



天立教育国际控股有限公司
Tianli Education International Holdings Limited

(Incorporated in the Cayman Islands with limited liability)
Stock Code : 1773

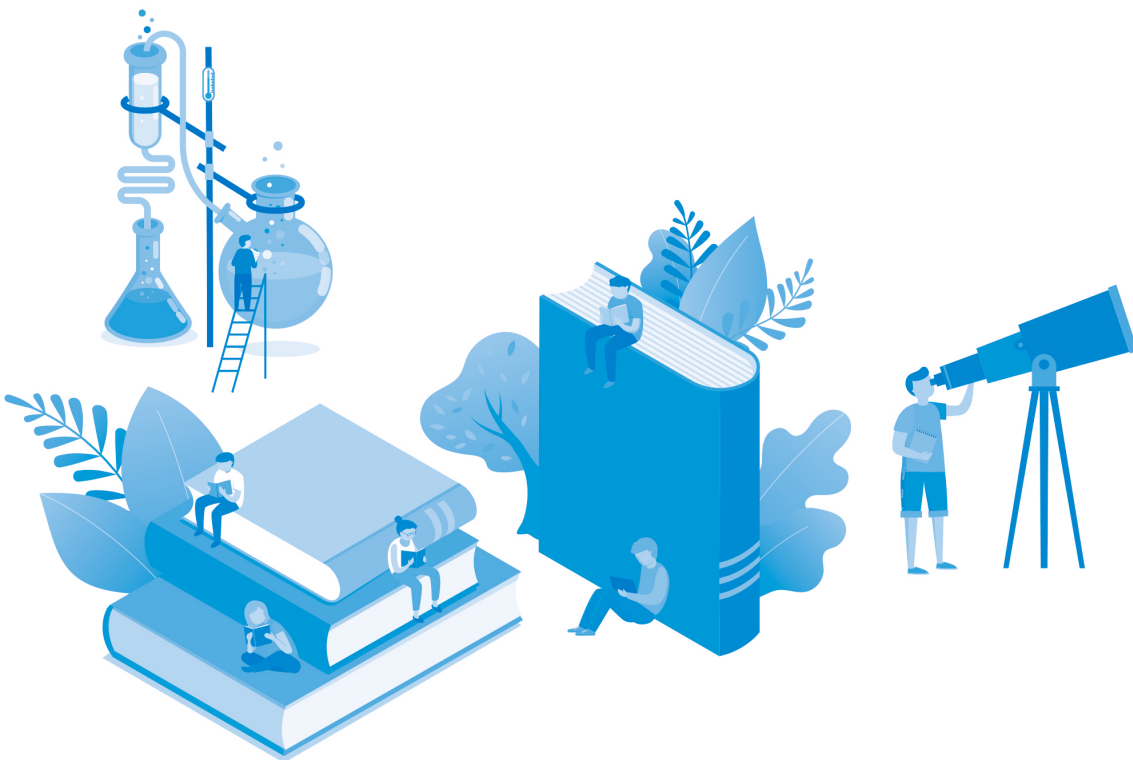
ENVIRONMENTAL, SOCIAL AND
GOVERNANCE REPORT
2021

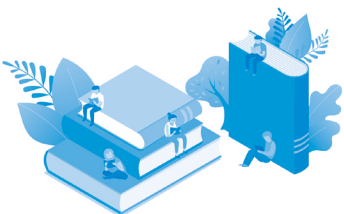




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THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT ABOUT THIS REPORT

This report is the fourth Environmental, Social and Governance (ESG) Report issued by Tianli Education International Holdings Limited (hereinafter referred as “Tianli Education” or the “Company”, and together with its subsidiaries, collectively the “Group”), prepared in accordance with the Environmental, Social and Governance Reporting Guide as set out in Appendix 27 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. The preparation of this report is in line with the reporting principles of materiality, quantitative, balance and consistency.

The Group has applied these reporting principles in the aforementioned Environmental, Social and Governance Reporting Guide as the following:

Materiality: Materiality assessment was conducted to diagnose material ESG issues during the Reporting Period, thereby adopting the confirmed material issues as the focus of the ESG Report. The materiality of ESG issues was reviewed and confirmed by the Board.

Quantitative: The standards and methodologies used in the calculation of relevant data in the ESG Report, as well as the applicable assumptions were disclosed. The KPIs were supplemented by explanatory notes to establish benchmarks where feasible.

Balance: This ESG Report was prepared based on an objective and impartial manner to ensure that the information disclosed faithfully reflects the overall ESG performance of the Group.

Consistency: The statistical methodologies applied to this ESG Report were substantially consistent with the previous year.

Time Range for the Report

The time range for this report covers the period from 1 January 2021 to 31 August 2021 (the “Reporting Period”). Part of its contents may be dated back to previous years, so as to enhance the comparability and completeness of this report.

Reporting Boundary

This report thoroughly discloses the information and key performance of the Company and its schools in official operation in the field of ESG, and the statistical scope of part of key performances will be detailed in this report.

In May 2021, the State Council of the People’s Republic of China announced the Implementation Rules for the Law for Promoting Privation Education (《中華人民共和國國民辦教育促進法實施條例》) (the “**Implementation Regulations**”) which came into effect on 1 September 2021. Based on relevant facts and situations, the Group has ceased to control its private schools providing compulsory education through structured contracts (“**Affected Business**”) on 31 August 2021. The business operations of the Affected Business have been classified as discontinued operations. However, as the statement of profit and loss for the Reporting Period still includes the Affected Business, this report also covers the entities operated by the Affected Business for the sake of consistency and completeness. Therefore the scope of this report remains the same as that of the year 2020.



Sources of Data and Reliability Assurance

All the information and data used in this report were derived from the internal official documents and statistical reports of the Company and its schools, or public information. The Company warrants that there are no false or misleading statements in this report, and is responsible for the authenticity, accuracy and completeness of the contents herein. Upon confirmation of the management, this report was considered and approved by the Board (the “Board”) of Directors (the “Directors”) on 26 January 2022.

The electronic version of this report will be available at the websites of the Group (<http://www.tianlieducation.com>) and The Stock Exchange of Hong Kong Limited (<http://www.hkexnews.hk>)

DIRECTORS’ STATEMENT

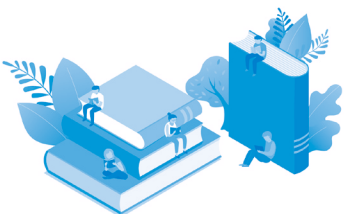
The Board of Directors of Tianli Education attaches great importance to the sustainability of its performance and fully recognizes the role of the Board of Directors in supervising and promoting the ESG efforts of the Group. Led by the senior management and the Risk Control and Internal Audit Center in cooperation with the Education Management Center, Brand Management Center, HR & Administration Center as well as its subordinate schools, the Group has improved its ESG working mechanism, optimized its ESG policies and guidelines, strengthened the participation of the Board of Directors and enhanced its ESG management efficiency. Meanwhile, the Risk Control and Internal Audit Center would regularly submit the ESG Report to the Board of Directors, which will be disclosed after being reviewed and approved by the Board of Directors. In addition, we hold regular internal and external events to communicate closely with our stakeholders and identify and assess important ESG issues. In consideration of the external macro environment and the Company’s development strategy, the Board of Directors also thoroughly discusses and identifies the risks and opportunities to which the Company is exposed in respect of environment, society and corporate governance and takes the management and improvement of such key issues as its annual strategic task to achieve sustainability. In addition, we also regularly review the trends in sustainability in China and the whole world and continually increase our investment in sustainability.

This report has disclosed in detail the progress and effectiveness of the ESG work of Tianli Education in 2021, which was submitted by the Security Affairs Department to and considered and approved by the Board of Directors at the Board meeting on 26 January 2022.

ESG GOVERNANCE

Corporate Responsibilities

Tianli Education adheres to the ancient doctrine of “Taking every beings on earth to the heart, setting the right path for the people, inheriting and extending ancient philosophers’ teachings and bringing peace to thousands of generations of people to come (為天地立心，為生民立命，為往聖繼絕學，為萬世開太平)”, upholds its vision of “Striving for Excellence in Tianli Education and Inspiring Confidence and Happiness of Students and Teachers (締造卓越天立教育，成就師生幸福人生)” under the guidance of its motto known as “nurturing descendants of the heaven, helping students accomplish themselves and benefit others (天之驕子，立己達人)”. Through promoting education at both schools and communities, Tianli Education strives to achieve sustainable, healthy and steady development. We are committed to promoting our students’ comprehensive development and empowering our teachers with happiness while creating value for our shareholders and the society as well as contributing to China’s education industry.



Corporate Governance

Tianli Education has a sound governance structure in place with clear terms of reference and administrative characteristics of standardization, stability and high efficacy. The Board of Directors consists of a brilliant management team that possess high level of overall quality, professional skills and strategic knowledge. As at the date of this report, the Boards of Directors consisted of six Directors, i.e. two executive Directors, three independent non-executive Directors and one non-executive Director. The structure of the Board complies with the Listing Rules, which require the number of independent non-executive Directors to be at least one-third or above of the total number of Directors.

The Company considers the Board's increasing diversity as a key driver of its sustainable development with the aim of improving the efficiency in corporate governance of the Board and achieving the Group's business objectives. When determining the composition of the Board, we consider Board diversity including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and terms of service, as well as any other factors that the Board might consider relevant and applicable. All the Board appointments are based on merits, and the candidates are considered against objective criteria, taking into account the benefits of diversity to the Board.

During the Reporting Period, the Company had a board of Directors with diverse perspectives and varied educational background and expertise, who were both professional and complementary to each other, featuring agreeable diversity to guarantee rational decision-making. All the Directors have accumulated remarkable experience in their respective field of expertise, and made good use of their experience and talent to drive the development of the industry as well as the sustainable growth of the Company.

ESG Governance

Tianli Education has incorporated the philosophy of sustainability in its daily operations and established and continuously improved its ESG governance. It has a sound ESG governance system in place, which involves the senior management and all functional departments. It is led by the senior management and the Risk Control and Internal Audit Center with the participation of the Education Management Center, Brand Management Center, HR & Administration Center as well as the subordinate schools, which are responsible for the ESG system in each segment and the collation and aggregation of the relevant information. The Risk Control and Internal Audit Center is responsible for reporting to the Board after finalizing the ESG report, the content of which will be reviewed and published by the Board.

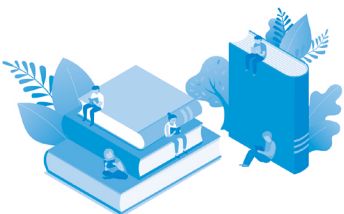
Communication with Stakeholders

Tianli Education maintains close attention to the demands and expectations of its stakeholders, smooths the communication channels and actively exchange opinions with governmental/regulatory agencies, investors/shareholders, corporate employees, students, parents, suppliers, communities and the public, listening and responding to their feedbacks and needs, dedicating to create value for them and striving for a win-win outcome for the schools and the stakeholders.



Stakeholders' Communication Table

Stakeholders	Expectations for the Group	Communication Measures
Investors/Shareholders	Operation compliance	General meetings
	Protecting shareholders' interests	Announcements and press releases
	Open and transparent information	Annual reports SEHK/group website
Corporate Employees	Good platform for professional development	Conferences/teaching and research activities
	Competitive remuneration packages	Internal staff training/assessments
	Healthy and safe working environment	Employee satisfaction survey
Students	Comfortable learning environment	Students satisfaction survey
	Exposure to diversified activities	Themed class meetings/lectures School principal's mailboxes
Parents	Excellent teaching quality	Parents meetings
	Positive atmosphere at schools	Education expos
	Dietary assurance and campus life assurance for students	School principal's mailboxes
Environment	Rational use of resources	Green campus
	Efficient use of water and electricity	Green office
	Compliant waste disposal	Dissemination of green ideas
	Pleasant campus environment	
	Green teaching	
Suppliers/partners	Long-term and win-win cooperation	Suppliers evaluation
	Fair competition	On-site visits to suppliers
	Product quality assurance	Exchange meetings for suppliers Strategic cooperation



Stakeholders	Expectations for the Group	Communication Measures
Governmental and regulatory agencies	Operation compliance	Compliance reporting
	Safe teaching environment	On-site inspections
	Social practice and contribution	Participation in conferences/seminars
	Ensuring information security for students and parents	
Communities/public	Public charity projects	Activities for public charity
	Social activities of students	Social practice

MATERIAL ISSUES

Identification and Assessment

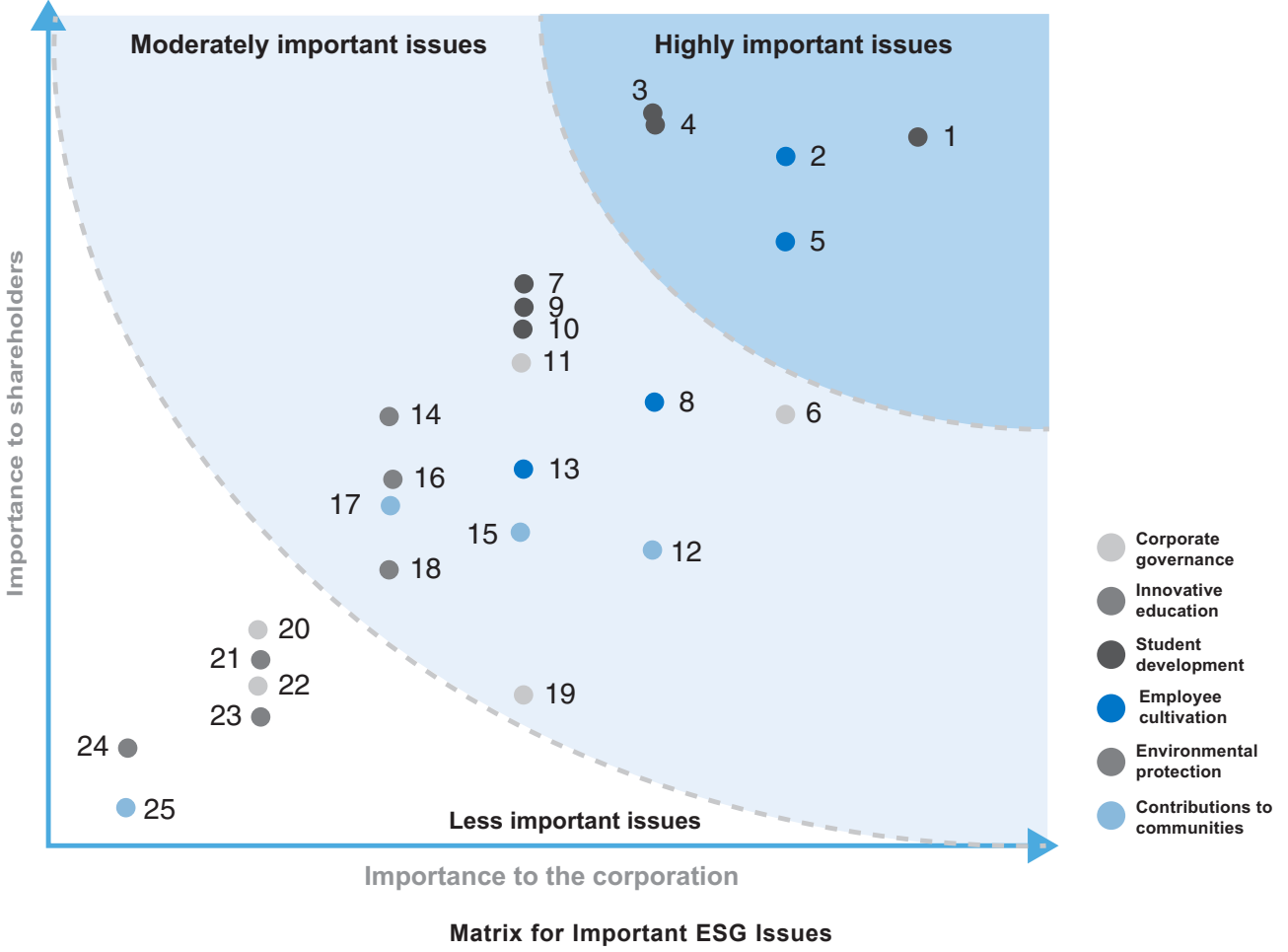
In accordance with the Environmental, Social and Governance Reporting Guide of The Stock Exchange of Hong Kong Limited and other relevant requirements with the requirements of the stakeholders taken into consideration, the Company adjusted its agenda of material issues based on a review of the relevant ESG issues for the previous year with the latest development of the Company and industry movements of the year taken into account, e.g. we fine-tuned the list by removing “Greenhouse Gas Emission and Reduction,” “Education, Protection and Promotion of Local Culture” and “Impacts on Neighboring Community Environment” and adding “Educational Products and Intellectual Property Protection.”

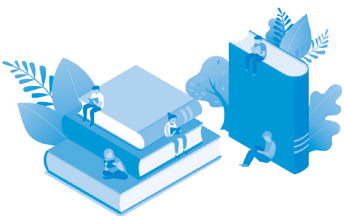
In 2021, we adopted such methods as survey and questionnaire to identify and deal with environmental, social and governance issues from two perspectives, i.e. Tianli Education and its stakeholders. We carefully defined the templates of the questionnaire to ensure accuracy of the survey, the rationality of the numbers of interviewees and operational feasibility, and collected 1,397 valid questionnaires. The results were mapped into a matrix for ESG importance issues according to the order of their importance to the internal and external stakeholders. The issues identified will be elaborated in details by the Company in the subsequent sections of this report.



Matrix and List

Matrix for Important ESG Issues of Tianli Education in 2021





Sorted List for Important ESG Issues

IMPORTANCE	SEQUENCE	ISSUES
Highly important issues	1	Development of Students' Comprehensive Quality
	2	Professional Ethics and Morality Construction for Teachers
	3	Dietary Assurance for Students
	4	Safety and Health Assurance for Students
	5	Faculty Management and Structure
	6	Protecting Privacy and Ensuring Information Security for Students and Parents
Moderately important issues	7	Ensuring Safety and Occupational Health for Employees
	8	Employee Remuneration and Welfare
	9	Employee Training and Career Development
	10	Communication between Teachers and Parents
	11	Teaching Quality Assessment and Improvement
	12	Innovation in Curriculum Development and Diversification of Education Models
	13	Student/Parent Satisfaction
	14	Green Campus
	15	Educational Products and Intellectual Property Protection
	16	Environmental Education
	17	Integration and Enhancement of Educational Resources
	18	Water Resource Utilization and Water Conservation
	19	Sustainability Management across Supply Chain
Less important issues	20	Anti-corruption
	21	Climate Change Risks and Opportunities
	22	Complaint Processing Procedures and Service Improvement
	23	Waste Management
	24	Energy Consumption Management
	25	Participation in Community Development and Social and Charity Activities



STUDENT-ORIENTED APPROACH

Tianli Education adheres to its motto known as “moral education going first, with contents as the crown, class as the core and technology as the support (德育為先、內容為王、課堂為核、科技支撐)” as well as its “2250 Plan” while constantly optimizing its teaching expertise and improving its educational models. Meanwhile, it strengthens management of its students’ health and campus environment, aiming to create a safe, green and healthy campus environment for its students where it can nurture brilliant talents with comprehensive development of moral merits, intelligence and physical fitness.

At the end of the 2020–2021 academic year, the number of students of Tianli Education reached 58,190.

Innovative Education Models

We adhere to the path of development known as “in terms of priority in education, moral education comes first (教育之重·德育先行)” and attach remarkable importance to the ideological, political, moral, legal and mental health education of our students. Through our special “Six Establishments and One Accomplishment (六立一達)” featured curriculum system, we established specialized top-quality class building that centers around the seven crucial objectives of “Six Establishments and One Accomplishment” in terms of health, morality, wisdom, behavior, attitude, mind and creativity. In 2021, the Group restructured the central institutions of teaching management, whereby Lida Academy (立達研究院) was established to be responsible for standard formulation, curriculum development and promotion of “Lida Curriculum (立達課程)” of the Group; the External Relation Department was established to be responsible for diversification and expansion of school admission channels, policy promotion and poverty alleviation; and the Quality Department was replaced by the Examination Academy, under which the Subject Construction Department was established to be responsible for optimization and implementation of national courses, resource development, teacher training and guidance on classroom teaching.

Project NO.1

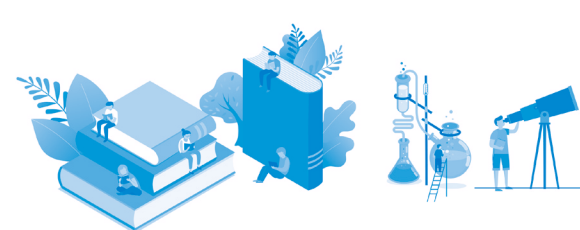
Tianli Education launched “Project No. 1” in 2021, with a view to pooling three-tier (ABC) teaching resources by developing the three-tier (ABC) teaching method and the three-tier (ABC) school management method, thus realizing practical tiered teaching and demonstrating Tianli Education’s outlook that “there are no bad students, only different students” (沒有差生·只有差異), so “each child can be his/her best self”. Currently, the “Project No 1” pilot school has been successfully launched at Shandong Rizhao Tianli, and the Faculty Department and the three major supervisory departments have printed out and distributed tiered teaching method promotion handbooks and guiding manuals for tiered school management, with such tiered resources distributed, categorized, and accepted.

Lida’s Preschool Curriculum System

Through building preschool curriculum frameworks and establishing a preschool curriculum quality standard system, the Group has completed the building of the Lida preschool curriculum system. Meanwhile, the Group has developed a Lida APP for children based on the curriculum system, which allows preschool teachers to make a developmental assessment on preschool children, thus significantly elevating the preschool education level of Tianli.

Optimizing Teaching Quality

The quality of education and teaching is the main objective of our schools. In 2021, Tianli Education continued to implement its “2250” Education Plan, i.e. “to Have no less than 50 students admitted to the top 50 QS ranking universities in 2022.”. With the formation of the “2250 Special Task Force” (2250特攻隊) and the “Tsinghua-Peking University Seeds Guards” (清北苗子護衛隊), the Supervision Department convened monthly meetings to discuss how to guarantee the success of its “2250 Mission”, and strengthen process guidance, inspection and assessment, Tianli Education intend to comprehensively improve the quality of teaching.



2250 Plan

In order to achieve its 2250 mission, the Group's Teaching Management Centre arranged for the nine faculty chiefs and four head coaches of the Group to be stationed in its 13 senior schools in 2019 to carry out all-round surveys, with the aim of recognizing and promoting brilliant deeds, identifying problems with suggestion of timely rectification measures. In April 2021, the Group held a meeting under the theme of "Ensuring the 2250 Mission", with the aim of improving its work plans and bringing the Group's 2250 Mission to a new level. In 2021, out of the students from our College Entrance Examination Group, 10 were admitted to Tsinghua University, 3 were admitted to Peking University. Furthermore, 6 of our high-school graduates were admitted to the top 50 universities of the world.

Teaching and Research

In order to improve its expertise in teaching and researching, Tianli Education's Examination Research Institute carried out a survey across its secondary schools and high schools, providing assistance to the secondary school and high school graduates. The three major supervisory departments and the Secondary School Quality Supervisors were commissioned to provide more guidance, inspection and assessment on the operating processes of the schools under the Group, and revise the criteria for Quality Assessment in the Letter of Objective Accountability, which has not only protected the enthusiasm of the schools, but also recognized the Group's supervision and assessment. With the guidance of the dedicated liaison officers and dispatch of experts from the Examination Academy to the schools, Xichang Tianli High School carried out vigorous reform in implementing the 16-character guideline and promoting the "Three Laws and Four Emphases (三法四重)," and remarkably improved its teaching performance. The Group's competition team adopted scientific planning, accurate process support, with which it achieved significant breakthroughs in its competition results. In 2021, Tianli Education achieved excellent results with 20 students receiving the first prize in the National Physics, Chemistry and Mathematics League and 2 students joining the provincial team.

In addition, the Faculty Department has been continuously driving the growth of faculty resources by completing the development, distribution and application of resources in training of national compulsory courses for the three grades in high school, uploading more than 400 resource packages and thousands of stand-alone files to the Group's resource management platform. At the same time, the top nine faculty chiefs are providing high quality simulated college entrance examination papers, striving to guide the Group's college entrance examination preparation efforts in the right direction.

Teacher Cultivation

Tianli Education strives continuously to foster a team of top-notch teachers. Throughout the academic year, the Faculty Department insisted on the combination of off-line and online teaching & research, while the teaching staff from the nine faculties came together for group-level teaching & research and class preparation every month, and offered guidance on inter-school joint teaching and research. At the same time, the Faculty Department is to complete the training sessions organized by the Group's Growth Academy, such as the class head's professional training, the backbone teacher's training, the master teacher's appraisal and the new college graduates' teaching rehearsal.

Ensuring Campus Safety

Tianli Education regards campus safety as the foundation of education. By continuously improving our campus safety management system and comprehensively improving the level of food and beverage management, fire and traffic accident prevention, and safety education, we aim to provide a safe and stable environment for our students, so that their parents can rest assured of their safety. During the Reporting Period, no material safety accident occurred in any of our schools.



Safety Management

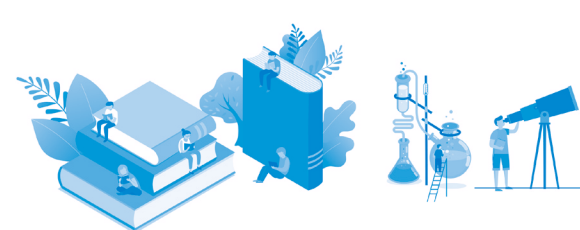
The Company strictly complies with the Fire Protection Law of the People's Republic of China, the Interim Provisions on Campus Environment Management for Primary and Secondary Schools issued by the Ministry of Education, the Measures for Handling Student Injury Accidents issued by the Ministry of Education, the Administrative Measures for Safety Management in Primary Schools, Secondary Schools and Kindergartens and other laws and regulations. In 2021, we formulated and issued the Measures for the Administration of School Safety, while strictly complying with the Guiding Manual for the Administration of School Safety as we carried out safety administration procedures, aiming to achieve zero safety accidents, and implementing safety administration in all aspects of our students' learning and living in school. In order to establish an efficient and standardized school safety management network, all our schools have set up Campus Safety Management Committees, formulated their own annual safety work plans and calendars, and signed Letters of Safety Objective Accountability at all levels. All our schools have meticulously implemented corresponding safety protection measures, fulfilled their responsibilities and assigned designated personnel to take care of such aspects as gate management, safety patrol, elimination and rectification of hidden risks, and conduct safety training and drills for all their staff before the new school year starts.

Education on Safety

We strive to improve our students' awareness of safety in our daily school management and teaching activities. Tianli Education strictly complies with such regulations and rules as the "Regulations on School Safety Education and Management" and the "Regulations on Safety Promotion and Education", with all our schools continuously optimising their efforts in safety education, promoting organic integration of safety education with law compliance and regular curriculum, through which our students are taught to establish correct viewpoint of value through case studies, mental health education and life education. We regularly organize emergency drills on campus for prevention of such accidents as drowning, food poisoning, crowding and trampling, so as to improve the awareness of our teachers and students of and ability to handle emergencies; all our schools are required to carry out off-campus safety education attended by the parents of our students, aiming to bring safety education to households so that our students can experience and perceive safety education, thus forming necessary safety awareness, skills and habits.

Fire Safety

Tianli Education has developed Regulations on Management of Safe Evacuation Facilities in Teaching Areas, the Regulations on Fire Prevention in Dormitories, and the Regulations on Fire Hazards Inspection, aiming to incorporate fire safety education and training into its annual fire protection work plan. We promote the knowledge of fire prevention, fire fighting, evacuation and escape among our staff and students through various methods such as broadcasting, signs, training provided by the external experts, watching videos, and on-the-spot explanations; and actively carry out fire drills to improve the self-rescue ability of our teachers and students during emergency. In 2021, Ulanqab Tianli School and Weihai School invited fire safety instructors to give a lecture on "Fire Prevention in Campus" (消防知識進校園). Taking certain serious fire accidents occurring in recent years as examples, the instructors explained and described the destructive power and serious consequences of fire disasters. In addition, Lai'an School and Xichang School carried out fire evacuation drills, during which the instructors gave a comprehensive explanation of the use of fire-fighting equipment, and our staff and student representatives participating in the activity learned and practised the use of fire extinguishers.



TEACHERS' HAPPINESS

Under its “People-oriented” development concept, Tianli Education is committed to building a diverse workforce featuring equality and a warm and friendly working atmosphere, actively safeguarding its employees’ basic rights, caring about their physical and mental health, and continuously improving and optimizing their path of promotion and training system, so as to build a cohesive and high-caliber team. We wish to treat each of our employees fairly, offering them continuous self-improvement opportunities, and a broad platform so that they enjoy working and living with us, and join hands with us in contributing to our cause of “Striving for Excellence in Tianli Education and Inspiring Confidence and Happiness of Students and Teachers (締造卓越天立教育·成就師生幸福人生)”

Development Path

Equal-Employment

We strictly comply with all the applicable laws and regulations, including the Labor Law of the People’s Republic of China, Labor Contract Law of the People’s Republic of China, and the Law of the People’s Republic of China on the Protection of Minors, and further improved the Group’s organizational structure and personnel management system during the Reporting Period, providing systematic guarantee for our employees in terms of human resource planning, recruitment, rewards and punishments.

We recruit core talents mainly through internal recommendation, headhunting, campus recruitment, etc., under the principle of equality, and resolutely prohibit all kinds of discrimination and vicious competition in terms of nationality, age, gender and religion, so as to achieve “recruiting talents without restriction on any single imperfection (不拘一格招人才)”. When recruiting, hiring and registering, we carefully check the identity information of the applicants so as to prevent child labor or forced labor, and will investigate and deal with the related violations in the first instance.

As of the end of the Reporting Period, the Company had a total of 8,828 employees, of which 6,052 (i.e. 73.55%) are females. All our employees (full and part time) have signed employment contracts with the Company.

Remuneration and Welfare

We regard our employees as the most valuable assets of the Group, and strive to provide them with competitive remuneration packages. During the Reporting Period, we revised and updated the “Remuneration Performance Plan for Tianli Education Group Headquarters Staff (Operation Line) (《天立教育集團總部員工薪酬績效方案(運營線)》)”, and adjusted the relevant calculation methods and post reference tables in line with the internal management system that links performance with remuneration, aiming to truly reflect the principle of “No pain, no gain (一分耕耘·一分收穫)”.

We further optimized and enriched our employee welfare system by establishing loyalty awards, expanding the group of employees who can enjoy educational preferential policies, improving the conditions for granting contribution bonuses and house and car purchase subsidies on top of statutory benefits such as five social insurances and one housing fund, annual leaves and paid maternity leaves, so as to increase the sense of loyalty and belonging, striving to maintain stability of our workforce, especially the core employees and teachers, and avoid loss of talent.



Promotion Channels

Adhering to the strategy of diversified development of talent, the Group is committed to establishing and maintaining a fair and just career promotion mechanism, customizing future development paths for its employees at different levels and different sequences, so that every outstanding employee can get equal opportunities for promotion, and the most suitable candidates can be selected for the Group.

During the Reporting Period, we established a promotion channel featuring an order of “New elite – Backbone – Outstanding – Master – Chief” for teachers in line with our internal personnel management system. We further enhanced our management staff promotion system with an order of “Junior teacher – middle-level cadre – section principal/four department heads – district principal”, aiming to prepare conditions for our employees to maximize their potential.

Physical and Mental Health

The Group holds the physical and mental health of its employees in high regard. In accordance with the laws and regulations on occupational health such as the Occupational Disease Prevention and Control Law of the People’s Republic of China and Administrative Measures for Preventive Health Examinations, we have established a comprehensive health management system for our teachers and administrative staff. The Group also provide psychological counseling services to its employees to resolve their conflicts, relieve their pressure in work and casual life, and maintain their mental health.

During the Reporting Period, we offered free physical checkups for all our employees each year, and bought commercial insurances including those for major diseases and accidents for our teachers and administrative staff, aiming to guarantee their physical and mental health, so that they can devote themselves to the education work in a healthier and enthusiastic mood.

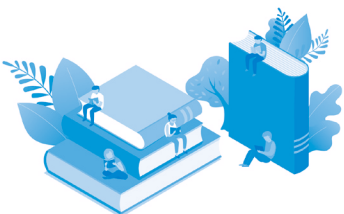
Focus on Talent Cultivation

Tianli Education believes that the growth and development of its employees is fundamental to ensure its long-term sustainability. With focuses on talent cultivation, the Group has established a comprehensive staff training platform through formulating talent cultivation management systems such as the Training Management Measures and the Training Management Measures for New Teachers. The Group also supervises, organizes and summarizes the efforts in construction of the talent echelon of each school to help employees learn from each other’s merits and enhance their comprehensive professionalism.

As at the end of the Reporting Period, the average number of training hours for each employee of the Group was 34.57 hours, with a training coverage rate of 31.5%.

Teachers Cultivation

Excellent teaching staff are the prerequisites for Tianli Education to “nurture descendants of the heaven who accomplish themselves and benefit others (培養立己達人的天之驕子)”. Our training system covers head of grade, head of class, backbone teachers and management trainees, with focus on teacher ability, professional quality, management ability, professional skills, and cultural construction, aiming to foster a comprehensive high-quality and high-level team of teachers.



During the Reporting Period, the Group launched the “San Yan Qi Fei (三雁齊飛)” Growth Program for different types of educational talents:

- The Gao Fei Yan (高飛雁): Tailored for the district and sector principals, aiming to provide regular trainings for the Group’s senior management and existing school principals based on the operation and management philosophy of presidents and CEOs. During the Reporting Period, the Group organized more than three rounds of training, covering more than 200 executives.
- The Jing Fei Yan (競飛雁): Tailored for reserve senior management of districts and sectors. During the Reporting Period, the Group selected 47 reserve senior management personnel to attend the one-year online training session customized for them.
- The Fun Fei Yan (奮飛雁): Tailored for existing grade heads of our schools, aiming to provide 100% coverage capacity enhancement trainings by means of rotational training. During the Reporting Period, the Group’s grade head training academy completed 98 training sessions, with a satisfaction rate of 97.6%.

In addition, the Group completed the upgrade of its construction plan for the Teacher Growth Academy (教師成長學院) according to the needs of teacher training and actual work implementation, and urged the pilot schools to carry out the evaluation of backbone teachers and excellent teachers in an orderly manner, aiming to constantly inject fresh blood into the Group to meet the needs of new schools.

Talents Training

We are committed to establishing ourselves as a learning-oriented organization, with a scientific and diverse selection and management system to ensure that our reserve talents can be quickly integrated into and continue to grow with the Group. During the Reporting Period, the Group launched the “four drivers” growth program, carrying out the construction of online training platform and the training of management trainees simultaneously, and reviewing and improving the contents of the plan and method of implementation.

- Four Drivers: For staff of our four major departments, i.e., human resources, logistics services, enrollment advertising and finance, we strove to improve our service staff’s job-related professional skills and service ability. During the Reporting Period, the Group carried out three sessions of offline professional trainings in total, during which 19 candidates stood out as reserve logistic officials.
- Online platform construction: During the Reporting Period, the construction of the online platform of the Talent Growth Academy (人才成長學院) of the Group progressed smoothly according to our work calendar, with version 1.0 launched in August 2021 to further enrich the Group’s curriculum system, summarize the Group’s management and teaching wisdom, and save the time and costs of talents training.
- Management trainees cultivation: During the Reporting Period, the Group launched the systematic training of its management trainees, and clarified the growth direction and training mode for them. We selected potential management talents who are willing to grow, advance and retreat together, and fight with Tianli for a long term.

Enjoying the Life in Education

The Group cares about its employees, values their contribution, and encourages them to seek balance between work and life. During the Reporting Period, the Group actively organized activities such as the Dragon Boat Festival, Teacher’s Day, Mid-Autumn Festival, and talent competitions, aiming to provide more opportunities for communication between departments and enhance the feeling and cohesiveness between employees and encourage them to fight in joint hands for a better life.



In addition, we distributed gifts to our employees during festivals, organized birthday parties for them and paid warm visits to the retired staff, striving to solve their difficulties in work and life, so that they can truly feel our love for them.

SUSTAINABLE DEVELOPMENT

Ensuring Operation Compliance

Operation compliance is the foundation of company's survival. Tianli Education strictly complies with domestic laws and regulations, as well as a series of system documents such as the Listing Rules of the Hong Kong Stock Exchange, and continuously improves its internal control and audit management, strengthens the integrity of internal personnel. At the same time, we respect and protect intellectual property rights and student information security and practice responsible procurement to ensure the Company's stable operation.

Risk Control

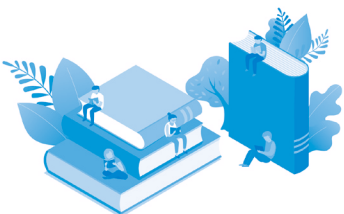
The Company carries out comprehensive risk control, prevents operational risks and legal compliance risks from time to time, and formulated the Risk Control System. During the Reporting Period, the Company carries out necessary improvement, conversion, transformation and upgrading of the business processes of each center. In terms of internal audit, the internal control department manages the audit work of the Company and each school, compiles audit reports, and is responsible for monitoring the implementation of audit recommendations stated in the audit report. In FY2021, we conducted periodic internal audits of the Company, strictly grasp risk exposures, and ensure the Company's compliance construction.

Integrity Construction

Tianli Education strictly complies with all the anti-corruption and anti-bribery laws and regulations such as the Criminal Law of the People's Republic of China, Supervision Law of the People's Republic of China, Anti-Money Laundering Law of the People's Republic of China and the Anti-Unfair Competition Law of the People's Republic of China. It has formulated internal system documents such as the Monitoring Management System, the Administrative Measures for Austerity Talks, the Administrative Measures for Invited Supervisors, and the Internal Audit System.

In 2021, the Company deepens its own integrity construction. As a permanent anti-fraud organization, the Risk Control Committee is responsible for related complaints and whistleblowing cases. We carried out learning programs on Risk and Prevention of Job Violations and Regulations to help internal employees identify non-compliant risks and strengthen their own integrity and self-discipline. Meanwhile, the Company actively carried out anti-corruption internal reviews and carried out anti-corruption activities from time to time. During the Reporting Period, no corruption cases occurred in Tianli Education.

The Company has formulated the Administrative Measures for Complaints and Whistle-blowing to enhance the whistle-blowing channels. The Company has set up a risk control and internal audit center and a mailbox of the Chairman of the Education Group for handling complaints and reports of breaches of laws and regulations. Cases such as complaints and reports are managed by the Risk Control Committee, and relevant authorities will investigate the authenticity of reported cases. Once the complaints and reports are confirmed, the whistleblower will be rewarded in accordance with internal standards. At the same time, we safeguard the personal information security and confidentiality of the whistleblower. Relevant department and staff in charge of complaints and reports must keep whistleblowers and relevant information confidential.



Case: The Company conducted training on Risks and Prevention of Violation of Laws and Regulations when Performing Duties (《職務違法違規行為的風險與預防》)

The risk control and internal audit center conducted training on Risks and Prevention of Violation of Laws and Regulations when Performing Duties for the staff of the Company. Job related risks identified include:

- Crimes and legal risks when performing duties
- Civil violations and legal risks when performing duties
- Violations and risk of penalties of the Group when performing duties

Through the description of risk-related behaviors, this training enables internal personnel to learn more clearly about the potential violations or embezzlements when performing duties.

Intellectual Property Rights

The Company strictly complies with all the applicable laws and regulations such as the Trademark Law of the People's Republic of China, the Patent Law of the People's Republic of China, and the Copyright Law of the People's Republic of China. As always, the Company respects and protects intellectual property rights as it continues to standardize and manage intellectual property protection works.

Tianli Education has formulated the Intellectual Property Management System of Tianli Education Group (《天立教育集團知識產權管理制度》) for the protection intellectual property rights. The system covers various intellectual property rights such as trademark rights, copyrights, and patent rights. As the Company's intellectual property authority, the Risk Control Committee of the Company is responsible for the management of intellectual property. Part-time personnel are appointed by each department to take charge of the special tasks of intellectual property. The Company has put in place well defined rewards and punishments related to intellectual property rights. For employees who have made outstanding contributions to the formation, protection, management and transformation and application of scientific and technological achievements in intellectual property rights, or who effectively prevent infringements and defend the Company's intellectual property rights, the Company will give rewards in various forms in accordance with specific regulations. For those who infringe the Company's intellectual property rights through plagiarism, stealing, tampering, illegal possession or others that are considered serious in accordance with the Company's regulations or who are suspected of committing illegal crimes will be transferred to judicial authorities for handling. In 2021, no cases related to intellectual property rights occurred in the Company.

Case: Tianli Group intellectual property conference

On 25 August 2021, Unitalen Attorneys at Law (集佳知識產權代理有限公司) in Beijing organized an intellectual property conference for Tianli Education on which the definition, classification, value and significance of intellectual property rights were introduced, and the the use and protection of trademark rights, copyrights, patent rights were explained. The intellectual property awareness of faculty was strengthened by stressing respect for third party copyrights and proper protection of one's own legal rights.



Information Security

Tianli Education complies with all the applicable laws and regulations such as the Law of the People's Republic of China on the Protection of Consumer Rights and Interests and the Advertisement Law of the People's Republic of China, and formulated Brand Management System, the Administrative Measures for Publicity Work and Administrative Measures for Confidentiality Work, to regulate the standards and requirements of information management, reduce data security risks and protect students' portrait rights and personal privacy. At the same time, the Company strictly manages student information and its search right. The confidentiality agreement signed by employees stipulated that employees must strictly abide by the provisions of the agreement and must not disclose personal information of students and parents. With information technology, the Company regularly monitor and promptly handle abnormal situations in the information system to prevent information leakage and protect information security of students and parents. It is a daily management practice of Tianli Education to continuously strengthen confidentiality of teachers and other staff to promote the information protection awareness of the entire Group.

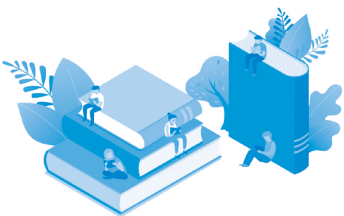
Responsible Procurement

Suppliers are not only a necessary part of the Company's normal operation, but also are important partners of Tianli Education. The Company has formulated relevant documents for Management System for Procurement and Bidding and the Measures for Supplier Performance Evaluation and Management, and constantly improves its supplier management system for the whole process from admission, evaluation, management to elimination, striving to establish a fair, transparent and sustainable supply chain.

- **Responsible procurement:** Tianli Education's Management System for Procurement and Bidding clarifies the supplier management process to ensure fair and just tendering, as well as honest and efficient procurement process, so as to strictly control the procurement quality. In terms of supplies for construction projects and school operation, the Company strictly monitor the progress and quality of the construction. In terms of the procurement of teaching and logistic of each school, the Company has established a standard supplier selection process to review, among others, the procurement plan, qualification examination and approval, inspection, bid evaluation, bid determination, bid negotiation, so as to ensure suppliers meet the requirements of the Company.
- **Inspection and evaluation:** Performance evaluation and review are necessary processes to ensure healthy operation of the supply chain. The Company conducts strict evaluation of suppliers to ensure it has provided compliant products and services. Tianli Education evaluates and scores suppliers from three aspects: product quality, timeliness of supply and after-sale services, and ratings are given to suppliers based on their evaluation results: AA, A, B, C and blacklist. We will discuss with suppliers on their evaluation results and assist them in improving related product services. As for suppliers that are evaluated as blacklisted, the Company will exclude them from the Company's supplier list and will never use them again.

While Tianli Education manages its own sustainable operations, it also continuously strengthens the management of its supplier system. The Company attaches great importance to the establishment of a green supply chain, giving priority to eco-friendly products, and recommends that supplier group choose environmental-friendly materials to ensure that the purchased products are environmental- or social-risk free, thus working with suppliers to commit to green and sustainable operation.

During the Reporting Period, Tianli Education has a total of 678 suppliers.



Protecting the Environment

Tianli Education complies with the relevant laws and regulations such as Environmental Protection Law of the People's Republic of China and Prevention and Control of Environmental Pollution of Solid Waste of the People's Republic of China, and takes up a corporate citizen's duty to protect the environment. Regarding school operation, we minimize pollutant emissions, save resources and improve resource utilization, integrate energy conservation and environmental protection into our lives, striving to create a green campus. As a player of the education industry, we attach great importance to educating students to establish and strengthen the awareness of environmental protection, and we call on students to be mindful of the surrounding environment we live in. Tianli Education promotes green campus and green teaching, and at the same time concerns itself more with climate change, and cares about matters related to sustainable development with its own little efforts.

Green Campus

The Company has formulated a series of environmental-friendly systems including the School Green Office System, the Water and Electricity Conservation Management System, the Green Office and Frugality Convention, the School Property Management Work Instruction Manual, the Measures for the Administration of the Energy-saving Operation of School Campus Facilities, the Administrative System for Energy Conservation and Consumption Reduction, and the Rules for the Management and Use of Indoor Electric Appliances. The systems clearly stipulate the emission management of waste gas, wastewater and other pollutants, implements garbage classification, consumption reduction, and improves resource utilization efficiency. Tianli Education plans to formulate energy-saving and emission-reducing targets in terms of the use of resources. Meanwhile, in terms of management, the Company has established a separation of duties system for school environmental education under the leadership of the principal's office, included environmental education and building green schools among the yearly performance targets of every department of its schools, so as to improve the green operation of the Group. In our daily operation, we infuse energy conservation and environmental protection into every nook and cranny so that even small acts help advancing us towards a green campus.

- **Scientific use:** We set up a strict management system for the use of air-conditioners, requiring each school that air-conditioning be used reasonably to prevent waste. There is no need to turn on the air purifier if the air index according to the weather forecast for the day is below 80 (excellent for air index 0-50 and good for 50-100). Students should turn off the air purifier in time when they leave;
- **Use electricity efficiently:** We encourage teachers and students to build energy-saving habits, ensuring that no lights are on 24/7 and unnecessary lights and fans are turned off. Idle computers should be turned off in time, and TVs in classrooms should be turned off when not in use. The power of multimedia equipment in classrooms and computer rooms should be cut off after school to reduce standby energy consumption;
- **Use water efficiently:** We build up the water conservation awareness of teachers and staff, encourage teachers and students to develop a good habit of turning off water faucets whenever necessary, require the logistics division to check the water pipes and faucets regularly, and repair the leaks in time;
- **Use paper efficiently:** We advocate "paperless" office, fully taking advantage of online office systems, encourage employees to use less photocopier paper and set double-sided printing as default option of printers.



In terms of waste management, each school has formulated the Waste Management System, which requires that no exposed garbage should be on the campus and the campus should be kept clean and tidy. The waste generated during the operation of Tianli Education mainly includes office papers, paper cups, lamp tubes, waste toner cartridges and ink cartridges, kitchen waste from canteens of each school, and chemical waste generated in the school's chemical experiments. Each school promotes and implements garbage classification, sets up garbage recycling stations on the campus, and non-hazardous wastes are collected by the Municipal Environmental Sanitation Department for disposal on a regular basis. For hazardous wastes such as used toner cartridges, ink cartridges and chemical waste, each school has designated special collection point which is under strict management. The hazardous wastes are then regularly collected by a qualified third party for recycling and disposal to ensure a clean, hygienic and pollution-free campus. In 2021, the Group has updated the school logistics management system and issued Administrative Measures for Standards and Implementation of School Logistics Five-star Service (《學校後勤五星服務標準及實施管理辦法》) to standardize waste management and environmental maintenance in each school.

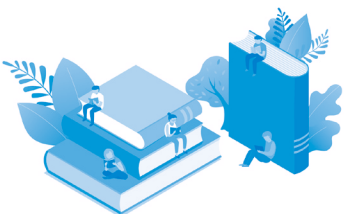
Green Teaching

The Company calls on students to be mindful of the surrounding environment and develop environmental awareness of environmental protection and living in harmony with nature. Tianli Education incorporates the environmental education and green concepts into its daily teaching. In terms of curriculum system, each school include environmental education into textbooks and syllabus, combining curriculum learning with environmental awareness to cultivate students to subconsciously develop a good habit of caring for the environment. In terms of lecture delivering, in addition to regular theme lectures, a least one thematic talk on the environment is organized every semester in each school. In school activities, environmental protection-related speech contests, social practices, voluntary activities and others are also carried out as educational entertainment in order to build school culture that values and advocates environmental protection.

Responding to Climate Change

In the face of frequent extreme weather such as global warming, floods and disasters, Tianli Education plans to formulate polices and measures in relation to climate change in order to identify the risks and impacts of climate change on the Company. In daily operations, we proactively take measures to save water resources, make reasonable irrigation, and improve resource utilization efficiency.

In order to ensure students and teaching faculty's capability of emergency response under extreme weather, Tianli Education carries out firefighting, emergency rescue and other drills every year, summaries the drill process and effectiveness in a timely manner, and analyzes the optimized path and continuously enhances the emergency plan, so as to improve teachers and students' capability to handle emergencies.



SCHOOL-COMMUNITY COOPERATION

Schools are part of the society and education is the driver of society. Tianli Education has been upholding the school-community cooperation concept of “education is everywhere”. Upholding enterprise’s social responsibility, we realized school-family-society interaction and created a mutually-beneficial community for all stakeholders to grow together. As the epidemic rages, we not only carry out effective epidemic control, but also ensures high standard of teaching activities and teaching quality, joining schools and communities together to achieve cooperation.

Fighting the Epidemic Together

In 2021, the examination research institute of the Group surveyed all middle-school and high-school graduates in school and carried out supporting works. The three supervision departments and middle school quality supervisors help building a healthy and hygiene environment that supports the school’s teaching quality by expending greater efforts in inspection and examination works for every campus.

In addition, the Group issued Administrative Measures for Standards and Implementation of School Logistics Five-star Service. All school districts conducted the “five-star” logistics service assessment and actively performed epidemic prevention and control drill. People going into or out of campus should strictly comply with the system of “Wear Masks–One Code for Each–Temperature Detection and Registration (戴口罩-一人一碼-測溫登記)”; measures such as “Three Check-ups a Day (一日三檢)” and disinfection for campus are in force. The learning quality of the students is guaranteed on the premise of overall and effective epidemic prevention and control.

Families and Schools Join Together

Schools are the culture mediums of education the nutrient solution of which is parents. “We educate with precept, you educate with examples (言傳在此，身教在彼)”. We believe that parents are the first responsible persons in respect of education. To better integrate resources in family and school, the Group strives to form an “education at both family and school” education model. For a long time, the school districts of the Group have been insisting on running family-school WeChat groups with the parents of students, and regularly giving feedbacks about students’ learning and school lives while providing suggestions and assistance. We strive to join every parent to promote their students’ growth.

Parent satisfaction is a key factor in measuring the quality of our school’s teaching and forms the best driver of school reputation. The Group has developed a survey questionnaire on satisfaction with education quality and periodically conducts survey which serves as an effective evaluation and feedback mechanism. Specific corrective measures and improvements can be made based on the results of the survey to improve the school’s education, management, and service levels. According to the results of the 2021 education quality satisfaction survey questionnaire, parent’s satisfaction level is 95.76%, 1.63% higher than that of 2020.



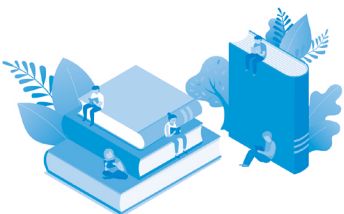
Enthusiastic in Public Welfare

The developments of public welfare undertakings and enterprises complement and promote each other. Participating in public welfare undertakings is not only an obligatory social responsibility of an enterprise, but is also necessary for its long-term development. The concept of charity is integrated into the blood of the enterprise and become an important part of the corporate culture.

It is the Group's aspiration to support the world with virtue and kindness and has been devoted to participating in public welfare and donation activities. For a long time, the Tianli Love Heart Public Welfare Foundation is the key supporter for the development of public welfare undertakings. The foundation raises funds through appropriation from the Group, donations of senior management and voluntary contributions from all employees. Since the establishment of the foundation, it has served more than 2,000 people, serving for 1,630 hours in total for education, elderly care, children support, poverty relief, environmental protection, humanistic care purposes and other public welfare and charity activities.

In 2021, by means of donation projects, the Group carried out education and poverty alleviation in recipient areas. With long-term educational assistance in Liangshan Prefecture, Sichuan, effective "access to education (扶智)" is provided for under-developed areas and the Group won the title of "10,000 enterprises assisting 10,000 villages (萬企幫萬村)" as an advanced unit in targeted poverty alleviation action of Sichuan Province. In order to help the development of China's education, the Group has subsidized a certain percentage of outstanding and poor children in Liangshan Prefecture to attend Xichang Tianli High School for free every year since 2020, striving to help children in poverty-stricken areas receive good basic education.

At the same time, we strongly advocate the innovative and practical education concept of "School and Community Join Together to Cooperate and Coordinate (校社攜手、共育共建)". Under the premise of preventing and controlling the epidemic, we organize students to participate in community participation activities and actively carry out various voluntary activities. An essay competition with the theme of "Fighting the Epidemic" was organized and students were led to carry out a series of voluntary activities such as "Visit Nursing Home and Caring for the Elderly (走進敬老院·關愛老年人)". While taking the positive energy of repaying the society through social welfare undertakings as part of our strength and core competitiveness of the group, the Group teaches students to develop their beliefs and values, pay back the society with responsibilities and public welfare awareness, and create a good social welfare environment.



APPENDIX I ESG DATA LIST

ESG Indicator	Unit	2021	2020	2019	
A.	Environment				
A1.	Emissions				
A1.2	Greenhouse gas emissions in total and intensity				
	Direct GHG emissions (scope I)	Ton (CO ₂ equivalent)	8,790.39	10,022.40	4542.70
	Indirect GHG emissions (scope II)	Ton (CO ₂ equivalent)	21,582.65	14,139.50	8,470.90
	Total GHG emissions	Ton (CO ₂ equivalent)	30,373.04	24,161.90	13,013.70
	GHG intensity	Ton (CO ₂ equivalent)/ million operating revenue	33	18.60	14.20
A1.3	Hazardous waste generated				
	Total amount of hazardous wastes	Kilogram	5,727.98	2,813	1,765
	Intensity of hazardous wastes	Kilogram/million operating revenue	6.20	2.20	1.90
A1.4	Non-hazardous waste generated				
	Total amount of non-hazardous wastes	Ton	7,568.68	4,845	3,219
	Intensity of non-hazardous wastes	Ton/million operating revenue	8.20	3.70	3.50
	Daily life garbage	Ton	3,883.50	2,263.80	2,387.40
	Kitchen garbage	Ton	3,685.19	2,581.10	831.90
	Wasted paper	Ton	/	/	/
A2.	Use of Resources				
A2.1	Total energy consumption and intensity				
	Total energy consumption	Ton standard coal	8,052.90	8,660.30	4,628.40
	Energy consumption intensity	Ton standard coal/million operating revenue	8.80	6.70	5
	Gasoline consumption	Liter	296,865.50	1,450,143.30	256,003.40
	Diesel consumption	Liter	10,188.60	39,954.60	4,617.10
	Natural gas consumption	Cubic meter	3,483,678.70	3,062,770.80	1,807,912.50
	Pipeline gas consumption	Cubic meter	206,633.00	0	171,635.50
	Outsourced electricity	kWh	30,678,958.70	25,399,313.80	16,111,679.40
A2.2	Water resource consumption and intensity				
	Water used in life and offices	Ton	2,090,400.70	1,666,311.10	1,352,844.50
	Water use intensity	Ton/million operating revenue	2,273.70	1,284.10	1,474.70
B.	Society				
B1.	Employment				
B1.1	Number of employees by gender, employment type, age group and geographical region				
	Total workforce	Person	8,828	6,949	5,299
Gender	Male	Person	2,776	2,029	1,570
	Female	Person	6,052	4,920	3,729
Employee type	Administrative and managerial employees	Person	216	111	127
	Teacher	Person	4,813	3,474	2,724
	Staff	Person	3,799	3,364	2,448
Age	Under 30 years old	Person	2,907	3,288	1,619
	30 to 50 years old	Person	4,757	3,769	3,071
	Above 50 years old	Person	1,164	892	609
Geographical region	Sichuan Province	Person	5,610	5,193	4,000
	Mainland China (excluding Sichuan Province)	Person	3,217	1,748	1,299
	Overseas	Person	1	8	0
B1.2	Employee turnover rate by gender, age group and geographical region				
	Employee turnover rate	%	10.61	/	/
Gender	Male employee turnover rate	%	8.44	/	/
	Female employee turnover rate	%	11.12	/	/
Employee type	Turnover rate of administrative and managerial employees	%	4.63	/	/
	Turnover rate of teachers	%	7.57	/	/



ESG Indicator		Unit	2021	2020	2019
Age	Turnover rate of staff	%	14.89	/	/
	Turnover rate of employees aged under 30	%	8.38	/	/
	Turnover rate of employees aged 30 to 50	%	11.97	/	/
	Turnover rate of employees aged above 50	%	8.51	/	/
Geographical region	Turnover rate of employees in Sichuan Province	%	8.96	/	/
	Turnover rate of employees in Mainland China (excluding Sichuan Province)	%	13.34	/	/
B2.	Health and Safety				
B2.1	Number of work-related fatalities				
	Number of work-related fatalities	Person	2	0	0
B3.	Development and Training*				
B3.1	Number of employees trained by gender and employee category				
	Total number of employees trained	Person	2,592	1,818	2,540
Gender	Male	Person	1,251	978	998
	Female	Person	1,341	840	1,542
Employee type	Administrative and managerial employees	Person	216	1,160	121
	Teacher	Person	1,684	658	1,615
	Staff	Person	692	0	804
B3.2	Training hours completed per employee by gender and employee category				
	Average training hours	Hour	34.57	12.4	72.70
Gender	Male	Hour	27.35	18.20	93.30
	Female	Hour	41.31	10	64
Employee type	Teacher	Hour	50.56	9.50	102.10
	Managerial and administrative employees	Hour	22.12	451.00	211.80
	Staff	Hour	36.72	0	32.60
B5.	Supply Chain Management				
B5.1	Number of suppliers by geographical region				
	Number of suppliers in Sichuan Province	Supplier	484	439	338
	Number of suppliers in Mainland China (excluding Sichuan Province but including Hong Kong, Macao and Taiwan)	Supplier	191	238	77
	Number of overseas suppliers	Supplier	3	0	0
B6.	Product Liability				
B6.2	Number of product and service-related complaints received				
	Handling rate of service-related complaints	%	100	100	100
B7.	Anti-corruption				
B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the Reporting Period				
	Number of proposed or concluded corruption litigation cases	Case	0	0	0
B8.	Community Investment				
B8.2	Resources contributed to the focus area				
	Charitable donations	Ten thousand	80	11	662

* Data scope specification: the statistics scope for the B3 Development and Training indicator is based on the trainings received by teachers, administrative and managerial employees and other staff on the group level in the Group, excluding training courses or events autonomously conducted by the schools of the Group.

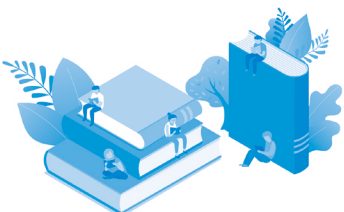


APPENDIX II ESG KPI INDEX

ESG KPI	Guide Requirements	Reporting Chapter/Statement
A1 : Emissions	General disclosure	Sustainable Development – Protecting the Environment
	A1.1 The types of emissions and respective emissions data.	Sustainable Development – Protecting the Environment Appendix I ESG Data List
	A1.2 Greenhouse gas emissions in total and intensity.	Appendix I ESG Data List
	A1.3 Total hazardous waste produced and, where appropriate, intensity.	Appendix I ESG Data List
	A1.4 Total non-hazardous waste produced and, where appropriate, intensity.	Appendix I ESG Data List
	A1.5 Description of measures to mitigate emissions and results achieved.	Sustainable Development – Protecting the Environment
	A1.6 Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved.	Sustainable Development – Protecting the Environment
A2 : Use of Resources	General disclosure	Sustainable Development – Protecting the Environment Appendix I ESG Data List
	A2.1 Direct and/or indirect energy consumption by type in total and intensity.	Appendix I ESG Data List
	A2.2 Water consumption in total and intensity.	Appendix I ESG Data List
	A2.3 Description of energy use efficiency initiatives and results achieved.	Sustainable Development – Protecting the Environment
	A2.4 Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved.	Sustainable Development – Protecting the Environment This is no such issue in sourcing water that is fit for purpose during the Group's operation.
	A2.5 Total packaging material used for finished products and with reference to per unit produced.	Not applicable. The Group does not produce actual finished products during its operation.
A3 : Environment and Natural Resources	General disclosure	Sustainable Development – Protecting the Environment
	A3.1 Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Sustainable Development – Protecting the Environment
A4 : climate change	General disclosure	Sustainable Development – Protecting the environment
	A4.1 Describe material climate-related issues that have and may have an impact on the issuer, and actions to address them	Sustainable Development – Protecting the environment



ESG KPI	Guide Requirements	Reporting Chapter/Statement
B1 : Employment	General disclosure	Teachers Happiness – Development Path Teachers Happiness – Open Development Road
	B1.1 Total workforce by gender, employment type, age group and geographical region.	Appendix I ESG Data List
B2 : Health and Safety	B1.2 Employee turnover rate by gender, age group and geographical region.	Teachers Happiness – Open Development Road Appendix I ESG Data List
	General disclosure	Teachers Happiness – Open Development Road Student-oriented approach – Ensuring Campus Safety
B3 : Development and Training	B2.1 Number and rate of work-related fatalities.	Teachers Happiness – Open Development Road Appendix I ESG Data List
	B2.2 Lost days due to work injury.	/
	B2.3 Description of occupational health and safety measures adopted, how they are implemented and monitored.	Teachers Happiness – Open Development Road/Student-oriented – Ensuring Campus Safety
B4 : Labor Standards	General disclosure	Teachers Happiness – Focus on Talent Cultivation
	B3.1 Percentage of employees trained by gender and employee type.	Teachers Happiness – Focus on Talent Cultivation Appendix I ESG Data List
B5 : Supply Chain Management	B3.2 Average training hours completed per employee by gender and employee type.	Teachers Happiness – Focus on Talent Cultivation Appendix I ESG Data List
	General disclosure	Teachers Happiness – Open Development Road
B5 : Supply Chain Management	B4.1 Description of measures to review employment practices to prevent child and forced labor.	Teachers Happiness – Open Development Road
	B4.2 Description of steps taken to eliminate such practices when discovered.	Teachers Happiness – Open Development Road
	B5.1 Number of suppliers by geographical region.	Sustainable Development – Ensuring Operation Compliance Sustainable Development – Ensuring Operation Compliance Appendix I ESG Data List
	B5.2 Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	Sustainable Development – Ensuring Operation Compliance
B5 : Supply Chain Management	B5.3 Describe the practices for identifying environmental and social risks at each stage of the supply chain, and how they are implemented and monitored	Sustainable Development – Ensuring Operation Compliance
	B5.4 Describe practices that promote the use of environmentally friendly products and services when selecting suppliers, and how they are implemented and monitored	Sustainable Development – Ensuring Operation Compliance



ESG KPI	Guide Requirements	Reporting Chapter/Statement
B6 : Product Liability	General disclosure	Student-oriented
	B6.1 Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Not applicable. The Group does not involve product quality assurances and recalls during its operation.
	B6.2 Number of products and service related complaints received and how they are dealt with.	School-Community Cooperation – Families and Schools Join Together Appendix I ESG Data List
	B6.3 Description of practices relating to observing and protecting intellectual property rights.	Sustainable Development – Ensuring Operation Compliance
	B6.4 Description of quality assurance process and recall procedures.	Not applicable. The Group does not involve product quality assurances and recalls during its operation.
B7 : Anti-corruption	B6.5 Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Sustainable Development – Ensuring Operation Compliance
	General disclosure	Sustainable Development – Ensuring Operation Compliance
	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.	Sustainable Development – Ensuring Operation Compliance Appendix I ESG Data List
B8 : Community Investment	B7.2 Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Sustainable Development – Ensuring Operation Compliance
	B7.3 Description of anti-corruption training provided to directors and employees	Sustainable Development – Ensuring Operation Compliance
	General disclosure	School-Community Cooperation – Enthusiastic in Public Welfare
	B8.1 Focus areas of contribution.	School-Community Cooperation – Enthusiastic in Public Welfare
	B8.2 Resources contributed to the focus area.	School-Community Cooperation – Enthusiastic in Public Welfare Appendix I ESG Data List