate and effective ESG risk management measures and internal control system, the Board of Directors (the "**Board**") is responsible for overseeing the Group's ESG strategies and performance, as well as assessing and identifying ESG-related risks.

To mitigate risks related to sustainability and ESG-related issues, the Board keeps a close watch on the risk evaluation process. Meanwhile, the Group would review the stakeholder communication channels regularly to ensure effective communication between the Group and its stakeholders. During the Reporting Period, the Board has assigned an independent consulting firm to conduct a materiality assessment for better identifying potential and material ESG issues to the business and its stakeholders. The issues would be prioritised and those with high significance to the Group and stakeholders are considered as material. The Board would review the issues regularly and ensure appropriate ESG management policies are in place, so as to make response to the stakeholder expectations in a timely manner.

In an effort to enhance ESG performance of the Group, the Group endeavors to review plans and performance regarding its operation and sustainable development. Besides, the Group monitors the frequency and quality of ESG-related training for employees and develops ESG-related targets based on the material issues concerned by the business and stakeholders. The Board would keep tracking and review the execution of the related work with respect to the proposed plans and targets, for the purpose of formulating future plans on the Group's ESG development.

Stakeholder Engagement

With the goal to strengthen the sustainability approach and performance of the Group, we highly value the feedback and opinions from stakeholders. Through active engagements, we gain a better understanding on stakeholders' requirements, expectations and concerns towards our business, which is one of the key factors that shape our success. We have therefore established multiple engagement channels and proactively engaged our internal and external stakeholders so as to identify the material topics that we should focus on.

Stakeholders	Expectations and requirements	Means of communication and response
Government and regulators	• Compliance with national policies, laws and regulations • Tax payment in full and on time	• Regular information reporting
Shareholders	• Operational compliance	
Business partners	• Operation with integrity • Fair competition • Performance of contracts • Mutual benefits	• Review and assessment meetings • Business communication • Discussion and exchange of opinions
Students and parents	• High-quality education • Safe learning environment • Health and safety of students	• Student service center and hotlines • Student feedback surveys
Environment	• Energy saving and emission reduction	
Industry	• Enhancement of industrial development	• Participation in industry forums

Stakeholders	Expectations and requirements	Means of communication and response
Employees	• Protection of rights • Occupational health • Remunerations and benefits • Career development • Equal employment opportunity and diversified development	• Employee meetings • Employee mailbox • Training and workshop • Employee activities
Community and the public	• Participation in charity	• Company website and announcements • Volunteer activities • Media interviews

Materiality Assessment

In view of the relevance and validity of the ESG Report with the Group's environmental and social performance, the Group has conducted a materiality assessment to identify ESG issues that are material to the business of the Group and its stakeholders. The assessment is based on stakeholder surveys, materiality maps provided by well-known external institutions[1], as well as professional opinions from the third-party ESG professional. The material ESG issues as identified are shown as follows:

Material Issues
Compliance Management
Use of Water Resources
Health and Safety of Students and Teachers
Remuneration and Benefits
Training and Development
Privacy and Data Security
Quality Management
Managing Environmental Risks of Supply Chain
Anti-corruption

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[1] The materiality maps referenced in the materiality assessment include the ESG industry Materiality Map and the SASB Materiality Map produced respectively by MSCI and the Sustainability Accounting Standards Board (SASB).

Student-oriented

Adhering to the motto of "Cultivating Service Awareness and Achieving the Unity of Knowledge and Action (服務養成，知行相濟)", The Group is committed to providing industry-leading higher education to students through career-focused teaching strategies and methods. We have continually improved teaching quality through innovation and strived to provide a safe and healthy leaning environment for students, allowing all our students to thrive in Yinxing College.

Provision of Quality Courses and Diversified Activities

The Group strictly complies with the laws and regulations regarding private education, including but not limit to the Education Law of the PRC<中華人民共和國教育法>, the Law for Promoting Private Education <民辦教育促進法>, the Implementation Rules for the Law for Promoting Private Education <民辦教育促進法實施條例> and other normative documents. As an education service provider, we are dedicated to offering comprehensive and diversified programmes and curriculum to students in order to cultivate talents who are equipped with practical skills applicable to the modern service industry. In order to ensure the quality of courses, we have the Regulation on Course Planning and Course Management in place which sets out the principles of course planning, course objectives, assessment methods, etc. when launching a new course. Also, all new courses are required to pass the review from the Academic Registry to ensure course quality.

Apart from traditional in-class teaching and online education platform, we have established a workplace simulation training platform in each department to simulate the workplace environment and conduct situational teaching. For example, our Hospitality Management Department has established a platform that simulates the operation of a star rated hotel, through which teachers can demonstrate the operational details in a workplace setting. Besides, we cooperate with renowned enterprises to provide our students with extensive practical training to enhance their competitiveness. In addition, students are also provided with overseas exchange opportunities and participated in different competitions to broaden their horizons.

Teaching Performance Management

The satisfying performance of our teachers is essential for us to deliver high quality education services. In order to regulate and monitor the performance of our teachers, we have established the Basic Guidelines for Teaching Performance pursuant to relevant laws such as the Teachers Law of the PRC to guide their daily teaching activities. Regular performance reviews on our teachers are conducted based on different criteria, such as course design, course contents, teaching skills, interaction with students, and application of new technologies and media, by their supervisors, students and peers so as to ensure that they have followed our guidelines and met our standards. In case of serious teaching issues, we will strictly follow relevant procedures to carry out investigations and formulate resolution plans.

Campus Security and Fire Safety

The Group has always put the health and safety of students in the first place and is committed to providing students with a safe environment to facilitate their studies. We have formulated a series of safety policies in both campus and dormitories, under which our Department of Safety and Security is responsible for maintaining campus security and implementing safety measures. Our security guards stationed in the main entrances will examine and record the entrance and exit of visitors and prohibit unauthorized entry. Also, regular patrols are carried out and 24/7 surveillance cameras are installed in different areas of the campus to prevent crimes or incidents.

In terms of fire safety management, we strictly adhere to the Administrative Measures of Campus Fire Safety, which was prepared in accordance with the Fire Protection Regulation of the PRC and the Provisions on the Administration of Fire Safety at Institutions of Higher Learning. To ensure our fire service installation or equipment are in line with the latest standards, we formulate fire safety work plan and budget plan annually, and organise fire safety meeting and inspections on a regular basis. In the events that any potential hazards are detected, immediate rectification will be carried out. Besides, the code of conduct of student dormitories clearly stipulates that any behaviors which may pose high fire risk, such as the use of high voltage electrical appliances, are strictly forbidden. In addition, we organise drills and provide training on fire safety and natural disasters to students, teachers and other staff regularly to enhance their ability in handling emergency situations.

Catering Service and Food Safety

The Group attaches great importance to food safety during the provision of catering service and strictly complies with relevant laws and regulations such as the Food Safety Law of the PRC and the Measures for Food Safety Management in School Canteens in Sichuan Province. We have formulated the Management System of Food Safety to provide standard operation guidelines for staff working in canteens. In addition to maintaining high cleanliness and hygiene standards of both kitchen and food warehouse, we constantly inspect the food supplies and standardise the storage methods and duration of different types of food. In the event that food poisoning occurs, we will suspend the operation of canteens immediately and report to the authority in a timely manner. Investigation and remedial actions will be taken to prevent recurrence of similar incidents.

Students' Physical and Mental Health

We understand that our students may from time to time be subject to different level of stress due to academic or non-academic factors. Therefore, we pay high attention to the physical and mental well-being of our students. Apart from providing various student activities, sport centres, and leisure space for students to enrich their college lives and release stress, we also set up a medical centre in our college to provide on-campus medical care services, in which routine medical services and emergency treatment are provided. Moreover, medical check-ups are arranged for new students in order to identify the students who may need special care and attention.

To promote the importance of mental health, we have appointed counsellors to serve as a bridge between students and our college. Along with providing support and guidance to students, counsellors also regularly visit the student dormitories and help students with socialising and behavioral issues. Apart from counsellors, teachers are also advised to pay attention to the psychological conditions of students and provide timely support to students in need. Furthermore, psychological courses, psychological counseling services and psychological support activities are provided to students so as to raise the awareness of mental health. To protect students' privacy, all records of counselling and consultation are kept in strict confidence.

Student Complaint and Satisfaction

In order to improve administration management and enhance education quality, as well as to safeguard student rights, we have formulated the Administrative Measures of Complaints, under which various complaints channels are set up, including telephone, visit, mailbox and school website. All complaints received will be recorded and further investigated in a timely, fair and objective manner. During the Reporting Period, the Group did not receive any complaint regarding our education service.

Employment and Labour Standards

The Group is convinced that teachers are the core driving force for the success of an educational institution. In view of this, we not only safeguard the legal right of our teachers and other staff, but also make best efforts to satisfy their needs and offer a board development platform for every one of them.

Employment Policies

We have compiled our employment policies in accordance with the laws and regulations such as the Labor Law of the PRC, the Labor Contract Law of the PRC, the Teachers Law of the PRC, and the Education Law of the PRC. During the Reporting Period, we were not aware of any non-compliance with relevant laws and regulations in regard to employment matters.

Equal employment opportunities

To expand our education service business and to improve our education quality, we adopt strict standards in recruiting our teachers. Before hiring each teacher, we consider his or her prior teaching experience, academic background and qualification as well as his or her performance in the interview and trial classes. Background checks are also conducted during the recruiting process. Apart from the above-mentioned criteria, we undertake to provide equal employment opportunities to candidates and will treat everyone equally irrespective of gender, sexual orientation, age, disability, race, marital status, religion, etc. Besides, we embrace inclusive employment by recruiting people with disabilities. We have modified the work counter to facilitate the use of wheelchair and provided a mentor to coach the staff on relevant job skills in a bid to help them adapt to the working environment.

Total Workforce by Gender*

- Male
- Female

2020: 289 / 38%, 480 / 63%
2021: 279 / 37%, 471 / 62%

Total Workforce by Age*

- 30 years old or below
- 31-40 years old
- 41-50 years old
- 51 years old or above

2020: 164 / 22%, 280 / 37%, 187 / 24%, 143 / 19%
2021: 142 / 19%, 269 / 35%, 184 / 24%, 150 / 20%

Total Workforce by Type*

管理層及行政人員

教師

支援人員

148
20%

211
28%

330
43%

373
49%

218
29%

239
31%

2020

2021
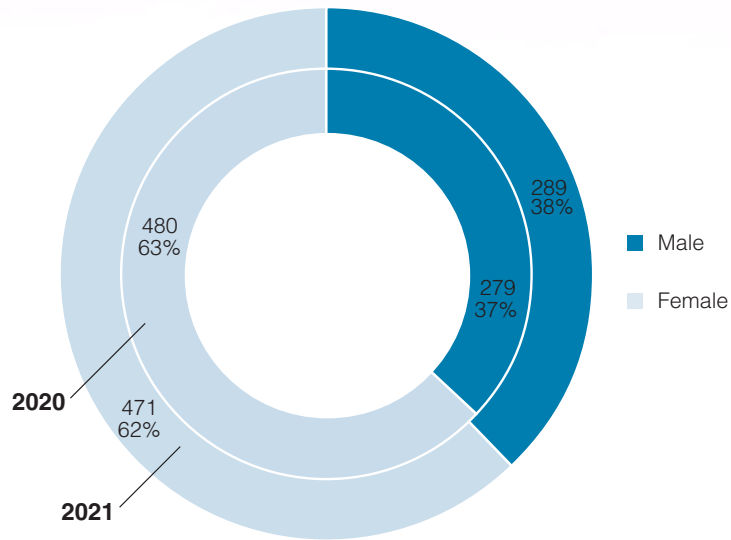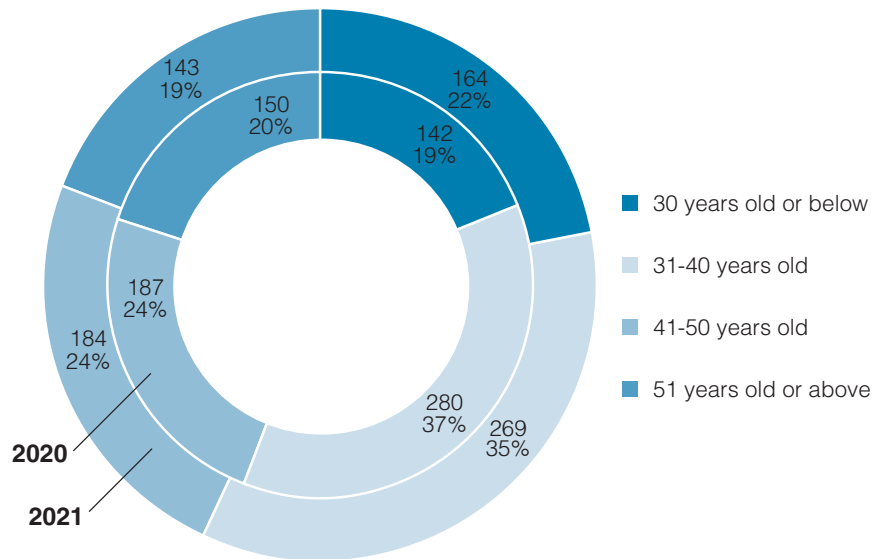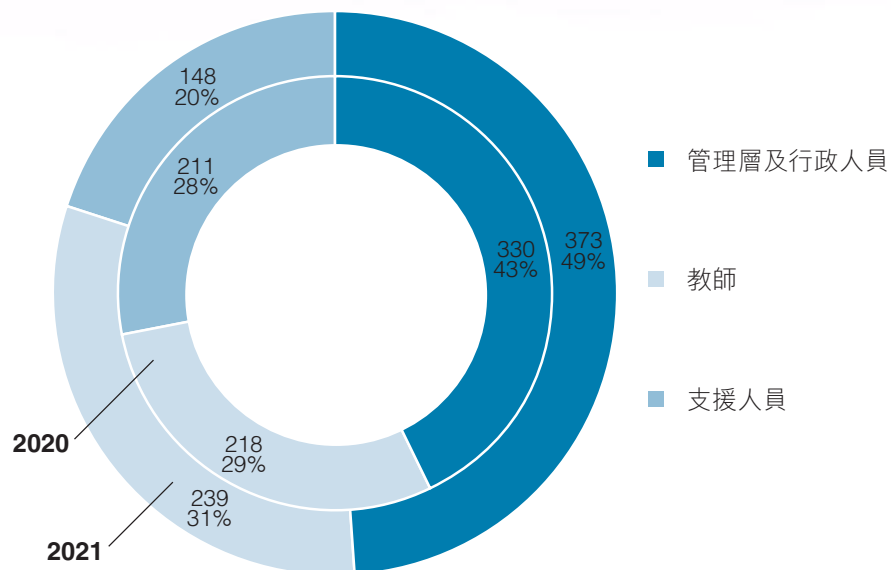
Total Workforce by Geographical Region*

中國內地

香港

0
0%

0
0%

759
100%

760
100%

2020

2021
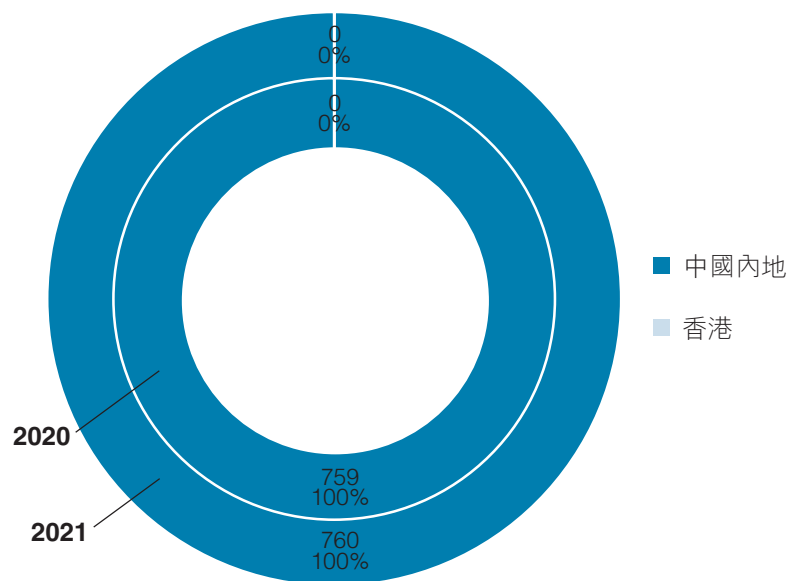
* The number of total workforce did not include the number of part-time teachers.

Remuneration and benefits

In a bid to attract and retain talents, we offer competitive remuneration packages to our employees according to external and internal salary benchmark, which typically includes a base salary and a performance-based bonus. The Group values employees' wellbeing by providing a series of benefits and subsidies, such as holiday and birthday gifts, lunch subsidies, festive bonus, transportation service, dormitories and free parking. Employees are also entitled to statutory holiday, paid annual leave, marital leave, maternity leave, paternity leave and compassionate leave. Besides, we have in place a comprehensive insurance policy to provide our staff and teachers with endowment insurance, medical insurance, unemployment insurance, child birth insurance, work-related injury insurance, group employee accident insurance and Chengdu critical illness supplemental insurance, etc. During the Reporting Period, we have organized a series of activities for our employees, such as Teacher's Day celebration, public speaking activities, singing contest and so on, in order to support a better work-life balance for employees.

Promotion and dismissal

We believe continuous teacher performance review is important to maintain high quality education service. We therefore have established a rigorous evaluation system, which directly links the overall performance of teachers to their promotion opportunities, professional titles and salary. Apart from teacher performance review, we also take other criteria, such as length of service, academic attainment and management skills into account. Internal promotion of talents with excellent work performance and potential is also preferred over external recruitment. Upon receiving resignation, an exit interview will be arranged to understand the reasons of leaving in an attempt to identify room for improvement.

During the Reporting Period, a total of 96 employees left the Group (turnover rate: 13%). All of them are full-time employees from the PRC (2020: a total of 78 PRC employees; turnover rate: 10%). The employee turnover rate of the Group by different categories is as follows:

Turnover Rate*	2021	2020
By Gender		
Male	**13%**	9%
Female	**12%**	11%
By Age Group		
Below 30	**18%**	17%
31-40	**15%**	12%
41-50	**8%**	6%
51 or above	**8%**	7%
By Geographical Region		
The PRC	**13%**	10%
Hong Kong	**0%**	0%

*   Turnover rate of part-time teachers is not considered in the calculation

Labour practices

The Group has strictly observed the Labour Law of the PRC against practices of employing child labour and forced labour. To comply with relevant laws and regulations, our human resources department will verify the identity card of the candidates to ensure they have reached the legal working age. The Group would immediately terminate his/her work and look into the causes once discovering any employment of child labour. In the meanwhile, we would review on the current practices and policies to avoid similar cases on child and forced labour. In light of our business nature, we have implemented two working hour systems, under which a standardised 8 hours working time is applied to normal employees, while a flexible working hour system is applied to the teaching staff. Overtime work is not encouraged by the Group unless it is mutually agreed by both the employee and supervisor in order to ward off forced labour, while the Group would provide compensation leave or allowance for employees working overtime.

Health and Safety

We undertake to provide a safe and healthy working environment to our employees and comply with relevant laws and regulations such as the Law of the PRC on the Prevention and Control of Occupational Diseases. In addition to health insurance and annual medical check-ups, we also pay attention to the physical health of our employees by organising different activities.

To reduce safety risks, on the one hand we provide suitable personal protection equipment to the staff working for high risk duties and provide them with guidance and training before performing the duties. On the other hand, we constantly examine potential safety hazards and rectify all problems immediately to protect the safety of our employees. During the Reporting Period, there were 11 lost days due to one case of work injury among our employees.

In the past three years, the number and rate of work-related fatalities occurred were as follows:

Health and Safety	2021	2020	2019
Number of fatalities	0	0	0
Rate of fatalities (%)	0	0	0

Combating COVID-19

In response to the COVID-19 epidemic, the Group has established a leading group which focuses on the prevention and control of the epidemic, as well as implemented an emergency plan and special schooling arrangement. In light of the latest prevention measures, the Group has also set up two special working groups, which are responsible for vaccination and nucleic acid testing respectively. The Group has also strengthened publicity and guidance over epidemic prevention through social media platform and advertisement, in order to educate the public to wear masks, wash their hands frequently, avoid gatherings and get vaccinated. Besides, the Group encouraged students and teachers to report their health conditions and travel history before the start of school term. Persons who have been to high-risk areas or had close contact with confirmed cases would be suspended from school. All students and teachers are also required to wear masks at school. Stringent temperature and health check are implemented to ensure the health condition of staff and students, thus avoiding the spread of COVID-19 at school. In addition, the Group arranged all staff and students to take the first and second COVID-19 vaccine doses by June and to take the booster shot by December, so as to build an immune barrier. The Group has also put great effort to provide a clean and hygienic school environment, and keep places like classrooms and dormitories ventilated. Meanwhile, the Group also purchased protective supplies like masks and hand sanitisers, so as to secure adequate sanitising materials on campus, thereby ensuring the health and safety of the staff and students by all means.

Development and Training

We believe that maintaining a high-caliber teaching team with extensive experience is able to ensure the quality of our programmes and help us achieve long-term sustainable growth. Hence, we strive to improve our teachers' performance by providing them with extensive opportunities to receive continuing education and training.

We encourage our teachers to participate in on-campus and off-campus training programmes. The Teacher Development Center of our college provides on-campus training in various ways, including orientations and on-the-job training to new teachers and e-Learning resources to existing teachers, and invites renowned guest speakers to share their insights and experiences by holding lectures. On the other hand, teachers are encouraged to participate in off-campus training. During the Reporting Period, for instance, our teachers participated in both online and face-to-face training from various aspects, such as human resources management, accounting and finance, big data and industry training held by external organisations. Yet, due to the COVID-19 epidemic, the percentage of employees trained and average training hours of employees have shown a decreasing trend during the Reporting Period.

Indicator		2021	2020
Percentage of employees trained*		%	%
By gender	Male	13	31
	Female	24	52
By employment category	Management and administrative personnel	17	45
	Teachers	34	60
	Supporting staff	2	31
Average training hours completed per employee*		hours	hours
By gender	Male	2.9	3.3
	Female	6.3	11.4
By employment category	Management and administrative personnel	4.2	9.1
	Teachers	9.0	16.6
	Supporting staff	0.5	0.9

*   Training of part-time teachers is not included in the calculation.

Operating Practices

During our business development, we not only maintain mutually beneficial relationships with business partners and strive to develop our business in an upright and ethical manner, but also spare no efforts in protecting the rights of our students with a view to charting a course for long-term prosperity.

Supply Chain Management

As an education services provider, we mainly engage suppliers to provide us with office supplies, teaching devices, teaching material, electronic resources, and food. In order to ensure the quality of suppliers and establish a safe and stable supply chain, we have formulated the Supplier Management System to provide guidance in terms of supplier evaluation and approval. Before entering into business relationships, we conduct background checks and quality assessments on the potential suppliers, and make sure they have obtained all required operating permission and licenses.

Besides, we also integrate environmental and social considerations into the supplier selection process that suppliers with proximity to our campus are first considered so that carbon emissions from transportation can be minimised. During the Reporting Period, all our 31 major suppliers are located within Sichuan Province. To ensure the stability of our supply chain, we avoid engaging with suppliers who have high corruption risks. We would also regularly identify and monitor the environmental and social risks associated with the supply chain. To ensure sustainable business practices, we give priority to suppliers with certification on ISO50001 Energy Management Systems, ISO14001 Environmental Management Systems, and those follow internationally recognised standards regarding social risk management. Moreover, the Group also advocates green procurement, such as purchasing or selecting products and services with high energy efficiency or minimal impact on the environment.

For all current suppliers, performance evaluation will be conducted regularly in respect of suppliers' services, product quality, pricing, delivery schedule, credibility, etc. Suppliers who failed in the assessment will be disqualified from further cooperation. During the Reporting Period, all suppliers were governed by the abovementioned supplier management procedures.

Advertising Management

The Group is committed to carrying out our advertisement in an objective manner and strictly abides by relevant laws and regulations, such as the Education Law of the PRC and the Advertising Law of the PRC. A team has been designated in Yinxing College to be responsible for student recruitment, which promotes our programmes and services among high school students. All advertising materials must be assessed by relevant department to ensure there are no misleading or exaggerated information in order to allow students to make fully informed decision.

Protection of Student Data and Privacy

During our operations, we have to handle an enormous amount of personal data collected from our students, and therefore, we attach great importance to the protection of student privacy pursuant to the Archives Law of the PRC and the Administrative Measures for Archives of Institutions of Higher Education. To achieve this goal, we have set up an Archives Center for collecting, sorting, storing and monitoring the usage of restricted information, including student personal data. All employees are required to protect student information and are forbidden to divulge the information to any third parties during or after their employment.

Protection of Intellectual Property Rights

To establish a good academic morality and consciously maintain academic nobility and seriousness, we always emphasise the importance of academic honesty and are committed to protecting the intellectual property rights of Yinxing College and its students and staff in accordance with the Patent Law of the PRC and the Rules for Implementation of the Patent Law of the PRC.

The Group has compiled with the Administrative Measures on Intellectual Property Rights and the Scientific Research and Academic Ethics, under which our Scientific Research Office is responsible for the operating and minoring of the relevant measures. Terms regarding the duty of confidentiality are clearly stated in our labour contract that all employees are obligated to protect the intellectual properties of Yinxing College, including teaching materials and administrative documents. In addition, all teaching materials and software installed in our computers are required to be purchased from legal sources and should not infringe the intellectual property rights of other parties.

We adopt a policy of "zero tolerance" on academic dishonesty. Plagiarism, tampering, forging, or buying or selling of graduation dissertation or research publication is regarded as a major misconduct and will lead to disciplinary actions including termination of studies.

Anti-corruption

The Group understands that corruption could be a source of risk that weakens a business's stability and hampers its development. Thus, we strictly abide by relevant laws such as the Criminal Law of the PRC and the Anti-Unfair Competition Law of the PRC. The Group has compiled with the Implementation Measures on Corruption Risk Management for detecting, evaluating and mitigating corruption within the Group. A set of internal rules and policies have also been formulated for governing the conduct of our employees. Besides that, a monitoring system is in place to identify misconduct such as (i) acceptance or payment of bribes or rebates, (ii) illegal use, embezzlement or misappropriation of the Group's assets; and (iii) forgery or alteration of our accounting records.

To ward off corruption during the student admission process, all involved employees are required to uphold the principle of integrity and fairness. All corruptive and cheating behaviors are strictly prohibited. To preclude conflict of interest, an avoidance system has been set up, under which employees whose immediate family members applying for admission are banned from participating in the admission process.

In an effort to enhance employees' knowledge and raise their awareness of anti-corruption regulations and relevant professional conduct, the Group has strengthened related training through departmental level and branch committees of the Party, which are mandatory to attend, to our existing and new employees. The training focused on the supervision in student enrollment and employees have signed the letter of integrity agreement. During the Reporting Period, the Group was not aware of any breach of laws and regulations that had a significant impact on the Group in relation to bribery, extortion, fraud and money laundering.

Environmental Management

Despite the fact that our business operations do not pose significant impacts to the environment, we still shoulder the responsibility to improve our performance in terms of energy conservation and emission reduction. We have strictly complied with all environment-related laws and regulations, such as the Environmental Protection Law of the PRC, the Law of the PRC on the Prevention and Control of Environmental Pollution by Solid Wastes, and the Energy Conservation Law of the PRC. We will continue to push forward green initiatives and promote the awareness of environmental protection among teachers and students so as to build a green and environmentally-friendly campus.

Emission Management

During our operations, the sources of greenhouse gas (GHG) emissions include direct emissions (scope 1) from fuel consumption in school canteen, gardening, refrigerants and vehicle use, and GHG removals from newly planted trees; energy indirect emissions (scope 2) from purchased electricity; and other indirect emissions (scope 3) from business travel by employees, fresh water and wastewater treatment, and disposal of waste paper at landfills. Vehicles, such as passenger cars and school buses, consuming gasoline and diesel also produce pollutants, which include nitrous oxides, sulphur oxides, and particulate matter.

Indicators	2021	2020
GHG Emissions		
Total emission (tCO_2e)	**6,219**	2,838
Scope 1 – Direct emissions (tCO_2e) *(Note i)*	**1,364**	538
Scope 2 – Energy indirect emissions (tCO_2e) *(Note ii)*	**4,651**	2,168
Scope 3 – Other indirect emissions (tCO_2e) *(Note iii)*	**204**	132
Emission per number of employees and students (tCO_2e)	**0.40**	0.22
Pollutants (Note iv)		
Nitrogen oxides (kg)	**44.02**	92.01
Sulphur oxides (kg)	**0.40**	0.49
Particulate matter (kg)	**2.52**	4.74

Notes:

(i)   The Group's GHG inventory includes carbon dioxide, methane and nitrous oxide. The global warming potential (GWP) used are referenced from Climate Change 2021: The Physical Science Basis, The Working Group I contribution to the Sixth Assessment Report. For the ease of reading and understanding, GHG emissions data is presented in carbon dioxide equivalent (CO2e). Scope 1 is calculated based on the "Guidelines for Accounting and Reporting of Greenhouse Gas Emissions of Road Transport Corporation (Trial)" issued by the National Development and Reform Commission of the PRC and "Appendix 2: Reporting Guidance on Environmental KPIs" published by the Hong Kong Stock Exchange.

(ii)   Calculated based on the "2011 and 2012 Average Carbon Dioxide Emission Factors for Regional Power Grids in China" issued by the National Development and Reform Commission of the PRC.

(iii)   Calculated based on the Carbon Emissions Calculator of the International Civil Aviation Organisation (ICAO), data provided by Shenzhen Water (Group) Co., Ltd. and the "Appendix 2: Reporting Guidance on Environmental KPIs" published by the Hong Kong Stock Exchange.

(iv)   The vehicle emissions are calculated based on the "Appendix 2: Reporting Guidance on Environmental KPIs" published by the Hong Kong Stock Exchange.

In the face of climate change, the Group is mindful of its obligation to reduce emission during its operation. In light of this, we have compiled the Administrative Measures of Company Vehicles to prevent the abuse of company vehicles and hence overuse of energy. In general, we encourage our staff to take public transportation and adopt carpooling for commuting. When organising events, locations that can be easily accessed by public transportation are preferred. We also promote the use of telephones and video calls to substitute unnecessary overseas business or academic trips. Besides, we put a great effort into tree planting in campus which not only helps to build an aesthetically pleasing environment, but also reduce the emission of GHG. As the Group primarily provide education services, which produce insignificant amount of greenhouse gases, no specific target has been set to reduce emissions.

During the Reporting Period, the Group was not involved in any case of non-compliance with relevant laws and regulations that have a significant impact on the Group relating to emissions.

Waste Management

The Group strives to properly manage and dispose of wastes produced by our business activities, which can be classified into non-hazardous waste and hazardous waste. The non-hazardous waste mainly consists of daily garbage, waste paper, yard waste as well as food waste, waste cooking oil and residue from grease traps in school canteen. We have engaged a qualified professional agency to collect, transport and properly dispose of all canteen wastes. In terms of hazardous waste, it consists of general office supplies, such as light bulbs, light tubes, batteries and medical waste, which are collected by qualified collectors to avoid polluting the environment. In light of the COVID-19 epidemic, the Group has specially placed bins for the disposal of masks at various locations, such as at academic buildings, canteens and dormitories, to avoid secondary pollution caused by discarded masks. Such wastes were then collected and handled carefully by qualified personnel.

Indicators	2021	2020
Total non-hazardous waste generated (tons) *(Note i)*	**1,487**	1,399
Non-hazardous waste per number of employees and students (kg)	**94.55**	106.96
Total hazardous waste generated (kg) *(Note ii)*	**192**	212
Hazardous waste per number of employees and students (g)	**12.19**	16.21

Notes:

(i)   Calculated based on the actual weight of non-hazardous waste generated. The daily office garbage was calculated based on the "Research on Solutions to Domestic Solid Waste in Cities of China" issued by the Beijing Environmental Sanitation Administration.

(ii)   Calculated based on the actual weight of hazardous waste generated.

In order to properly handle the waste generated, we have formulated the Administrative Measures for Waste Separation, which provide a clear guidance in sorting daily garbage, recyclable waste, hazardous waste, and food waste, along with their corresponding handling methods to avoid land contamination. We will continue to promote producing less waste by adopting a pragmatic approach to reduce waste at source in office by encouraging our employees to use reusable products instead of disposable and non-recyclable products. For example, we encourage employees to reuse office supplies like envelopes, files and other stationery, and procure reusable toner cartridges, so as to reduce the use of non-recyclable products. For paper consumption, in addition to paper recycling and reminding employees to print on both sides of paper, we disseminate information by electronic means wherever possible to reduce paper consumption and the use of ink. Also, regular evaluations on the usage of materials are conducted to avoid overstock and wastage.

Resources Conservation

Energy and water are the major resources consumed during our operations. Energy consumption can be divided into direct energy consumption, which includes fuel consumption in school canteen and the use of vehicles, and indirect energy consumption, which is primarily the consumption of purchased electricity.

Indicators	2021	2020
Total energy consumption (MWh)	**14,704**	6,738
Direct energy consumption (MWh) *(Note i)*	**5,856**	2,614
Indirect energy consumption (MWh) *(Note ii)*	**8,848**	4,124
Energy consumption per number of employees and students (MWh)	**0.93**	0.52
Total water consumption (m³) *(Note iii)*	**348,361**	190,467
Water consumption per number of employees and students (m³)	**22.15**	14.56

Notes:

(i)   Calculated based on the "Guidelines for Accounting and Reporting Greenhouse Gas Emissions of Other Industrial Enterprises (Trial)" and "Guidelines for Accounting and Reporting of Greenhouse Gas Emissions of Road Transport Corporation (Trial)" issued by the National Development and Reform Commission of the PRC.

(ii)   Calculated based on the actual purchased electricity consumption of the Group.

(iii)   Calculated based on the actual water consumption of the Group.

Since students and teaching activities are the major sources of resources consumption, the Group has pushed forward energy-saving and water-saving measures in office, classrooms and student dormitories through various means. For example, we have installed independent light switches for different light zones. For electrical appliances, we set computer to standby mode when they are not in use and make sure all unnecessary electrical appliances and lights are turned off during non-business hours. Air conditioners are regularly cleaned to maintain their efficiency and casual attire is allowed when there are no formal meetings. The Group has also adopted energy-saving and environmentally-friendly air conditioners that cool the air through water evaporation and heat absorption. The devices are not only non-toxic and pollution free, but also save energy and enhance air ventilation. On the other hand, the Group adopted the latest LED backlight display which can save 40% to 50% energy. During the Reporting Period, the Group did not set specific energy use efficiency targets but will continue to adopt energy-efficient measures as described above. In order to improve energy efficiency, we compile monthly electricity statistics to monitor power consumption and make appropriate improvements accordingly.

In terms of water conservation, we have posted water-saving reminder labels in toilets and carried out regular inspection to check for water leakage. Dripping taps will also be fixed immediately. The Group has also installed the induction faucet and thermostatic faucet to prevent water wastage from water temperature testing. In student dormitories, we set monthly water and electricity consumption quota for students in a bid to prevent water and energy wastage. Students have to pay for the extra fee if their consumption exceeds the limited quota. During the Reporting Period, the Group did not face any issue in sourcing water and did not set specific water efficiency targets but will continue to adopt water-efficient measures as described above.

Since we are not involved in any production procedures, no significant amount of packaging materials were used during the Reporting Period.

Responding to Climate Change

In recent years, issues related to climate change and greenhouse gas emissions have been widely discussed at an international level. The Group has also strengthened its management of climate-related risks to better prepare for the possible impacts on the Group's operations. Increased severity of extreme weather events and changes in precipitation patterns and extreme variability in weather patterns are the issues that the Group will likely be facing in the near future. In order to combat possible severe extreme weather events, the Group has stepped up publicity about the prevention of extreme weather such as typhoons, rainstorms and droughts. The Group has also provided relevant emergency guidelines for staff and students on the arrangement under different extreme weather conditions. In addition, the Group has put great effort into flood control. We have dredged the rooftop and river channels as well as rainwater pipes to drain the rainwater. We also initiated channel inspections during the flood season and cleared out river debris, in order to prevent channel blockage.

Community Investment

Upholding our fundamental educational philosophy of "Bringing Excellence to Students and Serving Society (成就學生,服務社會)", the Group has always placed emphasis on the all-round development of its students and advocate social and community contribution as part of the education. During the Reporting Period, our teachers and students have participated in various volunteering activities and assisted in social development in underdeveloped regions in order to help the people in need and build a better community.

Poverty Alleviation

To better address the problem of poverty in some rural areas of the PRC, the Group has set up a task force for poverty alleviation, which holds meetings and visits poverty-stricken regions on a regular basis. During the Reporting Period, the task force has mainly focused on the execution of anti-poverty initiatives in Mabian Yi Autonomous County ("**Mabian Yi**") in Sichuan Province and exerted itself to provide supports and improve the living conditions of the locals. This is the fourth year of the Group in supporting the Mabian Yi Community. Leveraging our capability in hospitality and tourism industry, we not only provided materials or financial aids to the underprivileged people in Mabian Yi, but also actively assisted them to develop Mabian Yi into a tourist spot in a bid to sustain a long-term prosperity in those regions. By reviewing the work progress of previous years and understanding the current needs of people, the Group has formulated the latest strategies and goals for poverty alleviation in Mabian Yi, such as providing talent development training, decision-making consultancy and students recruitment. During the Reporting Period, a total of 75 teachers and students have visited Mabian Yi and engaged in anti-poverty initiatives.

Cooperated with the grass-roots party organisations to provide agricultural skills training and industrial training in Yongxing Village.

Provided a series of systematictic and professional training for practitioners in tourism and hotel industry, so as to expand their horizons, inspire them with related knowledge and promote the development of local economy.

Provided guidance on student's academic and personal issues as well as ethical education during the visit.

Provided guidance on English teaching at Xuekoushan Central School and regular assistance to the teachers at the rural schools to improve their quality of teaching.

Volunteering Activities

Yinxing College has established the Youth Volunteering Association, which organises and offers different voluntary services in areas such as poverty alleviation and healthcare. During the Reporting Period, it has cooperated with different societies and organised a diversity of volunteering activities, which have accumulated more than 14,000 beneficiaries and contributed more than 500 services hours in total.

Supporting Child Care and Education

As an education provider, we understand the importance of the accessibility to quality education. In addition to acquiring knowledge, we also encourage our students to share their knowledge, especially to children who cannot receive quality education or afford quality learning materials.

Besides, we also care about the left-behind children in rural areas whose parents have left to work in urban areas. During the Report Period, we have organised a volunteer service to Yongxing Village to carry out a series of activities with the left-behind children, including donating stationary, books and school bags, as well as playing interactive games with them. We hope to achieve the ultimate goal of building an inclusive society within which all individuals can enjoy equal opportunity in learning and different areas of life.

Promoting Healthy Lifestyle

To raise the public's interest in living a healthy lifestyle and improve the public's quality of life and health condition, we have organised various activities in the communities to promote the prevention of drug abuse and AIDS and healthy lifestyle during the Reporting Period. For example, our students have organised promotional events both within and outside the campus and delivered promotional pamphlet through various online platform to educate the public. The activity has accumulated a significant amount of participants, allowing more people to understand and care for people with AIDS, as well as realise the detrimental effects of drug abuse and the related policies, laws and regulations concerning drugs abuse and created an anti-drug atmosphere in campus.

On the other hand, we also organised exhibitions, lectures and writing competitions in different communities on health-related topics, such as knowledge on social security system, how to avoid influenza, COVID-19, and anti-AIDS and drugs. We believe that the activities enable the locals to adopt a healthier and drug-free lifestyle and improve their health-related knowledge in order to achieve a better physical, social and mental well-being.

Scholarship

The Group understands that students from low-income families may face difficulties in affording the tuition fee. As higher education is considered as a ticket out of poverty, we believe that grants and scholarships open doors for students from low-income families and make education accessible and affordable. Hence, we are committed to providing financial aid for the students in need. A scholarship committee, comprising of a wide range of representatives, has been established for the approval of scholarship based on the principle of openness, impartiality and fairness. Upon approval of the scholarship, a financial assistance will be provided in accordance with the students' performance in school and the financial conditions of their families so as to sustain their basic living needs and relieve their burden during studying, while at the same time stimulating students to take initiative in learning.

Awards and Recognition

During the Reporting Period, our high-quality education service and continuing supports and contributions in social and environmental aspects have gained us both awards and recognition from different governmental organisations and enterprises.

Category	Awarding Organization	Award/Recognition
Education Service	Hotel and Pan-Service Industry Sino-foreign People-to-People Exchange Research Institute and Talent Training Base ("酒店及泛服務業中外人文交流研究院暨人才培養基地")	Certificate of Director Unit of China-Foreign People-to-People Exchange Research Institute and Talent Training Base in Hotel and Pan-Service Industry ("酒店及泛服務業中外人文交流研究院暨人才培養基地理事單位證書")
	Chengdu Sunac Cultural Tourism Management Co., Ltd. ("成都融創文化旅遊管理有限公司")	Chengdu Sunac Cultural Tourism Talent Training Base ("成都融創文旅人才培養基地")
	Asia Pacific Independent Hotel Alliance Expert Review Committee ("亞太單體酒店聯盟專家評審委員會")	The Most Popular Hotel Professional College in 2021 ("2021年度最受歡迎酒店專業院校")
	Global Gourmet ("環球美味") & Le Cordon Bleu (藍帶國際)	Excellent Dining Venue of the v2 plant-based meat 2021 Global Gourmet Chef par Excellent Culinary Competition ("最佳饗食之所 – v2植物肉2021環球美味卓越大廚烹飪大賽")

Category	Awarding Organization	Award/Recognition
Academics	The Education Department of Sichuan Province ("四川省教育廳")	The Second and Third Prize of the Sichuan Universities Students ERP Digital Business Simulation Competition ("2021年四川省大學生ERP數智化企業沙盤模擬經營大賽二等獎及三等獎")
		Excellent Unit of the 5th Sichuan Universities "Alumni Cup" Marketing Strategy ("2021年四川省第五屆四川省大學生校友杯行銷策劃大賽優秀組織獎")
		CCB Cup Excellent Organization Award of the 7th Sichuan International "Internet +" College Students Innovation and Entrepreneurship Competition (Entrepreneurship College) ("建行杯第七屆四川省國際"互聯網+"大學生創新創業大賽優秀組織獎(創業學院)")
		The First Prize of the 2nd Sichuan University Students Human Resources Management Skills Competition (Provincial) in 2021 ("2021年第二屆四川省大學生人力資源管理技能競賽(省級)一等獎")
	Department of Human Resources and Social Security of Sichuan Province ("四川省人力資源和社會保障廳"), The Education Department of Sichuan Province ("四川省教育廳"), Sichuan Provincial Committee of the Communist Youth League of China ("共青團四川省委"), Sichuan Department of Veterans Affairs ("四川省退役軍人事務廳")	The Best Organization Award of the 1st "Light Up Career" University Students Career Planning Competition in Sichuan Province (Entrepreneurship College) ("四川省首屆"點亮生涯"大學生職業生涯規劃大賽最佳組織獎(創業學院)")

Category	Awarding Organization	Award/Recognition
	Committee of the Sichuan University Students Accounting Skills Competition ("四川省大學生會計技能大賽委員會")	The Second and Third Prize of the Fourth "Zhuxie Cup" Sichuan University Students Accounting Skills Competition ("第四屆'注協杯'四川省大學生會計技能大賽二等獎及三等獎")
	Committee of the Sichuan University Students Enterprise Big Data Intelligent Decision-making Competition ("四川省大學生大數據智慧決策大賽組委會")	The Second and Third Prize of the 2021 Sichuan University Students Enterprise Big Data Intelligent Decision-making Competition ("2021年四川省大學生企業大數據智慧決策大賽二等獎及三等獎")
	China Society for industrial and Applied Mathematics ("中國工業與應用數學學會")	The Third Prize of the 2021 Sichuan Contemporary Undergraduate Mathematical Contest in Modelling ("全國大學生數學建模競賽2021年四川省三等獎")
Volunteer Service	Sichuan Provincial Committee of the Communist Youth League of China ("共青團四川省委") & The Education Department of Sichuan Province ("四川省教育廳")	Excellent Unit of the Volunteer Work for the 6th National Undergraduate Art Exhibition ("全國第六屆大學生藝術展活動志願者工作優秀組織單位")

Appendix:The Stock Exchange Environmental, Social and Governance Reporting Guide Content Index

ESG Aspect	General Disclosure and Key Performance Indicator ("KPI")		Reporting Chapter
A. Environment			
A1: Emissions	General Disclosure		Emission Management; Waste Management
	KPI A1.1	The types of emissions and respective emissions data.	Emission Management
	KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions and, where appropriate, intensity.	Emission Management
	KPI A1.3	Total hazardous waste produced and, where appropriate, intensity.	Waste Management
	KPI A1.4	Total non-hazardous waste produced and, where appropriate, intensity.	Waste Management
	KPI A1.5	Description of emission target(s) set and steps taken to achieve them.	As this issue is not identified as material, the Group will continue monitoring the materiality and set relevant targets if necessary.
	KPI 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.	As this issue is not identified as material, the Group will continue monitoring the materiality and set relevant targets if necessary.

ESG Aspect	General Disclosure and Key Performance Indicator ("KPI")		Reporting Chapter
A2: Use of Resources	General Disclosure		Resources Conservation
	KPI A2.1	Direct and/or indirect energy consumption by type in total and intensity.	Resources Conservation
	KPI A2.2	Water consumption in total and intensity.	Resources Conservation
	KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	As this issue is not identified as material, the Group will continue monitoring the materiality and set relevant targets if necessary.
	KPI 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.	The Group is not facing any issue in sourcing water and water efficiency, considerable effort will be put in monitoring the issue and setting relevant targets if necessary.
	KPI A2.5	Total packaging material used for finished products and with reference to per unit produced.	Not applicable as the Group is not involved in product manufacturing.
A3: The Environment and Natural Resources	General Disclosure		Emission Management; Waste Management; Resources Conservation
	KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Emission Management; Waste Management; Resources Conservation
A4: Climate Change	General Disclosure		Responding to Climate Change
	KPI 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.	Responding to Climate Change

ESG Aspect	General Disclosure and Key Performance Indicator ("KPI")		Reporting Chapter
B. Social			
Employment and Labour Practices			
B1: Employment	General Disclosure		Employment Policies
	KPI B1.1	Total workforce by gender, employment type, age group and geographical region.	Employment Policies
	KPI B1.2	Employee turnover rate by gender, age group and geographical region.	Employment Policies
B2: Health and Safety	General Disclosure		Health and Safety
	KPI B2.1	Number and rate of work-related fatalities.	Health and Safety
	KPI B2.2	Lost days due to work injury.	Health and Safety
	KPI B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	Health and Safety
B3: Development and Training	General Disclosure		Development and Training
	KPI B3.1	The percentage of employees trained by gender and employee category.	Development and Training
	KPI B3.2	The average training hours completed per employee by gender and employee category.	Development and Training
B4: Labour Standards	General Disclosure		Employment Policies
	KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	Employment Policies
	KPI B4.2	Description of steps taken to eliminate such practices when discovered.	Employment Policies

ESG Aspect	General Disclosure and Key Performance Indicator ("KPI")		Reporting Chapter
Operating Practices			
B5: Supply Chain Management	General Disclosure		Supply Chain Management
	KPI B5.1	Number of suppliers by geographical region.	Supply Chain Management
	KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	Supply Chain Management
	KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Supply Chain Management
	KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Supply Chain Management
B6: Product Responsibility	General Disclosure		Advertising Management; Campus Security and Fire Safety; Catering Service and Food Safety; Students' Physical and Mental Health
	KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Not applicable as the Group is not involved in product manufacturing.
	KPI B6.2	Number of products and service related complaints received and how they are dealt with.	Student Complaint and Satisfaction
	KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	Protection of Intellectual Property Rights
	KPI B6.4	Description of quality assurance process and recall procedures.	Provision of quality courses and diversified activities; Teaching Performance Management
	KPI B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	Protection of Student Data and Privacy

ESG Aspect	General Disclosure and Key Performance Indicator ("KPI")		Reporting Chapter
B7: Anti-corruption	General Disclosure		Anti-corruption
	KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	Anti-corruption
	KPI B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	Whistle-blowing procedures to be introduced by the Group
	KPI B7.3	Description of anti-corruption training provided to directors and staff.	Anti-corruption
Community			
B8: Community Investment	General Disclosure		Poverty Alleviation; Volunteering Activities; Scholarship
	KPI B8.1	Focus areas of contribution.	Poverty Alleviation; Volunteering Activities; Scholarship
	KPI B8.2	Resources contributed to the focus area.	Volunteering Activities