VIRSCEND EDUCATION COMPANY LIMITED

成實外教育有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 1565

A Profound Chinese Foundation,
A Panoramic Global Outlook,
An Innovative Future



2025 ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT



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REPORTING SCOPE

This Environmental, Social and Governance ("ESG") report covers the performance and information of our head office, high schools and universities from 1 September 2024 to 31 August 2025 ("Reporting Period").

This report will be focused on our operations in China. For the governance section, please refer to the Corporate Governance Report on pages 59 to 76 of this annual report.

Table: List of institutions included in the report

High School	Virscend High School of Ya'an Chengdu Foreign Languages High School of Chengdu Hi-tech Zone Chengdu Foreign Languages High School of Yibin Chengdu Foreign Languages High School of Deyang Chengdu Experimental Foreign Languages High School of Chengdu Jinniu District Chengdu Experimental Foreign Languages High School of Sichuan Tianfu New Area Virscend High School of Chengdu Xinjin District Virscend High School of Quxian
University	Chengdu International Studies University/Chengdu International Studies University (Yibin Campus) Virscend University (California, USA)
Non-formal Education	Chengdu Fanmao Nursery Service Co., Ltd. Chengdu Fanmao Education Management Co., Ltd. Chengdu Pidu District Jiataihua Education and Training School Chengdu High-tech Zone Jiayingtai Art Training School Chengdu Jinjiang Fanmao Nursery Service Co., Ltd.

ABOUT THIS REPORT

BASIS OF COMPILATION

The report is prepared under the requirements of Appendix C2, "Environmental, Social and Governance Reporting Guide" of the "Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited", intending to fully and truthfully disclose material environmental, social and governance issues for stakeholders' further consideration. The scope of the report covers our key business operations in Sichuan Province, China, including subsidiaries where the Group has management control.

REPORTING PRINCIPLES

The following principles are adopted in this report:

Materiality: Important and relevant information to stakeholders on ESG aspects is covered in the report. A comprehensive materiality assessment was conducted to determine key ESG issues with results approved by the Board.

Quantitative: The relevant standards, methodologies, and assumptions used to prepare the quantitative information are fully disclosed. Quantitative information is provided with corresponding narrative and comparative figures, where possible.

Consistency: Consistent methodologies are used to prepare and present ESG data in the report, unless otherwise specified, to allow for meaningful comparisons and analysis.

Balance: The information is presented without selective presentation of information, the omission of key data or other improper manipulation that would influence a decision or judgment by the reader.

APPELLATION STATEMENT

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

APPROVAL AND ACCESS TO THE REPORT

This report was approved for publication by the Board on 27 November 2025. Chinese and English versions of the report are available on our official website (www.virscendeducation.com).

OPINION AND FEEDBACK

The Group values the feedback received to improve enterprise performance. If you have any questions or recommendations on the report or any other ESG matters, please contact us through the following channels:

- Address: Rm 2207 B, 22/F, Kodak House II No.39 Healthy Street East, Quarry Bay, Hong Kong
- Email: ir@virscendeducation.com

COMPANY OVERVIEW

Virscend Education Company Limited was incorporated in 2000, and was listed on the Main Board of the Hong Kong Stock Exchange in 2016. The Group is focused on providing a comprehensive range of private education services, including high school and higher education fields. With extensive experience and continuous innovation over the years, we has developed an excellent educational system.

People-oriented teaching has always been the core of our stratagem. At Virscend, we see education as our premier responsibility, and we strive for excellence education outcomes through continuous innovation and dedication.

HIGH SCHOOL EDUCATION

Virscend has the utmost respect for the growth process of students with a view to nurturing future global citizens. We do this to satisfy the progressive educational needs of students so as to cultivate high-quality, patriotic citizens of China. We continuously innovate our education methods, with a diversified goal: to enhance our students' ideology and ethics, improve their ability to execute tasks, and help them realize their full potential.

Our educational philosophy emphasizes personalized development and comprehensive quality cultivation, and we are committed to providing each student with an appropriate learning environment and resources for his or her growth. We strive for excellence in creating a high quality high school with high enrollment rates and high rates of transition to higher education to ensure that every student can achieve academic and personal excellence and move on to a bright future.

HIGHER EDUCATION

To promote economic and social development and provide a space for cultural exchange, the Group has established Virscend University and Chengdu International Studies University to continuously cultivate innovative talents who meet the needs of the times.

With a view to motivating students to develop innovative ideas and business intelligence, Virscend University currently offers the Master of Business Administration program with small class-sized teaching model. The program offers both online and in-person instruction across five specialized majors: Data Analytics, Semiconductor Manufacturing Management, Coffee Farming Management, Hospitality Technology Management, and Applied Artificial Intelligence.

Chengdu International Studies University currently offers 34 bachelor programs and 35 diploma programs. Boasting robust foreign language program capabilities, it offers 30 foreign language-related majors covering 16 foreign languages, ranking first in Sichuan Province in terms of program diversity. Additionally, Chengdu Foreign Languages Institute offers 35 foreign language-related courses, enrolling students from 27 provinces, municipalities, and autonomous regions across the country.

ABOUT US

INTERNATIONAL EDUCATION

The Group is committed to providing quality education resources and diverse curriculum systems. To lay a solid foundation for students' academic path, we have commenced a variety of projects jointly with several intentional top partners with the core operations of running Advance Placement (AP) projects/General Certificate of Education Advanced Level (A-level) centers. We aim to promote the integration and optimization of advanced education concepts, curriculum design and teaching modes from the East and the West in order to empower the future of students and promote the development and reformation of international education in Southwest China.

EDUCATION SERVICES

Virscend is committed to promoting the education industry and expanding the provision of high-quality education. The Group entered into management cooperation agreements with peer institutions to jointly improve the management level and teaching quality. At the same time, we cooperated with public schools, private schools and kindergartens to support teaching quality monitoring, brand promotion and campus design services.

OUR HONORS

HIGH SCHOOL EDUCATION

All the standalone high schools within the Group and the schools providing compulsory education being deconsolidated since 31 August 2021 (collectively as "Chengshiwai Schools") are stand-alone legal entities but still operating with the same brands as "branch campus" of Chengdu Foreign Languages School and Chengdu Experimental Foreign Languages School which are the two Flagship Schools.

For Gaokao administered in 2025 (the "2025 Gaokao"), approximately 90.1% (2024: 89.2%) of graduates from the Flagship Schools who achieved scores that allowed them to apply for and be accepted by first-tier universities in China. 34 of their graduating high school students received offers from Peking University or Tsinghua University (2024: 27) and 82 of their graduating high school students were recommended for admission into first-tier universities without taking the Gaokao (2024: 82). A student from the Group's Flagship Schools secured the highest score in the 2025 Gaokao Science (Physics) stream of Sichuan Province. Meanwhile, another student from the Flagship Schools ranked among the top 5 in 2025 Gaokao Arts (History) stream of Sichuan Province.

Other than the Flagship Schools, for 2025 Gaokao, approximately 80.4% (2024: 80.9%) of graduates from the rest Chengshiwai Schools achieved scores that allow them to apply for University admission. Such a ratio well exceeded the average University admission rate of schools in Sichuan Province of approximately 41.9% (2024: 36.5%). Notably, three students from the Group's newly founded high schools have been admitted to Tsinghua University and Peking University with remarkable Gaokao achievements respectively.

In 2025, the Group's international program continues to demonstrate solid results in University placements. In 2025, the Group has achieved unprecedented result to securing four Ivy League admissions offers while maintaining the Group's provincial leadership position in international education. Notably, over 70% of graduates from the Group's AP/A-Level program gained admission to institutions ranked within the top 50 universities in the QS World University Rankings, marking the highest achievement rate among all international schools/departments in Sichuan Province. In 2025 and 2024, 184 and 130 of students received offers from the top 100 universities in the QS World University Rankings respectively.

Besides, in 2025, 53 students from Chengshiwai Schools (2024: 58) won first prize in provincial academic contests including mathematics, physics, chemistry, biology and information science ("Five Academic Contests"). 6 of Chengshiwai Schools students (2024: 14) were elected into the Sichuan provincial contests teams. Furthermore, 3 of Chengshiwai Schools students (2024: 7) won the gold medal in national Five Academic Contests, 2 of Chengshiwai Schools students (2024: 5) were elected into the national team.

HIGHER EDUCATION

Virscend University received full accreditation from the WASC Senior College & University Commission (WSCUC) in March 2024, which is one of the most prestigious accreditations globally.

Virscend University was authorized by the U.S. Department of Homeland Security to issue I-20 forms for international students. Additionally, WASC has approved Virscend University to launch its Master of Science in Hospitality Technology Management program in October 2025, which also will be delivered both online and in-person.

Currently, Chengdu International Studies University offers 34 undergraduate programs and 35 diploma programs. In the 2025 edition of Wu Shulian's "China's Independent Colleges and Private Universities Rankings", benefiting from improved academic strength, its ranking rose by two positions to the 2nd place in the liberal arts category among all participating independent colleges and private universities nationwide.

Boasting strong strength in foreign language programs, Chengdu International Studies University has 30 foreign language-related majors covering 16 foreign languages ranked no. 1 in terms of number in Sichuan Province. In addition, Chengdu International Studies University also provides 35 (2024: 28) other language-related programs. It enrolls students from 27 provinces (2024: 27), municipalities directly under the Central Government and autonomous regions across the country, with a total of 24,967 full-time students as at 31 August 2025 (2024: 24,698).

In 2025, Chengdu International Studies University's key teaching developments are as follows: two of its courses were officially approved as National First-Class Undergraduate Courses, and another two courses were recognized as Sichuan Provincial Application-Oriented Brand Courses.

The University has always been focusing on international cooperation with extensive coverage of overseas communication. It has established cooperative partnerships with over 120 universities across more than 24 countries, developing over 100 diverse study abroad programmes including exchange students, dual degrees, junior college to undergraduate pathway, and undergraduate-to-graduate pathway. Each year, numerous students pursue further studies overseas through these various initiatives. Simultaneously, the University's distinctive educational approach attracts international students from nations including Russia, Italy, South Korea, and Kazakhstan, fostering a mutually enriching international learning environment.

In terms of educational outcomes, the University has continued its dedicated efforts with remarkable achievements, which are reflected by the steady increase in the quality of talent nurturing and social recognition. Breakthroughs have been achieved in educational development, with the approval of national-level first-class major construction sites and national-level first-class courses, laying a solid foundation for high-quality talent cultivation. Students demonstrated outstanding professional competence, with the overall pass rate in the national foreign language proficiency test consistently far exceeding the national average. The pass rates of certain majors even ranked among the top universities in Southwest China. Students frequently achieved remarkable results and won top honors in various high-level academic competitions and professional contests, showcasing solid professional expertise and innovative capabilities. Regarding further education and study, the University continuously optimized its support system, with hundreds of students annually gaining admission to prestigious domestic and international universities for master's and doctoral programmes, fully demonstrating the continuity and developmental nature of talent cultivation. Graduates possessed strong employment competitiveness and were highly regarded by employers, fully reflecting the alignment of the University's talent cultivation with socio-economic development needs and the widespread recognition of its educational quality.

SENIOR MANAGEMENT'S STATEMENT

For the 24 years of the establishment of Virscend Education, we have persisted in straight abidance with the law, seeking to fulfil our duty as educators in a worldly and practical way. We have kept pace with times by expanding our business while maintaining an asset-light business model, with a view to reinvigorating our development plan and promoting the sustainable development of the Group.

"An educator must have faith in education and strive to become a person who sees education as a faith", this is a famous quote from Mr. Zhu Ziqing (教育者須對教育有信仰心,應努力成為以教育為信仰的人——朱自清先生). Virscend Education has been putting this quote into practice throughout the years. We believe that education requires faith, and so does every education practitioner. In the past year, by upholding our passion for and faith in the cause of education as well as committing to the goal of developing wisdom and cultivating virtue, we have harvested the healthy growth of every child, so as to facilitate the sound development of Virscend Education.

Adhering to the original aspiration of education, Virscend Education puts humanity at its core and is devoted to academics development. Our operation centres around nurturing people by focusing on individuality, respecting differences, stimulating proactiveness, and motivating students to be proactive in their study. We emphasize fostering talent by implementing an international curriculum system that teaches foreign languages and emphasizes comprehensive practice and quality development to cultivate students' abilities across all subject areas. We strive to constantly innovate the methodology of our institute while at the same time strengthening the moral character and ethics of our educators. Through keeping up with times, our innovative approach to education ensures the fulfilment of our students' and educators' diverse educational needs while fulfilling one of our most sacred responsibilities: educating.

As a reputable education company, Virscend Education takes its responsibility of campus guardians seriously, protecting students from danger and keeping them happy and healthy. We insist on eliminating food safety hazards with a traceable mechanism. We establish and conscientiously implement various safety barriers to provide for personal safety and to prevent fire, traffic accidents, and the spread of disease. We listen to the voices of students and parents and foster the relationship between home and school by working together. We create a harmonious campus where students can grow up healthy and strong.

Virscend Education is committed to fulfilling its civic responsibility and strives to create social values. We continued to improve the scientific level of corporate governance, follow integrity and compliance in operation, and maintain the bottom line of integrity to reward our shareholders with healthy and sound development. We focus on personal and professional development to allow employees to thrive in a harmonious, diverse environment that encourages cooperation between management and staff to improve relations. We carefully implement new development concepts and apply systematic thinking to conduct green development during campus construction and management. We cultivate students' awareness of environmental and ecological protection and promote a culture of ecological civilization to build a green campus together. As a leader in promoting educational management and consultation services, we transfer our mature teaching system to more districts and schools in need. We help promote educational equity, contributing quality educational resources when necessary.

Focusing ahead, we will continue to strive for our mission of fostering integrity and promoting the all-around development of people. We will continue striving for our students' perfection with zealous passion, to awaken their souls and illuminate their bright futures. We will adapt to the times, keep our heads held high, and our innovations coming, bravely shoulder the mission, and coordinate with various organizations to provide academic support for national rejuvenation, prosperity, and social progress. Virscend Education will deliver satisfactory results on the topic of "fostering a brighter future for humanity" (更好創造人類的美好未來).

STATEMENT FROM THE BOARD

Virscend Education is aware of and appreciates the importance of good corporate governance and risk management processes. We believe that ESG management is crucial to the sustainable development of the Group.

As the decision-making body of the Group's operation, the Board has overall responsibility for the ESG matters. The Board is responsible for formulating the Group's overall ESG strategies, identifying the relevant risks and establishing an effective ESG management system, to regularly review the Group's ESG performance. Virscend Education established the ESG working group, headed by our financial department and in collaboration with members from different functional units, including the teaching quality department, teachers (cadre) development centre, administration office, human resources department (Party Building Committee), brand promotion department, logistics support department, equipment department and art and sports department. All the campuses were supportive and participative to the ESG governance practices.



The working group organizes the updates on ESG-related policies and systems, collects and integrates our ESG practice performance, and provides recommendations and decision-making support to the Board after reviewing the ESG annual performance of the Group annually. Virscend Education regularly publishes the ESG report following the "Environmental, Social and Governance Reporting Guide" issued by the Hong Kong Stock Exchange.



STATEMENT FROM THE BOARD

The ESG working group will initiate and review the annual ESG report, the final draft of which will be reviewed and confirmed by the Board. Virscend Education conducts an ESG assessment every year based on the macro environment and the development strategy of the Group, to identify the Group's ESG issues and relevant risks or opportunities.

The Board reviews and confirms the results of the important assessments, incorporates the major issues into the Group's overall strategies, and ensures that these issues are managed effectively. The Group has set various ESG targets, including energy conservation and water consumption. The Board will review the achievement of the targets and the implementation strategies and action plans of the annual targets.

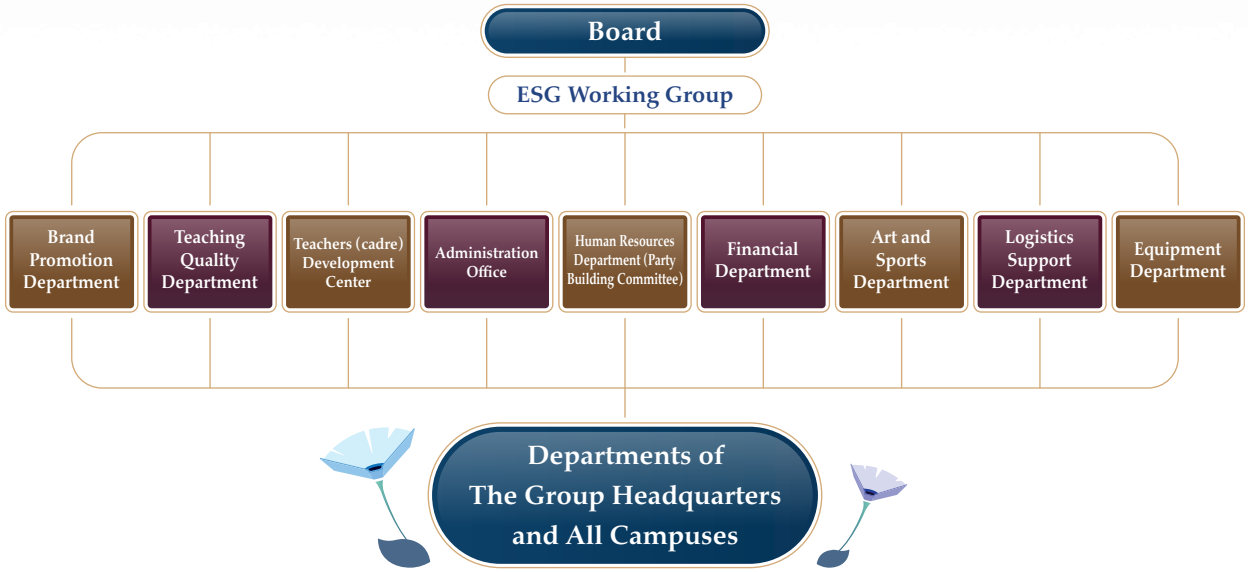
This report has disclosed the progress and achievements of Virscend Education in ESG-related work during the period from 1 September 2024 to 31 August 2025 in details and was approved by the Board on 27 November 2025.

OUR MANAGEMENT STRUCTURE

A good environment, social, and governance (ESG) structure is a solid foundation for ESG management. Virscend Education continues to improve its environmental, social, and governance management systems and has established an organizational structure with clear powers and responsibilities. The Board, as the top of the ESG management regulatory structure, is responsible for overall supervision. The ESG working group comprises the key functional departments in the organization. They are responsible for developing specific ESG frameworks to implement ESG-related tasks in each department.

The working group is mainly responsible for integrating ESG into Virscend's business processes, integrating ESG performance analysis, and providing report recommendations to the Board based on its analysis of company-wide ESG performance.

The ESG governance structure of Virscend



OUR MANAGEMENT STRUCTURE

STAKEHOLDERS COMMUNICATION

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

Table of Stakeholders Communication

Stakeholder	Major Concerns	Communication & Response
Investors/Shareholders	• Compliant operations and management • Operation results • Information transparency	• General meetings • Company announcements and press release • HKEx website/the Company's website
Teachers/Staff	• Safeguard employees' interests • Safe and healthy working environment • Favorable platforms for the development of career path • Competitive salary package	• Department meeting/ educational research activities • Training programs for teachers/ staff • Evaluation of teaching quality • Teachers/staff assessment
Students	• Premium teaching quality • Ample teaching resources • Advanced teaching methods • Comfortable learning environment • Diversified activities	• Themed class meetings/lectures • School principal's mailboxes • Survey on levels of satisfaction
Parents	• Premium teaching quality • Outstanding development of teachers' ethics and morality • Safeguard the physical and mental health of students • Guarantee the diet and campus safety of students	• Parents meeting • Open day for parents • Meet the Principal Day • School principal's mailboxes

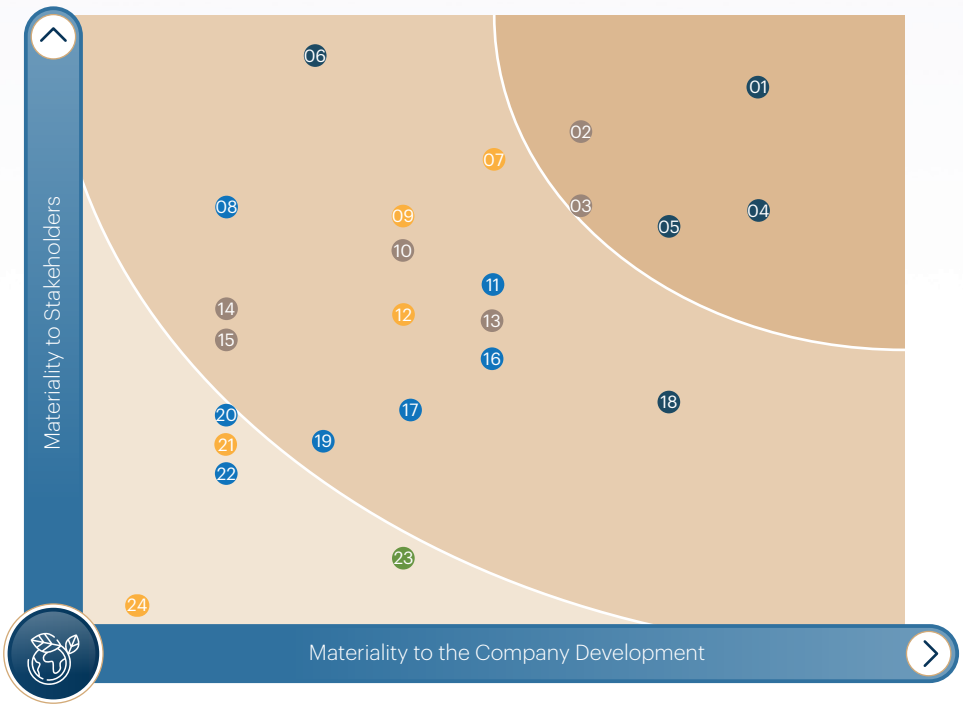
Stakeholder	Major Concerns	Communication & Response
Suppliers/Partners	• Cooperation and mutual benefit • Establish long-term cooperation • Fair competition	• Supplier evaluation • On-site visits to suppliers • Supplier gatherings • Strategic cooperation
Government/ Regulatory authorities	• Compliance with laws and regulations • Pay tax in accordance with the laws • Safe teaching environment • Create positive social benefits	• Compliance report • Regular visits • Accept on-site inspections • Participation in conferences/ seminars
Community/Public	• Public welfare and charity projects • Social activities for students • Updates on education development	• Charitable activities • Public welfare activities • Volunteer activities

OUR MANAGEMENT STRUCTURE

MATERIALITY MATRIX

The Company's assessment on the priorities of ESG issues is based on stakeholders' level of concern and their judgment on the importance of various ESG issues.

ANALYSIS ON ESG ISSUES MATERIALITY MATRIX OF 2025



Student Development | Corporate Governance | Environment Protection | Staff Interests | Contribution to Community

High materiality		Medium materiality		General materiality	
01	Guarantee the safety and health of students	06	Cultivation of students' ability and comprehensive quality	20	Response to climate change
02	Network information security and protection of personal privacy	07	Staff's development and training	21	Employee care
03	Improvement in teaching quality	08	Green campus and office environment	22	Water conservation
04	Compliant operation	09	Staff's occupational safety and health	23	Public welfare of community
05	Educational philosophy and innovative educational model	10	Intellectual property rights protection	24	Employee remuneration and benefits
		11	Emission and control of greenhouse gases		
		12	Compliance and equal employment		
		13	Anticorruption		
		14	Supply chain management		
		15	Responsible marketing		
		16	Cultivation of students' environmental awareness		
		17	Waste release management		
		18	Complaints handling		
		19	Energy consumption and energy saving measures		

1. PRUDENT CORPORATE GOVERNANCE

Virscend Education has consistently placed standardised operations and compliant development at its core, continuously refining corporate governance standards, strengthening internal control systems, enhancing full process risk management, upholding the fundamental principle of integrity in business practices, and resolutely eliminating all forms of corruption and fraudulent activities.

As a responsible enterprise citizen, we strictly follow the "Company Law of the People's Republic of China", "Education Law of the People's Republic of China", the "Law of the People's Republic of China on the Promotion of Privately-run Schools" and the "Implementing Regulations of the Law of the People's Republic of China on the Promotion of Privately-run Schools" and other relevant laws (《中華人民共和國公司法》、《中華人民共和國教育法》、《中華人民共和國民辦教育促進法》及《中華人民共和國民辦教育促進法實施條例》), regulations and industry regulatory requirements of the states and where our operations located. To ensure the Company's full compliance with industry regulatory requirements. By proactively identifying and scientifically mitigating industry and market risks, we continuously refine our compliance management and risk control mechanisms, thereby laying a solid foundation for the sustained operations and steady development of the company and its affiliated schools.

In accordance with the regulatory requirements governing the private education sector, we have implemented strict compliance measures. Regarding fee management, the Company has promptly updated its charging licenses under the "Interim Measures for the Management of Collection of Non-State Education Fees" (《民辦教育收費管理暫行辦法》). Each of our affiliated schools has established robust specialised management systems. Through precise cross-checking of student enrolment figures from academic departments against tuition fee amounts recorded by finance departments, we ensured that fee accounting processes were fully compliant and data accuracy is maintained throughout.

1.1 INTELLECTUAL PROPERTY RIGHTS PROTECTION

As a practitioner of knowledge dissemination and innovation, Virscend Education consistently adhered to relevant laws and regulations including the People's Republic of China and the Patent Law of the People's Republic of China (《中華人民共和國著作權法》、《中華人民共和國專利法》), comprehensively safeguarding its legitimate intellectual property rights and the rights to knowledge achievements under license.

We actively established an innovative support system for both teaching staff and students, vigorously promoting teaching, research, and creative development. We systematically collated and summarised the institution's intellectual property achievements on a regular basis, thereby fortifying the safeguards for the rights and interests of our academic community engaged in innovative practices. In response to any malicious infringement of the Company's intellectual property rights, we shall resolutely employ legal measures to uphold our legitimate rights and interests, showing no tolerance whatsoever. Meanwhile, the Company strictly adhered to national and regional intellectual property laws, regulations, and licensing provisions. All departments and campuses were required to respect the intellectual property rights of external materials, consistently utilising authentic teaching resources and educational data. Through concrete actions, we fulfiled our responsibility to protect intellectual property rights.

1. PRUDENT CORPORATE GOVERNANCE

1.2 RESPONSIBLE MARKETING PRACTICE

Virscend Education has consistently upheld the principle of integrity in communication, prioritising authenticity, accuracy and pragmatism as core tenets in its external engagements. It resolutely rejected false advertising and misleading information.

To fortify the quality control of information dissemination, the Company has established a rigorous content review mechanism. All externally released advertising materials, promotional content, and any material published on official platforms such as the corporate website, Weibo, and WeChat Official Accounts must undergo systematic review by the brand promotion department. The review process focused on two core elements: firstly, the timeliness of information, ensuring the released content aligned with the Company's current development status and latest developments, with outdated information updated promptly; secondly, compliance requirements, rigorously cross-referencing the Advertising Law of the People's Republic of China and relevant industry regulations to comprehensively verify promotional content for any non-compliant statements. This ensured all externally disseminated information was lawful, compliant, truthful, and credible, thereby effectively safeguarding the public's right to know and the Company's brand credibility.

1.3 PRIVACY PROTECTION

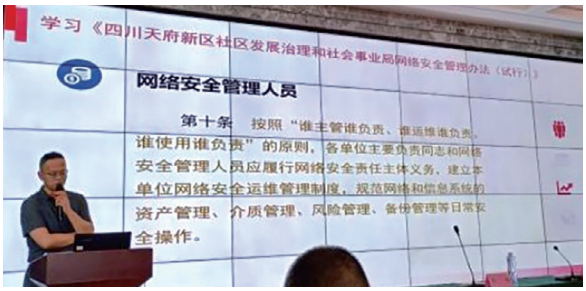
Against the backdrop of the digitalization, Virscend Education fully recognised the critical importance of personal information security. We consistently prioritised the protection of privacy and safeguarding of personal data for our students, parents, and staff. We adhered strictly to the relevant laws and regulations such as the "Cyber Security Law of the People's Republic of China", the "Administrative Measures for the Graded Protection of Information Security" and the Ministry of Education's "Guiding Opinions on Strengthening the Network and Information Security Work of the Education Industry" (《中華人民共和國網絡安全法》、《信息安全等級保護管理辦法》、《關於加強教育行業網絡與信息安全工作的指導意見》). With compliance as the cornerstone, we were fully committed to establishing a comprehensive, multi-tiered information security protection system.

To fortify data security defences, the Company has continuously increased resource allocation in information security and data protection, proactively identifying potential vulnerabilities in information security policies to effectively mitigate the risk of information leaks. Concurrently, a comprehensive management system covering the entire operational lifecycle has been established, such as the "Systems and Measures for Safeguarding Information Security", the "Cybersecurity Contingency Plan", the "Information System Contingency Proposal" and the "Management Systems for Network Centre Server Room" (《保障網絡信息安全制度和措施》、《網絡安全應急預案》、《信息系統應急預案》、《網絡中心機房管理制度》) to ensure the information security management was conducted in accordance with established procedures and implemented efficiently. This created a secure and trustworthy digital environment for all students, staff, and parents, effectively safeguarding personal information privacy and security.

In respect to technical protection, we have established a comprehensive safety mechanism at each data node. A comprehensive data security management system was set up. The system included a wide-encompassing AI protection platform and a warning and control system based on big data security analysis. Currently, the information security systems of Virscend Education have successfully passed authoritative assessments and obtained National Information System Security Protection Level II (國家信息系統安全等級保護二級證書). This robust technical capability provided well escorts for the safety of personal information.

To enhance employees' information security awareness and capabilities, we have established a diversified training framework. By actively engaging specialist providers and educational system resources, we have introduced targeted digital engagement initiatives and specialised training programmes. These efforts guided all staff in strengthening security awareness and mastering protective skills, fostering a collective commitment to information security where "All staff participate in building the defense" (全員參與、共築防線).

During the Reporting Period, the Company organized employees to participate in specialized cybersecurity training programs conducted by the education bureau and other third-party professional institutions, combining online and offline events. Through systematic learning, employees further strengthened their cybersecurity literacy, thereby solidifying the human resource foundation for the Company's overall information security protection system.



Special training courses in network security organised by provincial education department



Cybersecurity lecture series organised by third-party institutions

1. PRUDENT CORPORATE GOVERNANCE

1.4 INTEGRITY AND DECENCY

As a member of the education sector, we steadfastly upheld the core mission of "foster virtue and nurture a new generation of capable young people" (立德樹人). We firmly believed that industry development must adhere to the highest ethical standards, prioritising the cultivation of professional ethics and the fight against corruption. To this end, we have established and refined routine oversight and standardised governance mechanisms to foster a wholesome educational ecosystem and fortify integrity defenses. This initiative not only assisted educators in refining their professional ethics and cultivating noble conduct, but also injected sustained momentum into the high-quality development of education. During the Reporting Period, no cases of illegal or irregular activities involving corruption occurred, with the industry's standards of integrity and self-discipline continuing to improve.

INTEGRITY SYSTEM BINDING

To ensure strict compliance with the relevant laws and regulations, we have adopted the following as the guiding principle of our governance policies:

- the "Anti-Corruption and Bribery Law of the People's Republic of China" (《中華人民共和國反貪污賄賂法》),
- the "Anti-Money Laundering Law of the People's Republic of China" (《中華人民共和國反洗錢法》), etc.,

At the same time, we have formulated the "Guiding Opinions of Virscend Education on Promoting the Implementation of Integrity Construction Work of Schools" (《成實外教育關於推進學校落實廉政建設工作實施指導意見》) and clarified the specific requirements and code of conduct of integrity and self-discipline, integrity in teaching for cadres in the "Administrative Measures for Mid-Level and Above Cadres in Primary and Secondary Schools of Virscend Education Company Limited" (《成實外教育有限公司中小學校中層幹部及以上人員管理辦法》). We have always strictly implemented the relevant national laws and regulations, with focus on the following:

- the "CPC Code of Integrity and Self-discipline" (《中國共產黨廉潔自律準則》),
- "Opinions on Strengthening and Improving the construction of teachers' moral and ethical in the New Era" (《關於加強和改進新時代師德師風建設的意見》),
- "Enforcement Outline of Establishing a Sound System of Punishment and Prevention of Corruption with Equal Emphasis on Education, System and Supervision" (《建立健全教育、制度、監督並重的懲治和預防腐敗體系實施綱要》), etc.

We consistently regarded culture integrity as a vital cornerstone of our Group's core culture, deeply embedding it throughout every stage and aspect of our educational operations. By organically integrating integrity principles with campus culture, team building, and daily management, we strived to cultivate an atmosphere that "integrity, purity, upholds righteousness." (崇廉、尚潔、守正) Through specialised training programmes, case-based integrity education, and the signing of integrity pledges, we have strengthened the self-discipline and integrity awareness of all teaching staff. Integrity principles have also been integrated into key areas such as the cultivation of professional ethics, the selection and appointment of cadres, and the evaluation of excellence and commendations. This ensured that teaching with integrity became the conscious commitment and voluntary practice of every educator. This approach of cultivating people through culture and nurturing hearts through enlightenment not only deeply instilled the concept of integrity in people's minds but also translated it into an internal driving force for standardizing operations and performing duties with integrity. It laid a solid ideological foundation for the healthy and sustainable development of the Group's educational endeavors.

Each of our institutes has developed the "Commitment Letter of Virscend Education on Integrity Construction and Ethical Development of Teachers" (《成實外教育廉潔建設和師德師風承諾書》), and established an Integrity Construction Supervision Committee of the school to fortify our integrity defenses through institutional foundations and rigorous supervision. For any breaches of professional conduct standards causing adverse repercussions, we adhered to a zero-tolerance policy, initiating immediate investigation and corrective procedures to resolutely curb the proliferation of misconduct.

To broaden oversight channels and ensure the effectiveness of feedback, we have established a diversified reporting system. This encompassed traditional channels such as the Principal's Mailbox, telephone hotline, and online platform, while also establishing a unified whistleblowing platform covering both the Group Headquarters and all campuses. This platform specifically handled anonymous reports of misconduct, including corruption, bribery, and other violations of regulations and discipline. For every report received, the Group will coordinate with each campus to form dedicated investigation teams. These teams will conduct thorough and impartial investigations in strict compliance with regulations and disciplinary procedures. Where violations were substantiated, in accordance with the"Measures for Embezzlement and Corruption Reporting" (《關於貪污、腐敗檢舉處理辦法》), individuals involved will face severe consequences include stern warnings, reassignment from posts, termination of employment, and other measures applied according to the severity and nature of the offence.

Concurrently, we have established a comprehensive whistleblower protection mechanism covering the entire process. Through measures such as encrypted clue management, restricted access to information, and strict prohibitions against disclosure, we ensured the privacy and security of anonymous whistleblowers. We eliminated any form of retaliatory action, enabling whistleblowers to report concerns without fear of repercussions.

1. PRUDENT CORPORATE GOVERNANCE

INTEGRITY SUPERVISION AND INSPECTION

The management of Virscend Education served as the core driving force and overseers of the Group's integrity development, bearing the crucial responsibility of coordinating integrity initiatives and reinforcing supervisory accountability. We conducted comprehensive oversight and specialised investigations into the implementation of integrity policies across the Group and its schools, coordinating efforts to advance integrity development, leadership enhancement, and governance system optimisation within the Group and its affiliated institutions. For issues identified during these oversight activities, we insisted on immediate rectification and efficient remediation, ensuring integrity requirements were fully implemented without compromise.

Moreover, we have established a routine oversight mechanism, conducting regular inspections of Party members' and cadres' performance of duties and adherence to integrity standards at the beginning and end of each semester. This ensured all members consistently upheld ethical principles and maintained professional integrity. For potential regulatory risks and emerging issues identified through screening, we promptly issued warning notices. Where unlawful conduct is substantiated, we will impose stringent disciplinary measures on responsible personnel in accordance with laws and regulations, resolutely safeguarding the Group's sound ecosystem of integrity in education.

CULTIVATION OF INTEGRITY

Cultivating a culture of integrity remains Virscend Education's unwavering commitment, serving as the foundation for the Group's and schools' long-term development. We consistently integrated integrity-building into all aspects of corporate governance and campus culture development, harnessing the pervasive influence of culture to guide our efforts. Guided by sound values, we strived to deepen and solidify our integrity education initiatives.

At Virscend Education, cultivating a culture of honesty and morality is one of our core missions, which is the cornerstone of our long-term and stable development. We consistently prioritised integrity education, striving to cultivate a culture of probity throughout the Group and its affiliated schools. We guided all teaching staff and personnel to develop a strong sense of integrity, practised ethical conduct, and strived to be honest and trustworthy educators, collectively fostering a campus environment characterised by integrity and uprightness.

To reinforce the implementation of integrity principles, we have incorporated anti-corruption training into the induction programmes for new staff and lecturers, helping them establish a strong awareness of integrity, self-discipline, and regulatory compliance from the outset. Concurrently, we routinely conduct integrity awareness campaigns through multiple channels: on one hand, we disseminate the Party's disciplinary requirements and core values to all teaching and administrative staff, advocating responsible professional conduct; on the other hand, we leverage platforms such as the institutional transparency noticeboard, publicity display cases, news exhibition areas, and faculty exchange groups to continuously convey integrity principles during daily operations, thereby effectively implementing the Party's guiding principles.

During the Reporting Period, there were no legal cases regarding corrupt practices brought against the Group and our employees,thereby effectively upholding the sound practice of operating the institution with integrity.

1.5 CONDUCTING RESPONSIBLE PROCUREMENT

We upheld the cooperative principles of mutual benefit and integrity-driven compliance (互利共贏、誠信合規), establishing a comprehensive and standardised supplier management system that encompassed key stages including tender procurement, access screening, performance evaluation, and dynamic optimisation. We placed significant emphasis on suppliers' environmental responsibility and compliance performance, striving to collaborate with partners in building a responsible supply chain ecosystem. This involved deeply integrating sustainable development principles throughout the entire cooperation process. Through regular, efficient communication and constructive interaction, we forged close and stable strategic partnerships with suppliers. Together, we advanced green development within the industry, contributing to the harmonious coexistence of society and the environment.

To ensure the scientific rigour, fairness and compliance of supply chain management processes, we have formally implemented core internal regulations including the "Equipment Department Management System" and "Measures for Corporate Tenders and Bids Management" (《裝備部管理制度》、《公司招投標管理辦法》). We strictly adhered to the requirements of national laws and regulations, including the "Law of the People's Republic of China on Tenders and Bids" and the "Government Procurement Law of the People's Republic of China" (《中華人民共和國招標投標法》、《中華人民共和國政府採購法》). Concurrently, we have established a comprehensive internal procurement management system covering the entire process from supplier screening and evaluation to dynamic management, thereby constructing a management mechanism with clearly defined responsibilities and standardised procedures.

In practice, we maintained full disclosure of tender information, ensuring the procurement process remains fair and compliant through end-to-end transparency. This guaranteed all stakeholders had a clear understanding of procurement requirements and evaluation criteria. We consistently upheld legality and impartiality as core principles, thereby fortifying the institutional defenses for integrity and compliance within the supply chain.

Supplier selection

We had established a comprehensive and rigorous evaluation system for supplier selection, with a focused assessment of their overall operational capacity and contract fulfillment capabilities. Particular emphasis was placed on three critical dimensions: project safety, financial security, and brand protection. This robust screening mechanism effectively mitigated potential partnership risks arising from insufficient capital reserves or operational instability, thereby ensuring supply chain resilience.

Concurrently, we incorporated Environmental, Social and Governance (ESG) criteria as a key factor in supplier selection, comprehensively evaluating their implementation of environmental protection policies, adherence to integrity and compliance standards, employee welfare safeguards, professional ethics practices, prohibition of child labour, fulfilment of workplace equality rights, and overall business conduct. To further enhance supply chain resilience, the Group implemented a mechanism requiring "two or more qualified suppliers"(兩家及以上合格供應商入庫) for each product category. This effectively mitigated the risk of supply disruption associated with reliance on a single source, ensuring the stability and sustainability of our partnerships.

1. PRUDENT CORPORATE GOVERNANCE

Performance evaluation and management of suppliers	We had established an online supplier management system, operated and maintained by a dedicated team, to digitalize and standardize our supplier management processes. We maintained a dynamically updated supplier list, which was continuously optimized based on periodic performance evaluations. These evaluations took into account the contract fulfillment performance of existing suppliers as well as the comprehensive capabilities of new potential suppliers. Suppliers that fail to meet the required standards during the evaluation period and do not complete the necessary corrective actions, or those found engaging in fraudulent, coercive, collusive, or other violations, will be decisively removed from the list. Adhering to the principle of selecting the best from the best, the Group was committed to deepening long-term, stable partnerships with top-performing suppliers, thereby consolidating the foundation for high-quality development of our supply chain.
Green supply chain	We worked closely and establish collaborative relationships with local suppliers, ensuring both the timeliness and stability of material supply while reducing energy consumption and environmental pollution in logistics stpes by minimising transport distances. Environmental responsibility remains a key consideration in our supplier partnerships. We explicitly prioritised collaborators who strictly adhered to relevant regulations such as the Environmental Protection Law of the People's Republic of China (《中華人民共和國環境保護法》) and maintained exemplary environmental compliance records. We actively guided and encouraged suppliers to proactively embrace green development principles. Furthermore, in infrastructure projects, each school established explicit environmental requirements concerning building standards, construction techniques, and the selection of building materials and equipment, ensuring full compliance with national environmental regulations and health standards throughout the project lifecycle. We continued to intensify our green procurement efforts, actively selecting materials certified as environmentally friendly products, and encouraging suppliers to obtain relevant certifications such as the ISO 14001 Environmental Management System. Together, we strived to cultivate a low-carbon, environmentally responsible, and sustainable supply chain ecosystem.

As of 31 August 2025, Virscend Education had 45 suppliers in total, of which the majority were in Sichuan Province, reaching 43 and there were also 2 suppliers in other provinces.

2. STRICTLY ENSURING THE QUALITY OF TEACHING

Providing and maintaining excellent teaching quality is not just the core value of Virscend Education; it is also our firm commitment to society. We continuously focus on optimizing the educational system, conduct deepen research on teaching and practice, and control teaching standards and quality benchmarks. Concurrently, we fully leverage the distinctive advantages of multicultural education, actively exploring innovative teaching methodologies to empower every student to fully realise their potential and achieve steady advancement in their overall development.

2.1 ACADEMIC PHILOSOPHY

OUR VISION

Virscend Education has always been committed to cultivating outstanding talents of our era. While imparting foundational knowledge and challenging outdated paradigms, we excelled at expanding the frontiers of knowledge and pioneering uncharted territories, helping students to develop deep understanding of the others and divers culture, ultimately inspiring them to create a better world through proactive engagement.

We always keep the fundamental mission of education in mind, which is to cultivate outstanding and reliable constructive successors in the motherland. By deepening patriotic education and cultivating deep-rooted patriotism, we strengthened social responsibility through experiential learning, preparing young minds to become driving forces in realizing the Chinese Dream of national rejuvenation.

Our founding mission profoundly embodies the core ethos of private education: serving the people and delivering education that meets public expectations. We continuously advanced high-quality school development, fostering a harmonious and inclusive educational ecosystem. Through innovative integration of diverse teaching resources and methodologies, we comprehensively addressed students' individualised and varied developmental needs.

CONNECTING CHINA TO THE WORLD THROUGH LANGUAGE STUDIES

Virscend Education is primarily based in the Sichuan Province and specializes in foreign language education. We remain steadfast in our commitment to delivering premier foreign language education and cultivating highly qualified linguistic professionals. This constitutes not only our unwavering responsibility but also our steadfast pursuit.

We recognise profoundly that the quality of teaching English as a second language directly impacts the effectiveness of advancing educational internationalization. As such, we maintain English language instruction as our core focus, complemented by concurrently offered multilingual courses. This approach empowers students to broaden their international perspectives and builds bridges for engaging with the wider world.

We pioneered the introduction of dual-language programmes in Southwest China and continue to expand our language offerings, progressively adding courses in German, French and other languages. We are committed to cultivating outstanding, multi-skilled professionals who are proficient in multiple languages and possess strong cross-cultural communication skills.

2. STRICTLY ENSURING THE QUALITY OF TEACHING

FOSTERING INTEGRITY AND PROMOTING ROUNDED DEVELOPMENT TO STUDENTS, TEACHING THEM ACCORDING TO THEIR APTITUDE

We steadfastly upheld the educational philosophy of "Education always should be centred on the personal development of the students, with moral training at its forefront". Through scientifically appropriate teaching methods, we are committed to unlocking the inherent potential within every student, empowering them to achieve self-development, self-transcendence, and holistic growth. Remaining true to our founding purpose of fostering virtue through education, we centred our approach on positive guidance, accompanying students' development through understanding, persuasion, and encouragement.

We fostered a spirit of innovation and individual development, offering various elective courses and practical activities that span diverse dimensions including fitness skills, interest enrichment, creative expression, international perspectives, and traditional culture. These enriching campus experiences not only enhanced students' academic lives but also laid a solid foundation for their future endeavours.

2.2 OPTIMIZING TEACHING RESOURCE

With Virscend Education's unchanged mission of improving students' holistic education, we fully utilize the advantages of our group-based school running, with deeply integrating premium global teaching resources. We continuously refine educational planning and curriculum systems, dynamically optimize teaching approaches, and steadily enhance teaching quality through a series of robust measures. This ensures comprehensive, high-quality development of educational initiatives across our Group, empowering every student's all-round growth.

2.2.1 ARTICULATING INTRICATE TEACHING PLANS

We persist on the mission of "Integrity Advocation by setting samples" (立德樹人) and implement the principle of "Five Pronged Education stratagem" (五育並舉), whereby we conducted in-depth studies on following documents issued by the General Office of the State Council:

- the "Opinions on Deepening the Education Reform and Comprehensively Improving the Quality of Compulsory Education" (《關於深化教育教學改革,全面提高義務教育質量的意見》), and
- the "Opinions on Further Alleviating the Burden of Homework and After-School Tutoring for Students in Compulsory Education" (《關於進一步減輕義務教育階段學生作業負擔和校外培訓負擔的意見》)

Guided by the training plan of "Core Competence for Chinese Students' Development" (《中國學生發展核心素養》), we will meet the new policy challenge of "double reduction" to achieve "burden reduction and quality improvement" (減負提質,迎接雙減).

During the Reporting Period, under the Group's unified arrangements, all campuses actively analyzed policies and conducted deepened research of curriculum, and formulated intricate teaching plans and syllabuses. Each campus always embraced the teaching practice of "burden reduction and quality improvement" as the core goal. Based on teaching practice, we prioritized standardized routine management as a key starting point to enhance teaching quality. We conducted in-depth, targeted teaching research to precisely address critical challenges and difficulties during the teaching process.

We continuously guided teachers to update their educational philosophies and methodologies, specifically enhancing their capabilities in implementing the new curriculum while strengthening their awareness of curriculum construction and instructional process management. This guiding principle not only propelled curriculum and teaching research to greater depth but also further enriched the implication of the Group's "learning-oriented" teaching model, optimized the "intersubjective" teaching paradigm, and empowered campuses to create vibrant, efficient, and high-quality classrooms that enhance both quality and effectiveness.

2.2.2 PROMOTING ACCESSIBILITY TO TEACHING RESOURCES

Virscend Education fully leveraged its role as a coordinating bridge within the Group. Upholding the core principle of the principle of "appreciating the differences as strengths" (同中存異,異中見長), it breaks down inter-school barriers to deepen routine communication and collaborative partnerships across schools. While respecting each school's regional culture and faculty strengths to foster distinctive teaching approaches of "one school, one specialty", we also promoted the sharing of high-quality teaching materials, lesson plans, and curriculum resources. Through cross-school exchanges of core faculty and joint teaching research, we achieved mutual support and complementary talent development. Simultaneously, grounded in unified quality monitoring, we scientifically allocated resources toward areas needing improvement. This maximized the balanced optimization of teaching capabilities and resource distribution across schools, ensuring high-quality educational resources benefit every student and consolidating the collective strength of the Group's educational efforts.

We built an inter-school quality teaching resource library and established a regular teacher exchange and communication mechanism to establish the talent pool of inter-school teaching resource sharing. To further promote the access to our teaching resources, the teaching quality department of the Group has specially established a "Central Teaching and Research Group" (中心教研組). To foster sense of cooperation, they created a WeChat group to share real - time activity updates. Each campus undertakes at least one inter-school "joint teaching and research" each semester. Through presentation of achievements and in-depth discussions, mutual learning and resource sharing will be promoted. Meanwhile, we continued to carry out and promote the recording and broadcasting of excellent teachers' experience sharing lectures, demonstration elite courses and educational informatization courses, and disseminate excellent teaching examples to the schools of the Group. These activities not only promoted the rapid growth of teachers' professional capability, but also enabled each school to realize synchronized quality enhancement and upgrading in teaching criteria.

In student development, we empowered holistic growth through inter-school collaboration. For schools with superior practical teaching facilities, the Group centrally coordinated and integrates both on-campus and off-campus laboratory and training base resources to provide practical training acceptance service for other schools, enabling more students to share in high-quality practical educational resources.

2. STRICTLY ENSURING THE QUALITY OF TEACHING

2.3 IMPROVING TEACHING QUALITY

In order to promote the "into textbook, into the classroom and into students' mind (進教材、進課堂、進學生頭腦)" ("Three into") (三進) of the ideology of socialism with Chinese characteristics for solid implementation, Virscend Education has systematically established and continuously refined a specialized curriculum assessment system across all schools. This scientific evaluation framework guided the high-quality advancement of the "Three into" work. This system is aligned with educational principles and student development characteristics, focusing on continuous innovation in knowledge presentation, theoretical interpretation methods, and practical integration pathways. Through dedicated research projects, it encouraged teachers to explore deep integration models between the "Three into" work and daily teaching practices, leveraging subject-specific strengths and pedagogical realities. Simultaneously, the Group intensified support and promotion for outstanding teaching research achievements and exemplary curriculum cases. Through commendations, resource allocation, and experience sharing, it stimulated the enthusiasm and creativity of all faculty and students in participating in the "Three into" initiative. This ensured that the guiding principles of socialism with Chinese characteristics were genuinely integrated throughout the entire educational process, internalized as students' ideological identification and conscious actions.

High-quality education and teaching represented both the core competitiveness for the school's sustainable development and Virscend Education's solemn commitment to every student. A high-caliber teaching faculty served as the cornerstone for ensuring educational quality. Therefore, the Group consistently prioritized faculty development at a strategic level. We have established a teacher development system featuring "systematic training + diversified platforms + personalized growth". Through specialized workshops, mentor-apprentice programs, cross-campus exchanges, and blended online-offline training, we addressed the comprehensive needs for enhancing teachers' professional ethics, subject knowledge, teaching skills, and research capabilities. Simultaneously, we have established diverse professional development platforms such as teaching competitions, research projects, and specialized course development, providing teachers with a broad stage to showcase their talents and achieve breakthrough growth. Through comprehensive, multidimensional cultivation and support, we continuously elevated teachers' overall competence and instructional capabilities. This empowered every teacher to become a guiding light on students' growth journey equipped with solid professional foundations, masterful teaching skills, and noble professional ethics, effectively enabling students' holistic development and lifelong growth.

2.3.1 CONDUCTING STRICT TEACHING MANAGEMENT

Scientific management of teaching quality is a core element in ensuring student learning outcomes and enhancing educational quality. Virscend Education fully leveraged its management functions in strategic planning, organizational coordination, and process control to establish a comprehensive, multi-differentiated teaching quality assurance system. By rigorously implementing teaching supervision inspections and conducting impartial and objective teaching evaluations (covering diverse dimensions such as student feedback, peer review, and expert assessment), the system advanced the standardization and refinement of teaching management across all dimensions, ensuring steady improvement in teaching quality.

- *CONDUCTING TEACHING SUPERVISION*

  We consistently prioritized the effectiveness of teaching management, integrating instructional supervision throughout the entire teaching process. By standardizing teaching activities, cultivating high-quality faculty, and deepening teaching reforms, we continuously consolidated teaching outcomes. Building upon each school's teaching practices, we focused on dual objectives of enhancing teachers' professional capabilities and promoting students' physical and mental well-being. This comprehensive approach to quality improvement and efficiency were realized to support students in achieving well-rounded and balanced growth.

  Guided by the principle of "seeking common ground while harbouring differences (同中存異,各展所長)", we systematically analyzed and evaluated the establishment and implementation of routine teaching systems based on each school's historical legacy and practical circumstances. We provided targeted recommendations for optimizing classroom teaching models, helping schools cultivate distinctive educational characteristics and solidify the foundation of educational quality.

  Based on the working principle of "supervision on teaching, going deep into the front line" (深入實際、深入一線), we addressed teaching management at its source by engaging directly with schools and classrooms. Through meticulous inspections of lesson preparation quality, classroom teaching effectiveness, and homework design and grading practices, we strengthened daily teaching management. To further standardize teaching practices and enhance management efficiency, we have developed rigorous teaching management guidelines. These addressed specific management shortcomings at each school, ensuring the standardization and scientific approach of newly established campuses while promoting the establishment of well-functioning teaching management systems across the Group.

  To this end, designated staff from the teaching quality department conducted regular visits to campuses, participated in class observation and in-depth discussions and exchanges. After class, they promptly provided targeted, actionable feedback and suggestions to lecturing teachers, helping them refine their teaching practices. Simultaneously, they continuously followed up on previously established improvement measures, dynamically monitored implementation outcomes, and drove steady enhancements in teaching quality.

2. STRICTLY ENSURING THE QUALITY OF TEACHING

- *Evaluating teaching performance*

The evaluation of a teacher's performance is a crucial breakthrough in the regulation of teaching behaviour and the improvement of teaching quality. We constantly pursued to innovate and improve the teaching evaluation system and to formulate the "School Teaching Quality Assessment Plan of Virscend Education" (《成實外教育學校教學質量水平考核方案》). Through establishing a "Three-Dimensional Integration" comprehensive evaluation model—blending qualitative and quantitative assessments, balancing formative and summative evaluations, and complementing self-assessment with peer review, it comprehensively covered core dimensions including course implementation quality, routine school teaching management, teacher training effectiveness, and professional growth progress. Through the scientific application of diversified assessment methods, we will effectively leverage the guiding and motivational role of evaluation to effectively achieve the aims of "Evaluation for Improvement" and "Evaluation for Teaching" (以評促改、以評促教). thereby driving the coordinated advancement of teaching quality and faculty professional competence.

Teachers' Self-Evaluation	During instruction, teachers continuously refined teaching practices, summarized practical insights, shared shifts in pedagogical philosophy, and proactively proposed instructional needs and feedback. The teaching quality department maintained regular communication with teachers, providing targeted guidance based on feedback to support steady steady growth in their professional capabilities.
Students' Evaluation	We adhered to a student-centered approach, conducting multidimensional evaluations of teaching effectiveness to comprehensively understand actual teaching practices. This enabled scientific adjustments to teaching resource allocation and instructional strategies, enhancing the relevance and effectiveness of teaching.
Evaluation by the Teaching Quality Department	Taking student feedback into account, the teaching quality department promptly coordinated with faculty to jointly refine instructional plans. Simultaneously, it dynamically assessed and reviewed overall institutional teaching outcomes and individual faculty performance based on examination data across all academic disciplines.
School Evaluation and Assessment	The school implemented a clear assessment framework, conducting both periodic and summative evaluations of faculty instruction. Evaluation outcomes were fully integrated into core processes such as faculty recognition, promotion, and performance reviews, maximizing the motivational and guiding impact of assessments.

- *Teacher team building*

Virscend Education has always prioritized faculty development and established a comprehensive system encompassing teacher training management system, policy framework, and operational system. The teachers (cadre) development centre was established to guide the Group in implementing professional development programs for teachers. Aligned with pedagogical growth trajectories, the center designed progression pathways for teachers from new hires to seasoned teachers, and ultimately to expert educators or administrative leaders.

Since its inception, Virscend Education always placed students at the core of its educational and teaching mission, paying close attention to their intellectual development and growth needs while continuously refining educational strategies and implementation models. We regularly organized faculty teams to engage in specialized development and in-depth discussions, driving the iteration of educational philosophies and innovation in teaching methodologies. This ensured our curriculum aligning with contemporary demands, effectively enhancing students' cognitive thought and comprehensive competencies.

In this process, we prioritized strengthening the theoretical cultivation of ideological and political education teachers. Through systematic training and the establishment of professional development platforms, we helped teachers solidify their theoretical foundations and enhance their teaching capabilities. This enabled the construction of a more efficient and precise ideological and political education system, driving the comprehensive implementation and in-depth development of ideological and political education within the curriculum, thereby integrating value guidance throughout the entire teaching process.



Against the backdrop of the continuous education and teaching reforms, Virscend Education was committed to expanding the professional vision and capability horizons of teachers and management staff through targeted and individual training systems. We have customized special training courses for the differentiated demand of growth of new teachers, key teachers and school management staff, focusing on such core aspects as "cultivation of core academic competencies", "enhancement of teaching and research skills", and "development and sharing of school-based training resources".

Through this series of targeted training, we not only fully stimulated teachers' innovative spirit and teaching potential but also strengthened the collaborative effectiveness and innovative capabilities of the teaching team. This empowered classrooms to transition effectively from traditional models to high-efficiency, high-quality approaches, injecting robust momentum into the continuous improvement of the Group's educational quality.

2. STRICTLY ENSURING THE QUALITY OF TEACHING

2.3.2 Deepening teaching research

We have established a scientifically structured, meticulously organized, and proven learning system that combines practicality with sustainability, ensuring effective implementation and long-term execution. Led by the Group's teaching quality department, all schools conducted systematic research on nationally unified textbooks, focusing on content structure, organizational logic, and core teaching guidelines. Concurrently, expert teams were organized to conduct in-depth investigations and professional analyses of new textbooks. Standardized training unified teachers' understanding and application of materials, ensuring instructional accuracy and standardization while precisely nurturing and enhancing students' core literacy skills through textbook-based instruction.

- *Analyzing teaching material*

  Virscend Education attached great importance to the selection and effective utilization of the teaching materials and has established a sound system for management and application of teaching material. Under the coordination of and led by the teaching quality department of the Group, we organized in-depth teaching material analysis across all schools. Through collective discussions and specialized training, we ensured teachers develop a unified and precise understanding of the teaching material, driving effective implementation of the teaching material in teaching activities.

  Using the Ministry of Education's nationally unified teaching material as the core reference, we have assembled a team of professional experts to conduct systematic research and scientific evaluation on the new teaching material content framework, organizational logic, and curriculum standards. This initiative not only ensured the accuracy and standardization of teaching content but also enabled the precise implementation of core competency development goals based on the teaching material, helping students achieve more significant growth in the depth of their cognitive thinking and the enhancement of their comprehensive abilities.

- *Exemplary lessons study*

  During the Reporting Period, all schools widely conducted academic teaching research activities centered on lesson case study, focusing on the "Three into (三進)" ("into textbook, into the classroom and into students' mind (進教材、進課堂、進學生頭腦) initiative of incorporating Socialism with Chinese Characteristics. Lesson case studies concentrated on optimizing teaching techniques and consolidating pedagogical wisdom, with the core objectives of creating efficient class activities and achieving precise teaching. This approach became a crucial breakthrough for integrating the "Three into" work into daily teaching practices.

  Through a closed-loop model involving observing exemplary lessons, participating in thematic seminars, engaging in teaching practice, and conducting in-depth reflection, teachers deeply integrated the "Three into" concept with subject-specific teaching characteristics. In lessons, teachers presented knowledge through positive and civilized teaching methods, combining case analysis, situational interactions, and value-driven guidance. This approach ensured both the ideological integrity and accuracy of teaching content while fully engaging students' initiative and enthusiasm, thereby making lessons more approachable and engaging. This approach facilitates the gradual internalisation of the "Three into"requirements, achieving a harmonious convergence between knowledge transmission and value guidance.



Chengdu Foreign Languages High School of Chengdu Hi-tech Zone organized teacher training

- *Promoting our practice of "teaching the same class in different ways"*

The "teaching the same class in different ways "initiative focused on the same subject and topic, where different teachers designed differentiated teaching plans and delivered lessons based on their unique teaching styles and experiences. This approach provided students with diverse perspectives and cognitive pathways for knowledge presentation, helping them understand core textbook content from multiple dimensions and build a more multidimensional knowledge system. It also enriched students' learning experiences through exposure to varied teaching styles, deepening their comprehension and application of knowledge.

Simultaneously, "teaching the same class in different ways" established a professional growth platform for teachers to engage in in-depth discussions and mutual learning. Teachers focused on the same teaching theme, engaging in differentiated teaching design and practice to explore core issues such as methods for overcoming teaching challenges and optimizing lesson interaction. During lesson observations and evaluations, participants drew on each other's strengths, absorbed the essence of others' teaching methods, reflected on their own shortcomings, and effectively enhanced their ability to solve practical teaching problems.

Furthermore, by comparing the implementation outcomes of different teaching approaches, teachers gained clearer insights into the school's current instructional landscape. This enabled precise evaluation of how teaching reform strategies impacted lesson effectiveness, thereby refining teaching philosophies and methodologies. Such interactive discussions and reflective processes not only steadily elevated teaching quality but also fostered a robust ecosystem of continuous learning and collaborative advancement among teachers.

2. STRICTLY ENSURING THE QUALITY OF TEACHING

- *Differentiated teaching*

Virscend Education steadfastly upheld its core principle of "implementing effective teaching strategies for all students (面向全體學生,實施有效教學策略)". We focused on the learning needs and growth potential of students at different levels, striving to enhance learning outcomes for every student. Based on precise learning situation analysis, we comprehensively understood students' differences in knowledge foundations, learning abilities, and thinking characteristics through diverse methods such as lesson observations, homework feedback, and academic assessments. This laid a solid foundation for the scientific implementation of differentiated teaching.

Based on the above, we actively explored innovative forms of differentiated teaching, moving beyond traditional one-size-fits-all approaches to construct a differentiated learning system centered on "foundation reinforcement, competency enhancement, and innovation expansion". Each school created distinctive differentiated lessons through diverse teaching activities: for students with weaker basic skill, the focus was on solidifying knowledge and providing methodological guidance, addressing gaps through intensive instruction, targeted practice, and one-on-one tutoring; for students at an intermediate level, emphasis was placed on strengthening knowledge application and critical thinking skills, encouraging independent inquiry and collaborative learning; for academically advanced students, extension and inquiry-based projects were designed to stimulate innovative potential and subject interest, truly achieving differentiated instruction and tailored empowerment.

Under the coordinated guidance of the Group's teaching quality department, each school developed personalized differentiated teaching plans based on its operational realities. Regular thematic seminars were organized to conduct in-depth discussions on core issues such as tiering criteria, teaching goal setting, differentiated assignment design, and class organization and management, driving continuous advancement in differentiated teaching research and practice. Simultaneously, the Group established an inter-school exchange platform to systematically compile and summarize effective differentiated teaching models from each school. By sharing exemplary implementation strategies and successful experiences, it facilitated the widespread dissemination of best practices across the Group, driving continuous improvement in overall educational quality. This ensured every student achieves maximum growth at their own pace.

2.4 COMPREHENSIVE EDUCATION

Virscend Education steadfastly upheld the educational philosophy of "Five Pronged Education stratagem (五育並舉, i.e. fostering all-round development through moral, intellectual, physical, aesthetic, and labor education)" while rigorously maintaining the core bottom line of teaching quality, we placed high importance on the systematic and distinctive development of extracurricular activities and sports programs, recognizing them as vital vehicles for cultivating students' comprehensive growth. We firmly believe that high-quality physical education and extracurricular programs transcended mere class teaching extensions. Rather, they constituted growth-oriented learning environments with multiple values that simultaneously cultivate physical fitness, moral character, and intellectual development. These activities not only systematically enhanced students' physical stamina and built robust bodies but also, through competitive challenges, teamwork, and overcoming challenges, subtly cultivated students' awareness of rules, teamwork spirit, sense of responsibility, and unwavering perseverance, helping them shape well-rounded personalities.

To ensure program quality and educational effectiveness, all physical education courses and extracurricular activities were jointly developed and designed by experienced subject teachers, specialized sports coaches, and external professional instructors, who provided comprehensive guidance throughout the process. Activity content strictly adhered to students' age characteristics and developmental patterns, aligning with educational standards, and spanning multiple areas including athletic competition (e.g., ball sports leagues, track and field meets), cultural arts (e.g., drama performances, calligraphy and painting creation), technological innovation (e.g., programming competitions, robotics construction), and social practice (e.g., public service volunteering, field study and visits). These activities ensured scientific rigor and safety while maintaining engaging and challenging elements, forming an organic complement to class learning and fostering a synergistic educational ecosystem.

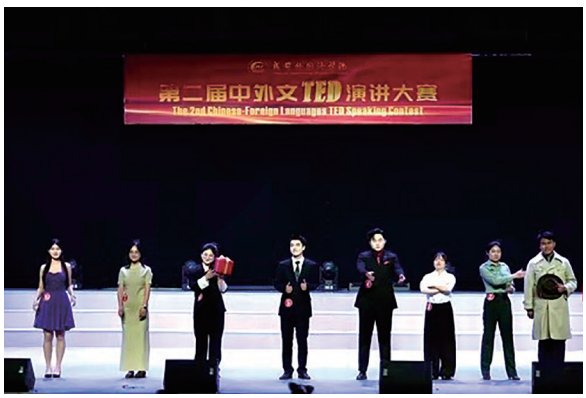
We deeply integrated physical education and extracurricular activities into our daily educational system. Through a diverse model of "required + elective courses " and "foundational + specialized courses", we provided students with a rich and varied space for autonomous choice. Students can participate in various activity programs based on their interests, strengths, and developmental needs, broadening their horizons, enhancing skills, and building friendships through hands-on experiences. This immersive and all-encompassing approach not only effectively alleviated academic pressure but also comprehensively promoted balanced development across physical, psychological, social, and competency dimensions.

We steadfastly adhered to the principle of "quality first, comprehensive development". Building upon a solid foundation of teaching quality, we continuously refined our activity system, enriched program content, and elevated activity standards. Our commitment was to empower every student to discover and surpass themselves through diverse practical engagements, achieving comprehensive growth in knowledge, abilities, and character. This steady enhancement of overall competence laid a solid foundation for lifelong development.

2. STRICTLY ENSURING THE QUALITY OF TEACHING



Second Spring Sports Meeting at Chengdu International Studies University



The 2nd Chinese-Foreign Languages TED Speaking Contest



Campus Singer Competition

3. BUILDING A HARMONIOUS CAMPUS

With the consistent objective of "providing students with a high-quality and safe growth environment" (為學生提供優質、安全的成長環境), our primary concern is to ensure that our school provides students with a safe place to learn and grow. Furthermore, we sincerely accept parents' advice and suggestions to enhance the school-and-family co-education system further and continuously improve the management level of the school to work together to create a campus for students' healthy growth.

3.1 ENSURING AND SAFEGUARDING FOOD SAFETY

We always strictly held food safety bottom line and earnestly perform our duty as monitors to safeguard every student's health. We strictly abide by the requirements of the national laws and regulations, such as the Food Safety Law of the People's Republic of China, the Regulations on School Food Safety and Nutrition and Health Management, and the Operating Rules on Food Safety in Catering Service (《中華人民共和國食品安全法》、《學校食品安全與營養健康管理規定》、《餐飲服務食品安全操作規範》). In line with the Group's practical experience in operating schools, we also formulated a series of internal regulations such as the Regulations on Food Traceability Management and the Regulations on Food Storage Management (《食品可追溯管理規定》、《食品儲存管理規定》). We established a whole life-cycle food safety supervision system covering various aspects, including food purchase and inspection, storage and preservation, processing and preparation, nutrition pairing and canteen service and try our best to create a healthy and safe dining environment to ensure that every student has access to quality food, thereby achieving closed-loop management from source to table.

We adhere to the strictest standards in every process, striving to create a healthy, safe, and nutritious dining environment that provides comprehensive, high-quality assurance for students' daily meals.

During the Reporting Period, no food hygiene and safety incidents occurred in all the canteens of the Group.

- ENFORCING THE TRACEABILITY OF FOOD PURCHASE

  We strictly implemented the "Supplier Management System" and "Food Import Inspection System" (《供應商管理制度》和《食品進貨查驗制度》) to standardize the procurement process of food comprehensively and strengthen the whole life-cycle management of suppliers. All ingredient suppliers must provide the complete and valid qualification certificates and batch inspection reports. Incoming goods inspections rigorously cover core items including their production dates, import dates, expiration dates, quality of the ingredients and the supplier's information, ensuring compliance with the Group's internal control requirements.

  To ensure freshness, safety and premium quality of ingredients from source, we have established a comprehensive procurement system comprising "qualification review + on-site inspection + full traceability". Through meticulous verification of logistics records, real-time inventory monitoring, and precise standing book, we achieved full traceability of ingredient flows. Meanwhile, specialised teams were organized to conduct on-site inspections of suppliers' credentials and production facilities, prioritising selection of premium suppliers with standardised agricultural logistics processing capabilities and comprehensive quality inspection systems, thereby building the first defense line for food safety.

3. BUILDING A HARMONIOUS CAMPUS

- ## MANAGING FOOD STORAGE

We strictly abided by laws and regulations such as the "Food Safety Law", "Regulations on Implementation of the Food Safety Law" and "Measures for the Supervision and Administration of Food Safety in Catering Services" (《食品安全法》《食品安全法實施條例》和《餐飲服務食品安全監督管理辦法》), and formulate the "Regulations on Food Storage Management" (《食品儲存管理規定》) in line with the operation of canteen operation. The regulations aim to ensure uniformity in the storage and handling of canteen food, food additives and related products.

Ingredient storage strictly followed the principle of "categorised storage and zoned management". Foodstuff were organised by nature and expiry date into designated zones and shelving to prevent cross-contamination. The "first-in, first-out" system was rigorously enforced, prioritising the use of ingredients with longer storage durations to ensure freshness. Comprehensive inspections of stored food are conducted periodically, with spoiled, expired, or pest-contaminated items promptly removed to eliminate safety hazards at source.

At the same time, storage sites, containers, tools and facilities are maintained in a consistently clean and hygienic state. Professional cleaning, disinfection, and maintenance are conducted regularly to ensure storage environments meet standards and facilities operate properly, thereby establishing a comprehensive safety barrier throughout the food storage process.

- ## MAINTAINING FOOD RESERVING SAMPLES

We have established a full-process food safety traceability system, with designated personnel appointed as sample retention officers to comprehensively standardize key steps such as packaging and sealing, information labeling, and sample storage of food samples. The system strictly implements a three-meals-per-day sample retention policy covering all food categories, ensuring that every batch of food is sampled and retained in accordance with standards, with detailed records of relevant information. Additionally, a robust accountability mechanism for sample retention management has been established to strengthen responsibility implementation across all stages, effectively reducing the risk of sudden food safety incidents at the institutional level and safeguarding students' dietary safety in all aspects.

• MAINTAINING FOOD SUPERVISION SYSTEM

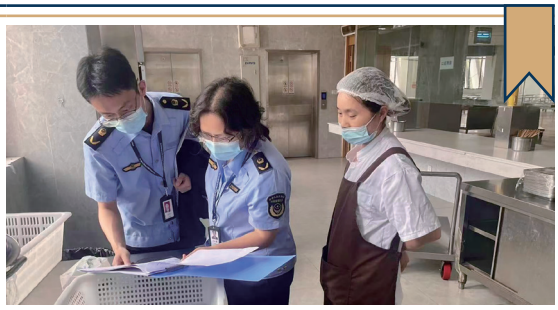
We have established a comprehensive canteen quality control and supervision system, regularly conducting comprehensive evaluations from dimensions such as food safety compliance, dish quality and taste, nutritional balance, and service process standardization, continuously optimizing the level of catering services.

The canteen strictly implements an information disclosure system, regularly publicizing key information such as food safety qualifications, tableware cleaning and disinfection records, and daily supervision and inspection results, to gain the trust of teachers, students, and parents through openness and transparency. The school comprehensively promotes the construction of "transparent kitchen and stoves"(明廚亮灶), installing video surveillance systems in key areas such as cooking and meal preparation in the canteen, and has successfully completed the upgrade to "Internet + video kitchen"(互聯網 + 視頻廚房) during the Reporting Period, achieving visual supervision of the entire catering production process, making food safety perceptible and traceable.

We have established multiple supervision and feedback channels, actively inviting students' parents to participate in daily meal accompaniment supervision, while through online and offline questionnaires and other forms, organizing teachers and students to rate the satisfaction of catering services, extensively collecting opinions and suggestions and establishing a closed-loop rectification mechanism, promoting continuous iteration of services. In addition, we regularly hold skill competitions for canteen staff, using competitions to promote learning and using competitions to promote excellence, motivating employees to refine their professional skills and enhance their professional competence, to provide teachers and students with higher quality and more attentive catering services.



School officials conducted a hygiene inspection of the canteen.



Supervision department conducted routine inspections

3. BUILDING A HARMONIOUS CAMPUS

• TRAINING ON FOOD SAFETY

We have established a regular canteen staff training system, annually organizing all employees to conduct specialized food safety training, deeply interpreting national relevant laws and regulations and the Group's internal rules and systems, combining with the actual scenarios of canteen operations, focusing on training core content such as safety risk identification, hidden danger prevention measures, and standardized operation procedures, comprehensively enhancing employees' food safety awareness, comprehensive literacy, and safety management capabilities.

To further ensure the dietary safety and nutritional balance of all teachers and students in the school, we specially invited experts in the field of food nutrition from Chengdu to conduct professional training, the content covering nutritional pairing of ingredients, nutritional needs of students of different age groups, principles of healthy diet pairing, etc., ensuring that the canteen dishes, while meeting safety standards, achieve scientific nutritional matching.

Through systematic and professional training and guidance, continuously standardizing employees' operational behaviors, refining professional skills, comprehensively enhancing the overall service quality of the canteen, and providing teachers and students with safer, healthier, and more nutritious dietary choices.









3.2 SAFEGUARDING CAMPUS SAFETY

Campus safety is the fundamental prerequisite and solid foundation for the smooth and orderly conduct of educational and teaching work. Virscend Education consistently places campus safety management at the foremost strategic priority, continuously improving and perfecting a systematic safety management system. Focusing on three core areas—personal safety, fire safety, and traffic safety, we have established a comprehensive safety pattern characterized by "systematic management processes, thorough supervision, and deeply ingrained safety awareness (管理閉環、監督到位、教育入心)"

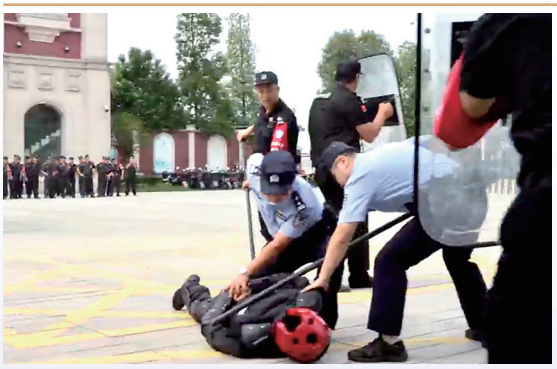
We clarified the safety responsibilities of each position through detailed management rules, strengthen process supervision via regular inspections and specialized checks, and fostered a strong safety awareness among teachers and students by combining diverse forms such as thematic lectures and practical drills. This formed a safety management mechanism of "clearly defined responsibilities for each position, closed-loop supervision, and routine education." During the Reporting Period, the implementation of safety management measures across all school campuses of the Group was effectively carried out, with no major campus safety incidents occurring, thereby creating a safe, stable, and reassuring campus environment for all teachers and students.

- PERSONAL SAFETY PROTECTION

We have established a regular campus potential safety hazard inspection mechanism, conducting comprehensive inspections of campus facilities, equipment, and site environments on a periodic basis to ensure all facilities meet safety standards and pose no safety risks to teachers and students. Regular maintenance and servicing are implemented for teaching equipment, firefighting facilities, and security equipment, with dynamic tracking of equipment operational status to promptly identify and eliminate potential risks, ensuring early detection and early handling of issues.

Simultaneously, based on the characteristics of campus safety risks, detailed emergency plans covering scenarios such as emergency incidents, natural disasters, and public health incidents have been formulated. These plans clarify response procedures, responsibility assignments, and disposal measures, while strengthening drill exercises to enhance rapid response and emergency handling capabilities during unexpected situations, thereby minimizing harm to the greatest extent.

In addition, we regularly organize all teachers and students to carry out themed safety education and practical drills on counter-terrorism and anti-violence, bullying prevention, and emergency evacuation. This not only promotes safety knowledge but also enhances their self-protection awareness and emergency response skills, thereby strengthening the campus safety defense in all aspects and effectively ensuring the safety of life and property for all teachers and students.





3. BUILDING A HARMONIOUS CAMPUS

3.3 SCHOOL-AND-FAMILY COMMUNICATION AND CONNECTION

We adhere to the core of the school-and-family culture of "collaborative and empathic nurturing" (共情、共育、共樂). We have established platforms for multidimensional and open school-and-family communication, covering multiple channels such as communication via telephone lines, class WeChat groups, regular parent meetings, online education platform, campus open day, school principal's mailbox and school official website, thus achieving seamless and close school-and-family communication.

We are always concerned about students' developmental needs and expectations from parents, fostering educational synergy through sincere communication. By aligning efforts and working in concert between school and home, we safeguard each child's healthy and constructive development, empowering students to attain superior academic outcomes and comprehensive growth.

- ### LISTENING TO THE VOICES OF PARENTS

We organize the Open Day (家長開放日) event on a regular basis with an aim to strengthen school-and-family connections and unite educational forces. Parents may comprehensively understand their children's academic performance and daily life at campus and gain an intuitive perception of educational environment and management practices of school through "classes, tours, and meals" (進班聽課、參觀教學樓、體驗食堂用餐) and other immersive experience.

Meanwhile, we constantly improve parent feedback and complaint handling mechanism, paying close attention to parents' reasonable needs and concerns. We have established workflows centered on "rapid response, prompt action, and closed-loop follow-up" (快速回應、及時處置、閉環跟進). For issues raised by parents, we immediately verified the circumstances, efficiently advance corrective actions, and implement measures such as optimizing teaching management and enhancing service quality to prevent recurrence of similar incidents. The Group achieved a 100% response rate for parent complaints across all campuses during the Reporting Period, earning trust from parents through sincere communication and practical actions.

• FIRE SAFETY MANAGEMENT

Each campus strictly abides by the "Fire Control Law of the People's Republic of China", "Regulations on Fire Safety Management of Authorities, Groups, Enterprises and Institutions" (《中華人民共和國消防法》、《機關、團體、企業、事業單位消防安全管理規定》) and other laws and regulations. Each campus develops a "Fire Safety Management System" which is internal to the campus, and a "Fire Inspection System", which helps implement the Fire Safety Management System. All this promotes the systematisation and standardisation of campus fire safety work. On top of that, staff members are assigned to supervise and inspect fire safety facilities in key areas and parts every day. They regularly update and maintain the effectiveness of their firefighting facilities to prevent dangers in advance.

Schools invited local fire departments and public security departments to hold lectures and train students on fire safety laws. They teached teachers and students first aid knowledge and organised activities such as trainings to practice fire safety.





• UNDERSTANDING THE NEEDS OF STUDENTS

We have established diverse, accessible, and efficient feedback channels for students. Students may freely express their thoughts and provide reasonable feedback through channels such as the principal's mailbox and participation in student meetings. These channels facilitated equal communication between students and the school, safeguarding students' rights to information and expression while ensuring their legitimate interests are effectively protected. They also fostered positive interaction and effective communication between the school and students, providing valuable insights for optimizing school management and enhancing services.

3.4 SAFEGUARDING STUDENT MENTAL WELLBEING

The school integrates mental health into its ESG development and overall campus strategy. Student mental wellbeing is a core concern within Virscend Education Group's ESG framework, crucial to students' comprehensive growth and long-term development, and serves as a vital foundation for building harmonious campuses across the Virscend Education Group and its affiliated campuses. Virscend Education Group and its campuses consistently prioritise this work, integrating it into overall campus development planning. Through systematic and routine measures, we advance psychological care initiatives to ensure they are both thorough and effective, thereby laying a robust psychological foundation for student growth and campus development.

Virscend Education Group upholds the philosophy of collaborative support and professional guidance, establishing an integrated psychological care system encompassing "curriculum, counselling, activities and collaboration". This framework delivers comprehensive, multi-dimensional safeguards for students' mental wellbeing throughout their educational journey. Regularly delivered tiered mental health programmes precisely address core domains such as emotional regulation, stress management and interpersonal adaptation, equipping students with scientific psychological understanding and enhancing fundamental psychological literacy.

Taking the development of a harmonious campus as its vehicle, the Group meticulously plans specialised activities such as group counselling sessions, peer support initiatives, and personal growth camps, focusing on enhancing psychological well-being. Regular cultural and sporting events, including singing competitions, arts performances, and off-campus study tours, encourage students to immerse themselves in these events, enabling them to release stress, strengthen interpersonal connections, foster harmonious peer relationships, and continuously build psychological resilience.

Empowered by this multidimensional, integrated psychological support system, Virscend Education Group's students demonstrate sustained improvement in both physical and mental wellbeing. This fosters synergistic advancement of both physical and mental wellbeing and academic development, with steady progress in learning outcomes. The overall campus atmosphere grows increasingly harmonious and cohesive, with markedly enhanced class cohesion and a deeply ingrained ethos of mutual support and camaraderie. This initiative not only fosters students' comprehensive development within a warm and inclusive environment, ensuring psychological care is effectively implemented and benefits every student, but also injects a more compassionate practical force into Virscend Education Group's ESG development. It highlights the humanistic care inherent in ESG development within educational institutions.

4. CREATING A HAPPY WORKPLACE

Virscend Education firmly believes that a diverse, inclusive, and professionally dedicated faculty and staff team represents the Group's most valuable core resource and serves as the fundamental driving force behind the quality development of educational endeavors. We take immense pride in this resource and place the utmost importance upon it.

We are committed to fostering a harmonious, supportive, open, and inclusive workplace and respect the professional value and individuality of every faculty and staff member. We have established a fair and equitable platform for growth and career advancement, enabling professional development through a comprehensive training system, recognizing work achievements with a reasonable incentive mechanism, and uniting team strength through humanistic care. Every teacher and staff member may showcase their talents and realize their value in a positive and uplifting environment, while sharing the Group's development achievements in depth. We have thereby fostered a virtuous cycle where "individual growth resonates in harmony with the Group's development (個人成長與集團發展同頻共振)".

4.1 SAFEGUARDING EMPLOYEES' RIGHTS

Virscend Education sticks to the bottom line of operating in full compliance with laws and regulations and strictly adheres to the Labor Law of the People's Republic of China, the Labor Contract Law of the People's Republic of China, the Social Insurance Law of the People's Republic of China, the Law of the People's Republic of China on the Protection of Minors (《中華人民共和國勞動法》《中華人民共和國勞動合同法》《中華人民共和國社會保險法》《中華人民共和國未成年人保護法》), and other relevant laws and regulations of the jurisdiction where we operate, fully integrating the spirit of the rule of law into every aspect of employment management.

Based on the actual development of the Group, we have developed a comprehensive set of internal regulations, such as the Labor and Personnel System, Recruitment Protocol and Teacher's Manual (《勞動人事制度》《招聘制度》《教師手冊》), formulating an employment management system that is "law-abiding, fair and impartial, standardized, and orderly (依法合規、公平公正、規範有序)". This ensures that every employee receives equal treatment and fair opportunities for development, while fostering a stable, harmonious, and supportive work environment where employees work with peace of mind and pursue their growth with confidence.

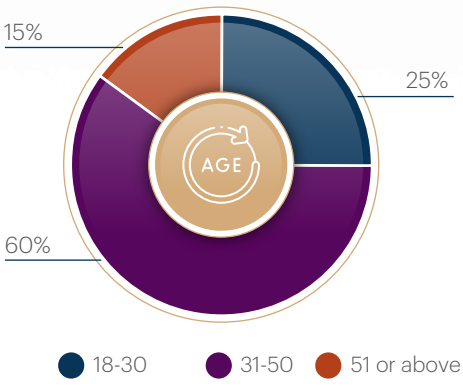
The Group adheres to the core employment principles of diversity, equality and justice to provide full support for employees' lawful rights and interests and their rights to development. In terms of remuneration and benefits, we strictly enforce equal pay for equal work between men and women to ensure fair and equitable remuneration distribution. Regarding humanistic care, we implement humanitarian policies such as the Work-Family Program, and pay close attention to employees' daily needs and physical and mental well-being. We strictly prohibit any discriminatory practices or unfair competition based on race, origin, religion, gender, background, or other such aspects, and provide all employees with a non-discriminatory and equitable platform for employment and career development, enabling each employee to enhance their value through their own capabilities.

We maintain a zero-tolerance stance on labor standards—strictly prohibiting the use of child labor and forced labor. Through rigorous screening procedures including multi-dimensional identity verification and background checks, we consolidate compliance safeguards from the very start of recruitment. Any violations of relevant regulations will be immediately and severely addressed, with decisive termination of non-compliant practices. As of the end of the Reporting Period, there were 2,365 employees working in the Group in total. The rate of signing employment contracts and social insurance coverage reached 100%, ensuring lawful employment practices and compliance.

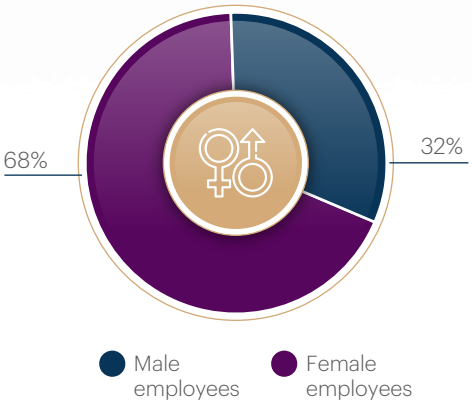
4. CREATING A HAPPY WORKPLACE

In the meantime, we place great importance on employee growth and value realization, and have established an employee development ecosystem centered on "systematic training + trust-based empowerment + continuous connection (系統培訓+信任賦能+持續聯結)". By building a sound training system, we provide teachers and all staff with various tools and resources required for professional capabilities enhancement and vocational skills expansion. We fully trust, respect, and recognize our employees, motivating them to leverage their initiative and maintain high levels of work efficiency. Whether employees are currently employed or not, we value the connections between us. We extend our most sincere wishes to former employees and maintain constructive communication with them. We look forward to working together with them to help realize their life aspirations, ensuring every employee who has contributed to the Group's development feels valued and acknowledged.

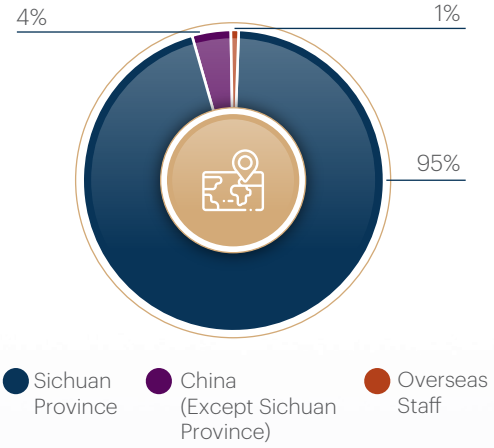
By Age group



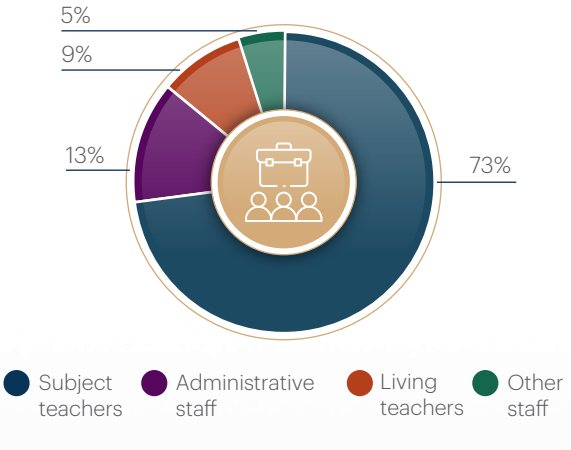
By Gender



By Region



By Employment type



To maximize talent retention rate, we continuously optimize and iterate our employee compensation and benefits system, establishing a long-term mechanism that is both incentive-based and security-oriented. The Group consistently adheres to the compensation distribution principle of "more pay for more work and better pay for better work (多勞多得、優勞優酬)", deeply linking compensation to individual performance, team contributions, and job value. This ensures precise alignment between effort and reward, fully motivating employees' work enthusiasm. Simultaneously, we have introduced a diverse and highly competitive benefits policy covering multiple dimensions such as health security, paid leave, professional development subsidies, and humanistic care. This comprehensively enhances employees' sense of belonging, happiness, and corporate identity, solidifying the core foundation for talent retention.

Benefits package	• Social insurance and housing provident fund • Provision of accommodation and meals for employees • Statutory holidays • Preferential enrollment for children of teachers and staff • Enjoying the same teacher title assessment policy as public teachers

4.2 EMPHASIZING ON TALENTS DEVELOPMENT

Virscend Education firmly believes that the core competitiveness of an educational enterprise stems from its exceptional teaching team, and the implementation of quality education relies on the dedicated efforts of professional teachers. Therefore, the Group consistently prioritizes faculty development at a strategic level. On one hand, it fully commits to creating diverse career growth opportunities; on the other hand, it establishes a comprehensive and systematic training system to continuously empower teachers to enhance their professional capabilities.

Currently, the Group has built a high-quality, professional, and excellent teaching team. Up to now, it has a total of 1,736 teachers, all of whom hold bachelor's degrees or higher. Among them, approximately 54.6% possess master's level or above, significantly leading in terms of faculty educational attainment. The vast majority of teachers are full-time teachers, enabling them to fully dedicate themselves to teaching, research, and student development.

We highly value the recognition and motivation of teachers with outstanding teaching achievements, ensuring that excellent teachers receive the honors and value affirmation they deserve. Currently, approximately 19.8% of teachers have obtained senior teacher qualifications, and 63 teachers have been rated as special-grade teachers, forming a sound teacher team led by backbone master teachers and with young teachers as the backbone.

In terms of teacher training, the Group has established a comprehensive training mechanism: providing mandatory professional teaching skills training for newly hired teachers to help them quickly adapt to teaching positions and consolidate their teaching foundation; regularly offering mandatory and continuous training courses and thematic seminars for all teachers, covering multiple dimensions such as innovation in teaching methods, deepening of subject knowledge, and upgrading of educational concepts, ensuring the continuous iteration of the teaching team's professional capabilities and the steady improvement of teaching levels.

4. CREATING A HAPPY WORKPLACE

4.2.1 Career Development

Virscend Education actively builds a clear and comprehensive career development and promotion system for schools' teachers and corporate employees, closely linking job responsibilities and work performance with advancement paths. This motivates all staff to continuously improve themselves, refine their expertise, and achieve personal growth that resonates with the Group's development.

We have further expanded the existing development framework by innovatively establishing three differentiated career development paths, focusing on enhancing employees' core skills and exploring their potential. Employees are encouraged to choose their development direction based on their interests, strengths, job requirements, and career plans, fully leveraging their initiative to achieve the talent development goal of "fully utilizing their talents and showcasing their strengths".

In particular, the growth pathway of teacher's management capabilities takes expansion of administrative responsibility as its core , building a stepped growth path. As they gain teaching experience and management capibility, teachers may progress from focusing on professional teaching to gradually participating in school teaching management, achieving an orderly advancement in their professional roles. As time progresses, they can go from new recruit to lesson-planning team leader, director of the grade, and further assume middle-level management duties. Following systematic training and practical experience, outstanding individuals may further advance to become school-level administrators, thereby exercising their managerial talents on a broader platform.

PROFESSIONAL GROWTH PATHWAY	Considering the professional title standards of teachers, their years of service, and their salary structure, the teachers can be categorized in an incubation system from newly recruited teachers to experienced teachers. Our system catered to the operational characteristics of the Group.
MANAGEMENT GROWTH PATHWAY	Enhancing teachers' knowledge and experience of management, in addition to their excellent pedagogical skills. Teachers are encouraged to take on school-level education management so that they can take on the duties of educational management at the school level.
COMPANY STAFF DEVELOPMENT	By establishing dual channels for career development, we seek to develop confidence and professionality in both management and professionalism. We clarified the requirements needed to progress through each rank and motivated staff to hone their skills and heighten their quality.

Three Major Career Development Pathways

We have established a scientific closed-loop employee evaluation and development system that focuses on employees' growth trajectories and unique strengths to conduct comprehensive assessments. During the evaluation process, core indicators such as work tenure, professional qualifications, industry certifications, and job performance are integrated, combined with internal professional talent assessment standards for vertical benchmarking, to set realistic and actionable growth goals for each employee.

We adopt diverse assessment methods that combine qualitative and quantitative approaches to comprehensively and objectively measure employees' professional competencies and overall qualities. Simultaneously, with phased performance improvement as the core focus, we use clear goal orientation and timely positive feedback to continuously stimulate employees' growth motivation and work enthusiasm, fostering mutual progress for both employees and the enterprise.

Qualification and work experience	Knowledge	Competencies	Reference
• Qualification level • Work experience	• Professional knowledge • Corporate knowledge • Industry knowledge	• Professional title • Performance outcome	• Tranining and development, special awards • Accumulated knowledge

The Qualifications and Assessment Criteria of Virscend Education

4.2.2 Maintaining a Professional Training System

We consistently prioritize employee growth, and we continuously motivate our employees to resonate with the enterprise and make progress together through a comprehensive and systematic professional training system.

In order to actively respond to national requirements regarding the development of teacher team, we attach great importance to the professional growth and cultivation of new teachers. Through diverse forms, including specialized seminars, teaching quality weeks, and "senior teachers teach new teachers" partnerships, we provide timely, targeted teaching instruction and developmental support. This initiative accelerates the building process of ecological classrooms while enhancing the teacher team's overall execution capabilities and professional competence.

4. CREATING A HAPPY WORKPLACE

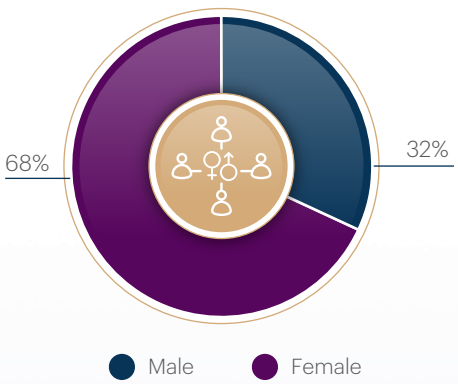
During the Reporting Period, we organized multiple training sessions with the leading idea of "enhancing moral and professionalism of teachers and to be an elegant teacher" (提升師德、精進專業，做和雅之師) with the aim to give full play to the active role of the academic pacesetter and the backbone teachers as leaders, providing a platform with high starting point and quality for young teachers to grow and advance. Through project implementation, we guided young teachers to deeply internalize the school's educational philosophy, firmly establish a professional commitment to loving education, cultivating the campus, and caring for students while continuously honing fundamental teaching skills and steadily enhancing comprehensive educational capabilities.



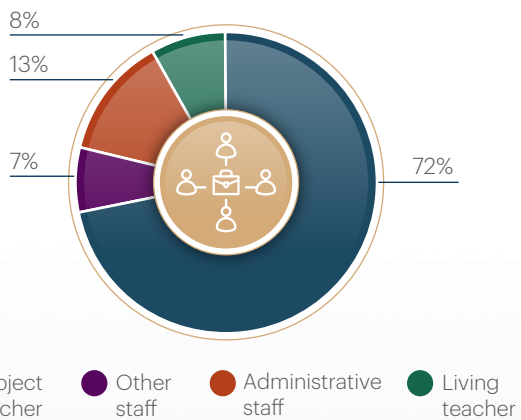


During the Reporting Period, a total of 1,855 employees were trained, with a total of 74,824 training hours, and 40.34 training hours per capita. These measures fully demonstrate we attach great importance to employee development and commitment.

Gender distribution of trained employees



Category distribution of trained employees



4.3 CREATING ENERGETIC WORKPLACE

Virscend Education attaches great importance to employees' physical and mental health and actively promotes the concept of "healthy life, happy work" (健康生活、快樂工作). By the "Law of the People's Republic of China on Prevention and Control of Occupational Diseases" (《中華人民共和國職業病防治法》) and other laws and regulations applicable to the locations where we operate, we carried out a series of activities in respect of employees' physical and mental health, such as annual physical examination, health lectures and psychological consultations.

We strongly support our staff to actively join physical fitness clubs or classes to cultivate healthy routines, such as regular exercise. At the same time, we frequently host birthday parties, festivities, movie screenings, and tours to historical sites to provide employees with chances to enrich their minds and spirits through the Company's channels, thus strengthening the bond between staff members and boosting morale.

In addition, the Group organizes various activities such as regular physical examinations, sports day, visit to red base, collective birthday parties for faculty members of schools, and outdoor quality development to enrich employees' spare time and enhance team cohesion.



Hosting the "Ignite Youth, Embrace Responsibility" May Fourth Event



A School of Virscend organized annual labor union activity



Celebrating International Women's Day



Teacher's Day Celebration of Yibin Campus

5. CARING FOR GREEN EARTH

We strictly abide by relevant environmental protection laws and regulations, such as (Environmental Protection Law of the People's Republic of China, Energy Conservation Law of the People's Republic of China (《中華人民共和國環境保護法》、《中華人民共和國節約能源法》) and make great effort to build a green campus environment. We integrate the concept of green development into the school operation, talent cultivation, campus construction and management to cultivate a green campus atmosphere and work together with all teachers and students to keep a green living environment.

5.1 GREEN CAMPUS

5.1.1 UPHOLDING ENERGY CONSERVATION

We actively advocate and promote the development concepts of energy conservation, consumption reduction, and green low-carbon practices. We have specifically formulated the "Regulations on Reducing Energy Consumption at the Office" and the "Regulations on Reducing Energy Consumption in the Dormitory" to comprehensively regulate the energy usage of various equipment and lighting facilities in office, teaching, and living scenarios, ensuring energy conservation requirements permeate all aspects of campus operations.

During the Reporting Period, all campuses continued to deepen energy conservation and consumption reduction efforts. The logistics support department established routine inspection and tracking mechanisms to conduct regular special inspections and ongoing follow-ups on energy-saving measure implementation and energy-consuming equipment operation status of campuses. This has gradually formed a benign energy-saving management landscape characterized by "system-driven guidance, routine oversight, and efficient execution". For energy management, the main measures we have taken are as follows:

- Advancing the "Green Lighting Projects" (綠色照明工程) to systematically upgrade campus lighting facilities, gradually replacing traditional lighting facilities with energy-saving lamps such as LED lamps to reduce lighting energy consumption.
- Assigning dedicated personnel to conduct daily inspections of high-power equipment, strictly controlling standby energy consumption and usage of high-energy-consuming devices. Unnecessary high-power equipment must be turned off after the standard meal period in the cafeteria;
- Promoting the adoption of energy-efficient teaching facilities, materials and office equipment while phasing out high-energy-consumption, low-efficiency products. Prioritizing energy-saving and environmental performance in equipment procurement, and selecting products with low energy consumption and high environmental standards.
- Standardizing energy consumption management for office equipment and appliances. Devices must automatically switch to low-power mode when not in use. The computers, printers, water dispensers, air conditioners, fans and other devices that have been idle for a long time must be timely turned off to minimize unnecessary electricity consumption.
- Strictly enforcing air conditioning usage protocols, clearly defining conditions for turning on and temperature setting standards, prohibiting opening windows or doors during operation to prevent energy waste.
- Promoting natural light utilization, opening curtains in offices and classrooms for daylight access as much as possible, while promoting the good habit of turning off lights when leaving to eliminate the phenomenon of "ever-on lighting".

- Implementing a centralized vehicle dispatch system where drivers must not alter routes without authorization; and encouraging carpooling for individuals traveling in the same direction during the same time slot to reduce dispatch frequency and transportation costs.

- Actively promoting the concept of green commutes, advocating "135" practice, i.e., to walk for commuting within 1 kilometre, to ride for commuting within 3 kilometres and to take public transport for commuting within 5 kilometres (1公里內步行、3公里內騎自行車、5公里左右乘坐公共交通) to guide teachers and students toward low-carbon commutes.

Each campus developed tailored electricity conservation management measures based on actual conditions, focused on teaching facilities, public areas, and key energy-consuming zones to clarify electricity and energy usage requirements, and promote energy-saving concepts through extensive publicity campaigns to guide teachers, students and employees to develop the habit of saving electricity.

Furthermore, some campuses have innovatively established a "saving prize" incentive mechanism, recognizing and rewarding groups or individuals who successfully achieved energy-saving targets. This fully mobilizes the enthusiasm and initiative of all members in participating the energy conservation and consumption reduction.

5.1.2 WATER CONSUMPTION AND WASTEWATER MANAGEMENT

We have established a comprehensive water conservation management system covering "controlling at the source, saving during the process, and treating at the end" to steadily advance campus water-saving efforts. We actively responded to policy requirements from energy regulatory authorities to scientifically calculated and set per capita water usage caps for each campus based on the standard quota for educational institutions, implementing total volume control. We have established a routine water metering and monitoring mechanism to accurately track water consumption trends. Through data analysis, we optimized water usage plans and continuously enhanced water resource utilization efficiency.

- *REDUCING CONSUMPTION FROM THE SOURCE*

  We have established a routine maintenance mechanism for water-using equipment, conducting regular inspections and maintainance on all water supply facilities to ensure they remain in optimal operational condition, thereby eliminating leaks and drips at the hardware level. Each campus focuses on key areas such as drinking water for teachers and students and cleaning water for public areas to strengthen full-process water management and establishes standardized water usage ledgers to accurately record water consumption data, resolutely eliminating unreasonable water usage practices.

  We categorize, record and analyze water usage across different scenarios, such as public area cleaning and personal hygiene. By tracking the data, we can precisely grasp the water usage patterns and promptly identify and solve leakage problems. Dedicated control valves are installed on vacant floors to prevent unnecessary water supply. We upgrade and renovate the intelligent water control system, under which students fetch water by swiping cards, thus regulating the water consumption behaviour while enabling real-time monitoring and statistical tracking of water usage across zones to curb waste of water resources from the source.

5. CARING FOR GREEN EARTH

- *UPHOLDING DAILY CONSERVATION*

We formally implemented the "Water Conservation Measures" (《節水制度》), clarifying comprehensive water-saving management requirements and policy direction while deeply integrating water-saving technologies into campus construction and operation. Water-efficient facilities are mainly used in buildings, including installing precision water meters and establishing rainwater recycling systems to achieve water resource recycling and consumption traceability.

Simultaneously, we have set up notice boards for water conservation, put up signs of water conservation in public water areas across campus to heighten awareness among teachers and students. For campus green areas and landscaping, we have employed efficient water-saving methods such as sprinkling irrigation, micro irrigation and drip irrigation to minimize water loss and comprehensively enhance water resource utilization efficiency.

We formulated a three-year special plan for building water-conservation schools, constructing a work system characterized by "Leaders Lead, Assignees Own, All Engage (領導牽頭、專人負責、全員參與)". It is clearly stipulated that the vice-principal will serve as the chief responsible person of the project, supported by full-time managers, specifically tasked with daily inspections of campus water points, water consumption statistics, facility maintenance, and other concrete duties to ensure the water conservation efforts are implemented effectively.

The plan centers on continuously optimizing campus water conservation management and improving water resource utilization efficiency. It also focuses on strengthening water conservation awareness among all teachers, students and staff, making the concept of water conservation deeply rooted in people's minds. We will widely solicit feedback from teachers, students and staff to collaboratively refine the water resource efficiency improvement plan. By establishing a robust whole-school participation mechanism, we will unite efforts to advance campus water conservation to new heights.

- *ENSURING EMISSION COMPLIANCE*

The effluent produced by schools mainly consists of domestic waste created by educators and pupils and wastewater generated by the cafeteria. All campuses within the Group have obtained wastewater discharge permits in accordance with the law. All wastewater undergoes standardized treatment through dedicated wastewater treatment facilities, ensuring that discharge indicators fully comply with relevant laws and regulations, including the "Integrated Wastewater Discharge Standard" (《污水綜合排放標準》). At the same time, the schools actively promote the use of phosphate-free detergents and biodegradable cleaning products to reduce the impact of wastewater discharge on the surroundings from the source, practicing a green and environmentally friendly school-running principle.

5.1.3 WASTE MANAGEMENT

The Group generates numerous and diverse waste streams primarily categorized into three types: firstly, office wastepaper, waste lamps, toner cartridges, ink cartridges and other office waste generated from office operation scenarios; secondly, kitchen waste generated from daily operations of campuses' canteen; and thirdly, waste chemicals generated during chemistry experiments at certain schools.

We consistently prioritize compliant waste disposal as the core focus of our environmental efforts. We strictly adhere to relevant laws, regulations, and rules such as the "Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste" (《中華人民共和國固體廢物污染環境防治法》) and the "Regulations on the Management of Municipal Domestic Waste" (《城市生活垃圾管理辦法》) and have established an efficient and coordinated waste management system based on "segregated collection, standardized storage, and professional disposal". For hazardous waste such as waste lamps, ink cartridges, and chemicals, we designated dedicated storage areas for proper safekeeping with comprehensive leak-proof and pollution-prevention measures throughout the process and entrusted qualified third-party professional agencies to ensure compliant disposal and resource recovery. This guaranteed a safe disposal rate of 100% for hazardous waste, effectively fortifying our ecological and environmental protection defenses.

- *MANAGEMENT OF DISPOSAL OF OFFICE WASTE*

  Centered on "reducing from the source and recycling", we have built a comprehensive office waste reduction and resource management system to promote the deep implementation of green office concept from institutional norms to behavioral guidance.

  For paper conservation and recycling, we vigorously promote paperless office practices. Employees are explicitly required to prioritize email communication and electronic document circulation/approval, minimizing the distribution of paper documents. For documents requiring printing, we enforce mandatory double-sided printing. We also set up dedicated paper recycling areas to collect single-sided printed paper and scrap paper, which are then repurposed into notepads through trimming and binding, realizing the reuse of paper. To enhance recycling efficiency, we strategically place sorting bins in key areas like office areas and teaching buildings, clearly labeled for categories of "recyclable paper". These bins specifically collect recyclable paper such as used envelopes, letter paper, newspapers, and packaging paper. A designated person regularly consolidates these materials for delivery to compliant recycling agencies, ensuring the reuse of paper resources.

  For hazardous office waste such as ink cartridges and batteries, we implement a comprehensive management system combining "selecting the superior products at the front end + recycling at the back end". During procurement, environmental attributes are explicitly incorporated into purchasing standards, prioritizing printers with replaceable toner cartridges and rechargeable batteries to reduce disposable waste from the source. For waste disposal, dedicated hazardous waste bins are installed to uniformly collect discarded ink cartridges and batteries, ensuring compliant disposal of hazardous waste.

5. CARING FOR GREEN EARTH

- *MANAGEMENT OF DISPOSAL OF KITCHEN WASTE*

The Group has formulated the "Management System of Kitchen Waste Disposal" (《餐廚廢棄物處置管理制度》), establishing a kitchen waste management system with "standardized processes, full traceability and compliant disposal" to ensure environmental and orderly handling. Canteens across all campuses strictly implement environmental disposal requirements, establishing and maintaining detailed and comprehensive processing records that comprehensively document the entire lifecycle of the generation, classification, transportation and disposal of kitchen waste.

Kitchen waste undergoes refined classification and disposal: wet food waste is uniformly transferred by professional sanitation workers to domestic waste treatment plants for standardized handling, while slop-type of waste is emptied into special and sealed slop buckets or the separated grease is discharged into dedicated grease traps after the oil-water separation process carried out by the oil-water separator provided in the canteen. All transportation and final disposal of kitchen waste is entrusted to third-party professional agencies with formal qualifications. Any unauthorized sale or transfer of kitchen waste to other entities by any unit or individual is strictly prohibited, eliminating disposal risks from the source.

Concurrently, the Group explicitly requires the heads of each campus and the head chefs of the canteens to spearhead the implementation of dry-wet separation for kitchen waste. This approach reduces the volume requiring final disposal through precise sorting. A "daily generation and daily clearance" system is strictly enforced to prevent accumulation of kitchen waste and eliminate odors. To reduce kitchen waste generation from the source, all schools widely promote the "Clean Plate Campaign" (光盤行動). Through classroom education, campus publicity, and themed activities, students are guided to embrace the concept of "cherishing food and rejecting waste", fostering good eating habit of taking necessary food and finishing their meals. We create a strong atmosphere of "be proud of clean plates and shame of waste" in campuses through positive guidance and daily supervision, making saving food a conscious action for both teachers and students.

- *HAZARDOUS CHEMICALS MANAGEMENT AND DISPOSAL*

For schools conducting chemical experiments, we strictly abide by the relevant laws, regulations and regulatory requirements, including the "Regulations on Safety Management of Dangerous Chemicals", the "Regulations on the Supervision and Management of Fire Safety of Flammable and Explosive Chemical Substances" and the "Safety Management System of Dangerous Chemicals" (《化學危險品安全管理條例》《易燃、易爆化學物品消防安全監督管理辦法》《危險化學品安全管理制度》). We have established a comprehensive internal safety management system for hazardous chemicals to achieve closed-loop control of the entire process from procurement, storage, use to waste disposal.

In the procurement stage, we have defined the admission standards for chemical suppliers and only purchase from suppliers that comply with national safety and environmental protection standards and possess relevant qualifications, ensuring the safety of chemicals from the source. In the storage stage, chemicals are uniformly stored in dedicated safety facilities, strictly separated and stored by category according to their properties and hazard levels, and equipped with fire prevention, explosion prevention, leakage prevention and other safety protection equipment to eliminate safety hazards such as explosions and leakages from the hardware perspective.

In the use stage, we implement strict approval and quota control for the requisition of chemicals, while conducting regular safety operation training, requiring teachers and students to strictly follow operating procedures and safety management regulations for the standardized use of chemicals.

In the waste disposal stage, schools sign special disposal agreements with hazardous chemical recycling companies with professional qualifications, or entrust legal and compliant disposal units to regularly conduct professional cleaning, harmless treatment or safe destruction of hazardous chemical waste generated from experiments, ensuring that the entire disposal process is compliant and environmentally friendly.

5.1.4 EXAUST MANAGEMENT

We focus on source control of air pollutants and adopt multiple measures to reduce campus waste gas emissions, protecting the air quality of the campus and surrounding areas.

In terms of kitchen fume treatment, all school canteens are uniformly equipped with combined electrostatic fume purifiers to efficiently purify the fumes generated during cooking, with a fume removal rate of 98%. At the same time, we regularly entrust professional testing agencies to conduct third-party monitoring of fume emissions to ensure that emission indicators fully comply with the requirements of the "Emission Standard of Cooking Fume" (《飲食業油煙排放標準》).

In terms of chemical laboratory waste gas treatment, activated carbon adsorption devices are installed at the end of the laboratory ventilation system to adsorb and purify harmful gases generated during experiments, effectively preventing waste gas from being directly discharged and affecting air quality inside and outside the campus, eliminating environmental pollution risks.

In terms of vehicle exhaust emission reduction, all campuses of the Group implement the "Company Vehicle Management System" (《公司車輛管理制度》), clarifying the application process for official vehicles, fuel account registration and vehicle maintenance standards. By uniformly dispatching idle vehicles and optimizing vehicle allocation, we reduce the number of official vehicles and lower vehicle fuel consumption and exhaust emissions from the source. In addition, in employee travel management, we actively advocate for remote work collaboration through online communication and video conferencing to reduce unnecessary business travel, thereby reducing greenhouse gas emissions from transportation.

5.2 FOSTERING GREEN AWARENESS

We actively respond to the national green development strategy and, with the cultivation of green culture as the core, continuously promote a series of campus green education activities to help students improve their environmental awareness and establish green development concepts. Through setting up environmental protection signage in key areas of the campus, organizing environmental protection themed speeches under the national flag, carrying out garbage classification practices, green plant maintenance and other diversified forms, students deepen their emphasis on ecological and environmental protection through immersive experiences.

All schools simultaneously implement special programs for green education, low-carbon energy application, and diligence and thrift practice, integrating environmental protection concepts into the entire process of education, teaching and campus management, comprehensively strengthening the environmental awareness of teachers, students and staff, building consensus among all, and jointly creating a campus culture atmosphere of energy conservation and emission reduction where "everyone participates and everything is practiced" (人人參與、事事踐行).



Organizing "The World Earth Day" Activity



Wish Tree Planting Activity

We deeply integrate the concept of energy conservation into teaching activities, student education, evaluation and assessment, administrative management and other work, building a comprehensive and regular energy conservation education and practice system. Through offering low-carbon environmental protection courses, holding low-carbon themed handicraft competitions, combined with diversified forms such as energy-saving practice experiences and environmental protection knowledge competitions, we have not only comprehensively improved the environmental awareness of all teachers and students, but also helped everyone develop good habits of "moderate conservation and green low-carbon" (節約有度、綠色低碳), transforming the concept of energy conservation into conscious daily actions.

5.3 RESPONDING TO CLIMATE CHANGE

Climate change has brought short-term shocks and long-term challenges to the world. The environmental and economic impacts it triggers are driving countries to focus on technological innovation to address related risks. Virscend Education has always adhered to its original aspiration of empowering students with global opportunities. While actively studying solutions to various challenges in the operation process, we strictly benchmark the latest industry standards and regulatory requirements and continuously optimize and adjust our business operation system.

In response to the current situation of intensified climate change and frequent extreme weather against the backdrop of global warming, we have adopted multiple measures to strengthen our response capabilities: first, standardizing the entire process of resource utilization, covering specific scenarios such as campus green space irrigation and maintenance, and intelligent control of road lighting; second, implementing scientific and reasonable irrigation modes to improve water resource utilization efficiency; third, maximizing the use of natural light for illumination, to comprehensively promote the conservation and rational use of water resources and energy. In addition, we regularly organize natural disaster emergency drills to enhance the emergency prevention awareness and response capabilities of all teachers and students through practical simulations, building a solid campus safety line of defense.

6. CONTRIBUTION TO COMMUNITIES

Our sustainable development is closely linked to the prosperity and well-being of the communities where we operate, and practicing social responsibility is a core component of our sustainable development strategy. At Virscend Education, we understand the importance of teachers' and students' deep participation in community building, always believe in the power of education for good, and fully support social welfare undertakings with practical actions.

During the Reporting Period, teachers and students at our schools accumulated a total of 127,315 hours of volunteer service, practicing our responsibility and commitment to the community with every action, demonstrating deep social feelings. With outstanding performance in the field of volunteer service, the student team from Chengdu International Studies University was successfully selected as a national grade's team for lecture and service of college student volunteer, which is not only a high recognition of our achievements in practicing social responsibility, but also further confirms the positive and responsible spirit of Virscend Education.

6.1 INVOLVING IN VOLUNTEER ACTIVITIES

Case :

Chengdu International Studies University (Yibin Campus) carried out the "Doing Practical Things for Teachers and Students" (我為師生辦實事) Winter Warmth Action, practicing the original mission of "serving teachers and students wholeheartedly" (全心全意為師生服務), continuously deepening relevant work, and effectively contributing to the improvement of teachers' and students' sense of happiness, belonging and fulfillment.



6. CONTRIBUTION TO COMMUNITIES

Case :

Our students went to Lizhou Town Primary School (禮州鎮小學) in Liangshan to provide volunteer teaching, promote balanced education, practice public welfare responsibilities, and convey warmth and hope.



6. CONTRIBUTION TO COMMUNITIES

Case :

Youth volunteer representatives went to a senior care center in Qingyang District to carry out condolence activity.



6. CONTRIBUTION TO COMMUNITIES

Case :

Volunteers were working to provide a warm shelter for stray animals at the Love Home Animal Protection Base (愛之家動物保護基地) .



6. CONTRIBUTION TO COMMUNITIES

6.2 CHARITY ACTIVITIES

Virscend Education aims to promote social progress and has committed to doing so by supporting charity activities in a variety of ways and by spreading the message of excellence in its industry.



The donation event, "Derui Education Foundation Contributes to a Healthy Future; Chengshiwai Education Cooperates for a Win-Win Educational Tomorrow" (德瑞教育基金，助力健康未來；成實外教育，合作共贏教育明天), was held at Ruoshui Middle School of Yanyuan County(鹽源縣若水中學).

7. KEY ESG PERFORMANCE INDEX

Environmental Performance	Unit	FY 2025	FY 2024
Greenhouse gas emissions			
Scope 1 [1]	T eCo_2	**7,481**	6,868
Scope 2 [2]	T eCo_2	**20,516**	17,476
Total GHG emission	T eCo_2	**27,997**	24,343
GHG intensity	T eCo_2/student	**0.82**	0.80
Waste production			
Hazardous waste[3]	tonne	**4.54**	3.94
Hazardous waste production intensity	tonne/student	**0.0001**	0.0001
Non-hazardous waste[4]	tonne	**6,775**	6,277
Non-hazardous waste production intensity	tonne/student	**0.20**	0.21
Use of resources			
Electricity	MWh	**35,974**	28,644
Natural gas	M^3	**3,380,445**	3,085,076
Gas	M^3	**31,112**	30,956
Unleaded petrol	L	**31,019**	41,988
Diesel	L	**1,306**	1,378
Total energy consumption[5]	MWh	**69,906**	61,768
Energy consumption intensity	kWh/student	**2,038**	2,036
Water	tonne	**2,192,238**	2,271,560
Water consumption intensity	tonne/student	**63.90**	74.87

1 Scope 1 includes direct emissions generated by gasoline, diesel, natural gas and pipeline gas.

2 Scope 2 includes indirect emissions generated by purchased electricity.

3 Hazardous wastes include light tubes, batteries, ink tanks, printer cartridges and lab wastes.

4 Non-hazardous wastes include domestic waste and food waste (e.g. oil, water and waste residue).

5 Total energy consumption includes gasoline, diesel, natural gas, pipeline gas. Data computing standard is that the conversion of standard coal for the total energy consumption is made with reference to the "GB/T2589-2020 General Principles for Calculation of the Comprehensive Energy Consumption".

7. KEY ESG PERFORMANCE INDEX

B1 Employment

Staff distribution	Number of staff	Turnover rate
Total workforce	2,365	13.87%
By gender		
Male	746	13.14%
Female	1,619	14.21%
By employment type		
Subject teacher	1,736	N/A
Administrative and supporting staff	308	N/A
Living teacher	205	N/A
Other staff[6]	116	N/A
By age		
Aged 18 to 30	589	19.19%
Aged 31 to 50	1,418	14.60%
Aged 51 or above	358	12.29%
By geographical region		
Sichuan Province	2,251	15.77%
Mainland China (except Sichuan Province)	97	5.15%
Overseas	17	23.53%
By employment type		
Full time	2,343	N/A
Part time	22	N/A

[6] Other staff under employment type of indicator B1 includes cadres and mid-level cadres at the school level.

7. KEY ESG PERFORMANCE INDEX

B2 Health and safety

Safety statistics	2025	2024	2023
Work-related fatalities	**0**	0	0
Work injury	**0**	0	0
Lost days due to work injury	**0**	0	0

B3 Development and training

Training statistics	No. of staff	Average training hours
Staff attended training	1,855	40.34
By gender		
Male	591	45.24
Female	1,264	38.05
By employment type		
Subject teacher	1,340	45.38
Administrative and supporting staff	238	17.46
Living teacher	155	31.63
Other staff	122	40.68

8. ESG REPORTING INDEX

Aspects, General Disclosure and Key Performance Indicators	Description	Section/Remarks
A. Environment		
Aspect A1: Emissions		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	5. CARING FOR GREEN EARTH
KPI A1.1	The types of emissions and respective emissions data.	Due to the characteristics of the education industry, the emission of air pollutant and sewage discharge is not the major concern in the operation and management of the company. Therefore, the respective emissions data are not disclosed during the Reporting Period.
KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	7. KEY ESG PERFORMANCE INDEX
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	7. KEY ESG PERFORMANCE INDEX
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	7. KEY ESG PERFORMANCE INDEX
KPI A1.5	Description of emission target(s) set and steps taken to achieve them.	5. CARING FOR GREEN EARTH
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.	5. CARING FOR GREEN EARTH

8. ESG REPORTING INDEX

Aspects, General Disclosure and Key Performance Indicators	Description	Section/Remarks
Aspect A2: Use of Resources		
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	5.1 GREEN CAMPUS
KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	7. KEY ESG PERFORMANCE INDEX
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	7. KEY ESG PERFORMANCE INDEX
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	5.1 GREEN CAMPUS
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.	All water used by the Group comes from municipal waterworks, and there is no problem in obtaining suitable water sources.
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	The operation of the Group does not involve any use or production of packaging materials.
Aspect A3: The Environment and Natural Resources		
General Disclosure	Policies on minimising the issuer's significant impact on the environment and natural resources.	5.2 FOSTERING GREEN AWARENESS
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	5.2 FOSTERING GREEN AWARENESS

8. ESG REPORTING INDEX

Aspects, General Disclosure and Key Performance Indicators	Description	Section/Remarks
Environment		
Aspect 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.	5.3 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.	5.3 RESPONDING TO CLIMATE CHANGE
B.Social		
Employment and Labour Practices Employment		
Aspect B1: Employment		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	4. CREATING A HAPPY WORKPLACE
KPI B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	7. KEY ESG PERFORMANCE INDEX
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	7. KEY ESG PERFORMANCE INDEX

8. ESG REPORTING INDEX

Aspects, General Disclosure and Key Performance Indicators	Description	Section/Remarks
Aspect B2: Health and Safety		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	3.1 ENSURING AND SAFEGUARDING FOOD SAFETY
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	7. KEY ESG PERFORMANCE INDEX
KPI B2.2	Lost days due to work injury.	7. KEY ESG PERFORMANCE INDEX
KPI B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	4.3 CREATING ENERGETIC WORKPLACE
Aspect B3: Development and Training		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	4.2 EMPHASIZING ON TALENTS DEVELOPMENT
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	7. KEY ESG PERFORMANCE INDEX
KPI B3.2	The average training hours completed per employee by gender and employee category.	7. KEY ESG PERFORMANCE INDEX
Aspect B4: Labour Standards		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	4.1 SAFEGUARDING EMPLOYEES' RIGHTS
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	4.1 SAFEGUARDING EMPLOYEES' RIGHTS
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	4.1 SAFEGUARDING EMPLOYEES' RIGHTS

8. ESG REPORTING INDEX

Aspects, General Disclosure and Key Performance Indicators	Description	Section/Remarks
Operating Practices		
Aspect B5: Supply Chain Management		
General Disclosure	Policies on managing environmental and social risks of the supply chain.	1.5 CONDUCTING RESPONSIBLE PROCUREMENT
KPI B5.1	Number of suppliers by geographical region.	1.5 CONDUCTING RESPONSIBLE PROCUREMENT
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.	1.5 CONDUCTING RESPONSIBLE PROCUREMENT
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	1.5 CONDUCTING RESPONSIBLE PROCUREMENT
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	1.5 CONDUCTING RESPONSIBLE PROCUREMENT

Aspects, General Disclosure and Key Performance Indicators	Description	Section/Remarks
Aspect B6: Product Responsibility		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	1.2 RESPONSIBLE MARKETING PRACTICE
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	The operation of the Group does not involve any production or sales of goods.
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	3.3 SCHOOL AND FAMILY COMMUNICATION AND CONNECTION
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	1.1 INTELLECTUAL PROPERTY RIGHTS PROTECTION
KPI B6.4	Description of quality assurance process and recall procedure.	2. STRICTLY ENSURING THE QUALITY OF TEACHING
KPI B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	1.3 PRIVACY PROTECTION

8. ESG REPORTING INDEX

Aspects, General Disclosure and Key Performance Indicators	Description	Section/Remarks
Aspect B7: Anti-corruption		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	1.4 INTEGRITY AND DECENCY
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.	1.4 INTEGRITY AND DECENCY
KPI B7.2	Description of preventive measures and whistle- blowing procedures, how they are implemented and monitored.	1.4 INTEGRITY AND DECENCY
KPI B7.3	Description of anti-corruption training provided to directors and staff.	1.4 INTEGRITY AND DECENCY
Aspect B8: Community Investment		
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	6. CONTRIBUTION TO COMMUNITIES
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	6. CONTRIBUTION TO COMMUNITIES
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	6. CONTRIBUTION TO COMMUNITIES