



Wisdom Education International Holdings Company Limited 睿見教育國際控股有限公司

(incorporated in the Cayman Islands with limited liability)

Stock code : 6068

Environmental, Social and Governance Report 2018

以誠心服務社會

以愛心培育人才



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Overview



Wisdom Education International Holdings Company Limited (the “Company”) (stock code: 6068), together with its subsidiaries and consolidated affiliated entities (collectively referred to as the “Group” or “we”, “us”, “our”) is pleased to present its Environmental, Social and Governance Report for the year ended 31 August 2018 (the “Report”).

We are a private education group operating premium primary schools and secondary schools. Our educational objectives are “serving the society with honesty and integrity through our services and cultivating talents with a warm and loving heart”. During the year ended 31 August 2018, we operated eight schools, three of which are located in Dongguan, Guangdong Province, two in Weifang, Shandong Province, and the remaining three in Huizhou and Jieyang, Guangdong Province, and Panjin, Liaoning Province. Our students are mainly from middle or upper class Chinese families.

Overview



Scope of the Report and the Reporting Period

The Report primarily covers two of our key flagship schools in Dongguan, Guangdong Province, including Dongguan Guangming Primary School (“Guangming Primary School”) and Dongguan Guangming School (“Guangming School”), which are located at the same place as the Group’s head office. The number of students and income of Guangming Primary School and Guangming School have accounted for approximately 50% of the total number of students and total income of the Group. On the basis of materiality, we are of the view that the scope of the Report will focus on Guangming Primary School and Guangming School.

Unless otherwise stated, the Report covers the environmental, social and governance performance of Guangming Primary School and Guangming School for the period from 1 September 2017 to 31 August 2018 (“FY2018”).

Reporting Standards

The Report is prepared in accordance with the applicable disclosure provisions as set forth in the Environmental, Social and Governance Reporting Guide in Appendix 27 to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited. For details of our corporate governance, please refer to the “Corporate Governance Report” in the Group’s annual report for the year ended 31 August 2018.

Communication with Stakeholders



We believe that obtaining the opinions of stakeholders will help us to formulate or adjust our sustainable development strategies. The Group attaches great importance to the valuable opinions of stakeholders and actively understands the demands of stakeholders and their expectations of the Group through two-way interactive and different communication channels and platforms. The following table sets forth the regular channels and content of our communication with major stakeholders during daily operations:

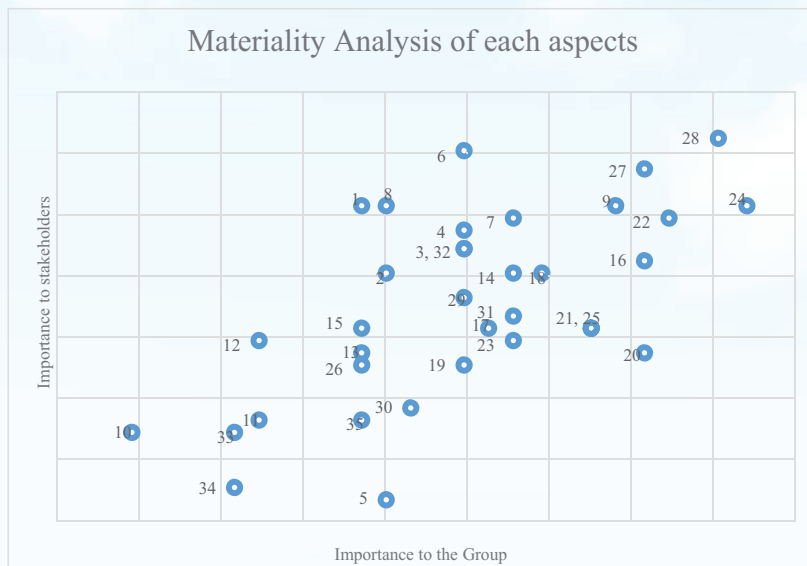
Stakeholder group	Concerns	Communication channel
Students and parents	<ul style="list-style-type: none"> — Teaching quality and resources — School safety management — Learning opportunities and support 	<ul style="list-style-type: none"> — Survey on students' satisfaction — Open day for parents — Family education lecture classes — Forum — WeChat official account
Teachers and staff	<ul style="list-style-type: none"> — Good career development platform — Comfortable working environment — Health and safety — Work-life balance 	<ul style="list-style-type: none"> — Training, seminars and briefings — Intranet — Emails — Work performance evaluation — Work meetings — Corporate celebrations and cultural events
Shareholders and investors	<ul style="list-style-type: none"> — Performance and operations — Return on investment — Protecting shareholders' equity and equal treatment 	<ul style="list-style-type: none"> — Corporate website — Corporate communications (financial reports, sustainability reports and shareholder circulars) — General meetings of shareholders
Government agencies	<ul style="list-style-type: none"> — Operate in compliance with laws and regulations — Pay taxes on time — Promote regional economic development and employment 	<ul style="list-style-type: none"> — School inspection — Submission of documents
Peers or business partners	<ul style="list-style-type: none"> — Promote industry development — Experience sharing — Cooperation opportunities 	<ul style="list-style-type: none"> — Industry conference — Exhibition — School visits

In order to enhance the Company's future business and sustainable development performance, and to prepare a better report in future, you are welcome to provide your valuable comments and advice by email to ir@wisdomeducationintl.com.

Identification and Prioritization of Material Aspects

During the preparation of the Report, we used questionnaires to understand the concerns of various stakeholders (including students, parents, peers/business partners, shareholders, suppliers, government agencies, and management representatives). At the same time, we also learned more about various stakeholders' evaluations and expectations of our social responsibility performance in last year, thus helping us to formulate a framework for the Report in response to stakeholders' comments.

The Group's materiality matrix is presented below. The top right-handed corner of the matrix represents the environmental, social and governance issues that our stakeholders are most concerned about. As indicated by the materiality matrix, the top 3 concerned issues, including Qualification of Teachers and Teaching Quality, Food Safety in Campus and Accidents in campus.



Note: The numbers in the above matrix represent the environmental, social and governance issues indicated in the following table.



Identification and Prioritization of Material Aspects

Aspect number

Working environment quality	Environmental protection and green operations	Operating routine	Service responsibilities	Community contribution
1. Teacher diversity and equal opportunities	10. Sewage discharge	20. Selection procedures of food, educational services and educational materials supplier	24. Qualification of teacher and teaching quality	33. Community volunteer activities
2. Turnover rate of teacher and other school staff	11. Greenhouse gas emissions	21. Anti-fraud and corruption	25. Parent and student satisfaction	34. Charitable donation
3. Occupational safety and health for teacher	12. Exhaust emission	22. Emergency response plan	26. Student or school awards and honor	35. Subsidy to students
4. Training and development for teacher and school principal	13. Dangerous and non-hazardous waste disposal	23. Legality and compliance of operational practices	27. Accidents in campus	
5. Prevent child labour and forced labour	14. Energy and water saving		28. Food safety in campus	
6. Hire and retain outstanding and responsible teachers and other school staff	15. Natural resource use		29. Complaint handling	
7. Remuneration package for teacher	16. Environmental and social performance assessment on food, educational services and educational materials suppliers'		30. Trademark, trade name or other intellectual property rights protection	
8. Benefits/recreational activities for teachers and other school staff	17. Environmental education and publicity		31. Protection of students and teachers' sensitive and private data	
9. Legality and compliance in employment	18. Legality and compliance in environmental protection		32. Logistics services	
	19. Environmental policy			

Safe Environment and Clean Campus

School safety is undoubtedly one of the areas we put the highest emphasis on. We refer to the Administrative Measures of Safety of Kindergartens, Primary and Middle School (《中小學幼稚園安全管理辦法》), the Law on the Protection of Minors of the PRC (《中華人民共和國未成年人保護法》), and the Eight Measures for Public Security Organs to Maintain Security Order in School and Surrounding Areas (《公安機關維護校園及周邊治安秩序八條措施》), to establish our systems. We also implement various measures to protect the personal safety of students in campus in accordance with the Six Measures on Further Improving Safety in Primary and Middle Schools promulgated by Ministry of Education of the PRC (《關於進一步做好中小學安全工作六條措施》).

School and Dormitory Security

We ensure the safety of school and dormitory mainly by the following measures:

- Posting different safety signs in school and workplace, and making sure that all emergency exits are kept unobstructed.
- Holding safety work meetings regularly to review the implementation and effectiveness of various safety management measures.
- There is a traffic police room on campus to assist in management of traffic conditions near the school and enhance the road safety of teachers and students.
- There are security guards on campus, who are required to receive regular trainings on fire prevention and security management to ensure they are equipped with sufficient knowledge to handle any emergency on campus.
- We strictly forbid any form of bullying. Teachers are assigned to each floor of dormitory buildings to take care of resident students' daily routine and mental health, and provide counseling for students in need.
- Annual inspections and updates on fire service system are carried out annually according to the requirements of the local education bureau to ensure that the fire service system is functioning properly. At the same time, trainings on fire fighting and fire drills are held regularly in school to enhance the fire safety awareness and emergency escape and response ability of teachers and students.
- To ensure that students can safely travel between home and school, we offer school bus service. At the same time, we have also formulated the Safety Management Regulations on School Buses (《接送校車安全管理制度》) to monitor the quality of school bus contractors and to ensure the safety of school bus operations.

Hygiene in Campus and Canteen

To ensure school sanitation, we have developed the School Environmental Sanitation and Disinfection Regulations (《校園環境衛生消毒制度》), which set out the cleaning schedule. We have also developed the Physical Examination Management Regulations on Primary and Secondary School Students (《中小學學生體檢管理制度》) and the Physical Examination Management Regulations on Staff of Primary and Secondary School (《中小學職工體檢管理制度》) in accordance with the requirements of the national health department, requiring newly recruited students and new employed teachers and staff to properly register for medical examinations. At the same time, we also require students, teachers and staff to conduct a comprehensive physical examination every year to ensure early detection of potential health problems and to seek appropriate treatments.

The canteens of our schools have obtained corresponding licenses in accordance with the laws. We must comply with the Regulations on Hygiene Administration of School Canteens and Collective Dining of Students (《學校食堂與學生集體用餐衛生管理規定》), the Production Safety Law of the PRC (《中華人民共和國安全生產法》), the Food Safety Law of the PRC (《中華人民共和國食品安全法》), and the Food Sanitation Law of the PRC (《中華人民共和國食品衛生法》). In order to ensure the hygiene and food safety of canteens, we have appointed full-time or part-time food hygiene management personnel and formulated the Student Canteen Hygiene Management Regulations (《學生食堂衛生管理制度》), Canteen Staff Health Check (《食堂員工健康檢查》), Training System of Knowledge on Hygiene (《衛生知識培訓制度》) and Restaurant Food Hygiene and Safety Regulations (《餐廳食品衛生安全規定》), making sure canteens are kept clean and tidy. In FY2018, we did not find any violations of hygiene or safety related laws and regulations.



Publicity in Compliance and Excellent Talents Recruitment



In order to attract high-quality talents to apply for our schools, we use a variety of marketing and enrollment methods, including publicity in newspapers and other media, inviting parents and students to visit the school, distributing brochures, providing trial classes and tuition discounts, etc. All of our external promotional documents and plans are subject to the Advertisement Law of the PRC (《中華人民共和國廣告法》). We have developed Publicity Work Management Regulations (《宣傳工作管理制度》) to ensure that there are no false or inaccurate content in any promotional document. In FY2018, we were not aware of any violations of advertising, labeling and privacy laws.



All-round Development and Extraordinary Achievements

In addition to focusing on student learning, we also emphasize the importance of students' diverse development and cultivate their interest in physical and aesthetic education. In FY2018, our students also won many awards and recognitions in physical and aesthetic aspects.



Guangming Primary School

- Group First Class Award in the Guangdong Provincial Finals of the 6th National Primary and Middle School Students' Chinese Language Proficiency Competition (Winter Competition)
- Outstanding Organization Award in the Guangdong Provincial Finals of the 6th National Primary and Middle School Students' Chinese Language Proficiency Competition (Winter Competition)
- First Class Award for the highest score among Compulsory Education Groups in the 5th Primary and Middle School PE Teachers' Teaching Skills Competition in Dongguan
- First Class Award for Excellent Organization in Dongguan Youth Technology Innovation Competition 2017

Guangming School

- Second Runner up (Junior Men's Team) in Dongguan Middle School Students' Basketball Competition 2017
- First Class Award (Junior Group) in Dongguan Primary and Middle School Students' Aerobics Competition 2017
- First Class Award in Guangdong Primary and Middle School Students' Aerobics Cheerleading League 2017
- First Class Award (Horn Team) in Dongguan Primary and Middle School Instrumental Music Competition
- Special Award (Middle School, writing brush) in the 9th Dongguan Standardized Chinese Character Writing Competition in 2017
- Champion of 2017-2018 China Junior High School Basketball League Selection Competition (Guangdong Province)



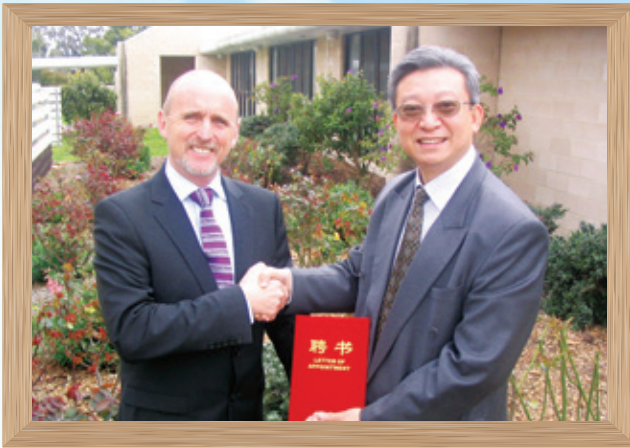
Family and School Cooperating and Growing Together



One of the most important factors in achieving good results in education is the communication and cooperation between the school and parents. We promote school-parent communication by organizing various family-school activities such as parents-teachers' association, mother choirs, father basketball teams, parents' school day and parent invigilation teams. It would let parents know more about their children's lives at school.



Quality Teaching and Nurturing Talents



We have been committed to providing quality teaching to nurture talents and we enhance the quality of teaching mainly through the following measures:

- Hiring qualified and experienced teachers
- Hiring foreign teachers to teach English courses, to help students improve their language skills
- In addition to providing all-round education and diverse learning opportunities, we are also committed to equipping students by broadening their horizons through organizing different exchange groups. In FY2018, some students participated in the study tour to the Royal Boarding School in the UK to experience and learn to appreciate different learning cultures
- Rewarding outstanding students and encourage students to study hard through various scholarships
- Regularly monitoring students' progress and provide tailor-model guidance
- Increasing academic exchange by visiting other schools and continuously improve education model

In FY2018, our college entrance examination candidates achieved the following impressive results:

- First place in Dongguan City, the top three in Guangdong Province (Arts stream)
- National science champion in Hong Kong, Macao and Taiwan Joint Examination
- Over 130 students were admitted to the Chinese University of Hong Kong, Shanghai Jiaotong University, Wuhan University and other famous schools
- 8 students were admitted to the Central Academy of Fine Arts, Beijing Film Academy, Beijing Sport University, etc
- 100% of International Department graduates were admitted to the top 200 universities in the world

Investing for the Future and Giving Back to Society



We have been promoting the development of Student's moral character, by adding topics such as environmental protection, cherishing and making good use of natural resources to the curriculum, and organizing the annual "Inspirational Students Award" and "Top 10 Guangming Stars" for recognition of teachers, staff and students who have contributed to the development of Guangming School. At the same time, we also provide grant in order to care for and offer financial assistance to students with excellent academic performance whose families face financial difficulties. In addition, we also proactively undertake corporate social responsibility and focus on people's livelihood needs. We sponsorships or participated in community activities in FY2018, such as cleaning streets, visiting children's welfare homes and supported charities through making nursing homes, etc., to provide assistance and support to those in need, which at the same time provides valuable lessons for the development of Students' moral character. In addition, we also hope to train the future leaders for society by providing leadership training courses, in the hope of giving back to society.

Quality Procurement and Quality Audit



Most of our suppliers are food, renovation works, equipment and materials vendors. In order to effectively manage procurement and tendering activities, we have formulated the Tendering Management Policy (《招標管理規定》), Procurement Management Policy (《採購管理制度》), Supplier Management Policy (《供應商管理制度》), and Acceptance Management Policy (《驗收管理制度》). We conduct quality audits on the purchased products, and we will entrust independent third party for inspection before the launch of some products in order to meet quality standards. We have established a List of Qualified Suppliers (《合格供應商名單》), identifying new suppliers regularly and conducting annual review over suppliers' integrity and service performance. During the review process, we will consider factors such as the scale, qualifications, reputation and quotation of suppliers. In addition, there are different qualified suppliers in the same product category to ensure stable supply and reduce procurement risks. At the same time, we respect intellectual property owners and insist on purchasing and using licensed software and hardware products. Reviewing the FY2018, we were not aware of any violations of the intellectual property regulations set out in the Tort Liability Law of the PRC (《中華人民共和國侵權責任法》).

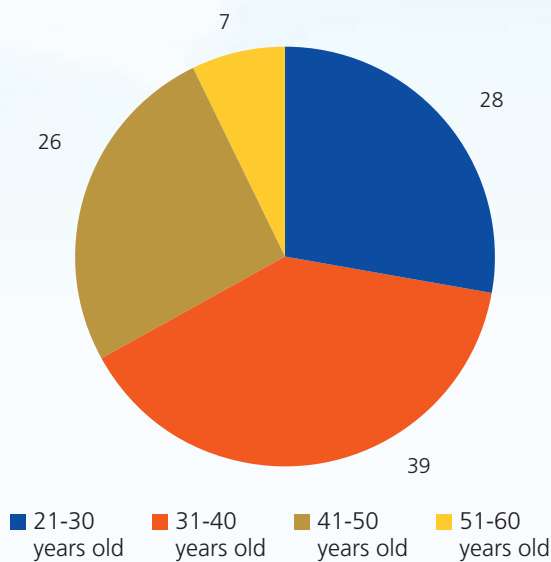


Recruiting Excellent Teachers and Providing Equal Opportunities

In FY2018, Guangming Primary School had 1,197 full-time employees, including 926 teachers and 271 staff members.

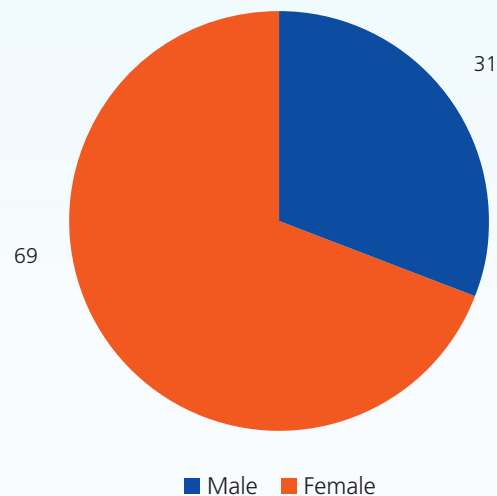
Percentage of age distribution

(%)



Percentage of gender distributio

(%)



We recruit teachers through different channels and methods, including school recruitment, general public recruitment, candidate self-recommendation, and online recruitment network. In order to ensure that the recruitment is fair and in line with the school requirements, the recruitment will be conducted by the assessment leading group consists of the school principal and person-in-charge of the relevant subject in accordance with the Teacher Recruitment Program (《教師招聘方案》) and the Faculty Recruitment and Employment Regulations (《職工招聘與錄用規定》). When making a recruitment decision, we primarily consider the professional, academic and technical qualifications, abilities, skills, past experience and actual performance, physical and mental conditions of the job seeker. We provide equal employment opportunities for job seekers of different nationalities, races, genders, religious beliefs or cultural backgrounds. We are committed to providing equal opportunities during recruitment and maintaining a work environment that is freedom from discrimination or harassment based on seniority, nationality, gender, age, marital status, disability, race, color, religion or sexual orientation. Teachers will not be disciplined or dismissed unless they seriously violate the rules and regulations of the unit, violate relevant laws and regulations, and fail to pass performance appraisal. The dismissal of any faculty member or other staff is strictly subject to relevant laws and regulations, including the Labour Law of the PRC (《中華人民共和國勞動法》) and the laws and regulations applicable to private educational institutions.

In FY2018, the Group was not aware of any non-compliance with any laws and regulations relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunities, diversification, anti-discrimination and other benefits, which had a material impact on the Group.



Continuous Training to Improve Quality



We are convinced that a good teacher and staff team is essential. All kinds of trainings not only our staff for personal development, but also ensure that the teaching quality and methods keep abreast of the times, and stay ahead in the field of increasingly competitive private education. In order to enhance the professional knowledge of teachers, we develop various training programs every year according to the Teacher and Staff Training Policy (《教職工培訓制度》). The trainings include two types:

- **Induction programmes**

Introduce our corporate culture, rules and practices to our new staff, help new staffs to understand the Group, the working environment and get started to work quickly.

- **On-the-job trainings**

Staff are required to receive training from internal or external professionals every academic year. This includes professional skills development and management skills. Last year, we also provided teachers with the opportunity to other school exchanges, aiming to enhance the quality of teaching through mutual learning and appreciation.



Competitive Remuneration and Attractive Benefits



We provide competitive remuneration and welfare package to attract and retain high-caliber teachers. All teachers and staff are required to undergo annual assessment, and their remunerations and grades will be adjusted subject to the assessment results. In addition, we will provide a special bonus for certain statutory holidays to enhance employees' sense of belonging to the Company.

We do not encourage overtime work. The working hours for teachers and staff shall not exceed 8 hours per day. For some positions such as drivers, a flexible working hour mechanism will be adopted due to the duties involved. To achieve work life balance of teachers and staff, our schools have staff committee to organize different activities for the teachers and staff, such as volunteer activities, yoga classes, sports and cultural weeks, singing competitions, dance networking activities, etc.



Labour Standards Being Legal and in Compliance



We are committed to eliminating all forms of forced labour and supporting the effective abolition of child labour. We strictly prohibit the use of child labour. In order to avoid the employment of child labour, job seekers are required to present identification documents during the recruitment process. In addition, we respect employee freedom, and each employee will sign a labour contract on an equal and voluntary basis to avoid any form of forced labour. If violations are identified, we will conduct investigation and hold relevant personnel responsible. At the same time, employees can report to the management at any time any case in which their rights have been violated. In FY2018, we were not aware of any non-compliance with the laws and regulations governing the employment of child labour or forced labour.

Environmental Protection

Greenhouse gas and air emissions

The air pollutants, domestic sewage and domestic garbage generated in our campus have no significant impact on the environment. Our greenhouse gas emissions are mainly from the use of electricity in offices and campus, natural gas for canteen, fuel oil for vehicles and lawn mowers. In order to reduce energy consumption and emissions, we have taken the following measures:

Emission reduction	<ul style="list-style-type: none"> • When replacing high-power-consuming equipment such as air-conditioners, we will take energy efficiency as one of the considerations. • Planting green plants in campus, and formulating the Landscape Planning and Management Policy (《園林規劃與管理制度》), clearly requiring that school green area shall reach or exceed 40% of the total campus area. • Encouraging faculty members to travel by public transport means • Using video or audio conferencing for business meetings to reduce the frequency of traveling by air for business • Using energy-saving lighting • Maintaining indoor temperature of offices at over 26°C • Encouraging the staff to shut down the computer equipment and other office equipment when they are not in use • Strengthening daily vehicle maintenance to reduce vehicle emissions • Planting green plants in campus
Energy saving	<ul style="list-style-type: none"> • An air-source heat pump water-heater unit is installed on the dormitory roof top. The refrigerant in the unit absorbs the low-temperature heat energy in the air, which is converted into high-temperature heat energy after being compressed by the compressor, to heat the domestic water of the dormitory and reduce energy consumption • Utilizing natural lighting whenever possible • Cleaning windows regularly to maximize natural light • Posting light-off reminder notice • Turning off lights that are not in use during lunch break • Maintaining indoor air conditioners at the proper temperature • Reminding employees to turn off computers, printers, lights, and other office equipment that are not in use • Regularly checking various equipment, and conducting prompt repair and maintenance, to reduce water and electricity waste due to damage • Publicizing environmental awareness and posting environmental tips in prominent positions
Water conservation	<ul style="list-style-type: none"> • Posting notices, encouraging employees to remember to turn off the tap after use • Regularly checking and promptly repairing damaged or leaking faucets and water pipes to prevent water waste • Using a large dishwasher to centralised cleaning tableware in the dining hall to reduce water use
Paper reduction	<ul style="list-style-type: none"> • Encouraging teachers' offices to become paperless workplaces and adopting multimedia teaching • Trying to use print on both sides of paper, and setting the printer to print on both sides of paper by default • Reusing single-sided printing paper and other paper products as much as possible, such as envelopes, briefcases and cartons • Setting up recycling bins to collect paper for recycling • Recycling suppliers' packaging cartons
Waste reduction	<ul style="list-style-type: none"> • Actively reusing, recycling and classifying wastes • Reducing the use of plastic water bottles by using water dispensers • Encouraging students to use their own cutleries and reduce the use of disposable tableware • Trying to repair or refresh equipment to avoid replacing entire equipment

Environmental Protection

In FY2018, greenhouse gas and air emissions are as follows:

Environmental KPI	Unit	Value
Total greenhouse gas emissions (Scope 1 and 2)	Metric tons of carbon dioxide equivalent	5,970.33
Direct emissions (Scope 1)	Metric tons of carbon dioxide equivalent	502.59
Indirect emissions (Scope 2)	Metric tons of carbon dioxide equivalent	5,476.55
Total greenhouse gas emissions reduced by planted trees (Scope 1)	Metric tons of carbon dioxide equivalent	8.81
Greenhouse gas emission intensity (Scope 1 and 2)	Metric tons of carbon dioxide equivalent/number of person	0.34
Nitrogen oxides (NOx)	kg	259.64
Sulfur oxide (SOx)	kg	2.18
Particulate matters (PM)	kg	9.23

In FY2018, the data on energy consumption is as follows:

Environmental KPI	Unit	Value
Total energy consumption	MWh	12,812.51
Purchase power	MWh	10,389.96
Diesel	MWh	49.74
Natural gas	MWh	2,207.05
Unleaded gasoline	MWh	165.75
Energy intensity	MWh/number of person	0.72

Solid Waste Management

The main solid wastes generated by us are general campus domestic waste and a small amount of hazardous medical waste generated by the infirmary. For medical waste, we will handle it according to the Medical Waste Management Regulations (《醫療廢物管理條例》) and entrust a qualified third party to collect and transport medical waste to Dongguan Medical Treatment Center for harmless treatment.

Other campus domestic waste is mainly divided into waste paper, e-waste, and food waste, etc. We have engaged third parties to collect and clean up domestic waste and food waste every day. Before disposing of e-waste, we will ensure that all data in the machine has been deleted and formatted. The e-waste will be sold to recyclers to for reduction of e-waste.

To further reduce campus waste, our campus canteen does not provide disposable tableware to students, and students need to bring their own tableware. In addition, to cultivate students' good habits of garbage sorting, we have different garbage collection boxes in campus and in canteen.

¹ Number of person includes the students, teachers and staff of Guangming School and Guangming Primary School.

Environmental Protection

In FY2018, the data on waste is as follows:

Environmental KPI	Unit	Value
Total amount of hazardous waste	Metric tons	0.01
Intensity of hazardous waste	Kg/number of person	0.001
Total amount of non-hazardous waste ¹	Metric tons	850.26
Intensity of non-hazardous waste	Metric tons/number of person	0.05
Electronic equipment recycled	Piece	270
Total amount and intensity of packaging materials ²		Not applicable

Notes:

1. Since there is no data on food waste collected in FY2018, the total amount of non-hazardous waste does not include the amount of food waste generated.
2. As far as the nature of our business is concerned, we did not use packaging materials in FY2018.

Water and Sewage Discharge

The sewage in campus is mainly divided into general domestic wastewater and oily wastewater from the canteen. In order to reduce the impact on the surrounding environment, oily wastewater will be treated first by the grease trap, and then be recycled and disposed of by a third party. Sanitary sewage will be discharged into the municipal sewage pipe according to the requirements of the Integrated Wastewater Discharge Standard (《污水綜合排放標準》) after being treated by a septic tank. We had no problem in obtaining water in FY2018. The data on total water consumption is as follows:

Environmental KPI	Unit	Value
Total water consumption	Cubic meter	1,058,151
Water consumption intensity	Cubic meter/number of person	59.87

Personal Data Privacy



We have developed Documents and Archives Management Policy (《文書檔案管理制度》) to standardize the procedures and steps for processing personal privacy data. We require responsible personnel to process privacy data with care and to only read data according to the procedures listed in the policy when necessary, so as to ensure that the personal data of all students, parents and staff is protected. In FY2018, we were not aware of any breach of the rules and regulations regarding the use of personal data.

Anti-corruption



We strictly forbid any corruption and bribery in work and business dealings, and set a good example for students by developing teachers' virtue. We have developed codes of conduct to regulate employees' daily work behaviors, such as: Integrity and Self-discipline Management Policy (《廉潔自律責任管理制度》) and Policy on Integrity in the Process of Teacher Education (《教師教育過程中的廉潔制度》). All employees are required to abide by various regulations and the applicable laws of the country, such as the Law of the PRC on Anti-Corruption and Anti-Bribery (《中華人民共和國反貪污賄賂法》), the Criminal Law of the PRC (《中華人民共和國刑法》), and the Law of the PRC on Anti-Money Laundering (《中華人民共和國反洗錢法》).

Meanwhile, we have also established a channel for reporting of any suspected misconduct. We will conduct a comprehensive investigation after receiving a report. In FY2018, we did not aware any violations involving bribery, extortion, fraud and money laundering, which had impact on the Group.

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Subject Areas, Aspects, General Disclosures and KPIs		Chapter/Statement	Page No.
A. Environmental			
Aspect A1: Emissions			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Environmental Protection	18
KPI A1.1	The types of emissions and respective emissions data.	Environmental Protection	19
KPI A1.2	Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Environmental Protection	19
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Environmental Protection	20
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Environmental Protection	20
KPI A1.5	Description of measures to mitigate emissions and results achieved.	Environmental Protection	18
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved.	Environmental Protection	19
Aspect A2: Use of Resources			
General Disclosure	Policies on the efficient use of resources including energy, water and other raw materials.	Environmental Protection	18
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).	Environmental Protection	19
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Environmental Protection	20
KPI A2.3	Description of energy use efficiency initiatives and results achieved.	Environmental Protection	18
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved.	Environmental Protection	20
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Environmental Protection	20
Aspect A3: The Environment and Natural Resources			
General Disclosure	Policies on minimizing the issuer's significant impact on the environment and natural resources.	Environmental Protection	18
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Environmental Protection	18

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B. Social			
Employment and Labour Practices			
Aspect B1: Employment			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Recruiting Excellent Teachers and Providing Equal Opportunities Competitive Remuneration and Attractive Benefits	14, 16
KPI B1.1	Total workforce by gender, employment type, age group and geographical region.	Recruiting Excellent Teachers and Providing Equal Opportunities	14
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	Not disclosed for FY2018	Not applicable
Aspect B2: Health and Safety			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Safe Environment and Clean Campus	7
KPI B2.1	Number and rate of work-related fatalities.	Not disclosed for FY2018	Not applicable
KPI B2.2	Lost days due to work injury.	Not disclosed for FY2018	Not applicable
KPI B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	Not disclosed for FY2018	Not applicable
Aspect B3: Development and Training			
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Continuous Training to Improve Quality	15
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Not disclosed for FY2018	Not applicable
KPI B3.2	The average training hours completed per employee by gender and employee category.	Not disclosed for FY2018	Not applicable
Aspect B4: Labour Standards			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Labour Standards Being Legal and in Compliance	17
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	Not disclosed for FY2018	Not applicable
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	Not disclosed for FY2018	Not applicable

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Operating Practices			
Aspect B5: Supply Chain Management			
General Disclosure	Policies on managing environmental and social risks of the supply chain.	Quality Procurement and Quality Audit	13
KPI B5.1	Number of suppliers by geographical region.	Not disclosed for FY2018	Not applicable
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.	Not disclosed for FY2018	Not applicable
Aspect B6: Product Responsibility			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labeling and privacy matters relating to products and services provided and methods of redress.	Publicity in Compliance and Excellent Talents Recruitment Family and School Cooperating and Growing Together Quality Teaching, Nurturing Talents	8, 10, 11
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Not disclosed for FY2018	Not applicable
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	Not disclosed for FY2018	Not applicable
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	Not disclosed for FY2018	Not applicable
KPI B6.4	Description of quality assurance process and recall procedures.	Not disclosed for FY2018	Not applicable
KPI B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	Not disclosed for FY2018	Not applicable
Aspect B7: Anti-corruption			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Anti-corruption	22
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.	Not disclosed for FY2018	Not applicable
KPI B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	Not disclosed for FY2018	Not applicable
Aspect B8: Community Investment			
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Investing for the Future and Giving Back to Society	12
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Not disclosed for FY2018	Not applicable
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	Not disclosed for FY2018	Not applicable



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