



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

2023 | ENVIRONMENTAL, SOCIAL
AND GOVERNANCE REPORT



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ABOUT THIS REPORT

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 2022 to 31 August 2023 (“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 61 to 78 of this annual report.

During the Reporting Period, a new high school was established on 21 March 2023, and the school has not yet started operation during the Reporting Period.

Table: List of institutions included in the report

High School	Chengdu Experimental Foreign Languages High School of Chengdu Jinniu District
	Chengdu Foreign Languages High School of Deyang
	Chengdu Foreign Languages High School of Yibin
	Chengdu Foreign Languages High School of Chengdu Hi-tech Zone
	Virscend High School of Quxian
	Virscend High School of Ya’an
	Chengdu Experimental Foreign Languages High School of Sichuan Tianfu New Area
	Virscend High School of Chengdu Xinjin District
	Chengdu Foreign Languages High School of Renshou
University	Chengdu International Studies College/Chengdu International Studies College (Yibin Campus)
	Virscend University (California, USA)
Non-formal Education	Chengdu Fanmao Education Consulting Co., Ltd
	Chengdu Jiataihua Education Consulting Co., Ltd.
	Wah Tai Han Education Company Limited
	Chengdu High-tech Zone Jiayingtai Art Training School

ABOUT THIS REPORT

BASIS OF COMPILATION

The report is prepared under the requirements of Appendix 27, “Environmental, Social and Governance Reporting Guide” of the “Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited” of The Stock Exchange of Hong Kong Limited (“HKEx” or “Hong Kong Stock Exchange”), intending to disclose material environmental, social and governance issues for stakeholders’ consideration. The scope of this report covers our key business operations in Sichuan Province, China, including subsidiaries where the Group exercises management control.

REPORTING PRINCIPLES

The following principles are adopted in this report:

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

Quantitative: The relevant standards, methodologies, and assumptions used to prepare the quantitative information are disclosed as appropriate. Quantitative information is provided with 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.

Balance: The information is presented without the inappropriate use of selections, omissions, or other forms of 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 29 November 2023. Chinese and English versions of the report are available on our official website (www.virscendeducation.com).

OPINION AND FEEDBACK

Opinions from different parties always help improve one’s performance. The Group values the feedback received to achieve better performance. If you have any questions or recommendations on the report or any other ESG matters, please contact us through the following channels:

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COMPANY OVERVIEW

Virscend Education Company Limited was incorporated in Year 2000, and was listed on the Main Board of the HKEx in 2016. The Group provides a comprehensive range of private education services, including high school and higher education. Over the years, the Group has built extensive experience in providing such services and has developed an innovative educational system.

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

HIGH SCHOOL EDUCATION

Virscend has the utmost respect for the lives of our students as they mature into citizens of the world. We do this to satisfy their progressive educational needs. We cultivate high-quality, patriotic citizens of China. Our goal is to continuously innovate our education methods, with a multidimensional goal: to enhance our students' ideology and ethics, improve their ability to execute tasks, and help them realize their potential. Our ultimate objective is to forge a high-quality institute of higher learning with high enrollment rates and high rates of transition to higher education.

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 College; we have continuously cultivated innovative talents. To motivate students to develop innovative ideas and entrepreneurship, Virscend University mainly offers small class-sized lessons. Chengdu International Studies College has 16 foreign language programs. In addition, it offers other four- or three-year programs related to foreign languages including Translation, Business English, Teaching Chinese to Speakers of Other Language, Journalism, International Economics and Trade, International Business, Exhibition Economy and Management, Chinese Language and Literature, Preschool Education, E-Commerce, Sports Operation and Management, Golf and Management, Hotel Management, etc.

INTERNATIONAL EDUCATION

The Group is committed to providing quality education resources and diverse curriculum systems. To prepare our students to further their academic pathways, we offer courses such as A-level, AP projects, and other international competitions.

In both of 2022 and 2023 KingLead Ranking List "China International School Competitiveness Ranking (both of enrollment to UK Universities and US Universities)", the AP/A-Level Center of Chengdu Foreign Languages School ("AP/A-Level Center") ranked first in Southwest of China.

Besides, in 2023 Yixiao Ranking List "Best international secondary school", the AP/A-Level Center ranked second in Sichuan Province.

ABOUT US

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 collaborate with our peers to improve the management level and teaching quality. The Group cooperate with public schools, private schools and kindergartens. We also support teaching quality monitoring, brand promotion and campus design services.

OUR HONORS

HIGHER EDUCATION

In September 2023, the Chengdu Institute Sichuan International Studies University had obtained final approval from the Ministry of Education (the “MOE”) for conversion with new school name “Chengdu International Studies College” (“成都外國語學院”) (“University”).

The industry and society have widely recognized the University for its excellency in the education management team, first-class teaching staff, innovative education methodology and excellent teaching service quality.

The University currently offers 34 bachelor programs and 28 diploma programs. In 2023, according to WuShulian’s “China Independent College and Private Universities Rankings”, the University ranked 4th in literature majors, among all 397 independent colleges and private universities. The employment quality of our undergraduates and the rate of our undergraduate’s pursuing further study both ranked 29th and 30th among all 397 independent colleges and private universities.

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.

During the Reporting Period, schools affiliated with the Group achieved remarkable results. Approximately 89.7% (2022: 94.7%) of graduates from the Flagship Schools who achieved scores that allowed them to apply for and be accepted by first-tier universities in China. 24 of their graduating high school students received offers from Peking University or Tsinghua University (2022: 47) and 83 of their graduating high school students were recommended for admission into first-tier universities without taking the Gaokao (2022: 75).

Other than the Flagship Schools, for 2023 Gaokao, approximately 77.8% 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.



For students who are interested in attending colleges and universities overseas, the Group established international programs at various schools under which PRC/overseas standard high-school curriculum, overseas standardised college entrance examinations, language testing examinations or United States University Advanced Placement (“AP”) course are offered to them. Such programs allow students to take overseas high-school curriculum taught by foreign teachers as well as PRC high-school curriculum taught by PRC teachers. In 2023, one high school graduate received offer to be admitted into Williams College which is the top liberal arts college in the United States while two high school graduates received offers to be admitted into Cambridge University in the United Kingdom. In 2023 and 2022, 168 and 145 of students received offers from the top 100 universities in the QS World University Rankings respectively.

Besides, in 2023, 74 students from Chengshiwai Schools (2022: 59) won first prize in provincial academic contests including mathematics, physics, chemistry, biology and information science (“Five Academic Contests”). 15 of Chengshiwai Schools students (2022: 11) were elected into the Sichuan provincial contests teams. Furthermore, four of Chengshiwai Schools students (2022: three) won the gold medal in national Five Academic Contests, two of Chengshiwai Schools students (2022: three) were elected into the national team.

One high school graduate of Chengshiwai Schools won a gold medal in 2022 Beijing Winter Olympics Games and has been recommended for admission into Tsinghua University without taking the Gaokao in 2023.

STATEMENT FROM THE BOARD

Virscend Education is aware and appreciates the importance of good corporate governance and risk management processes. We believe ESG management to be 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 Group's ESG matters and is responsible for formulating the Group's overall ESG strategies. The Board is also responsible for identifying the relevant risks and establishing an effective ESG management system, regularly reviewing the Group's ESG performance based on the targets formulated. Virscend Education established the ESG working group, headed by our financial department and supported by members from different functional units of the Group, 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, art and sports department. All of our campuses were supportive and participative to our commitment to 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 on ESG for 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.

The 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. The assessment identifies the Group's ESG issues and any risks or opportunities those issues may bring.

The Board reviews and confirms the results of the important assessments, considers major issues as part of the Group's overall strategies, and ensures that the development of these issues is 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 2022 to 31 August 2023 and was approved by the Board on 29 November 2023.



SENIOR MANAGEMENT'S STATEMENT

For the 22 years of the establishment of Virscend Education, we have persisted in straight abidance with the law, with a worldly and practical approach to fulfilling our duty as educators. Leveraging on the current and expanding on the future, we are actively expanding our industry platform. Our development is to expand our business while maintaining an asset-light business model and to rejuvenate and energize the sustainable development of our Group.

“An educator must have religious faith in education and strive to become a person who sees education as a religion”, 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 put this quote into practice throughout the years. We believe that education requires belief, and so does every education practitioner. In the past year, by upholding our passion for and belief in the cause of education, we pursued the goal of developing wisdom and cultivating virtue. Not only have we harvested the healthy growth of every child, but we have also improved 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 education. 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 and improve the methodology of our institute while at the same time strengthening the moral character and ethics of our educators. 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 with our sense of responsibility. 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.

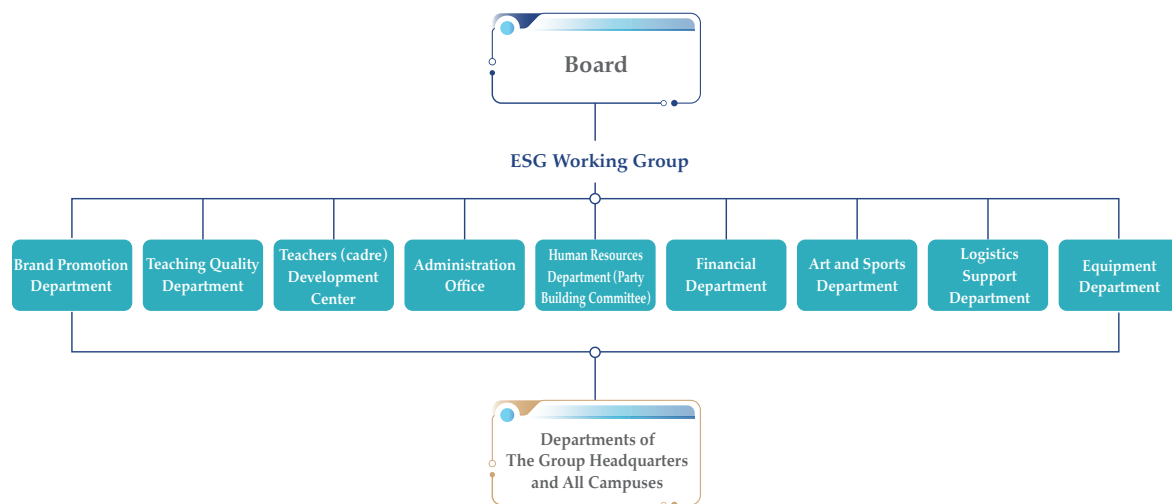
Virscend Education is committed to fulfilling its civic responsibility and strives to create social values. We continued to improve the scientific level of corporate governance, follow integrity and compliance in operation, and maintain the bottom line of anti-corruption and integrity to reward our shareholders with healthy and sound development. We continuously 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 scientific and 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 also 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. We will submit a fulfilling answer sheet to the people on the topic of “fostering a brighter future for humanity” (「更好創造人類的美好未來」).

OUR MANAGEMENT STRUCTURE

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












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. This includes 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	<ul style="list-style-type: none"> Compliant operations and management Operation results Information transparency 	<ul style="list-style-type: none"> General meetings Company announcements and press release HKEx website/the Company's website
 Teachers/Staff	<ul style="list-style-type: none"> Safeguard employees' interests Safe and healthy working environment Favorable platforms for the development of career path Competitive salary package 	<ul style="list-style-type: none"> Department meeting/educational research activities Training programs for teachers/staff Evaluation of teaching quality Teachers/staff assessment
 Students	<ul style="list-style-type: none"> Premium teaching quality Ample teaching resources Advanced teaching methods Comfortable learning environment Diversified activities 	<ul style="list-style-type: none"> Themed class meetings/lectures School principal's mailboxes Survey on levels of satisfaction
 Parents	<ul style="list-style-type: none"> 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 	<ul style="list-style-type: none"> Parents meeting Open day for parents Meet the Principal Day School principal's mailboxes

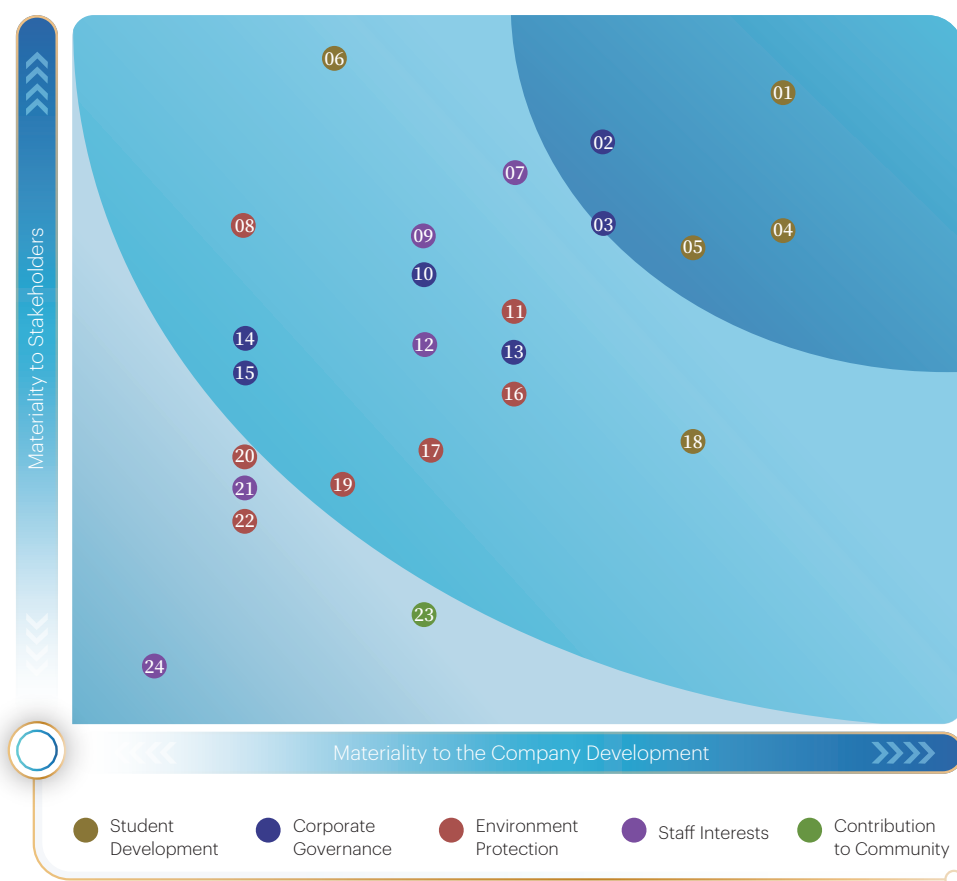
OUR MANAGEMENT STRUCTURE

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

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 2023



High materiality

- 01 Guarantee the safety and health of students
- 02 Network information security and protection of personal privacy
- 03 Improvement in teaching quality
- 04 Compliant operation
- 05 Educational philosophy and innovative educational model

Medium materiality

- 06 Cultivation of students' ability and comprehensive quality
- 07 Staff's development and training
- 08 Green campus and office environment
- 09 Staff's occupational safety and health
- 10 Intellectual property rights protection
- 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

General materiality

- 20 Response to climate change
- 21 Employee care
- 22 Water conservation
- 23 Public welfare of community
- 24 Employee remuneration and benefits

1. PRUDENT CORPORATE GOVERNANCE

Virscend Education continually strengthens corporate governance to strictly abide by the compliance of relevant laws and regulations; improving the internal control system, enhancing risk management and adhering to operation with honesty under the principle of anti-corruption and anti-fraud.

As an enterprise citizens, we strictly follow the “Company Law of the People’s Republic of China”, “Education Law of the People’s Republic of China”, “Non-state Education Promotion Law of the People’s Republic of China” 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 continuous operation and prudent development and our schools, we actively identify, prevent and control the risks from industry and market. Further, we build a compliance management system and perfect the risk management mechanism.

As a private education enterprise, we comply with relevant regulatory requirements. To this end, we updated our charging license 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 school has set up systems to cross-check the number of students registered by the department of academic affairs with the amount of tuition fees collected by the accounting department to ensure fee accounting accuracy.

1.1 INTELLECTUAL PROPERTY RIGHTS PROTECTION

As a portal to knowledge, Virscend Educational Services fully protects intellectual property owned or assessable to it. We abide by relevant laws and regulations; this includes the Copyright Law of 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》).

We promote the creation, development, and protection of intellectual property by our students, educators, and staff. We regularly review and summarize the intellectual properties produced by our school. We will take immediate legal action if any of these properties are infringed. We observe intellectual property rights per the law and regulation as per its country of origin, corresponding region and the product rights manual. We require all departments and campuses to respect the intellectual properties of all externally produced material strictly. Further, we insist on using genuine and authenticated research and teaching data as a display of our respect for the intellectual property rights of others.

1.2 RESPONSIBLE MARKETING PRACTICE

In order to ensure all the information sent to the public are pragmatic, true and accurate, our advertisements and marketing materials are reviewed and approved by the brand promotion department. This included the website content and official social media accounts, such as Weibo and WeChat. Aspects reviewed include whether the information is up to date, and if it complies with the “Advertising Law of the People’s Republic of China”.

1. PRUDENT CORPORATE GOVERNANCE

1.3 PRIVACY PROTECTION

With the rapidly digitizing world, and with due regard to our respect for students' privacy, we must protect the personal information of students, their parents, and all faculty and staff. We adhere strictly to the laws that protect information. Applicable laws and regulations included the "Cyber Security Law of the People's Republic of China" and the "Data Security Law of the People's Republic of China" (《中華人民共和國網絡安全法》、《中華人民共和國數據安全法》). Our organization continuously invest in information security and data protection; we aim to reduce the probability of security breaches and information leaks in our Information Security Policy to ensure the protection of personal information.

Data safety mechanisms were installed at each data node. A comprehensive data security management system was set up. The system included a wide-encompassing AI protection platform, a warning and control system based on big data security analysis. Furthermore, the information security systems of Virscend Education had obtained National Information System Security Level III Protection (國家信息系統安全等級保護三級證書).

To bolster employee information security, we primarily rely on digital communication and training programs offered by vendors and education systems to raise awareness and enhance abilities.



As we value employees' awareness on data security and privacy protection, we invited external third-party professional institutes to conduct information security awareness training in an online-offline combined manner for employees.

1. PRUDENT CORPORATE GOVERNANCE

1.4 INTEGRITY AND DECENCY

As a member of the education sector, we believe our sector should uphold the highest standard of moral and ethical principles. We placed equal importance on moral ethics and against corruption. Hence, we implemented supervision and governance policies to improve education and integrity. This bolstered the moral and ethical growth of educators and also propelled the advancement of educational endeavours. There were no legal cases involving embezzlement or corruption during the Reporting Period.

INTEGRITY SYSTEM BINDING

To ensure strict compliance with the relevant laws and regulations, we 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》) and
- the “Anti-Money Laundering Law of the People’s Republic of China” (《中華人民共和國反洗錢法》).

We established the “System of Party Conduct and Integrity Government” (《黨風廉政制度》) as a guiding principle to strengthening the compliance of our employees and staff members with the principles therein. We are in strict accordance with the stipulations of 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》),
- “Opinions of the CPC Central Committee and the State Council on Comprehensively Deepening the Reform of the Teacher Building in the New Era” (《中共中央國務院關於全面深化新時代教師隊伍建設改革的意見》) and other documents.

Each and all of our institutes have established a “Teachers’ Management System” (《教師管理制度》), specifically the section on the moral and ethical development of teachers. For staff who have violated teachers’ moral standards and resulted in adverse incidents, we will take swift steps to ensure corrective action is taken.

We have implemented various reporting mechanisms, such as the school principal’s mailbox, telephone number, and online platform. Furthermore, we have established a reporting and whistleblowing channel that encompasses the Company and all its schools. This facilitated anonymous reporting for violations of laws such as corruption, embezzlement and bribery. In response to the reports received, the Group will launch an inquiry in collaboration with its campuses. The Group will comply with the “Measures for Embezzlement and Corruption Reporting”, and personnel found to be involved will be dealt with severely, such as through a stern warning after verification. At the same time, we took concrete measures to ensure the anonymity of whistleblowers with rigorous measures for protecting their private information and preventing it from being disclosed.



1. PRUDENT CORPORATE GOVERNANCE

INTEGRITY SUPERVISION AND INSPECTION

Virscend Education's administrators are responsible for controlling and overseeing the establishment of trustworthiness. We oversee and conduct research on the implementation of integrity policies in our Company and schools, as well as manage the integrity, leadership and governance development of the Group, its related institutions and businesses. Any issues we uncover will be dealt with quickly and effectively. Moreover, our party officials' activities are inspected and monitored at the beginning and conclusion of each semester. We wished to improve oversight to guarantee that all people in the Group remain honest, and we will immediately issue stern warnings to discourage any potential misdeeds. Individuals breaking the rules will be reprimanded if necessary.

CULTIVATION OF INTEGRITY

Virscend Education is always committed to cultivating an integrity culture which is also the foundation of schools' long-term growth. In the cultural building of the Group and schools, our mission is to play the role of cultural fertilization actively. We believe our values lead integrity education. All faculty and staff, therefore, must be individuals with integrity who are devoted to living with honest hearts.

At Virscend Education, cultivating a culture of honesty and morality is our highest priority; it is the cornerstone of our long-term success. Our mission is to nurture a culture of integrity within our organization and its associated schools, taking an active role in cultivating it. At our institutions, we prioritize educating on the importance of integrity. All faculty and staff must commit to upholding honesty in their lives. We believe that this is essential for fostering a healthy school environment.

Integrity training is included in the orientation program to help cultivate a sense of integrity and discipline among our new employees and instructors. Beyond that, our schools promote the Communist Party's discipline and values through teaching and educating people in responsible behaviour and integrity. In addition, we used a variety of other mediums, such as an open forum for school affairs, school bulletin boards, news display boards, and communication groups among teachers. This could help us effectively promote, announce, and reinforce the implementation of Party directives in our daily operations.

During the Reporting Period, there were no legal cases regarding corrupt practices brought against the Group or our employees.

1.5 CONDUCTING RESPONSIBLE PROCUREMENT

We uphold the 'mutual benefit' and 'win-win' concepts to strengthen supplier management throughout the entire process of recovering bidding and purchasing, entrance and election, performance evaluation and dynamic management. By emphasizing our suppliers' environmental responsibility, we take accountability for the supply chain system with them.

1. PRUDENT CORPORATE GOVERNANCE

To protect the scientific approach to and the fairness elements of our supply chain management process, we have implemented the “Equipment Department Management System”, “Measures for Corporate Tenders and Bids Management” (《裝備部管理制度》、《公司招投標管理辦法》). In conjunction with other internal procurement management systems established according to the relevant laws and regulations such as 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》), we have a sufficient mechanism to manage the entire process of supplier selection, evaluation and management. Making bidding data accessible can ensure that the tender procurement process is transparent and conducted fairly. This can promote a clear understanding of the published information and uphold the standards of just and legality.

Supplier selection

We possess a thorough understanding of the supplier’s operation and ability to meet their commitments in locating suppliers, particularly concerning their project safety, financial stability, and reputation. This helps us avoid issues caused by suppliers’ lack of financial resources.

When choosing partners, our Company takes corporate social responsibility into account. This includes evaluating their environmental protection policies, integrity, employee welfare and work ethic, a ban on child labour and a commitment to equality in the workplace, and good business practices overall. The Group maintains at least two suppliers of similar nature on our list to diversify the risk of supply disruption.

Performance evaluation and management of suppliers

We have developed an online information system regarding supplier management operated by designated personnel.

The list of suppliers is revised based on a performance review, considering the capabilities of existing and new suppliers. Providers who demonstrate below-standard performance and show no signs of improvement during the resolution period, or those found to be engaging in fraudulent, coercive or collusive practices during the review process, will be taken off the list. The Group will continue its relationships with those suppliers who achieve the highest scores.

Green supply chain

We work with local suppliers to keep supplies coming in a timely fashion while cutting back on energy waste and pollution created by transportation. We encourage suppliers to practice environmental responsibility and prioritize suppliers who strictly comply with the “Environmental Protection Law of the People’s Republic of China” (《中華人民共和國環境保護法》) and other environmental protection regulations. In addition, every school has clear environmental requirements for construction standards, building processes, construction materials, and equipment for infrastructure projects to ensure that the projects meet the national environmental and health standards. Furthermore, we take the initiative to purchase certified green products and encourage suppliers to obtain relevant environmental management standard system certification.

As of 31 August 2023, Virscend Education had 45 suppliers in total, of which 44 were suppliers within Sichuan Province and 1 was a supplier in the PRC (other than Sichuan Province).



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 commitment to society. We continuously optimize the educational system, conduct research on teaching, and control teaching standards. We also keep exploring innovative teaching models by integrating and optimizing the strength of multicultural educational models.

2.1 ACADEMIC PHILOSOPHY

OUR VISION

Virscend Education grooms talents for society; we impart knowledge, revise antiquated learnings, explore facts, and discover new information, enabling children to understand other peoples and cultures and spur them on to create a better world.

We keep the fundamental mission of education in mind and cultivate outstanding and constructive successors in the motherland. We encourage patriotism and fulfil our social obligations to ensure and secure the ceaseless rejuvenation of our nation.

Our mission is to demonstrate the characteristics of private education and serve the people by running first-rate learning institutes. We develop our schools and provide a harmonious environment for students. We pursue the integration of different teaching tools to meet the needs of students.

2. STRICTLY ENSURING THE QUALITY OF TEACHING

CONNECTING CHINA TO THE WORLD THROUGH LANGUAGE STUDIES

Virscend Education is primarily based in the Sichuan Province and specializes in foreign language education. Our mission and commitment are to provide high-quality foreign language education and nurture talents with foreign language skills.

English is our second language, and we know that English language teaching is a significant part of future education internationalization. Our school embraces the policy of making English our primary language, complemented by studying other languages. This way, our students can broaden their horizons and be more connected to the global community. We are the first school in Southwestern China to offer dual language courses. We shall continue to develop multilingual teaching and gradually introduce German and French. Our ultimate mission is to foster multilingual talents for the country.

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

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

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



2. STRICTLY ENSURING THE QUALITY OF TEACHING

2.2 OPTIMIZING TEACHING RESOURCE

With Virscend Education's mission of improving students' holistic education, we fully utilize the advantages of a large company to integrate high-quality teaching resources, keep our educational plans and curriculums up-to-date, and promptly adjust our teaching plans and syllabuses. These efforts allow us to effectively promote teaching and learning and achieve comprehensive and quality education development in the Group.

2.2.1 ARTICULATING INTRICATE TEACHING PLANS

We persist on the principle of "Integrity Advocation by setting samples" (「立德樹人」) and to implement our "Five-Pronged Education stratagem" (「五育並舉」), whereby we conducted in-depth studies on these following issued by the 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 leadership of the Group, each and every school actively researched policy and curriculum, and formulated intricate teaching plans and syllabuses. Every school embraced the teaching practice of "burden reduction and quality improvement" as the overall goal. They adopted "routine management" as their starting point, teaching quality as the core, and carrying out solid and effective teaching and research. They considered solving complex problems in teaching as the focus area for breakthroughs. This led the teachers to improve educational methodologies further and consequently improve the capability to implement new courses, and strengthen curriculum awareness and teaching management. Furthermore, this set of directives could promote the deepening of curriculum and teaching research, as well as expand the "learning" teaching mode of Group schools. It could solidify or optimize the "intersubjective" teaching paradigm, creating a high-quality lively class.

2.2.2 PROMOTING ACCESSIBILITY TO TEACHING RESOURCES

We played the role of bridge and continuously strengthened the communication, exchange and cooperation between schools under the principle of "appreciating the differences as strengths" (「同中存異，異中見長」). While promoting the formation of unique teaching advantages and characteristics of each school, a joint force was also formed to realize the mutual assistance and complementation of teaching resources and human resources and to maximize the balance and optimization of the teaching ability and resources of each school.

2. STRICTLY ENSURING THE QUALITY OF TEACHING

We built an inter-school quality teaching resource library and established a teacher exchange and communication mechanism to realize inter-school teaching resource sharing. To promote access to our teaching resources, the Teaching Quality Department of the Group has established a “Central Teaching and Research Group” (「中心教研組」). To foster a sense of community and support each other, they created a WeChat group to share activity updates. Each school undertakes at least one inter-school “joint teaching and research” each semester. Through seminars and communication, excellent results will be showcased, and resources will be shared. We continued to carry out and promote the recording and broadcasting of excellent teachers’ experiences sharing lectures, demonstration courses and educational informatization courses, and disseminating excellent teaching class examples to the schools of the Group. These exercises were conducted with enthusiasm, allowing teachers to quickly gain experience and progress in their growth, thus enabling each school to develop at the same rate and elevation in teaching standards.



Our schools collaborate to foster and promote the growth of our students. In certain schools with better practical teaching conditions, we integrated high-quality resources of experimental training rooms and training bases on and off campus. Further, we provided services for accepting student training to other colleges and universities.



2. STRICTLY ENSURING THE QUALITY OF TEACHING

2.3 IMPROVING TEACHING QUALITY

In order to better face the challenges brought by the “Three New” (「三新」) (new textbooks, new classes, new college entrance examination), grasp firmly the opportunities of study classroom teaching reform in the context of “Three New”, and promote the further improvement of the quality of education and teaching of the Group, Virscend Education Group implemented the concept of “Three New” education in various schools of the Group. Virscend Education Group takes teaching supervision and evaluation as the starting point, diving deep into the classrooms to ensure the quality of teaching. We concentrate resources on strengthening teaching research, continuously innovating teaching methods, and helping to improve the teaching level and quality of each school. For the healthy development of the school, excellent education and teaching quality are at the core of competitiveness, and it serves as our guarantee to our students.

2.3.1 CONDUCTING STRICT TEACHING MANAGEMENT

The quality control of teachers’ teaching guarantees students’ learning effectiveness. Virscend Education fully uses management functions such as planning, organization, coordination and control, conducts strict supervision and fair evaluation of teaching, and comprehensively promotes teaching management.

- *CONDUCTING TEACHING SUPERVISION*

We insist on pursuing the effectiveness of teaching management and focus on supervision work to maintain teaching effectiveness, regulate teaching activities, training, and deepen teaching reform. Leveraging the teaching practice of each school, we strive to improve the teachers’ abilities and the student’s mental and physical health. Our approach could enhance the quality of teaching and achieve balanced development of the students.

We insist on taking “seeking common ground while harbouring differences” as the guiding principle of teaching quality supervision. To do so, we tap into the expertise of the core teaching and research group. We performed preliminary analysis and evaluation of the system establishment and implementation process of the school’s teaching routine. We made practical suggestions on how to upgrade teaching methods based on each school’s teaching history and particularity, allowing them to form their unique approach to the operation of the school, education model, education quality and school culture. Based on the “supervision on teaching, going deep into the front line” (「深入實際、深入一線」). Our approach begins with teaching management, goes deep into the schools and lessons, and implements daily management by inspecting class preparation, lessons, and homework. To promote order and efficiency, we have proposed strict guidelines for the remediation, enhancement, and rectification of any inadequacies in school management. This can ensure that school teaching practices, especially newly established ones, are standardized and scientific and help build sound school management systems. In the end, it will deliver comprehensive supervision.

2. STRICTLY ENSURING THE QUALITY OF TEACHING

In order to better face the challenges brought by the “Three New” (「三新」) (new textbooks, new classes, new college entrance examination), grasp firmly the opportunities of study classroom teaching reform in the context of “Three New”, ran through the “Three New” concept of education in the daily teaching work to write a new chapter for education cause, the courses included in our scope of study include Chinese, mathematics, English, geography, history and chemistry. To achieve this goal, we actively engage Virscend Education Group teachers to participate in our “classes + lectures” programme. We explore effective teaching strategies in line with the Group’s “Three New” reforms and effectively improve the professional level, business ability and teaching quality level of the Group’s teachers.

Every semester, representatives of the teaching quality department and peers have class observation in every school. After the class observation, we have peer discussion. The representatives of the teaching quality department provide valuable comments and suggestions for our teachers and follow-up the measures which have been set before.





2. STRICTLY ENSURING THE QUALITY OF TEACHING

- *Evaluating teaching performance*

The evaluation of a teacher's performance is a crucial step in the regulation of teaching behaviour. We constantly seek to innovate and improve the teaching evaluation system and to formulate the "Virscend Education School Teaching Quality Assessment Plan" (《成實外教育學校教學質量水平考核方案》). We evaluate the curriculum, general teaching management, teacher training, and teachers' professional development by combining quantitative and qualitative analysis and self-assessment. We perform this evaluation through various assessment methods. This involved a disciplined and organized assessment system, which furthers the aims of "correction and advocacy through evaluation" (「以評促改」、「以評促教」).

Teacher's Self-Evaluation	Once teachers lead the lesson, they share their experiences, learnings, shifts in perspective, requests, or feedback. Then, communicate with the quality department to facilitate an improvement in the teachers' capability and practical guidance.
Student's Evaluation	Evaluating teachers based on their teaching effectiveness based on the needs of their students facilitate a comprehensive understanding of how teachers work, adjustments to how they distribute and adjust their teaching guidance according to the conditions in the classroom, and improvement of the effectiveness of those lessons with clear goals.
Evaluation by the Teaching Quality Department	According to students' opinions, we continuously give teachers timely feedback to optimize the teaching plan. According to the results of the school's relevant subject exams, we timely assess and review the school and teacher's teaching performance.
School Evaluation and Assessment	Schools formulate a plan to conduct the periodic and final evaluation of their teaching. The results of the evaluation are included in their performance in the teachers' evaluation, promotion, and performance assessment.

2.3.2 Deepening teaching research

We have created a structured, well-planned and effective learning system that can be practised easily and consistently. The Teaching Quality Department of the Group guides us in organizing schools to go into detail on the textbooks that the government has issued for use in all educational institutions in the nation. We assemble teams of specialists to examine and investigate new textbooks and academic guidelines from the points of view of their content structure, teaching instructions, and more. We standardize teachers' understanding of teaching materials to improve the accuracy of teaching content and effectively highlight the cultivation of students' core literacy by teaching materials.

2. STRICTLY ENSURING THE QUALITY OF TEACHING

- *Analyzing teaching materials*

Virscend Education established an education system to incorporate new teaching materials progressively. Led by the Group's teaching quality department, we organize schools to conduct in-depth interpretations of teaching materials. The Ministry of Education of China compiled these materials used throughout the country. We assembled a team of specialists to investigate and review newly created instructional materials and course standards based on their content organization and pedagogical advice. Standardizing the teacher's understanding of teaching materials will enhance the precision of teaching material and effectively emphasize the influence of teaching materials on nurturing students.

- *Conducting Exemplary lessons (课例)*

During the Reporting Period, schools belonging to the Group began using exemplary lessons, to carry out academic teaching and research activities in the context of "Three New". The exemplary lesson is a method of instruction, aiming at creating an effective class, achieving effective teaching, and improving the quality of the class. In the context of new curriculum, new textbooks, and new college entrance examination, teachers should have the process of learning new teaching methods, and teaching requirements. We suggest optimizing their teaching programs, continuously studying new content, and new ideas, overhauling their educational plans to effectively raise the quality of instruction.



2. STRICTLY ENSURING THE QUALITY OF TEACHING

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

Heterogeneous teaching is having different teachers in the same class to teach a single subject. It is intended to provide students with different perspectives and help them better comprehend the material. This way, the same material is taught from different angles and styles, allowing students to gain a deeper understanding. By utilizing a variety of activities related to the same topic, school teachers can do further exploration around the theme.

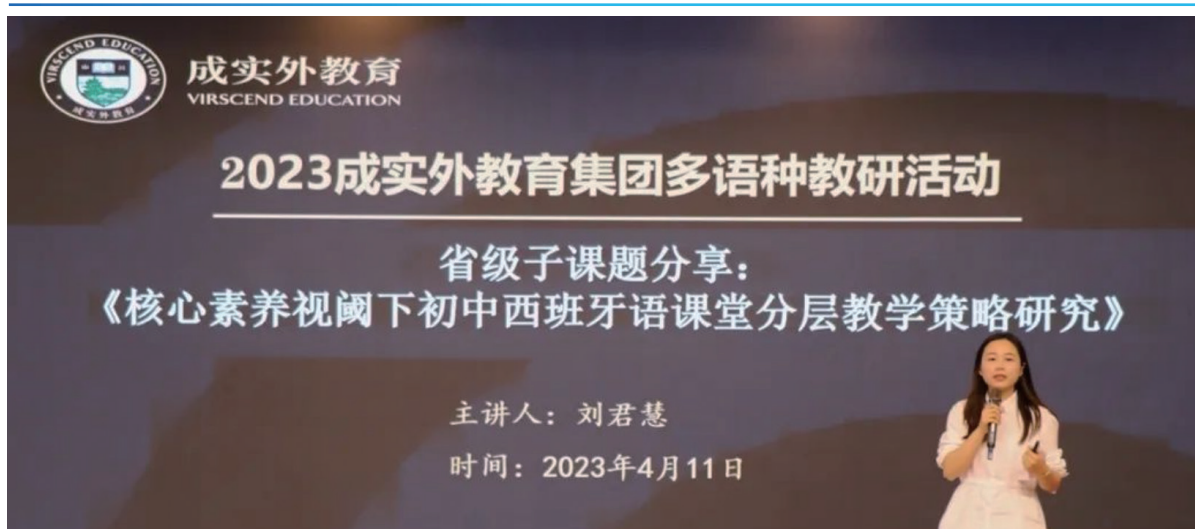
In this heterogeneous class setting, our teachers learn from one another’s strengths, understand the core concepts of various teaching approaches, and deepen their research outcomes, to enhance the capability of handling teaching issues and foster the growth of all teachers. In 2023, we concluded our study and research on “new curriculum standards” (「新課程標準」). This research was conducted to better understand the school’s current teaching situation by observing and evaluating classroom instruction for various disciplines at different stages of learning. The goal was to gauge how effective the school’s reform and improvement strategies were in the classroom.



2. STRICTLY ENSURING THE QUALITY OF TEACHING

- *Layered teaching*

To comprehensively improve the learning efficiency of all kinds of students, Virscend Education aims to "implement effective teaching strategies for all students" (「面向全體學生，實施有效教學策略」). Based on careful analysis of student academic performance, we closely follow the objectives of educational quality management and actively explore and experiment with different types of classes that involve layered teaching. We create layers of classes and strive to build distinctive learning environments. For all kinds of students in different learning levels, teaching is provided to them according to their learning aptitudes and abilities, which help build a beneficial learning environment. Under the guidance of the Group's teaching quality department, each school has formulated its distinctive layered teaching work plan. The Group organizes a group-wide seminar on layered teaching to effectively promote the teaching and research work based on layered teaching.



Our schools diagnose, evaluate, refine and summarise effective layered teaching models and methods, and share the implementation strategies and experience on layered teaching of the Group's member schools, to promote the Group's overall development of education cause.

2. STRICTLY ENSURING THE QUALITY OF TEACHING

- *English teaching:*

Three teachers from the school's English group give demonstration classes respectively, which present an excellent micro lecture with distinct themes, and a combination of theory and practice. The class is carried out in a vivid and efficient way, with accurate grip of student academic performance and effective path guidance. They make new exploration in English teaching while effectively show the student knowledge, thinking, listening and speaking skills.

Teachers from high school English group improve the understanding and classroom practice for POA(Production-Orientation Approach), design the "Efficient Reading and Writing Class Teaching Mode under the Guidance of POA Concept" (「POA理念指導下高效閱讀寫作課堂教學範式」) and drive students to complete the teaching task with high efficiency and quality through class teaching design!



3. BUILDING A HARMONIOUS CAMPUS

With the 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 receive parents’ advice and suggestions to enhance the school-and-family co-education system further and improve the management level of the school to create a campus for students’ healthy growth through school-and-family cooperation.

To ensure the freshness, safety, and high quality of food ingredients, we establish a complete food ingredient purchase system through logistics records, stock books, and purchase records. Further, we conduct on-site investigations on the qualification of suppliers and production regions of the products. We select food ingredient providers that have agricultural logistics processing and quality control capabilities.

- **MANAGING FOOD STORAGE**

We strictly abide 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》). The regulations aim to ensure uniformity in the storage and handling of canteen food, food additives and food-related products in educational institutions. We sort the items in the pantry into food groups and arrange them according to the characteristics of each food item. We then inspect the foods and get rid of those that have gone bad, expired, or been regularly contaminated by pests or rodents. We abide by the “first-in first-out” policy, which dictates that we use the oldest ingredients first.

- **MAINTAINING FOOD RESERVING SAMPLES**

We established a food traceability system, which stipulates the person in charge of reserving samples and standardizes sessions, including package seal, information mark, and sample storage. Reserve samples are required for three meals each day, and the risk of sudden food safety incidents is mitigated by implementing an accountability system.

- **MAINTAINING FOOD SUPERVISION SYSTEM**

Our staff evaluates their food safety levels, the quality of the food, the nutrition balance, and the service level. We regularly display relevant information about food safety, tableware infection prevention, and food safety supervision in our canteens. We introduced the “transparent kitchen and stoves” (「明廚亮灶」) video surveillance system. “Internet + video kitchen” (「互聯網+視頻廚房」) construction were completed during the Reporting Period. To involve and supervise stakeholders, we would like teachers and students to evaluate and grade the management level of the canteens jointly. To this end, we establish a “dining table headmaster” (「餐桌校長」) to represent parents or shift leaders who will experience canteen work in person, which will help improve the canteen management level.



3. BUILDING A HARMONIOUS CAMPUS

• TRAINING ON FOOD SAFETY

We annually organize safety training for canteen staff members to familiarise them with relevant safety regulations as well as to identify problems and design preventative measures, an activity which helps improve staff members' comprehensive ability in quality and safety management. To assure safe and reliable food and a nutritious and healthy diet for teachers and students, we engaged Chengdu Vision Protection and Health Promotion Society (成都市視力保護與健康促進學會) experts. We promoted food nutrition-related knowledge for canteen employees in our school and strictly supervised the nutrition balance of teachers, students and staff of the whole school each week.



3.1 ENSURING AND SAFEGUARDING FOOD SAFETY

We follow food safety guidelines and earnestly perform during our duty as monitors to safeguard every student's health. We strictly abide by 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》). We also formulate 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 establish a whole life-cycle food safety supervision system covering various aspects, including food purchase, food storage, food nutrition and canteen service and try our best to create a healthy and safe dining environment.

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



3. BUILDING A HARMONIOUS CAMPUS

- **ENFORCING THE PURCHASE OF FOOD TRACEABILITY**

We use 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 management of suppliers. This ensures that all ingredients suppliers must provide the qualification certificates and batch inspection reports. Further, our practices ensure all imported ingredients comply with our internal inspection requirements, including their production dates, import dates, expiration dates, quality of the ingredients and the supplier’s information.

3.2 SAFEGUARDING CAMPUS SAFETY

Campus safety is the precondition and foundation of smooth school education work. We attach great importance to campus safety management, constantly improving the safety management system, and pay close attention to implementation of safety management, supervision and education in personal safety, fire protection, transportation. During the Reporting Period, no major safety incidents occurred in any campus of the Group.

- **PERSONAL SAFETY PROTECTION**

We regularly conduct routine checks for hazards in our school to make sure the facilities are safe for students and faculty. We conduct regular repairs of facilities and check for hazards, to make sure that when a problem arises, we can handle it immediately. We develop plans to anticipate and prevent emergencies, and when they do occur, we respond quickly to limit the harm they cause. We organise safety education activities including counter-terrorism training and knowledge training of school bullying for teachers and students in each school, thereby improving emergency prevention capability of counter-terrorism in school and achieving effectively safeguarding personal and property safety of school students.

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 open communication, including telephone lines, WeChat group, parent meeting, education platform, open day, school principal’s mailbox, school official website and other communication channels. For better learning outcomes, it is essential that we pay attention to how students and parents envision the relationship between school and home. This is a necessary step to accomplish our goal: to promote healthy and constructive development in all children.

3. BUILDING A HARMONIOUS CAMPUS

- LISTENING TO THE VOICES OF PARENTS

We organize an event to help improve relationships between schools, teachers and parents, as well as to gain insight into the academic and living situations of students at schools — Open Day (「家長開放日」). Families can get a firsthand look into their child's life at our campus through “classes, tours, and meals” (「進班聽課、參觀教學樓、體驗食堂用餐」). We worked continually to improve our approach to dealing with parent grievances, paying close attention to parents' needs and wants, and unravelling all the underlying complexities. We took swift action to address the concerns expressed by parents and implemented measures to enhance the quality of schooling going forward, so that similar grievances would not arise in the future. The Group's response rate to school complaints during the Reporting Period was 100%.

- 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” 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 invite local fire departments and public security departments to hold lectures and train students on fire safety laws. They teach teachers and students first aid knowledge and organise activities such as trainings to practice fire safety.

- UNDERSTANDING THE NEEDS OF STUDENTS

Students can let the school know their feedback through the principal's mailbox or by attending student meetings, which are great opportunities to share their thoughts. These channels provide a platform for students and schools to communicate and promote meaningful dialogue, thereby ensuring the interests of the students are protected. They act as a conduit between student and school that allows for the exchange of ideas and foster positive interactions.



4. CREATING A HAPPY WORKPLACE

Virscend Education takes great pride in having a diverse team that it values as its greatest resource. We create a harmonious and supportive working atmosphere to ensure that everyone benefits from the successes of the Company.

4.1 SAFEGUARDING EMPLOYEES' RIGHTS

Virscend Education strictly adhered 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, and other laws and regulations applicable our operations (《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》).

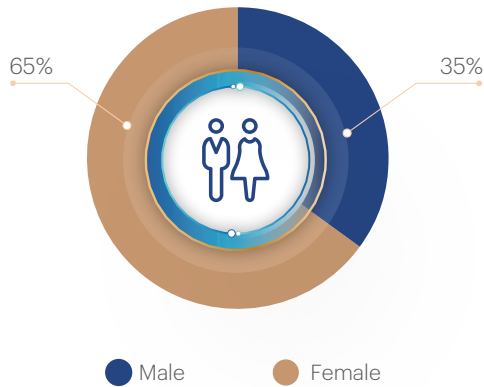
Organizational protocols, such as the labor and personnel system, recruitment protocol and teacher's manual (《勞動人事制度》、《招聘制度》、《教師手冊》), ensured that workers were treated fairly and that a stable, cordial atmosphere among staff was maintained.

The Group adheres to the principles of diversity, equality and justice, we work to ensure equal remuneration for men and women doing the same job. They also practice humanitarian policies such as the Work-Family Program. We aim to eradicate any unfairness or unhealthy comparisons between groups of people in terms of their race, origin, faith, gender and background, and to ensure every employee has equal opportunities for employment and development. Our Company has a zero-tolerance policy in regard to the use of child and forced labour, and thoroughly checks the identity information of all candidates through a rigorous vetting process. We must create a strong organization and provide adequate training to empower teachers; they need our trust, respect, and genuine care in order to stay and keep up with our requirements. As they depart, we offer our best wishes, stay in contact, and work together to reach their goals. Any issues that have arisen concerning the use of forced labour and child labour will be dealt with seriously and terminated immediately. As of the end of the Reporting Period, there were 1,904 employees working at Virscend Education. The rate of signing employment contracts and social insurance coverage reached 100%.

We must build a solid system and provide proper training to give teachers the tools they need to succeed. Giving them our trust, admiration, and kindness will help to maintain high standards. We want all teachers, present and past, to stay in touch and reach their ambitions. So as they leave, we wish them all the best on their journey.

4. CREATING A HAPPY WORKPLACE

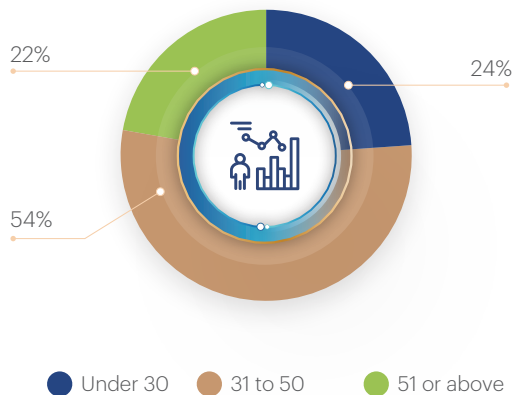
Gender distribution



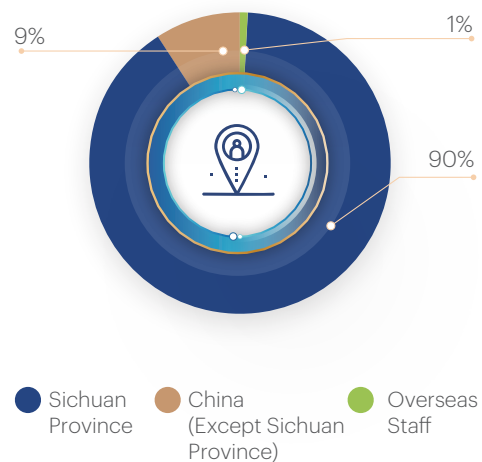
Employment type distribution



Age group distribution



Region distribution



To ensure maximum talent retention, we continue to improve the employee compensation and benefits system. The Group upholds the principle of “more pay for more work, better pay for better work” (「多勞多得、優勞優酬」), while offering diverse and competitive welfare policies to enhance their sense of happiness and recognition.

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

The Group is convinced that the success of an educational corporation depends heavily on its teachers who possess exceptional qualifications. Thus, the Group is devoted to creating improved professional development opportunities and constructing comprehensive training programs to promote the expertise of its teachers. At present, Virscend Education has assembled an impressive group of instructors. We have a total of 1,481 teachers, all of whom have a bachelor's degree or above, and approximately 54.5% have a master's degree or above. Most of the teachers are full-time teachers. The Group also values the recognition bestowed upon the teachers who have achieved teaching excellence. Approximately 21% of our teachers have obtained senior teacher qualifications, and 74 of our teachers have been recognised as special teachers. 19.2% of our teachers have advanced teaching qualification, while 76 teachers were recognised as exceptional teacher.

4.2.1 Developing careers

The Group creates and maintains plans for the career and elevation of teaching staff and corporate employees, tying job responsibilities and evaluation together to incentivize employees to better themselves and advance within the Company.

By broadening the pre-existing development frameworks, we have created three new career progression pathways that focus on enhancing the skills and abilities of our staff. We prompt them to choose professional advancement possibilities based on their interests and needs, their current job positions and their current circumstances, all to meet the objective of “utilizing people to the fullest and making the most of each person's talents” (「人盡其用、各盡所長」).

The growth trajectory of a teacher's managerial aptitude refers to their expansion of administrative responsibility. As they gain experience, they are able to take on different tasks — from teaching professionally, to participating in the management of schooling and instruction. As time progresses, they can go from new recruit to lesson-planning team leader, director of the grade, and eventually assume middle-level management duties. With proper training, these educators may even become school-level administrators.

PROFESSIONAL GROWTH	<ul style="list-style-type: none"> 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 to experienced. Our system catered to the operational characteristics of the Group.
MANAGEMENT GROWTH	<ul style="list-style-type: none"> Enhance teachers' knowledge and experience of management, in addition to their excellent pedagogical skills. Encourage teachers 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	<ul style="list-style-type: none"> Establishing dual channels for confidence-based career development, we sought to develop confidence and professionalism 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 Paths

4. CREATING A HAPPY WORKPLACE

We evaluated our employees on their growth and particular advantages, contrasting them with our earlier dealings with proficient individuals. Evaluation is decided by the duration of one's employment, qualifications, expert certifications, and performance analysis. Our standards for assessing staff are beneficial in setting achievable objectives. We use qualitative and quantitative measures to evaluate their skills, and rely on incremental improvement in performance to encourage our employees.

Qualification and work experience

- Qualification level
- Work experience

Knowledge

- Professional knowledge
- Corporate knowledge
- Industry knowledge

Competencies

- Professional title
- Performance outcome

Reference

- Training and development
- Special awards
- Accumulated knowledge

The Qualifications and Assessment Criteria of Virscend Education

4.2.2 Maintaining Professional Training Systems

We are always concerned with the growth of our employees, and we consistently motivate them to develop with the corporation through a comprehensive training system.

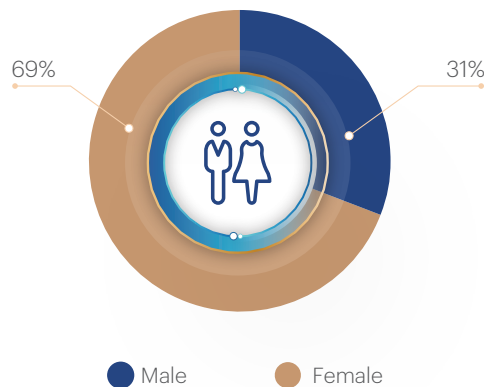
In response to national requirements regarding the development of teachers, we actively assist new teachers in professional growth while supplying timely work guidance on cultivating teachers. This is performed through methods such as holding lectures, Teacher Quality Improvement Week, and support from experienced teachers, thereby accelerating the pace of ecological classroom construction and improving the overall execution of the teacher team.

During the Reporting Period, the Group implemented the "Excellence Project" (「青藍工程」) with the leading idea of "enhancing moral and professionalism of teachers and to be an elegant teacher" (「提升師德、提升專業，做和雅之師」) with the aim to give full play to the active role the school as an academic pacesetter and the backbone teachers as leaders in imparting, assisting and leading, providing a platform with high quality and starting point for young teachers to grow and advance, guiding them to understand the philosophy of the school, to establish a mindset of loving education, school and students, and continuously improving their abilities to educate and teaching.

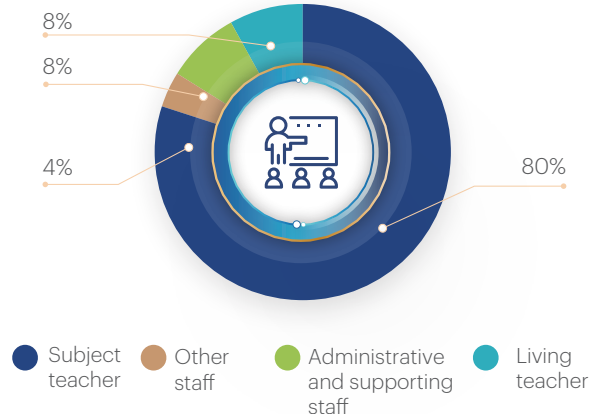
4. CREATING A HAPPY WORKPLACE

During the Reporting Period, 1,441 attendances of employees have engaged in trainings, with a total of 53,629 training hours and 37.22 training hours per person.

Gender distribution of trained employees



Position 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 stay active and join physical fitness clubs or classes to form 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 nurture their minds and spirits through the Company's channels. These activities ultimately strengthen the bond between staff members and boost their morale.

4. CREATING A HAPPY WORKPLACE

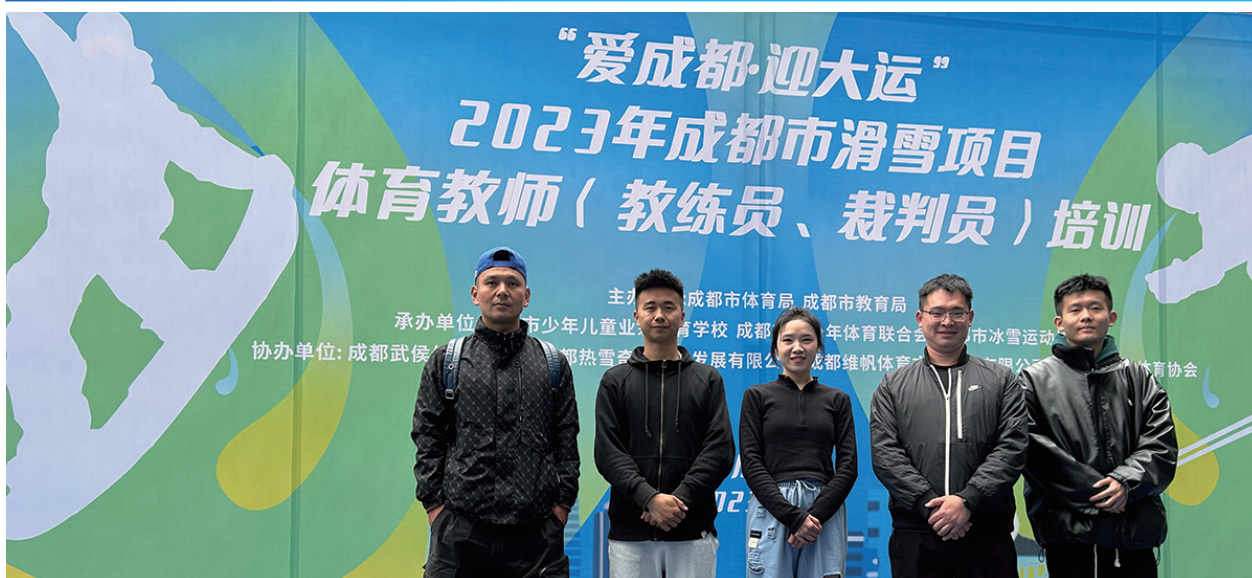
The Group organises various activities such as regular physical examinations for faculty members, sports day for faculty members of schools, visits to red bases, collective birthday parties for faculty members of schools, and outdoor quality development to enrich employees' spare time and enhance team cohesion.

BIRTHDAY CELEBRATIONS AND FESTIVAL ACTIVITIES ARE HELD FOR OUR TEACHERS AND STAFF.



4. CREATING A HAPPY WORKPLACE

The Art and Sports Department of the Group organised teachers and colleagues from the Art and Sports Department to participate in the 2023 Chengdu City Ski Project Sports Teacher (Trainer and Referees) Training Course of “Love Chengdu, Welcome the World University Games Summer” (“爱成都·迎大运”). All of the five teachers have passed the theoretical and technical assessment and obtained the certificate of trainers and referees.



The Art and Sports Department of the Group undertook the SUP Level Training Course (Chengdu Station) of the Water Sports Management Centre of the General Administration of Sports of China and a total of 7 colleagues from the Art and Sports Department and Publicity Department participated and all of them passed the assessment.



5. CARING FOR GREEN EARTH

We strictly abide by relevant environmental protection laws and regulations (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 advocate the development concept of conserving and reducing consumption of energy, and have formulated the "Regulations on Reducing Energy Consumption at the Office" and the "Regulations on Reducing Energy Consumption in the Dormitory" to fully standardize the management for energy consumption of equipment and lighting facilities during office, teaching and living hours.

In 2023, all campuses actively worked on conserving and reducing energy consumption. The logistics support department regularly inspected and followed up on campus energy conservation and consumption reduction to form a sound conservation management mechanism. Our major measures for energy management included the following:

- To implement "Green Lighting Projects"「綠色照明工程」, we renovated school lighting facilities and gradually replaced them with energy-saving lamps such as LED lamps;
- We advocate, apply, and implement energy-efficient teaching facilities, materials, and equipment, phasing out inefficient equipment, and prioritizing environmentally friendly and energy-saving products in the procurement of equipment;
- We appoint personnel to review and inspect high-powered machinery to reduce the use of standby models and devices requiring a lot of energy. Optional power equipment must be turned off after the standard meal period in the cafeteria;
- All offices and classrooms try to open the curtains to let in natural light, and turn off lights when they leave the office, reducing "ever-on lighting"「長明燈」;
- Minimizing energy usage by switching off unwanted power usage from office machines. This included electrical items such as computers, printers, water coolers, air conditioners, and fans. Regulations have been set for controlling the frequency and temperature of using the air conditioner, and to reduce power consumption, it is not permitted to use the air conditioner with windows or doors open;
- Implementing a vehicle allocation system, including discouraging drivers from changing their assigned routes. For staff travelling to the same destination at the same time, they should share vehicles to reduce usage and costs;
- Actively promoting green commutes, advocating "135" practice, i.e., to walk for commuting within one kilometre, to ride for commuting within three kilometres and to take public transport for commuting within five 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」「135」).

A number of campuses operated by the Group put forth measures for power management, proposing standards and initiatives regulating the power and energy consumption in teaching venues, public areas and other key energy-consuming areas.

Furthermore, the “saving prize” has been set on some campuses as an incentive to meet energy-saving objectives.

5.1.2 WATER CONSUMPTION AND WASTEWATER MANAGEMENT

We earnestly implement water consumption management in the three aspects of managing water consumption from the source, saving water in the consumption process and controlling wastewater in discharge. We actively respond to the policy guidelines given by the energy conservation supervision department, and set water consumption per person caps for each school regarding the per capita water consumption quotas of educational institutions benchmarks. We keep track of how much water we use, and continuously work to improve the efficiency of water utilization.

- *REDUCING CONSUMPTION AT THE SOURCE*

We make sure that water facilities are well-maintained and kept in good condition daily. Efforts are constantly being made to manage drinking water for teachers and students, to clean water in public areas and other important water-utilizing areas, and to keep good records of water consumption to prevent unreasonable water utilization.

In order to have a better understanding of water consumption and avoid unnoticed leakage, water usage is recorded and analyzed based on categories, such as cleaning for public areas and personal hygiene. Valves are installed on vacant floors. In order to regulate the water consumption behaviour of students, we also upgrade and renovate the intelligent water control system, under which students fetch water by swiping cards, thus ensuring the recording of the water consumption in different areas in real-time, and reducing waste of water resources from the source.

- *UPHOLDING DAILY CONSERVATION*

We have implemented water conservation policies under the “Water Conservation Measures” (《節水制度》), highlighting the implementation of water-saving technologies in buildings, including the water meters and rainwater recycling systems. We have also published notice boards for water conservation, put up signs of water conservation, and used sprinklers, irrigation and drip irrigation to improve water utilization efficiency in campus green areas and landscaping.

5. CARING FOR GREEN EARTH

We formulated an elaborate three-year plan for building a water-conservation school, appointed a vice-principal as the chief responsible person and appointed full-time managers to inspect and record water consumption, and address warranty matters at all points.

The school aims to continue to improve its water conservation efforts and to raise awareness of the need for water conservation. It intends to work with teachers, students and staff to revise its water efficiency programme to include a mechanism that allows all teachers, students and staff to participate in saving water.

- *ENSURING EMISSION COMPLIANCE*

The effluent produced by schools consists of domestic waste created by educators and pupils and wastewater generated by the cafeteria. All of our schools have discharge permits, and their wastewater generated is treated by wastewater treatment facilities to ensure that the discharge meets the requirements of the “Integrated Wastewater Discharge Standard” (《污水綜合排放標準》). The schools promote the use of phosphate-free detergents and biodegradable cleaning products to reduce the environmental impact of wastewater discharge.

5.1.3 MANAGING WASTE

Waste generated by the Group mainly includes office paper, equipment, lamps, toner cartridges, ink cartridges and other office waste generated from the daily operation of the Group’s offices; food waste generated from the kitchens in the canteens of various campuses; and all kinds of chemicals used in chemical experiments conducted in some schools.

We strictly comply with the regulations and systems 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棄物污染環境防治法》) and the “Regulations on the Management of Municipal Domestic Waste” (《城市生活垃圾管理辦法》). We have established an efficient and coordinated system to manage the treatment and disposal of waste. Hazardous waste is appropriately stored, handed over to qualified third parties, and disposed of safely. We have a 100% safe disposal rate for hazardous waste.

- *MANAGING DISPOSAL OF OFFICE WASTE*

We implore our staff to reduce paper use in the office by sending emails, circulating documents, and recycling double-sided copier paper. We have different types of paper recycling bins for office paper, newspaper and periodicals, wrapping paper. We ensure old envelopes, letter paper, newspapers, and wrapping paper are collected. For waste cartridges and batteries etc., we choose replaceable toner cartridges and rechargeable batteries as far as possible in the procurement. The waste cartridges are collected and disposed of by the suppliers on a regular basis.

- *MANAGING DISPOSAL OF KITCHEN WASTE*

The Group has formulated a “Management System of Kitchen Waste Disposal” (《餐廚廢棄物處置管理制度》) to regulate the treatment of kitchen waste strictly. Every canteen must discard of kitchen refuse in an environmentally conscious way and keep track of their waste disposal methods. Canteens separate kitchen waste into domestic waste and slop type of waste: wet food waste is transferred by sanitation workers to domestic waste treatment plants, while slop-type of waste is emptied into special slop buckets (or separated by oil separators, grease, etc) and discharged into grease traps for transfer and disposal by qualified third parties. The sale of these wastes to other units or individuals is strictly prohibited.

At the same time, the Group requires all school managers and head chefs to separate wet and dry food waste and reduce the amount of waste to be disposed of. In order to reduce food waste, schools have launched the Clean Plate Campaign (「光盤行動」) to persuade students to finish their meals. Supervision and monitoring of students’ eating habits have been adopted as a way to create an environment where finishing one’s meal is considered a matter of pride.

- *MANAGING DISPOSAL OF HAZARDOUS CHEMICALS*

For schools carrying out chemical experiments, we have, in accordance with the “Regulations on Safety Management of Dangerous Chemicals”, and the “Regulations on the Supervision and Management of Fire Safety of Flammable and Explosive Chemical Substances” (《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》) developed an internal system for managing experiments regarding dangerous chemicals. At the start of the process, chemicals are purchased from vendors whose practices meet all safety and environmental regulations. The chemicals are then stored in a secure area, sorted into groups, and separated to avoid any possible explosions, leaks, or other incidents. Finally, the amount used is strictly monitored and adhered to when using the chemicals. Teachers and students had always observed these necessary regulations for using various chemicals. Finally, at the disposal stage, the school shall enter into agreement with a certified hazardous chemical recycling business or delegate a unit with legal disposal qualifications to perform destruction and disposal.

5.1.4 MANAGING EXHAUST

The school canteens have adopted a combined electrostatic fume purifier to test and treat the fumes, with a 98% fume removal rate, and commissioned an agency to monitor the fumes in each school to ensure that the emissions comply with the “Emission Standard of Cooking Fume” (《飲食業油煙排放標準》). Furthermore, we have installed activated carbon adsorption devices in the chemistry laboratories’ ventilation end to prevent the laboratories’ emissions from affecting the air quality inside and outside the campus and creating environmental pollution.

To reduce vehicle emissions, each campus of the Group has issued the “Company Vehicle Management System” (《公司車輛管理制度》), which regulates the application requirements for public vehicles, account records of fuel consumption, vehicle maintenance, etc. By standardizing the deployment of idle company vehicles, the number of public service vehicles has decreased to reduce vehicle fuel consumption and emissions. At the same time, we also conduct travel management for employees and encourage them to work in different places through online communication or video meetings. Such measures can reduce greenhouse gas emissions caused by unnecessary travel.

5. CARING FOR GREEN EARTH

5.2 FOSTERING GREEN AWARENESS

We actively commit to the green development plan of our country and introduce green education activities in schools based on green culture. This helps to increase environmental knowledge and raise awareness of green issues among students. To raise awareness of the importance of protecting the environment, students are given various training methods, such as erecting signs, delivering presentations under the national flag and participating in practical activities. The schools each introduced their plans for green education, use of low-carbon energy, and frugality and conservation to raise environmental consciousness amongst all faculty members and cultivate a campus culture focused on saving energy and reducing emissions.

Incorporating the notion of energy efficiency and conservation, we have included this ideology in all areas of our program, from teaching to student education, evaluation, and administrative management. Through various activities, courses, and competitions, we have raised awareness about the environment and fostered positive environmental habits in faculty and students. We have had classes about preserving a low-carbon environment, contests for low-carbon-themed craftwork, and other practical activities.



5.3 RESPONDING TO CLIMATE CHANGE

Climate change brings both short-term and long-term challenges to countries around the world. The environmental and economic impact of climate change has prompted many countries to focus on developing technology to respond better to the risks of climate change. For this, Virscend Education is working on ways to address the challenge in its operations while staying true to our mission of providing students worldwide opportunities. We will closely monitor and adjust our business operations per the latest standards and regulations.

In response to climate change and the increase in extreme weather caused by global warming, we (1) regulate the use of resources such as water for green land maintenance and switches of street lights, (2) promote scientific and timely irrigation, and (3) maximize the use of natural light to achieve a rational use of water resources and energy. Furthermore, we organize drill activities of natural disasters to enhance the awareness and ability of teachers and students to respond to emergencies.

6. CONTRIBUTION TO COMMUNITIES

The continued success of our business depends on the well-being of the communities in which we operate. And our commitment to social responsibility is an integral part of our sustainability strategy. At Virscend Education, we recognize the importance of our faculty, staff, and students engaging in community activities. We firmly believe in the power of education, and do our best to support this cause.

During the Reporting Period, our staff and students have accumulated 56,418.3 hours of working as volunteers.

6.1 INVOLVING IN VOLUNTEER ACTIVITIES

Virscend Education played an important role in the community, and their initiatives positively affected the safety and overall health of those involved. The organization experienced long-term growth due to the effect the policy had in creating a peaceful environment and a better home.



In December 2022, Blood Donation Drive to Campus Activity was launched. The branch committee of the campus joined hands with Yibin City Central Blood Station to carry out the Blood Donation Drive to Campus Activity of "Warm-heartedness and Love Means More Than Blood Donation" (「獻血獻愛心，血濃情更濃」). Teachers and students of the campus actively participated, and a total of 286 people participated in the blood donation, donating a total of 72,500ml of blood. We are grateful to each other and donate blood for the continuation of life. In this event, the courage and selfless spirit of the donors will continue to motivate teachers and students on campus, and call on more interested parties to participate in social welfare undertakings.



6. CONTRIBUTION TO COMMUNITIES

6.1 INVOLVING IN VOLUNTEER ACTIVITIES



During the Beijing Winter Olympics and Paralympics, the World Team Table Tennis Championships Finals Chengdu and the Chengdu World University Games, we selected teacher and student volunteers to provide services for the Beijing Winter Olympics and Paralympics and the Chengdu World University Games. Students from our school built bridges of communication with foreign friends in large-scale international events such as the Beijing Winter Olympics, the World Team Table Tennis Championships Finals Chengdu and the Chengdu World University Games, demonstrating the rising popularity of Chinese youth.



6. CONTRIBUTION TO COMMUNITIES

6.2 CHARITY ACTIVITIES

Virscend Education aims to improve society 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.



7. KEY ESG PERFORMANCE INDEX

Environmental Performance	Unit	FY 2023	FY 2022
Greenhouse gas emissions			
Scope 1 ¹	T eCo ₂	6,328	6,876
Scope 2 ²	T eCo ₂	20,381	12,812
Total GHG emission	T eCo ₂	26,709	19,688
GHG intensity	T eCo ₂ /student	0.88	0.73
Waste production			
Hazardous waste ³	tonne	2.87	2.41
Hazardous waste production intensity	tonne/student	0.0001	0.0001
Non-hazardous waste ⁴	tonne	6,166	5,099
Non-hazardous waste production intensity	tonne/student	0.20	0.22
Use of resources			
Electricity	MWh	33,405	20,999
Natural gas	M ³	2,867,768	3,128,746
Unleaded petrol	L	41,273	44,559
Diesel	L	850	—
Total energy consumption ⁵	MWh	64,115	54,564
Energy consumption intensity	kWh/student	2,113	2,009
Water	tonne	1,886,880	1,593,905
Water consumption intensity	tonne/student	62.19	58.70

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 the sum of consumptions of gasoline, diesel, natural gas and pipeline gas. Data computing standard is that the conversion of standard coal for the total energy consumption is made with reference to the "GB/T 2589-2008T General Principles for Calculation of the Comprehensive Energy Consumption".

7. KEY ESG PERFORMANCE INDEX



B1 Employment

Staff distribution	Number of staff	Turnover rate
Total workforce	1,904	11.66%
By gender		
Male	665	13.23%
Female	1,239	10.82%
By employment type		
Subject teacher	1,380	N/A
Living teacher	156	N/A
Administrative and supporting staff	273	N/A
Other staff ⁶	95	N/A
By age		
Aged 18 to 30	455	15.60%
Aged 31 to 50	1,033	7.55%
Aged 51 or above	416	17.55%
By geographical region		
Sichuan Province	1,721	12.32%
China (except Sichuan Province)	175	4.00%
Overseas	8	37.50%
By employment type		
Full time	1,891	N/A
Part time	13	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	2023	2022	2021
Work-related fatalities	0	0	0
Work injury	0	0	3
Lost days due to work injury	0	0	0

B3 Training and development

Training statistics	No. of staff	Average training hours
Staff attended training	1,441	37.22
By gender		
Male	449	39.16
Female	992	36.34
By employment type		
Subject teacher	1,144	39.42
Living teacher	118	26.78
Administrative and supporting staff	117	19.85
Other staff	62	49.17

8. HKEX ESG REPORTING GUIDE CONTENT INDEX



Aspects	Index	Reporting Guide Requirements	Section or Explanation
Environment			
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 total (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 measures to mitigate emissions and results achieved.	5. CARING FOR GREEN EARTH
	KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved.	5. CARING FOR GREEN EARTH

8. HKEX ESG REPORTING GUIDE CONTENT INDEX

Aspects	Index	Reporting Guide Requirements	Section or Explanation
Environment			
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 initiatives and results achieved.	5.1 GREEN CAMPUS
	KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved.	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.
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. HKEX ESG REPORTING GUIDE CONTENT INDEX



Aspects	Index	Reporting Guide Requirements	Section or Explanation
Environment			
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
Social			
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 b) 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. HKEX ESG REPORTING GUIDE CONTENT INDEX

Aspects	Index	Reporting Guide Requirements	Section or Explanation
Social			
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
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
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. HKEX ESG REPORTING GUIDE CONTENT INDEX



Aspects	Index	Reporting Guide Requirements	Section or Explanation
Social			
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

8. HKEX ESG REPORTING GUIDE CONTENT INDEX

Aspects	Index	Reporting Guide Requirements	Section or Explanation
Social			
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 procedures.	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. HKEX ESG REPORTING GUIDE CONTENT INDEX



Aspects	Index	Reporting Guide Requirements	Section or Explanation
Social			
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
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