



Chen Lin Education Group Holdings Limited 辰林教育集團控股有限公司

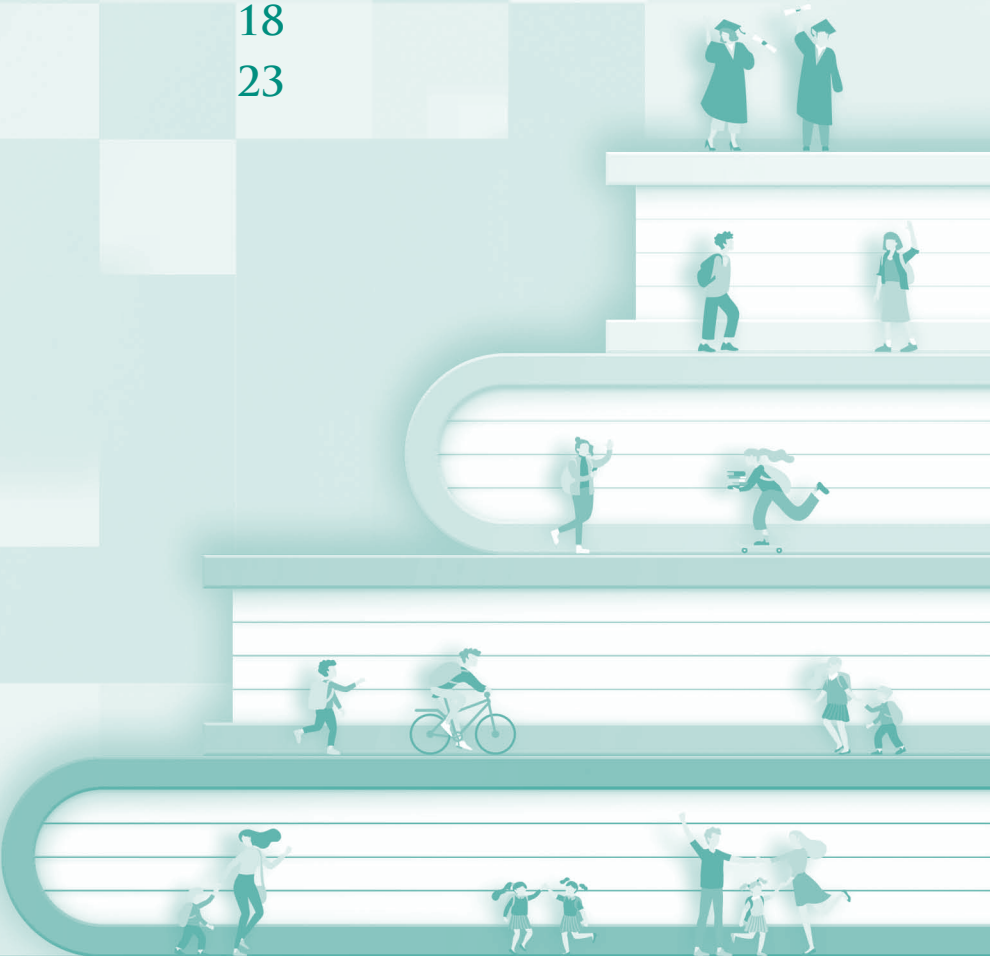
(Incorporated in the Cayman Islands with limited liability)
Stock Code : 1593

2023 ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT



CONTENTS

About the Report	02
Our Approach to ESG	03
Stakeholder Engagement	06
Materiality Assessment	07
Valuing our People	09
Achieving Operational Excellence	10
Caring for the Community	13
Managing Environmental Footprint	15
Performance Data	18
ESG Reporting Guide Content Index	23



ESG REPORT

ABOUT THE REPORT

Chen Lin Education Group Holdings Limited (the “**Company**”) and its Consolidated Affiliated Entities (the “**Group**”) are pleased to share the fourth Environmental, Social and Governance (“**ESG**”) Report, which outlines the Group’s ESG policies, practices and performances for the financial year from 1 September 2022 to 31 August 2023 (the “**reporting period**”). The ESG Report is available in both Chinese and English and can be accessed on the websites of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and the Company.

Reporting Scope

This report is in line with last ESG Report and focuses the principal business operations on comprehensive educational services of the Company and its Consolidated Affiliated Entities, namely Jiangxi University of Applied Science (江西應用科技學院) (“**JUAS**”), Jiangxi Wneli Jishi College (江西文理技師學院) (“**Jishi College**”), Guizhou Institute of Industry and Trade (貴州工貿職業學院) (“**Guizhou Institute**”) and Zhengzhou Airport Economy Zone Chen Lin High School (鄭州航空港區辰林高級中學) (“**Yu Ren High School**”), which are four schools owned by the Group as of 31 August 2023.

Reporting Standard and Principles

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 (the “**Listing Rules**”) on the Stock Exchange. The report follows four fundamental reporting principles set out in the ESG Reporting Guide:

Materiality	Materiality assessment is conducted through stakeholder questionnaire to identify material issues to the Group, which forms the basis of report framework and key disclosures.
Quantitative	Quantitative data of key performance indicators (“ KPIs ”) are disclosed where feasible with appropriate comparison across previous years. Standards, methodologies and/or assumptions derived for the calculation are stated in the report.
Balance	Information is disclosed in an objective manner as far as possible to provide an unbiased overview of the Group’s overall ESG performance.
Consistency	KPIs are measured and calculated according to consistent methodologies unless otherwise specified for disclosure and comparison of ESG performance.

Data Sources and Approval

Sources of data adopted in this report include the relevant internal statistical statements, administrative documents and reports of the Group. Our Board and senior management team have approved this report and guaranteed that this report is free of any false information, misrepresentation or major omissions.

Opinion and Feedback

The opinions and views of stakeholders are crucial for continuous improvement in the Group’s ESG performance and business. If you have any questions or feedback on this ESG Report, please contact us by:

Email: chenlinedu_ir@163.com

Official Website: www.chenlin-edu.com

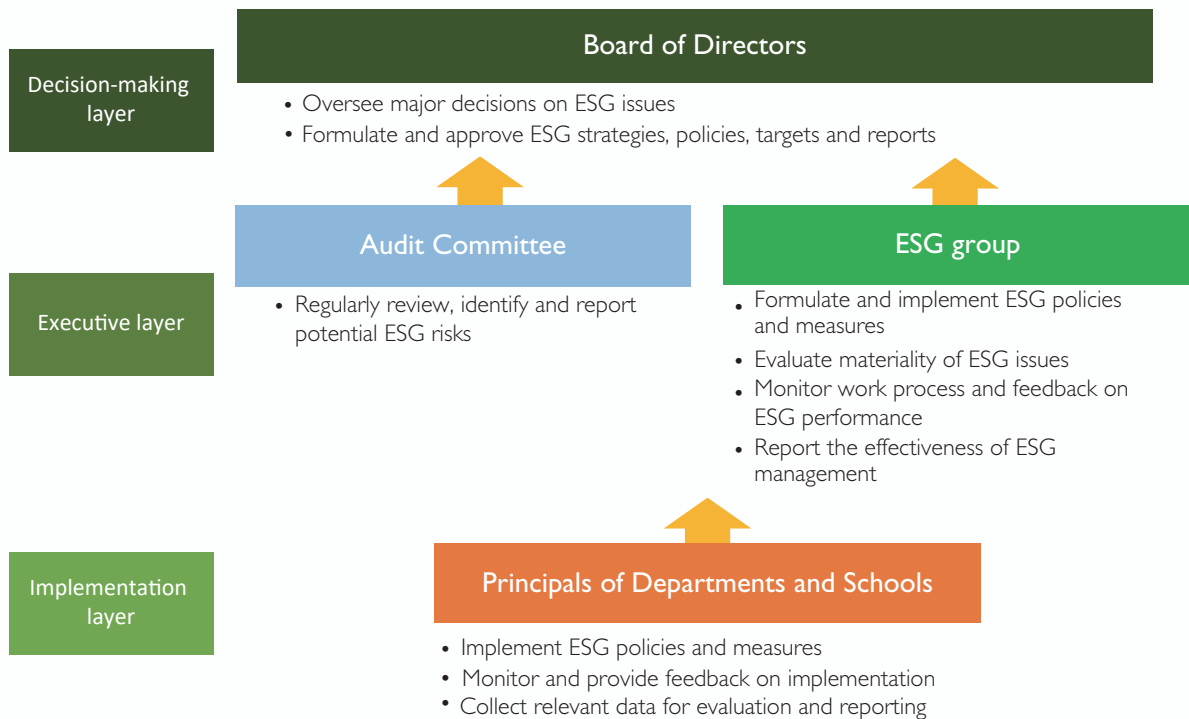
ESG REPORT

OUR APPROACH TO ESG

ESG Governance

The Group understands that sound and effective ESG governance is fundamental to setting direction and strategies for its ESG performance and long-term development. The Group's ESG governance begins with the Board overseeing major decisions on ESG issues, formulation and approval of ESG strategies, policies, targets and reports. With the stewardship of the Board, the ESG group is responsible for managing ESG issues, including formulating and implementing ESG policies and measures, evaluating materiality of ESG issues to the Group, monitoring work process and feedback on ESG performance, and reporting the effectiveness of ESG management.

The Group will continue to evaluate and enhance its ESG governance, strategies, policies and target-setting, in order to embed sustainability into decision-making process and daily operations.



ESG REPORT

ESG Risk Management

The Board has the overall responsibility for maintaining a sound risk management and internal control systems, reviewing their effectiveness, as well as managing the overall risks, including ESG risks, of the Group. With empowerment from the Board, the Audit Committee reviews and supervises, and monitors the effectiveness of the risk management and internal control systems. Potential ESG risks covering financial, operational, compliance and governance aspects are identified and reported by the Audit Committee to the Board on a regular basis, in order to ensure appropriate precautionary and control measures are in place.

The Group will continue to explore ESG risks that are relevant to its business operations and enhance the identification and management systems of such risks. For more details of the Group's internal controls and risk management, please refer to P. 43–44 of the Annual Report.

Compliance Management

The Group strictly adheres to ethics and integrity, and strives to ensure that it operates in compliance with all relevant laws and regulatory requirements to prevent administrative and financial penalties and damage to reputation caused by non-compliance. A well-established governance structure with clearly defined lines of responsibility and authority, as well as manuals for which our employees are mandated to follow are in place to maintain effective internal control systems. The Schools have designated personnel responsible for monitoring the ongoing compliance with the relevant laws and regulations of the People's Republic of China ("PRC") that govern the business operations and supervising the implementation of any necessary measures.

Aspects	Laws and regulations that have a significant impact on the Group	Compliance
Emissions	<ul style="list-style-type: none">Environmental Protection Law of the PRC (《中華人民共和國環境保護法》)Environmental Impact Assessment Law of the PRC (《中華人民共和國環境影響評價法》)Energy Conservation Law of the PRC (《中華人民共和國節約能源法》)	During the reporting period, there were no violations of relevant laws and regulations that have a significant impact on the Group.
Employment	<ul style="list-style-type: none">Labor Law of the PRC (《中華人民共和國勞動法》)Labor Contract Law of the PRC (《中華人民共和國勞動合同法》)Teachers Law of the PRC (《中華人民共和國教師法》)Regulation on Training Work for Teachers of Higher Education Institutions (《高等學院教師培訓工作規程》)	During the reporting period, there were no violations of relevant laws and regulations that have a significant impact on the Group.

ESG REPORT

Aspects	Laws and regulations that have a significant impact on the Group	Compliance
Health and safety	<ul style="list-style-type: none"> Regulation on Work Injury Insurance (《工傷保險條例》) 	<p>During the reporting period, there were no violations of relevant laws and regulations that have a significant impact on the Group.</p>
Labour standards	<ul style="list-style-type: none"> Provisions on the Prohibition of Using Child Labor (《禁止使用童工規定》) Special Provisions on Labor Protection of Female Employees (《女職工勞動保護特別規定》) 	<p>During the reporting period, there were no violations of relevant laws and regulations that have a significant impact on the Group.</p>
Product responsibility	<ul style="list-style-type: none"> Consumer Protection Act of the PRC (《中華人民共和國消費者權益保護法》) Fire Protection Law of the PRC (《中華人民共和國消防法》) Food Safety Law of the PRC (《中華人民共和國食品安全法》) Guidelines for Canteen Safety of Higher Education Institutions (《普通高等學院食堂安全工作指南》) Regulation on Hygiene Administration of School Canteens and Collective Dining of Students (《學院食堂及學生集體用餐衛生管理規定》) Intellectual Property Law of the PRC (《中華人民共和國知識產權法》) Trademark Law of the PRC (《中華人民共和國商標法》) Advertisement Law of the PRC (《中華人民共和國廣告法》) 	<p>During the reporting period, there were no violations of relevant laws and regulations that have a significant impact on the Group.</p>
Anti-corruption	<ul style="list-style-type: none"> Company Law of the PRC (《中華人民共和國公司法》) Anti-laundering Law of the PRC (《中華人民共和國反洗錢法》) Anti-unfair Competition Law of the PRC (《中華人民共和國反不正當競爭法》) 	<p>During the reporting period, there were no corruption lawsuits against the Group or its employees, and there were no violations of relevant laws and regulations that have a significant impact on the Group.</p>

ESG REPORT

Anti-corruption

The Group commits to operating its business in an honest, ethical and creditable manner and adopts a zero-tolerance policy against any form of corruption, including bribery, extortion, fraud and money laundering. All Directors and employees are required to adhere to the ethical standards and guidelines set out in the Employee Handbook (《員工手冊》) and the code of conduct. Directors and employees above the level of managers should sign the Work Atmosphere Commitment and ensure no potential illegal behaviors are involved during procurement. In addition, suppliers must abide by the relevant provisions as outlined in the agreements.

To promote business integrity, employees are encouraged to report any suspected misconduct or malpractice to the human resources department of the head office. All complaints will be handled with confidentiality and informants will be protected from victimization. The complaints will be evaluated by the relevant officers to determine corresponding remediation solutions.

The Company organizes anti-corruption training for Directors on an annual basis. All employees and faculty receive fundamental training on the relevant laws and regulations to enhance their awareness. Teaching morality training are specially arranged for teachers aiming at continuously improving legal awareness. In addition, a moral risk assessment towards each position is conducted to identify positions that are easily exposed to moral hazards. Specific training is provided for employees of high-risk positions.

Going forward, the Group will continue to review and expand the scope of data disclosure of anti-corruption training.

STAKEHOLDER ENGAGEMENT

Stakeholder engagement is crucial when identifying and managing issues that are of significance to improving the Group's ESG performance and business practices. The Group regularly engages its stakeholders through multifarious communication channels to understand their needs and priorities and identify areas for improvement.

Key stakeholder groups	Focus areas	Communication channels
Investors/shareholders	<ul style="list-style-type: none">• Stable investment returns• Compliance operation and management• Sustainable development and risk control	<ul style="list-style-type: none">• General meeting• Announcements, news release and periodic reports• Investor relations roadshow, enquiry hotline and email• Corporate website
Teachers/Employees	<ul style="list-style-type: none">• Strengthen teachers' professional skills• Improve employee benefits• Safeguard occupational health and safety• Promotion and development• Improve the teaching/working environment	<ul style="list-style-type: none">• Regular meetings• Training and staff activities• Evaluation• Internal exchange forum• WeChat and email direct communication channel

ESG REPORT

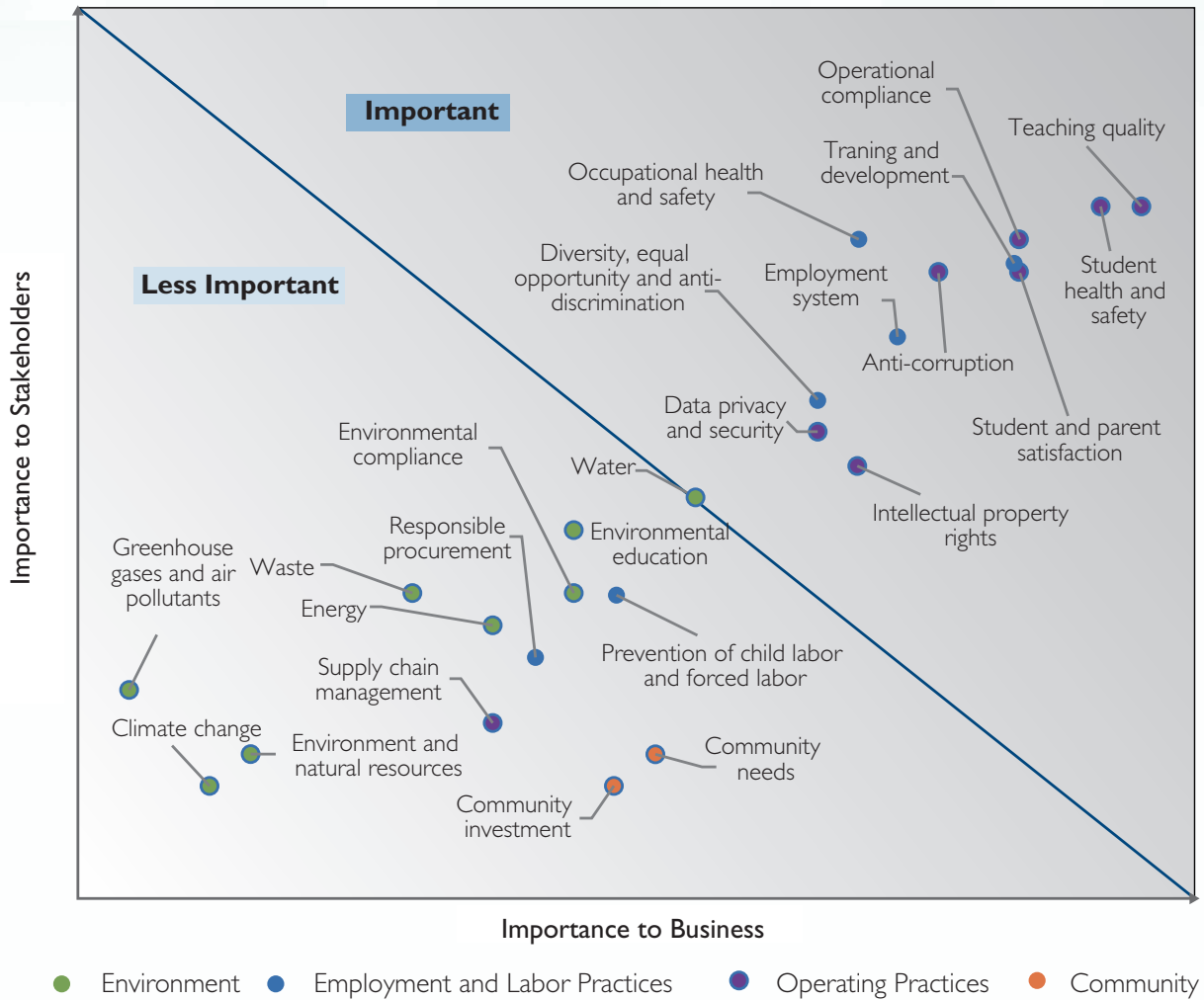
Key stakeholder groups	Focus areas	Communication channels
Students/parents	<ul style="list-style-type: none"> Teaching quality Campus life and social practice School safety and physical and mental health guarantee Employment rate 	<ul style="list-style-type: none"> Regular class meetings Satisfaction surveys WeChat and email direct communication channel Enquiry hotline
Government and regulatory institutes	<ul style="list-style-type: none"> Observe laws and regulations Legal and compliance operation and management Legitimately tax 	<ul style="list-style-type: none"> Government communication Periodic reports Irregular inspections
Suppliers/partners	<ul style="list-style-type: none"> Fair competition and dealing Dealing with integrity Mutual benefit and long-term cooperation Product quality assurance 	<ul style="list-style-type: none"> Regular reviews and assessments Site visits Exchange meetings Continuous direct communication
Community public	<ul style="list-style-type: none"> Community fusion Public welfare projects Community return 	<ul style="list-style-type: none"> Community and public welfare activities, sponsorship and donation Corporate website Enquiry hotline

MATERIALITY ASSESSMENT

During the reporting period, the Group conducted a materiality assessment with the assistance of an independent consultancy to identify ESG issues that are important to its stakeholders and business.

- Identify relevant ESG issues
 - 24 relevant ESG issues, covering “Environment”, “Employment and Labor Practices”, “Operating Practices” and “Community”, were identified by reviewing the ESG Reporting Guide, past engagement results and market trends.
- Collect stakeholders’ feedback
 - A stakeholder survey was distributed and collected from the Board and senior management for analysis.
- Determine material ESG issues
 - A materiality matrix was developed based on the survey results. 11 out of 24 issues were prioritized as material issues.
- Validation
 - The results of materiality assessment were presented to the Board and senior management for review and confirmation. 11 issues were validated as material ESG issues for the Group to address and report on.

ESG REPORT



The materiality of 24 ESG issues was mapped at the matrix. 11 important issues were found at the top right quadrant and prioritized as material to the Group.

Looking ahead, the Group will continue to explore ESG issues that are important to the Group and extend the coverage of stakeholders in the survey to understand and meet their needs in a more comprehensive way.

ESG REPORT

VALUING OUR PEOPLE

High quality faculty and competent team are the core competitiveness of the Group. With this in mind, the Group strives to create a safe and healthy workplace with care, fairness and diversity where employees are also given the opportunities to learn and develop their careers.

Cultivating a Workplace of Choice

The Employee Handbook stipulates the policies and measures on remuneration and dismissal, recruitment and promotion, working hours, rest days, anti-discrimination and other welfare and benefits. Administrative Measures on Labor Contracts and Social Insurance (《勞動合同和社會保險管理辦法》) is formulated to safeguard the legitimate interests of employees and restrain any form of discrimination. The Group will continue to review and enhance its employment policies for creating an inclusive and fair working environment.

To strengthen the cohesion and sense of belonging of faculty, the Group organizes various sports and entertainment events on an occasional basis, such as fun sports, mountain-climbing and outings, visit to old revolutionary areas and social gathering, to enrich employee's leisure life.

Remuneration and benefits	<ul style="list-style-type: none">• Establish a reasonable remuneration system that aligns with the development of the Group• Provide competitive welfare and benefits, such as payment of pension, medical, maternity and unemployment insurances and housing funds, birthday allowance, consolation money benefiting closed family members, physical check for significant abnormalities and reimbursement• Offer housing estates or apartments leased near campus sites to faculty to reduce their commuting time
Working hours and leave arrangement	<ul style="list-style-type: none">• Stipulate the working days and time arrangement of employees• Apart from statutory holidays, employees are entitled to various paid leaves, such as annual leave, maternity leave and paternity leave
Recruitment and promotion	<ul style="list-style-type: none">• Formulate talent recruitment mechanism for setting out recruitment principles and selecting suitable high quality talents• Examine the documents and information of candidates during interviews and directly weed out those whose qualification or certificates are identified fake• Protect employees' rights to terminate their labor contracts through established procedures• Seek to understand the reasons for any resignation through the relevant departments• Keep abreast of the reform of professional and technical titles evaluation system of colleges and universities• Encourage teachers to actively apply for various professional and technical titles
Equal opportunity	<ul style="list-style-type: none">• Ensure impartial and equal promotion opportunities for each employee through administrative measures on performance incentives and evaluation of school operations and employees

ESG REPORT

- | | |
|--|--|
| Anti-discrimination and complaint system | <ul style="list-style-type: none">• Implement Administrative Measures on Labor Contracts and Social Insurance to protect employees from discrimination• Complaints can be raised to the human resources department for which will be handled confidentially and evaluated by relevant officers to determine corresponding actions |
| Labor standards | <ul style="list-style-type: none">• Prohibit the hiring of child labor and forced labor through establishing a human resources management system• Verify the identity of applicants during the recruitment process• Regularly investigate the recruitment process and verify the age of employees• Conduct investigation if any child labor or forced labor is found and undertake corrective actions |

Encouraging Learning and Development

The Group attaches importance to the development of teachers' ability. A set of guidelines and measures are established to enhance the overall quality and teaching standard of faculty. To facilitate learning and development, guidance and reviews are offered to assist faculty in developing teaching proposals and practicing teaching. Competitions, professional analyses and exchange activities are held among the schools to promote experience sharing. Teachers are selected to participate in special study and training programs organized by other institutes. They are also encouraged to lead students in participating in technology and skills competitions, thus realizing aspects that can improve on in both teaching and learning.

For data of employment and training, please refer to the section "Performance Data – Social Performance".

Ensuring Occupational Health and Safety

The Group considers employees' health and safety as one of its top priorities. A variety of management procedures are formulated which outlines the management systems and guidelines on areas such as food hygiene, fire safety, security and healthcare. Please refer to the section "Achieving Operational Excellence — Enhancing Education Quality and Learning Experience" for more details.

During the reporting period, there were no work injury incidents. There were no work-related fatalities recorded in the past three reporting years.

ACHIEVING OPERATIONAL EXCELLENCE

The Group considers "realizing the growth and success of students" as its core function and aspiration on top of fulfilling the ethical standards in operations. The Group strives to provide comprehensive education solutions to students who are about to step into the society through delivering quality education, innovating future-oriented education model, enhancing education resources and learning experience.

ESG REPORT

Enhancing Education Quality and Learning Experience

A teaching management committee comprising education experts was established with the aim to achieving high quality education through strengthening teachers' ability and specialty development, and innovating cultivation model. Considering teaching supervision and evaluation as an important link of closed-loop management for teaching quality improvement, a company-wide school supervision team is in place to evaluate teaching practices through inspections and propose practical recommendations.

To stimulate personality and skills development, students are encouraged to participate in undergraduate innovation and entrepreneurship projects, as well as various competitions under teacher guidance. Apart from organizing its own innovation and technology competitions and patent application activities, the Group seek to collaborate with enterprises to enhance students' immersive experience through broadening employment channels and providing practical resources.

The feedback of students, parents and teachers is crucial for assessing and enhancing school management. The Group put in place a comprehensive mechanism and guidelines for collecting and handling feedback and opinions, including setting up direct communication channels such as Weibo, WeChat and BBS of school for students, parents and teachers. The Group classifies and distributes the issues to relevant institutions for handling, identifies responsible leaders and sets a deadline for rectification. There were no major complaints during the reporting period.

During the reporting period, JUAS, Guizhou Institute, and Jishi College were under construction for expanding their capacity. The Schools also received various awards on national, provincial and municipal levels for teaching achievements, including the first-class grading in the National Math Ability Challenge Competition Final (第三屆全國高等院校數學能力挑戰賽決賽一等獎), first-class grading in the "Datang Cup" National College 5G Technology Competition (Province Final) (「大唐杯」全國大學生移動通信5G技術大賽省賽大學組一等獎) and first-class grading in the "Lanqiao Cup" National Software and Information Technology Professional Competition (Software) (Province Division) (第十三屆藍橋杯全國軟件和信息技術專業人才大賽(軟件類)江西賽區大學組一等獎等). The JUAS Museum of Natural History was awarded as a "National Science Popularization Education base of year 2021-2025".

Safeguarding Health and Safety on Campus

Placing a priority on health and safety of students and teachers, the Group constantly monitors risk factors that adversely affect their physical and mental health. To prevent and minimize the risks of safety incidents, a series of safety management systems, guidelines and measures are formulated in the following areas, and regular safety inspections across campuses are conducted.

- | | |
|-------------|--|
| Food safety | <ul style="list-style-type: none">• Establish food safety system and the Guidelines and Measures on Food Safety Management (《食品安全管理準則與辦法》)• Supervise operations in canteens to ensure food hygiene from procurement and storage of raw materials, staff management, food sample retention to tableware disinfection |
| Fire safety | <ul style="list-style-type: none">• Formulate the College Fire Management System (《學院消防管理制度》) and the Fire Control Room Management System (《消防控制室管理制度》)• Arrange security personnel to conduct inspections on campus every day• Perform special inspections on fire safety and equipment at key places such as dormitory, teaching and training buildings• Provide training on fire safety for students and faculty• Toxic and inflammable chemicals are required to be stored and handled properly by responsible personnel |

ESG REPORT

Security	<ul style="list-style-type: none">• Establish management guidelines on security and a security leading group in each school• Strengthen emergency prevention and intervention to prevent and reduce various types of security incidents
Healthcare	<ul style="list-style-type: none">• Offer routine medical care services to students and faculty on campus by collaborating with local qualified hospital• Regularly organize seminars and workshops to promote healthy living habits, personal hygiene and disease prevention to enhance health awareness and self-care ability of students and faculty

Upholding Ethical Practices

Protecting data privacy and intellectual property

The importance of data privacy continues to grow amid increasing use of data and technological advancement. Owning a large student base, the Group strives to properly manage and protect data privacy and intellectual property rights in its operations. The Group put in place the management guidelines on confidentiality and internet and computer safety, as well as the School Roll and Academic Credentials Administrative Measures (《學籍學歷管理辦法》). All employees are required to adhere to all relevant laws and regulations and are prohibited to disclose relevant data on school roll without prior consent of the responsible personnel of academic affairs, except necessary work requirements of the relevant posts. Antivirus and internet protection software is installed for servers and computers, while regular reminders on suspicious emails and antivirus software updates are sent to employees to maintain information security.

The Group respects intellectual property rights of others through dynamic monitoring. Schools are required to purchase authorized textbooks and relevant reference books. During the reporting period, the Group did not have any complaint or significant case on the leakage of personal data.

Managing supply chain

To ensure the performance of suppliers meets the Group's requirements, a set of management measures are established along the procurement process, from supplier selection, assessment and monitoring, where environmental and social considerations are incorporated as applicable. In the process of product procurement, environmental and social factors, such as energy saving, are included in the evaluation criteria. For suppliers providing engineering services, project requirements on environmental protection, construction safety and labor protection are set in addition to reviewing their qualifications and project experience. For data of suppliers, please refer to the section "Performance Data — Social Performance".

Understanding that identification and management of environmental and social risks in the supply chain contribute to a more resilient supply chain management, the Group will further improve its relevant policies and processes in the future to achieve a more stable and sustainable development.

ESG REPORT

CARING FOR THE COMMUNITY

While pursuing its own development, the Group constantly bears in mind the support and trust given by all sectors of the society. As a responsible corporate providing education services, the Group has always upheld the mission of “educating people with good morals” and is dedicated to continuously improving the sense of social responsibility in employees and students and supporting social welfare undertakings by harnessing its strengths and educational resources.

During the reporting period, the Group mobilized a series of volunteer activities focusing on three areas, including supporting local education and development, caring for the elderly and promoting environmental protection.

Supporting Local Education and Development

Caring for the next generation is a long-term cause. All children need love and care for their holistic development.

With the intention of easing parental stress, cultivating positive homework habits in children, tackling their academic challenges, fostering a harmonious atmosphere, and nurturing their interests and hobbies, our dedicated team of volunteers organized a series of educational support sessions in the communities. These sessions involved providing invaluable homework guidance and joyfully accompanying the children in their playtime activities.



ESG REPORT

Caring for the Elderly

Students of JUAS visited the elderly in the residential community to offer them care through singing songs, sending gifts and assistance in cleaning their homes.



Promoting Environmental Protection

Students of JUAS participated in the "Let's Protect the Mother River" (河我一起·保护母亲河) action, making a call among the community for environmental protection by being a practitioner and city changer.



ESG REPORT

Our students of Guizhou Institute also participated in the “Drinking from the same river, together we protect the mother river” (同飲一河水·共護母親河) action on 11 April 2023. With great enthusiasm, they engaged in a collective effort to clean up the litter accumulated along the riverbank. Armed with gloves, clamps, bags, and determination, our students meticulously collected the scattered debris, ranging from empty bottles and plastic wastes to discarded face masks. Through their diligent efforts, they restored the natural beauty of the river. Since March 2023, Guizhou Institute’s youth league committee alone has organized a total of 5 volunteer service activities, including 2 ecological and environmental volunteer service activities.



To leverage its expertise to care for and serve the community, the Group will continue to review and enhance the community investment strategies for identifying the needs of the community and ways to bring positive impacts to the society.

MANAGING ENVIRONMENTAL FOOTPRINT

Climate change brings a variety of undeniable impacts to the economy and society. The Group responds to this global challenge through managing the environmental impacts and resource utilization in its operations. Despite that its operations do not pose significant impacts on the environment and natural resources, the Group ensures it operates in compliance with the relevant environmental laws and regulatory requirements. In addition to enhancing resource efficiency as far as practicable, the Group promotes awareness and behavior change towards sustainable development among employees and students to amplify collective efforts.

The Group implements guidelines such as Energy and Water Conservation Management Guidelines to provide guidance in these areas to all employees. Management guidelines are formulated for fixed assets, which set out full cycle provisions from material application, transfer of new assets, continuous management of assets, checking of inventory, maintenance of assets to disposal of scrapped assets. With the implementation of supervision and inspection system, departments are required to take appropriate measures to save resources and minimize wastage. Annual management objectives are developed for consumables associated with operations. In addition, the Group set energy consumption management targets and track the progress by analyzing monthly energy consumption for enhancing management. The Group will continue to review and enhance its data disclosure for tracking and comparison of environmental performance.

As the influence of climate change grows, the Group understands that its business and assets might be exposed to various physical and transitional risks. In the future, the Group will establish corresponding mechanisms and policies to further identify, evaluate and address the risks and opportunities brought by climate change and enhance the resilience of its business.

ESG REPORT

Managing Emissions

Carbon and air emissions

To reduce carbon and air emissions, the Group encourages its employees to replace business travel with video conference or teleconferencing, use public transport more often and switch off idling car engines. For office vehicles and school buses, the Group switches to electric vehicles, performs regular inspections and maintenance to ensure vehicle efficiency, and closely monitors and manages the usage of vehicles.

During the reporting period, the Group engaged an independent consultancy to conduct a carbon assessment for quantifying the greenhouse gas emissions (“**GHG emissions**” or “**carbon emissions**”) generated from its operations. The Group’s total carbon emissions were 16,362.55 tonne CO₂-e and the carbon intensity was 6.53 tonne CO₂-e per employee and 0.01 tonne CO₂-e per m² area. The Group’s carbon emissions were mainly from Scope 2 energy indirect emissions, which accounted for about 92.19% of the total emissions, followed by Scope 1 direct emissions, which accounted for about 7.88% of the total emissions.

Air emissions included 733.38 kg of nitrogen oxides, 1.14 kg of sulphur oxides and 36.76 kg of particulate matter. Air pollutants are mainly generated from combustion of diesel, petrol and natural gas of machineries and stoves, and burning of petrol from vehicles.

Waste

The Group is well aware of the environmental impacts of waste and strives to minimize waste generation in its operations. Recycling bins are put in place across campuses, while students and teachers are encouraged to recycle as far as possible.

Non-hazardous waste such as domestic waste are sent to municipal waste treatment units after sorting, while food waste collected are transported and handled by qualified third parties. Hazardous waste such as abandoned light tubes and batteries are separately collected and handed over to qualified third parties for further processing. In addition, a small amount of medical waste generated in college dispensaries are to be disposed by qualified third parties after volume record by doctors.

During the reporting period, the Group generated a total of 0.12 tonnes of hazardous waste and 323.80 tonnes of non-hazardous waste. The intensity of hazardous waste and non-hazardous waste was 0.00005 tonnes per employee and 0.13 tonnes per employee respectively.

Wastewater

The domestic sewage generated by operations is discharged to urban sewage treatment plants through municipal sewage pipe networks.

ESG REPORT

Conserving Resources

Energy and water are natural resources on earth that are valuable and central to human wellbeing. The Group encourages prudent use of energy, water and other natural resources and minimization of wastage among its employees and schools. In addition, a series of measures are implemented by the Group to improve resources efficiency.

Energy

- Employ an energy registration system to track daily consumption level and identify any abnormal situations for immediate corrective actions
- Switch to electric vehicles for office vehicles and school buses, conduct regular inspections and maintenance to ensure vehicle efficiency, and monitor and manage the usage of vehicles
- Switch off decorative lights and garden lamps on campuses, except for special needs
- Adjust the operating hours of street lights according to daily weather forecast to utilize natural light to the maximum extent, and turn off half of the street lights after 11:00 p.m.
- Install sound-control switches for lightings in public areas
- Carry out energy-saving transformation of cooking utensils and purging systems in canteens
- Perform regular inspection and maintenance of energy-consuming equipment to maintain efficiency
- Actively promote online repair system among schools to enable more timely and efficient maintenance

Water

- Install water saving faucets
- Perform regular inspection and maintenance to ensure proper functioning of water pipes and equipment
- Actively promote online repair system among schools to enable more timely and efficient maintenance

Energy use

During the reporting period, the total energy consumption was 28,540.49 GWh and the energy intensity was 11.39 GWh per employee and 0.01 GWh per m² area. The total electricity consumption was 23,802.15 GWh, while other energy consumption included diesel, petrol and natural gas.

Water

The Group uses water mainly for domestic purposes and kitchen in its daily operations. During the reporting period, the Schools and operation sites of the Group mainly obtained water from local governments and did not encounter any issues in sourcing water that is fit for purpose. The total water consumption was 1,158,123 tonnes, and the water intensity was 462.14 tonnes per employee and 0.58 tonnes per m² area.

ESG REPORT

PERFORMANCE DATA

Environmental performance

	Total	Unit
Air emissions¹		
Nitrogen oxides (NOx)	733.38	kg
Sulphur oxides (SOx)	1.14	kg
Particulate matter (PM)	36.76	kg
GHG emissions²		
Scope 1	1,288.88	tonne CO ₂ -e
Scope 2	15,073.66	tonne CO ₂ -e
Total	16,362.55	tonne CO ₂ -e
Intensity (per employee)	6.53	tonne CO ₂ -e/employee
Intensity (per m ² area)	0.01	tonne CO ₂ -e/m ²
Waste		
<i>Hazardous waste</i>		
Abandoned light tube	0.03	tonne
Used printer toner cartridge	0.02	tonne
Used battery	0.01	tonne
Used toner box	0.01	tonne
Medical waste	0.05	tonne
Total	0.12	tonne
Intensity (per employee)	0.00005	tonne/employee
<i>Non-hazardous waste</i>		
Domestic garbage	86.01	tonne
Kitchen garbage	140.00	tonne
Paper waste to landfill	73.02	tonne
Recycled paper	3.00	tonne
Recycled metal	1.80	tonne
Recycled plastic	2.00	tonne
Recycled kitchen garbage	18.00	tonne
Total	323.80	tonne
Intensity (per employee)	0.13	tonne/employee

¹ Calculation of air emissions referenced "Technical Guidelines for Compilation of Road Motor Vehicle Emissions Inventory (Trial)" (道路機動車大氣污染物排放清單編制技術指南(試行)) and "Technical Guidelines for Compiling Primary Source Emission Inventory of Atmospheric Inhalable Particulate Matter (Trial)" (大氣可吸入顆粒物一次源排放清單編制技術指南(試行))

² Calculation of GHG emissions referenced "Appendix 2: Reporting Guidance on Environmental KPIs" by the Stock Exchange, "Appendix 2: Reporting Guidance on Environmental KPIs" and "Emission Factors for Greenhouse Gas Inventories" by United States Environmental Protection Agency, and "Sixth Assessment Report" by United Nations Intergovernmental Panel on Climate Change

ESG REPORT

	Total	Unit
Energy consumption		
<i>Direct energy</i>		
Diesel	97.56	GWh
Petrol	569.93	GWh
Natural gas	2,007.55	GWh
<i>Indirect energy</i>		
Purchased electricity	25,865.44	GWh
Total	28,540.49	GWh
Intensity (per employee)	11.39	GWh/employee
Intensity (per m ² area)	0.01	GWh/m ²
Water consumption		
Total	1,158,123.29	tonne
Intensity (per employee)	462.14	tonne/employee
Intensity (per m ² area)	0.58	tonne/m ²
Paper consumption		
Total	72.47	tonne
Intensity (per employee)	0.03	tonne/employee
Packaging material		
Paper bag	1.50	tonne
Plastic bag	3.20	tonne
Total	4.70	tonne

ESG REPORT

Social performance

Employment Employee Profile	Number	%
By gender		
Male	1,179	47.05%
Female	1,327	52.95%
By employment type		
Full-time	2,166	86.43%
Part-time	340	13.57%
By employee rank		
General	2,298	91.70%
Middle	171	6.82%
Senior	37	1.48%
By age group		
30 years old or below	1,373	54.79%
31–50 years old	896	35.75%
51 years old or above	237	9.46%
By geographical region		
Jiangxi Province	1,435	57.26%
Outside Jiangxi Province	1,071	42.74%
Total	2,506	–

New Employees ³	Number	%
By gender		
Male	152	12.89%
Female	226	17.03%
By employee rank		
General	372	16.19%
Middle	3	1.75%
Senior	3	8.11%
By age group		
30 years old or below	274	19.96%
31–50 years old	74	8.26%
51 years old or above	30	12.66%
By geographical region		
Jiangxi Province	214	14.91%
Outside Jiangxi Province	164	15.31%
Total	378	15.08%

³ New hire rate = number of new employees/total workforce at the end of the reporting period x 100

ESG REPORT

Employee Turnover⁴	Number	%
By gender		
Male	126	10.69%
Female	102	7.69%
By employee rank		
General	207	9.01%
Middle	17	9.94%
Senior	4	10.81%
By age group		
30 years old or below	155	11.29%
31–50 years old	42	4.69%
51 years old or above	31	13.08%
By geographical region		
Jiangxi Province	187	13.03%
Outside Jiangxi Province	41	3.83%
Total	228	9.10%

Training and Development Employees Trained⁵	Number	%
By gender		
Male	666	56.49%
Female	765	57.65%
By employee rank		
General	1,286	55.96%
Middle	108	63.16%
Senior	37	100.00%
Total	1,431	57.10%

⁴ Employee turnover rate = number of employees resigned/total workforce at the end of the reporting period × 100

⁵ Percentage of employees trained = number of employees trained of the category during the reporting period/total workforce of the category at the end of the reporting period × 100

ESG REPORT

Average Training Hours ⁶	Number
By gender	
Male	42.83
Female	42.83
By employee rank	
General	45.00
Middle	43.00
Senior	40.50
Total	42.83

Suppliers	Number
By geographical region	
Beijing	5
Fujian Province	2
Guangdong Province	5
Guizhou Province	12
Hebei Province	5
Henan Province	8
Hubei Province	1
Jiangxi Province	327
Shaanxi Province	3
Sichuan Province	1
Jiangsu Province	2
Zhejiang Province	10
Shanghai	1
Total	382

⁶ Average training hours = total hours of training received by employees of the category during the reporting period/total workforce of the category at the end of the reporting period

ESG REPORT

ESG REPORTING GUIDE CONTENT INDEX

Aspects	Description	Page/Remark
A1 Emissions		
<i>General Disclosure</i>	Information on:	
	(a) the policies; and	48–49, 60
	(b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	
A1.1	The types of emissions and respective emissions data.	61, 63
A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions and intensity.	61, 63
A1.3	Total hazardous waste produced and intensity.	61, 63
A1.4	Total non-hazardous waste produced and intensity.	61, 63
A1.5	Description of emission target(s) set and steps taken to achieve them.	48, 60–62
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.	48, 60–61
A2 Use of Resources		
<i>General Disclosure</i>	Policies on the efficient use of resources, including energy, water and other raw materials.	48, 60
A2.1	Direct and/or indirect energy consumption by type in total and intensity.	62, 64
A2.2	Water consumption in total and intensity.	62, 64
A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	48, 60, 62
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.	48, 60, 62
A2.5	Total packaging material used for finished products and per unit produced.	64

ESG REPORT

Aspects	Description	Page/Remark
A3 The Environment and Natural Resources		
General Disclosure	Policies on minimizing the issuer's significant impact on the environment and natural resources.	48, 60
A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	60
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.	48, 60
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.	60
B1 Employment		
General Disclosure	Information on: <ul style="list-style-type: none"> (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare. 	48–49, 54–55
B1.1	Total workforce by gender, employment type, age group and geographical region.	65
B1.2	Employee turnover rate by gender, age group and geographical region.	66

ESG REPORT

Aspects	Description	Page/Remark
B2 Health and Safety		
<i>General Disclosure</i>	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.	48, 50, 55–57
B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	55
B2.2	Lost days due to work injury.	55
B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	55–57
B3 Development and Training		
<i>General Disclosure</i>	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	48, 55
B3.1	The percentage of employees trained by gender and employee category.	66
B3.2	The average training hours completed per employee by gender and employee category.	67
B4 Labor Standards		
<i>General Disclosure</i>	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.	48, 50, 54–55
B4.1	Description of measures to review employment practices to avoid child and forced labor.	55
B4.2	Description of steps taken to eliminate such practices when discovered.	55

ESG REPORT

Aspects	Description	Page/Remark
B5 Supply Chain Management		
<i>General Disclosure</i>	Policies on managing environmental and social risks of the supply chain.	48, 57–58
B5.1	Number of suppliers by geographical region.	67
B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	57–58
B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	57–58
B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	57–58
B6 Product Responsibility		
<i>General Disclosure</i>	Information on: <ul style="list-style-type: none"> (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. 	48, 50, 55–57
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Not applicable; the Group did not involve product recalls for safety and health reasons in its operations.
B6.2	Number of products and service-related complaints received and how they are dealt with.	56–57
B6.3	Description of practices relating to observing and protecting intellectual property rights.	57
B6.4	Description of quality assurance process and recall procedures.	56–57
B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	57

ESG REPORT

Aspects	Description	Page/Remark
B7 Anti-corruption		
<i>General Disclosure</i>	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.	48, 50, 51
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.	50
B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	51
B7.3	Description of anti-corruption training provided to directors and staff.	51
B8 Community Investment		
<i>General Disclosure</i>	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.	48, 58
B8.1	Focus areas of contribution.	58–60
B8.2	Resources contributed to the focus area.	58–60