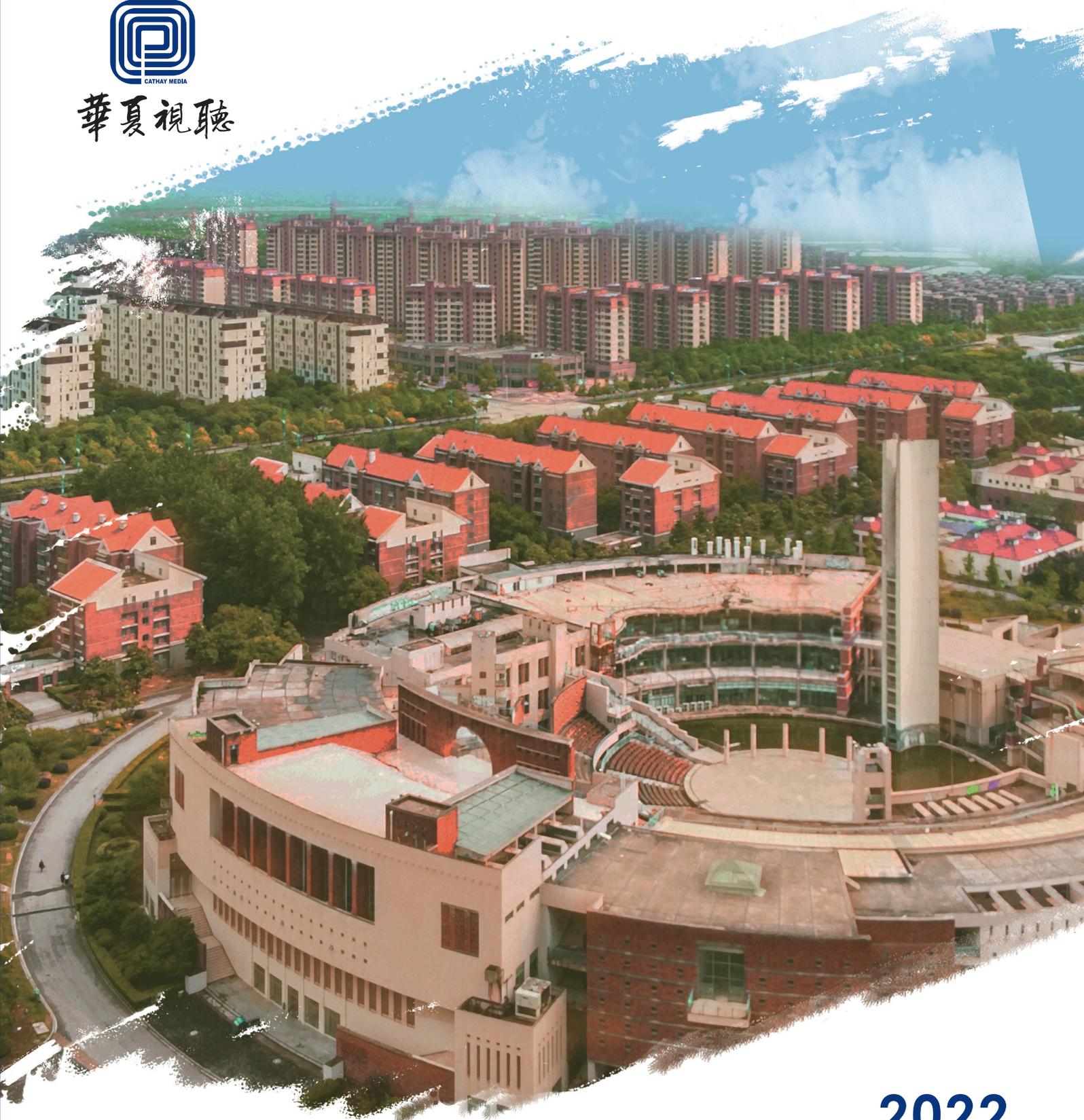




CATHAY MEDIA

華夏視聽



2022

Environmental, Social and
Governance Report

CATHAY MEDIA AND EDUCATION GROUP INC.

華夏視聽教育集團

(Incorporated in the Cayman Islands with limited liability)

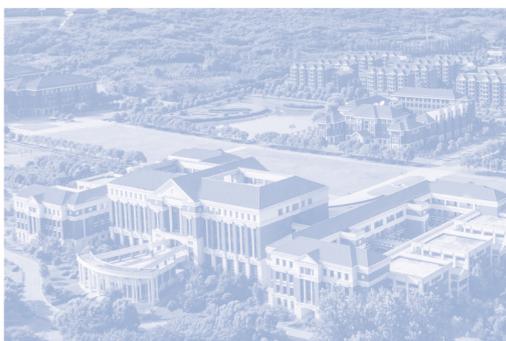
Stock Code: 1981



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ABOUT THIS REPORT

Cathay Media and Education Group Inc. (the “Company” or “Cathay Media”), its subsidiaries and consolidated affiliated entities from time to time (collectively the “Group” or “We”) are pleased to release the annual environmental, social and governance (“ESG”) report (“this Report”), and introduce the Group’s policies, management approaches and initiatives in environmental and social aspects to stakeholders. For information about the Group’s corporate governance, see the section “Corporate Governance Report” of the annual report.

Scope of Report

The scope of this Report covers the environmental and social performance of the Group’s core businesses during the period from 1 January 2022 to 31 December 2022 (the “Reporting Period” or “2022”), which are: (1) higher education (media and arts) and vocational education, including the media and arts higher education operated in the People’s Republic of China (the “PRC”) (i.e. 南京傳媒學院 (Communication University of China, Nanjing), a private higher education institution located in Jiangsu Province, “our University” and “CUCN”), and (2) TV/film production and investment business.

The media, arts and vocational training business of the Group was ceased in March 2022, please refer to the section “Business Review and Outlook” of the annual report for further details.

Standard of Report

This Report has been prepared in accordance with the ESG Reporting Guide (“ESG Reporting Guide”) as set out in Appendix 27 to the Main Board Listing Rules of The Stock Exchange of Hong Kong Limited (“Stock Exchange”), and follows the ESG reporting principles of materiality, quantitative, balance and consistency.

Materiality: Adhering to the principle of materiality, this Report identifies and confirms material ESG issues through stakeholder engagement and materiality assessment. For details, please refer to the corresponding sections of this Report.

Quantitative: This Report has specified the statistical standards and methodologies used in the calculation of quantitative key performance indicators (“KPIs”) (such as greenhouse gas emissions/energy consumption), and the sources of conversion factors.

Consistency: Unless otherwise stated, the methods of data collection and statistics disclosed herein are consistent with the previous year.

Balance: This Report has been prepared to reflect objective facts and disclose both positive and negative indicators in order to fully reflect the ESG performance of the Company.

This Report has observed the “Comply or Explain” (不遵守就解釋) provisions set out in the ESG Reporting Guide. Except those which we consider not applicable to our business operation, relevant explanations have been given in the corresponding sections and ESG Reporting Guide index at the end of this Report.

Approval and Language

This Report is released with the approval of the board of directors of the Group. This Report is published in both Chinese and English. In case of any discrepancy between the English version and the Chinese version, the Chinese version shall prevail.

Report Access and Feedback

The electronic version of the Report is available on the website of the Hong Kong Stock Exchange (www.hkexnews.hk) and the website of the Company (www.cathaymedia.com). We welcome all stakeholders to provide their comments and suggestions on this Report, which will help us improve our ESG management and performance. You may contact us through the contact details below to provide your comments or views on this Report.

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ABOUT CATHAY MEDIA

About the Company

Our business includes higher education (media and arts) and vocational education, and TV/film production and investment. The Group was listed on the Main Board of the Stock Exchange on 15 July 2020 (stock code: 1981).

Higher Education (Media and Arts) and Vocational Education

The Group operates 南京傳媒學院 (formerly known as Communication University of China, Nanjing). For a long time, we have always believed that every student has unlimited possibilities, and can light up their life through media and art education. We have been adhering to this concept and providing our high-quality media and art education. For more than ten years, not only well-known literary and artistic star alumni, but also entrepreneurial star alumni have emerged from our University. There is also a large number of outstanding alumni working in national media, well-known Internet companies and well-known cultural media institutions. According to the Chinese Universities Alumni Association, CUCN was ranked first in media and arts independent colleges in China in 2022.

Our University is committed to providing students with high-quality market-oriented media and art courses. Currently, CUCN offered more than 50 undergraduate majors, covering multiple media and art fields. Among them, 4 majors were appraised as the first tier at the national level, and 12 majors were appraised as the first tier at the provincial level of Jiangsu. Our high-quality courses, ingenious ideas and excellent teaching results are what make CUCN uniquely competitive and attractive.

Our international preparatory programs are supported by our cooperation with more than 70 leading media and art colleges across the world. Students enrolled in these programs can go to the overseas universities that we cooperate with to continue their undergraduate courses after completing relevant courses. Our vocational education programs serve adults who want to further develop skills for a new job, or develop a personal interest, or obtain a degree. We will provide self-taught examination preparation program (自考助學課程) to the aforementioned adults.

TV/Film Production and Investment

The Group is one of the pioneers in the private TV program production industry in China and a major producer of premium dramas. We emphasize the quality of our works and aim to create high-quality dramas. The programs produced under our brand Cathay Media (華夏視聽) have a long-standing reputation for high quality. Almost all of the works have won impressive popularity and ratings, and are well received by audiences. These public praise and enthusiasm have been transformed into the recognition of our products by customers, major TV stations and online video platforms.

Highlights of the Year

Higher Education (Media and Arts) and Vocational Education

During the Reporting Period, our University under the Group has achieved excellent results in terms of majors development, scientific research innovation and service to society. The highlights of the work of our Universities in 2022 include:

Awarding time	Title	Awarded by
January 2022	2021 Outstanding Organization of China Communist Youth League Work in Jiangsu	Jiangsu Provincial Committee of the Communist Youth League
May 2022	National May 4th Red Flag Youth League Committee of Jiangsu Province	Jiangsu Provincial Committee of the Communist Youth League
May 2022	2021 Jiangsu Youth Volunteer Service Organization Award	Jiangsu Provincial Committee of the Communist Youth League, Jiangsu Youth Volunteers Association
June 2022	Winning award of "Best Party Day Activity" in universities of Jiangsu Province in 2021	Office of Education Working Committee of Jiangsu Provincial Committee of the Communist Party of China
July 2022	2021 Excellent Organization Award of College Students Volunteer Service Plan of Northern Jiangsu	Jiangsu Youth Volunteers Association, Provincial Management Office of College Students Volunteer Service Plan of Northern Jiangsu

BOARD STATEMENT ON ENVIRONMENT, SOCIAL AND GOVERNANCE

The Board of Directors of Cathay Media, as the highest operational decision-making body of the Group, plays an important role in the environmental, social and governance management, and understands that good corporate governance and risk management processes play an important role in managing ESG issues and responding to stakeholders' expectations. To this end, the Group has established a comprehensive ESG governance framework to ensure that the Board's management objectives, strategies and requirements on ESG issues can be implemented and enforced through a sound ESG management mechanism.

The Group's ESG governance structure is set out below:



The responsibilities of each level in the ESG management structure are:

Decision-making body: The Board of Directors is the Group's ESG decision-making body and is responsible for overseeing the overall ESG management, formulating ESG-related management policies and strategies; assessing ESG risks related to the Company's business and discussing and identifying ESG materiality issues; reviewing ESG management policies to ensure their continuous implementation and enforcement; reviewing the setting of ESG plans and targets and regularly reviewing the achievement of ESG targets.

Management body: The management is responsible for regularly reporting to the Board of Directors, identifying ESG risks, formulating ESG management policies, work plans, etc., and reporting to the Board of Directors on significant matters. It also promotes and supervises the implementation of ESG work.

Executive body: It is mainly the related personnel or contact person of each major functional department and the related personnel of business segments. This group is responsible for implementing the Company's ESG-related management policies and requirements, following up and reporting on ESG risks, stakeholder concerns and requests, collecting ESG-related information, and completing ESG information disclosure.

The Group will continue to improve the supervision and management of ESG matters, promote the integration of ESG matters into the long-term development strategy of the Company and strive to achieve high quality sustainable development.

STAKEHOLDER COMMUNICATION AND MATERIALITY ASSESSMENT

Stakeholder Communication

To achieve long-term corporate growth, it is important to have a clear understanding on stakeholders' evaluation and expectations to corporate operations. We consider stakeholders' concerns and expectations as important factors in the Group's operation decisions, attach great importance to communication with stakeholders, establish diversified communication channels, continuously understand stakeholders' needs, and meet their expectations and demands in the following ways.

Stakeholders	Expectations and Concerns	Communication Channels
Governments and regulators	<ul style="list-style-type: none"> • Compliance operation • Strict internal control and risk management • Information transparency 	<ul style="list-style-type: none"> • Regular submission of documents • Regular communication with regulators • Compliance inspection and evaluation • Forum/seminar/meeting
Shareholders and investors	<ul style="list-style-type: none"> • Steady operation • Investment return • Business growth and development • Corporate governance • Strict internal control and risk management 	<ul style="list-style-type: none"> • Company website • Investor meeting • Corporate announcement, annual report and interim report • Annual general meeting and other shareholder meetings
Customers (TV stations, online video platforms, TV/film production partners, students and parents)	<ul style="list-style-type: none"> • Steady operation • Compliance operation • Service (teaching) quality and security • Privacy protection • Protection of consumer rights and interests 	<ul style="list-style-type: none"> • Company website • Regular meeting • Email • Postbox • Phone • Online platform • Customer satisfaction survey • Customer feedback and complaint
Employees	<ul style="list-style-type: none"> • Employee benefits • Labor relations • Labor rights • Occupational health and safety • Training and career development opportunities 	<ul style="list-style-type: none"> • Email and suggestion box • Regular meeting • Annual employee performance appraisal • Employee training • Employee activity • Seminar/workshop/lecture
Business partners (Suppliers, service providers and contractors)	<ul style="list-style-type: none"> • Long-term stable business partnership relation • Business ethics and integrity • Fair and open procurement • Integrity operation 	<ul style="list-style-type: none"> • Continuous direct communication • Regular meeting • Regular visit • Cooperation agreement • Supplier selection and performance appraisal • Procurement and tendering

Stakeholders	Expectations and Concerns	Communication Channels
Media	<ul style="list-style-type: none"> Information transparency 	<ul style="list-style-type: none"> Company website News release Online platform (such as Weibo, WeChat, etc.)
Communities	<ul style="list-style-type: none"> Social and economic development Public welfare investment Environmental protection 	<ul style="list-style-type: none"> Company website Community activity Donation Email and phone Charity and volunteer service

Materiality Assessment

The Group wishes to reflect the environmental, social and governance impacts to the maximum extent in this Report. We have identified a list of relevant environmental, social and governance issues with reference to ESG Reporting Guide, taking into account the nature of business operations, market development trends and stakeholder concerns, and conducted a materiality assessment of the identified issues in two main dimensions, namely materiality to stakeholders and materiality to the Group’s business operations, with reference to the results of the materiality assessment of the previous year materiality assessment. The results of materiality assessment are shown in the chart below:

Materiality Matrix



The ESG issues at the upper right of the materiality matrix are listed as highly important issues. Based on the principle of materiality and the results of materiality assessment, this Report will focus on the ESG issues classified as high importance. The Group will develop ESG strategies and policies according to the results of materiality assessment, and integrate them into the management of the entire business value chain.

PEOPLE FOCUSED

As a media group engaged in education and training business and TV/film production and investment business, the Group is well aware that the creativity, expertise and experience of employees are the most valuable assets of an enterprise and also the foundation for our business success. In order to better attract and retain talents and build a high quality, efficient and highly united workforce, we are committed to providing an equal, inclusive and harmonious workplace for our employees, providing them with good welfare protection and actively supporting their development, helping them to develop their professional skills and potential, and realizing the mutual growth of the enterprise and employees.

Employment Practices and Labor Standards

The Group strictly complies with the relevant laws and regulations of the PRC, formulates sound human resources policies and management systems to regulate the personnel management, such as compensation and benefits, working hours, recruitment, personnel changes, assessment, rewards and penalties, etc., so as to insist on legal employment and protect the rights and interests of employees.

Employee Employment and Labor Standards

The Group strictly complies with the requirements of laws and regulations such as the “Labor Law of the PRC” (中華人民共和國勞動法), “Labor Contract Law of the PRC” (中華人民共和國勞動合同法), “Social Insurance Law of the PRC” (中華人民共和國社會保險法), “Regulations on the Implementation of the Labor Contract Law” (勞動合同法實施條例), “Law on the Protection of Minors of the PRC” (中華人民共和國未成年人保護法), and “Provisions on the Prohibition of Child Labor” (禁止使用童工的規定), and has formulated and implemented the “Human Resources Management System” (人力資源管理制度) to standardize the management of employee employment and labor relations.

The Group has formulated and followed the principle of “fair, just, open and merit-based employment” (公平、公正、公開和擇優錄用), recruiting talents by form of job posting, self-recommendation, and recommendation. In the recruitment process, suitable candidates are selected only based on objective factors such as interview performance, qualification and work experience, and are not subjected to any discrimination in respect of gender, age, family status, sexual orientation, disability, race or religion. We will sign labor contracts with officially accepted candidates and employees in accordance with the law to protect their legitimate rights and interests.

The Group respects and protects human rights. The Group strictly prohibits the employment of any child labor or forced labor in our workplace. The Group will check the identification documents, academic qualifications and work reference records of candidates and employees during the recruitment process and when handling entry procedures to ensure that they meet the minimum age requirements of the applicable law and the eligibility for work in the relevant positions. The Group will constantly review the employment practices of our suppliers and service providers. If any use of child labor or forced labor is found, the Group will terminate the business partnership.

During the Reporting Period, there were no cases of non-compliance related to the employment and use of child labor and forced labor.

Compensation and Benefits

In order to attract and retain outstanding employees and teaching personnel, the Group provides comprehensive rights protection and good remuneration and benefits to our employees. All employees are entitled to annual leave, statutory leave, marriage leave, maternity leave, paternity leave, sick leave and bereavement leave and other national holidays. We also make contributions to the social insurances administrated by local governments (i.e. pension insurance, medical insurance, unemployment insurance, maternity insurance, work-related injury insurance and housing fund) for our employees.

The Group implements a standard working hour system for general posts, and a flexible working hour system or comprehensive working hour system for some special posts. We encourage employees to work efficiently and do not encourage overtime work. If any employee needs to work overtime due to business needs or special reasons, then with the approval of management, the employee can get relevant overtime pay. In addition to basic salary, we will provide various allowances and subsidies, such as post allowance, living allowance and meal concessions, depending on the nature of the position. We will regularly review and adjust the compensation of our employees in the light of operating results, market salary levels and employee performance to ensure that they are paid fairly and in line with prevailing market conditions and practices.

In order to motivate our employees and recognize their contributions and achievements, we conduct annual employee performance appraisals and evaluations, the results of which are directly linked to salary increases, performance bonuses and job promotions. In terms of TV/film production and investment business, employee performance appraisal will be based on five aspects including the quality and timeliness of their work, professional skills, ability to solve problems, innovation consciousness and work attitude. As for higher education (media and arts) and vocational education business, our teacher performance appraisal includes the classroom observation and assessment of their lesson preparation and the effect of classroom teaching. Our assessment generally focuses on the teacher's moral character, teaching ability, subject expertise, work attitude, teaching outcomes of different goals, and personality. As part of the teacher performance appraisal process, students will complete a teacher satisfaction survey at the end of each academic year.

Employee Communication

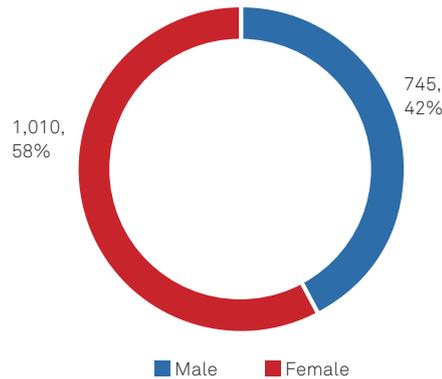
The Group listens attentively to the voice of its employees. We will seek employee opinions and feedback on the business and daily management of the enterprise through scheduled and unscheduled interviews or questionnaire surveys. Employees can also proactively express their ideas, views and suggestions via phone, web (online communication) and other channels. These opinions and suggestions will be considered by the management when making business decisions, and the corresponding reply will be given to employees. We will also, regularly or from time to time, make available the recent business management information to employees through our website, email, bulletin board, meeting and other channels to help them better understand the business operation of the Group.

Employee Overview

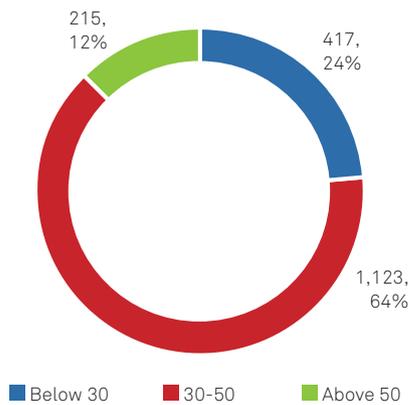
As at 31 December 2022, the Group had 1,755 employees. The total number of employees by gender, employment type and age is shown below.

Number of employees by gender:

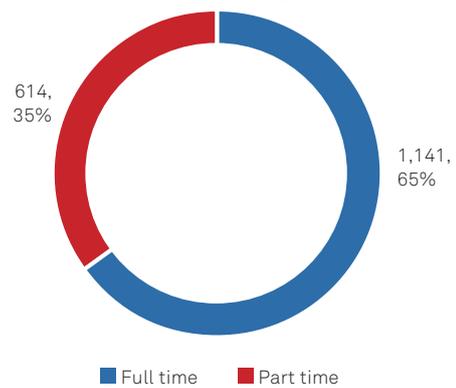
Number of employees by gender



Number of employees by age



Number of employees by employment type

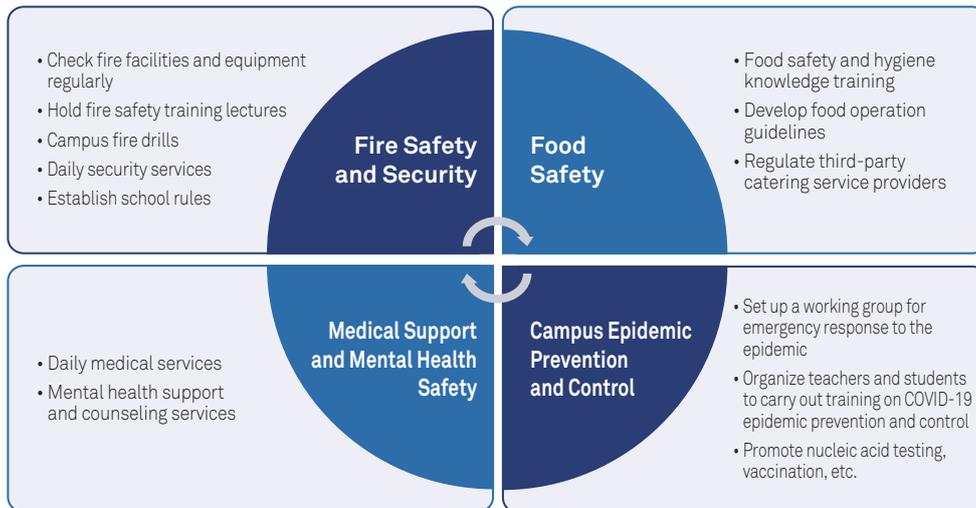


Health and Safety

Health and safety is the cornerstone of corporate development and the guarantee of employee happiness. The Group strictly complies with the requirements of relevant laws and regulations, including the “Labor Law of the PRC” (中華人民共和國勞動法), “Production Safety Law of the PRC” (中華人民共和國安全生產法), “Fire Protection Law of the PRC” (中華人民共和國消防法), “Food Safety Law of the PRC” (中華人民共和國食品安全法), and “Regulation on Sanitary Work of Schools” (學校衛生工作條例), etc., and has formulated the “Office Health and Safety Management System” (辦公室衛生及安全管理制度) to protect the office environment. Based on the characteristics of our business segments, we have established comprehensive health and safety management procedures and safety measures to prevent and manage various potential health and safety risks and effectively protect the health and safety of our employees and our University students. In addition, we pay sufficient attention to and manage health and safety issues in our TV/film production business to reduce potential health and safety risks. During the Reporting Period, the Group was not aware of any cases of non-compliance related to health and safety.

Higher Education (Media and Arts) and Vocational Education

Our University has formulated the “Management Regulation on Fire Control of CUCN” (南京傳媒學院消防安全管理規定), “Campus Road Traffic Safety Management Regulations of CUCN” (南京傳媒學院校園道路交通安全管理規定), “Food Safety Management Regulations of CUCN” (南京傳媒學院食品安全管理辦法) and other management measures to strengthen the management of health and safety. At the same time, we have actively taken measures and activities to implement management requirements, develop emergency response plans, and continue to do a good job of preventing and controlling epidemics on campus, to fully protect the safety of campus, teachers and students.



Fire Safety and Security

We attach great importance to the fire safety and security of our University, and are committed to creating a safe learning, growing and work environment for teachers and students. In terms of fire safety, we have formulated the “Management Regulation on Fire Control” (消防安全管理規定) under which the security office of our University is responsible for the fire safety management of our University, and arranges regular inspection, repair and maintenance of fire facilities and equipment to ensure their normal operation. Meanwhile, key fire prevention units are under strict management to reduce the occurrence of fire. Local fire departments are also invited to our University for fire safety training lectures and campus fire drills to enhance student awareness of fire control and help them master fire emergency response methods. In terms of school security, we have employed a third-party security company to provide daily security services and strengthen the security management of our University. In addition, our University has established its own rules under different circumstances, including the “Campus Road Traffic Safety Management Regulations” (校園道路交通安全管理規定), “Campus Security Management Regulations” (校園治安管理规定) and “Regulations on the Safety Management of Large-scale Cultural and Sports Activities” (大型文體活動安全管理規定) in order to maintain internal order and safety on campus.

Food Safety

In order to strengthen the food safety management on campus, prevent the occurrence of food safety or other food-borne disease accidents, and protect the health and life safety of teachers, students and employees, our University has formulated the “Measures of Food Safety Management” (食品安全管理辦法) in accordance with the “Food Safety Law of the PRC” (中華人民共和國食品安全法), “School Food Safety and Nutritional Health Management Regulations” (學校食品安全與營養健康管理規定) and other regulations, to regulate the entire food operation process of campus canteens and food and beverage retailers, with the sanitation of canteen facilities and equipment and the procurement, storage, processing, sample retention and sale of food and their ingredients under specified safety management and supervision, to ensure that food provided can meet the safety and hygiene level. Meanwhile, food practitioners will regularly take part in food safety and hygiene knowledge training, in order to strengthen their awareness of food safety and hygiene. We outsource all campus food and catering services for our University to third party catering service providers. Therefore, we strictly require all catering service providers to obtain relevant licenses and permits required by laws and regulations, and to follow the relevant provisions on food safety management of our University, so as to prevent food safety accidents and ensure the safety of our teachers and students.

Medical Support and Mental Health Safety

In order to protect the health and safety of students and faculty comprehensively, the University is equipped with comprehensive medical resources and measures, on the one hand, to select qualified third-party medical service providers to provide medical services for students and faculty; on the other hand, in the event of any serious medical condition or emergency, we will send students and faculty to local hospitals for treatment immediately. In addition, we organize a series of mental health promotion activities in our University, and provide psychological support and counselling services via different forms, such as hotline, online counselling and email to protect the mental health of students.

Campus Epidemic Prevention and Control

In order to strictly prevent and control the COVID-19 pandemic on campus for ensuring the health and safety of teachers and students, our University established an epidemic emergency response working group and formulated the “Campus Epidemic Emergency Response Plan of CUCN” (南京傳媒學院校園突發疫情應急處置預案) to effectively respond to emergencies that may occur. In addition, by formulating and implementing the “Normalized Duty Plan of CUCN” (南京傳媒學院常態化值班方案), the “Normalized Nucleic Acid Testing Plan of CUCN” (南京傳媒學院常態化核酸檢測方案), the “Notice on the Arrangements for COVID-19 Vaccination Work” (關於新冠疫苗接種工作安排的通知) and other work guidelines, our University scientifically formulated various work plans for teachers and students returning to school, and actively organized and carried out epidemic prevention training and emergency drills to ensure the smooth return of students to school and the normal teaching order. Our University organized nucleic acid testing for all students returning to school in an orderly manner and normalized the nucleic acid testing work. Our University promoted the implementation of the COVID-19 vaccination to make sure that teachers, students and employees who have not been vaccinated against COVID-19 but meet all the requirements should be vaccinated. Our University also innovated the online education model with the aim of strictly preventing the import and spread of COVID-19 to ensure the safety and health of teachers, students and employees.

TV/Film Production and Investment Business

In order to provide a healthy and comfortable working environment, all office areas are smoke-free. Smoking is restricted to designated smoking areas outside the office areas. First aid kits are provided in the workplace for treatment of minor injuries. We also provide appropriate office equipment (such as adjustable chairs and screen) and maintain clean and tidy workspace for employees to reduce the risk of accidents and enhance the efficiency of office operations.

In the contract signed by the Group with the chief producers of TV/film production, the chief producers are required to be responsible for and supervise the safety management of all shooting sites during the whole production process of our TV series and films. The following safety controls are often used in the production process:

- Employ professionals (e.g., action directors and action teams) by the crew to ensure strict compliance with applicable regulations and guidelines, especially when using explosives or other dangerous equipment or materials;
- Engage professionals to handle the shooting activities that involve explosives or other dangerous equipment or materials;
- Assign professionals to ensure the safety of shooting locations and equipment; and
- Assign professionals to ensure that each explosion scene is carefully designed to ensure the safety of the crew before filming dangerous scenes involving explosives. The explosives expert will first conduct experimental trials to ensure that sufficient amounts of explosives are used for best dramatic effect, but without putting the performers at risk. The expert will brief each performer on the location of the detonation points to ensure they are within the specified safe range before shooting the explosion scene. We also take out adequate group accident insurance for all members of the production team (including actors and actresses) of each TV series or film.

Development and Training

Cultivating employees is the key to the development of the Group. Targeted training and clear career development plans are effective in maximizing the potential of our employees and enabling them to grow together with the Company. We encourage employees to keep learning at work, and are committed to providing employees with rich and diverse training and learning opportunities, improving their work skills and knowledge, and helping employees develop their potentials. We also firmly believe that an excellent team of teaching staff will make an impact on the growth of a greater number of students in the teaching process, thus delivering more positive values to the society.

The Group provides induction training for each new employee. The contents mainly cover the enterprise's development history, business philosophy, management mode, internal management system and personnel policy, as well as the work overview of the department and the job requirements of the position, aiming to help them quickly adapt to the new working environment. In terms of education and training business, our induction training will focus on training teachers in ideological and political education and professional ethics, educational policies and regulations, modern educational theories, basic teaching skills, etc., so as to help new teachers understand the characteristics of the teaching profession and the requirements of the education industry, aiming to improve the position adaptability and teaching ability of new teachers. In addition, following the principles of fairness and merit-based selection, we arrange designated employees to participate in various professional and technical training related to the business according to the needs of different positions.

We encourage employees to meet the needs of the department's business development or professional ability improvement. Our University has actively implemented rules and regulations including the "Provisional Regulations on On-the-job Studies for a Degree" (在職攻讀學位暫行規定) and the "Provisional Regulations on On-the-job Training" (在職培訓暫行規定), encouraging teachers to improve their professional quality and theoretical level. While launching training policies such as "Advanced Studies at the Headquarters" (本部進修), "Backbone Teachers and Academic Leaders Training Program" (骨幹教師和學術帶頭人培養計劃) and "Domestic Visiting Program" (國內訪學計劃), our University has actively participated in the "Qing Lan Project" (青藍工程), the "Overseas Training" (境外研修) and the "Project 333" (333工程) of the Department of Education, building a teachers' growth platform, cultivating an environment for the growth of teachers, selecting and training more than a hundred young and middle-aged teaching and scientific research backbones with strong innovation ability and great development potential at the provincial and school levels so as to maintain the stable development of the teaching team. At the same time, various measures have been taken to encourage young and middle-aged teachers to go to the media industry for paid exercises and practices and to go abroad for further studies and international exchanges.

COMPLIANCE OPERATION

The Group is committed to providing customers with high-quality service and high-quality products. All business segments of the Group have formulated and implemented high-standard management processes to ensure the provision of high-quality and competitive services to students/trainees and the provision of high-quality drama programs to audiences. The Group adheres to a high standard of business ethics, protects the privacy of customers' information, emphasizes the protection of intellectual property rights, and adopts a zero-tolerance attitude towards bribery and corruption, and works together with its business partners to maintain a good business environment and strive for sustainable development.

Product Responsibility

Higher Education (Media and Arts) and Vocational Education

With the rapid growth of social demand for media talents, our University aims to build a first-class media arts university, featuring the cultivation of innovative and complex talents, insisting on the philosophy of “Omnimedia, Big Communication, Artistic and International” (全媒體、大傳播、藝術化、國際化), facing the modern media, arts and culture and public service fields, cultivating media talents with a strong sense of social responsibility, excellent comprehensive quality, all-media vision, high artistic pursuit and excellent practical ability. The Group strictly complies with the laws and regulations such as the “Education Law of the PRC” (中華人民共和國教育法), the “Higher Education Law of the PRC” (中華人民共和國高等教育法), the “Law for Promoting Private Education of the PRC” (中華人民共和國民辦教育促進法), the “Implementation Rules for the Law for Promoting Private Education of the PRC” (中華人民共和國民辦教育促進法實施條例) and the “Implementing Rules for the Regulations on Operating Sino-foreign Schools” (中華人民共和國中外合作辦學條例), and has developed a series of management measures to provide high-quality, professional and application-oriented education programs. We will continue to improve the quality of our teaching and deliver outstanding media professionals to the community by focusing on the following areas.

Teaching Quality Assurance

Teaching quality is the key to talent training. Our University has formulated policies including the “Implementation Plan of CUCN for the Construction of an Undergraduate Teaching Quality Control and Assurance System” (南京傳媒學院本科教學質量管理與保障體系建設實施方案), establishing and improving management mechanisms in terms of teaching supervision, evaluation, incentive and appraisal, and implementing them seriously in teaching management, thereby further enhancing our standard of teaching management and our teaching quality at the undergraduate level. On the basis of the existing “university-school” two-level management system, our University has further improved the teaching management organizations and refined the scope of responsibilities and powers. Our University and its secondary institutes have set up academic committees, teaching work committees, degree evaluation committees and teaching supervision committees at all levels to carry out teaching research and arrangement on a regular basis. A regular teaching work meeting and a joint teaching work meeting are held by the academic affairs office and the school respectively every week to ensure the smooth development of various teaching work.

Our University has established a two-level teaching quality assurance system with teaching quality monitoring and evaluation as the main line and teaching supervision and annual appraisal of teaching units as the main means. We have formulated a work plan for teaching supervision in which the “university-school” two-level teaching quality monitoring system is adopted. Through assessment by supervision experts sitting in on lessons, online students’ teaching evaluation, feedback from student information officers, student forums, teacher symposiums and other means, we capture the status of teaching operation, publish inspection results in a timely manner, give feedback and put forward suggestions for rectification, with a view to solving problems and improving teaching quality. By carrying out special inspections and special investigations on talent training programs and syllabuses, graduation projects (theses), test papers, teaching files, etc., we timely provide our feedback on existing issues and express our opinions for improvement, giving advice and suggestions for enhancing the quality of talent training. The results of students’ teaching evaluation are announced in a timely manner to promote the mutual growth of teaching and learning.

Specialized Course Offerings

Our University has established a specialized early-warning and dynamic adjustment mechanism and has formulated the “Provisional Measures of CUCN for Specialized Offerings and Adjustment Management” (南京傳媒學院專業設置與調整管理暫行辦法), further standardizing the school’s specialized characteristics, optimizing the structure of disciplines with professions, strengthening the management of majors, promoting the coordinated development of the school’s education in terms of quality, scale, structure and efficiency, and effectively enhancing the professional competitiveness and talent training quality.

Focusing on disciplines relating to “literature, art, engineering, management, and economics”, our University has built a full range of major subject groups of the same field in the Yangtze River Delta region, and has successively opened more than 50 application-oriented undergraduate majors that are closely linked with the culture and media and arts professions. We now have 16 secondary institutes and basic teaching departments such as the school of broadcasting and anchoring art and the school of radio and television. Currently, CUCN has four national-level first-class bachelor degree programme construction sites (radio and television director, animation), and 12 provincial-level first-class bachelor degree programme construction sites (broadcasting and anchoring art, film and television production, performance, etc.). We will also continue to adjust and improve our major and course offerings taking into account the characteristics and advantages of running a school.

We actively develop the new talent training model and promote the “3+2” comprehensive training structure for co-developing majors in the vocational education system of the Jiangsu Province, with twelve “3+2” comprehensive training projects being added. We deepen the industry-education integration, and strengthen the offering of majors integrating industry and education. The school of industry has been selected as a key spot of developing provincial-level industry professions, and five provincial industry professors have been approved. We organically combine the offering of disciplines with external expansion in promoting exchanges and cooperation in the field of education among the Jiangsu Province, Hong Kong and Macau, and are named as a council member of the “Jiangsu-Hong Kong-Macao University Alliance”.

Diversified International Education Platform

Adhering to the strategy of internationalized and open education, our University is committed to building an international talent training base for domestic media arts to develop the international vision of teachers and students, participate in academic exchanges, improve international academic qualifications, and create opportunities of work overseas. As a strategic partner of the Chinese Service Center for Scholarly Exchange of the Ministry of Education, CUCN continuously expands the platform of international cooperation and exchanges, and establishes friendly cooperative relations with more than 70 overseas universities. The CUCN network for international academic cooperation has been developed and established. The majors for cooperation cover 90% of CUCN’s disciplines and CUCN has stayed at the forefront of similar universities in China in terms of the number and level of schools in cooperation. A total of more than 300 short-term lectures by overseas high-level experts have been introduced, and more than 2,200 students have gone abroad for further studies through the bridge of inter-school cooperation. During the Reporting Period, CUCN collaborated with secondary vocational colleges on a five-year program to train more talents for China.

Professional Faculty

A team of high-quality teachers is essential to maintaining high-quality educational services. We continue to explore talent management systems and talent introduction plans that are in line with the characteristics of private universities, and introduce high-level talents through multiple channels and in multiple forms. As of 31 December 2022, our University had 1,481 teachers, including 871 full-time teachers and 610 external teachers.

We pay attention to the training of talents and the capacity building of teaching staff. Giving full play to the “teaching, helping and guiding” (傳幫帶) role, we step up efforts on the training of young and middle-aged teachers, and quicken the increase in the proportion of teaching staff with high-level academic qualifications and titles in accordance with the standards of the Ministry of Education. We continue to improve the teaching staff training system, innovate the training model, optimize the training content, effectively strengthen the ideological and political education and the building of teachers’ morality, and continuously improve the ideological quality, operational capacity and professionalism of the teaching staff, thus creating a reasonably-structured faculty team with noble morality and outstanding ability.

We continue to standardize the management of scientific research projects and make every effort to mobilize the enthusiasm of teachers in scientific research and creative work. By strengthening training, organizing lectures, inviting internal and external experts and scholars to make special academic reports, we create an excellent academic ambience and promote the idea of cultivating people by scientific research, thereby driving improvement in the level of discipline development and the quality of talent training. We have revised and implemented the “Measures of CUCN for the Management of Scientific Research” (南京傳媒學院科研管理辦法) and have improved processes and systems for the management of scientific research projects to further activate the policy-driven mechanism. In 2022, our University has been approved for a total of 64 scientific research projects of various types at all levels. If any of the scientific research projects, academic works, paper practices and original works carried out by the teachers in their positions has been granted a national, provincial or ministerial award, the teachers concerned will be given rewards and bonuses in accordance with the “Measures for Rewarding Scientific Research Achievements (Creative Works)” (科研成果(創作)獎勵辦法) with the aim of improving their teaching quality while enhancing the scientific research level of the school as a whole.

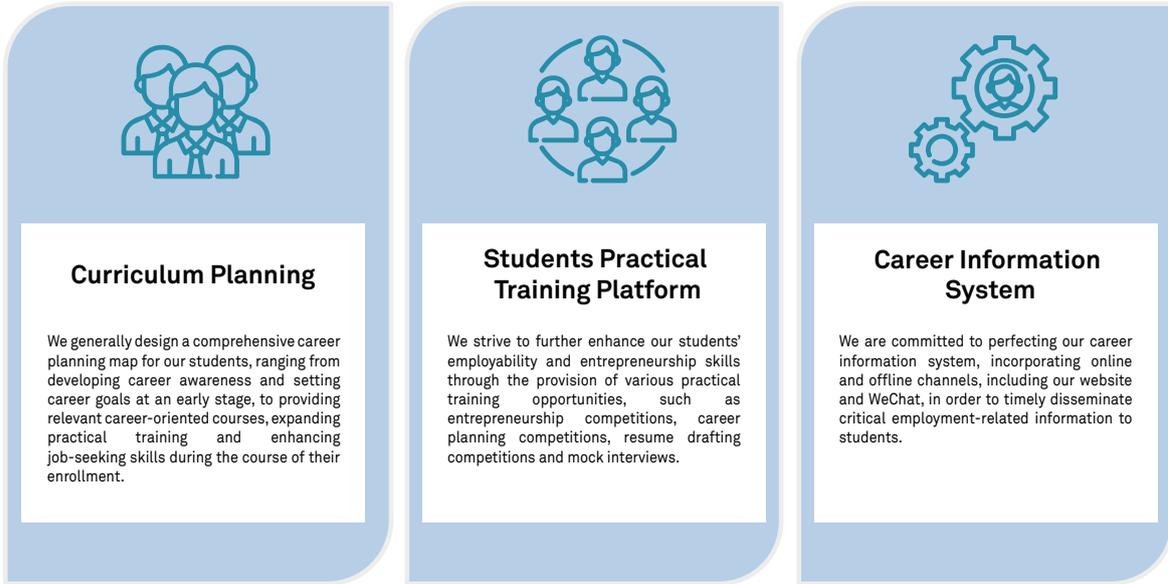
Industry-education Integration

In deepening the integration of industry and education, our University continuously fosters the organic connection of the talent training chain with the industrial chain and the innovation chain and promotes the supply-side structural reform of talent training in high-standard local universities to comprehensively improve the quality of talent training and cultivate the innovation and entrepreneurship ability of university students. We formulate policies to attract advantageous enterprises to jointly build and share production-oriented training bases and encourage enterprises to directly accept students for internship and training to promote the standardization of internship and training. We guide enterprises to deeply participate in the education and teaching reform, and promote the integration of enterprise needs into the training of talents. A task-based training model catering to the real production environment of an enterprise is implemented. We encourage the establishment of research institutes as well as enterprise studios, laboratories, innovation bases, practice bases, etc. relying on or jointly with enterprises.

In addition, giving play to the advantages of integrating with the industry, our University provides students with a variety of internship opportunities, with a view of creating career-oriented talents. We have established strategic cooperative relations with dozens of well-known domestic media, cultural and arts institutions such as iQiyi, Cathay Media Global Group and Hong Kong Satellite TV. With the Yangtze River Delta region as the core, we have laid out industry-teaching-learning-research cooperation platforms and teaching practice bases for radio and television media at the prefecture or municipal level or above in East China. Teaching reform and scientific research institutions such as the Japanese manga master Chiba Tetsuya's Manga Institute, the iQiyi Content Research and Innovation Centre, the Drama and TV/Film Institute, and the Aerial Photography Research Institute have been established. We have successfully held a number of branded activities including the "Animation Education Forum in the Big Data Era" (大數據時代動畫教育論壇), "Interdisciplinary Arts and Science Forum" (藝術與科學跨學科論壇), "Chinese E-sports Cultural and Education Industry Forum" (中國電競文教產業論壇), "Fangshan Media Arts Summit Forum" (方山傳媒藝術高峰論壇), "d'Catch Pan-Asian International Documentary Challenge" (d'Catch 泛亞洲國際紀錄片挑戰賽), "Nanjing (Jiangning University Town) Animation Festival" (南京(江甯大學城)動漫節) and "Three Seven Film Festival" (三七電影節) as well as a group of joint cross-college graduation works exhibition activities such as "Song, Drama, Art, Film" (歌、劇、美、影), making a wide presence both inside and outside the school and in the academic and industrial circles.

Career Planning Initiative and Graduate Employment

It is our goal and direction to help graduates face the problems of employment and career selection, and to ensure their employment level. To this end, we focus on building students' career planning skills and enhancing professional quality in the process of course planning and student practice training, and we have established a comprehensive career and entrepreneurship guidance program for students. Our measures include:



The image displays three blue rounded rectangular boxes arranged horizontally. Each box contains an icon at the top, a title in bold, and a paragraph of text. The first box has an icon of three people, the second has an icon of four people in a circle, and the third has an icon of three interlocking gears.



Curriculum Planning

We generally design a comprehensive career planning map for our students, ranging from developing career awareness and setting career goals at an early stage, to providing relevant career-oriented courses, expanding practical training and enhancing job-seeking skills during the course of their enrollment.



Students Practical Training Platform

We strive to further enhance our students' employability and entrepreneurship skills through the provision of various practical training opportunities, such as entrepreneurship competitions, career planning competitions, resume drafting competitions and mock interviews.



Career Information System

We are committed to perfecting our career information system, incorporating online and offline channels, including our website and WeChat, in order to timely disseminate critical employment-related information to students.

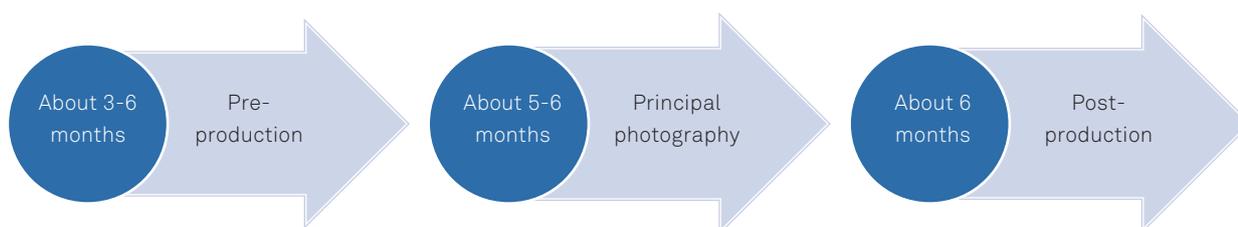
To assist our students in finding suitable job opportunities that best utilize their knowledge and skills and provide them with the appropriate employment and entrepreneurship platform to further inspire their potential, we have established a graduate employment office, designed for: (1) formulating, consolidating, verifying and reporting graduate career placement strategies; (2) providing training for career placement officers to improve the quality of employment guidance and services; (3) arranging employment guidance sessions for our students; (4) exploring and developing relevant job markets for graduates (such as online job market); (5) organizing on-campus recruitment fairs; and (6) monitoring graduates' employment status.

In addition, we fully considered the particularity of employment work during the epidemic prevention and control period, seized the golden period of recruitment in autumn, "grasp early and plan ahead", improved and innovated the employment and entrepreneurship work mechanism, strengthened employment and entrepreneurship education for graduates, focused on expanding employment channels, innovated working methods, strengthened organizational leadership, increased employment guidance and services, and strived to build a work pattern with clear authority and responsibility, orderly operation and protection in place, and took multiple measures to promote the employment work of graduates.

TV/Film Production and Investment Business

In strict compliance with the "Administrative Regulations on Radio and Television" (廣播電視管理條例), the "Regulations on the Administration of Production and Operation of Radio and Television Programs" (廣播電視節目製作經營管理規定), the "Administrative Regulations on TV Series Content" (電視劇內容管理規定), the "Guideline for Online Variety Shows" (網絡綜藝節目內容審核標準細則) and other relevant regulations, the Group has applied for the relevant program production and operation licenses from the competent authorities for the production of TV/film programs, conducted program content production as required, and made submissions to the relevant provincial departments of the State Administration of Press, Publication, Radio, TV/film for review.

It is our top priority to produce high-quality TV/film programs that appeal to a wide audience and deliver high-quality contents that satisfy our customers. For this purpose, we have built an experienced and dedicated in-house creative team and established a comprehensive cooperation model for content creation. When having creative ideas about TV series, films or TV variety shows, we will work closely with potential customers (e.g. major online video platforms and TV stations), and keep them informed of the latest production progress. In addition, our production team will actively communicate with customers, analyse market needs and audience preferences, and respond to customer feedback, such as the plot, selection of leading actors and actresses, etc. These measures ensure that we are able to grasp the aesthetic preferences of the audiences and the development status and trends of the industry, so as to produce TV/film works that meet the public's aesthetic and policy orientation on the basis of compliance. The TV series production process generally comprises the following stages:



Pre-production

The Company has established a drama management committee to provide review and approval for the drama management process, including creative team confirmation, project initiation, start-up dates and other matters. In addition, in order to ensure that our content is in line with the market demand, we strictly select and check our projects, and we clearly define the responsibilities of our functional departments in each step of the process to ensure that we produce TV/film works that meet the public's aesthetic and policy orientation.

In the script development process, we rigorously and meticulously screen and check. First of all, when identifying or initially constructing a script concept, a dedicated development division that specializes in identifying and recommending quality content for our scriptwriters will identify it through multiple content creation channels. Secondly, after the script concept is established, our development division and sales team carry out an initial review from a marketing perspective, and only those script concepts that pass the initial reviews can be converted into scripts. During this process, our sales team liaises with potential customers and discusses the script concept with them to evaluate its market potential. We also use viewer rating statistics from various sources to assess the likely popularity of such script concepts. Then, upon approval of the content of script ideas, we would find the right scriptwriter to create a script based on the idea. We collaborate and maintain close communications with a number of experienced freelance scriptwriters to ensure we have the capacity to convert our approved story ideas into high-quality scripts.

When a script is ready, producers formulate production budgets based on the scenes and settings set out in the scripts during this stage, meet with our sales team frequently to discuss cast selection, sales and distribution strategy and estimate selling price per episode. The sales team will actively discuss with customers about the main actors/actresses and seek the opinions of potential customers. After communicating with the sales team for an understanding of customer needs and potential acquisition price of the TV series, the producer will develop a production budget and present it to the management committee. Once the proposed production project is approved by the management committee, the project production will officially commence. Project chief producers choose their production teams, which include cast, director and other production personnel such as videographers, assistant directors, art directors and location managers, mainly according to genre of scripts and production budgets, and will make final revisions to the script, choose shooting locations and prepare costumes. In order to enhance our brand awareness in the industry and ensure a smooth production process, we will work with well-known actors/actresses or high-profile directors as a guarantee for TV audience ratings.

Principal Photography

Our principal photography stage takes five to six months on average. The photography period will vary depending on the type of script, the number of episodes and the re-creation of script. Staff from our finance department are assigned to production teams and sent on-site to handle cash disbursements as well as review supporting documents such as contracts, producer's approvals and invoices to ensure the validity and accuracy of amounts before making payments to vendors. The financial controller is also in charge of determining the capitalization of expenditures. Our financial staff assigned to production teams report to our head office finance department every two weeks on the use of cash and requests for cash outflows for the next two weeks. Any deviation of actual requests for cash from the approved budgets will be reported directly to the management committee for review and approval. All expected cost overruns need to be explained to and pre-approved by management committee for the relevant project.

Post-production/Approval

Our production team is usually heavily involved in the post-production process, including editing, sound mixing, color adjustment, subtitling and production of master tapes for our customers. Our producers and directors usually rent studios or facilities from independent third parties to complete the post-production phase. This phase requires approximately six months. After the master tapes of our TV series are ready, they are submitted to NRTA for final review and approval to obtain a TV Series Distribution Permit (電視劇發行許可證).

Feedback Management

As for higher education (media and arts) and vocational education, we attach great importance to students' feedback and have established a grievance process in the "Regulations on Student Management in General Higher Education Institutions" (普通高等學校學生管理規定) and "Procedures for Handling Disciplinary Violations of Students in CUCN" (南京傳媒學院學生違紀處程序) in the student handbook to ensure smooth communication of information. In addition, we evaluate counselors through questionnaires and include the evaluation results in the job evaluation. We conduct a teacher satisfaction survey at the end of each academic year, inviting students to give feedback and suggestions on teaching quality and course management. We will conduct a statistical analysis of the survey results and take the results as the basis for teachers' specialized course offerings and teaching improvement. We will continue to improve our teaching management methods and practices to provide comprehensive high-quality education that meets the needs of students.

In terms of TV/film production and investment business, as the pricing of our TV series is based on feedback from potential customers, when discussing the major aspects of the proposed works, such as the number of episodes, the price per episode, the type of works, the director, and the casting, we value customer views on the industry and will try our best to meet their needs, and we will adjust our prices and casting according to their requirements.

During the Reporting Period, the Group received no complaints about our products or services.

Marketing and Advertising

As for higher education (media and arts) and vocational education, our University strictly adheres to the "Law for Promoting Private Education of the PRC" (中華人民共和國民辦教育促進法), the "Advertising Law of the PRC" (中華人民共和國廣告法) and other relevant laws and regulations. We have formulated comprehensive marketing and publicity policies and working rules to standardize enrollment publicity and external information management. Any information published in the name of our University on our University website, TV, newspaper and various new media channels (such as Weibo, WeChat, etc.) shall be approved by the publicity department in advance to ensure the authenticity and accuracy of the information.

In terms of TV/film production and investment business, we will abide by the relevant laws and regulations such as the "Administrative Measures for the Broadcasting of Radio and TV Advertisements" (廣播電視廣告播出管理辦法) in the marketing promotion. We are committed to the expression of advertising contents in a real, lawful and healthy manner, and creating a positive image in the media. At the pre-production stage of a TV series, we will formulate marketing strategies based on the factors such as audience groups, the scope of communication and the influence of the broadcast programs, so as to promote the coverage rate of the programs and grasp the good guidance of public opinion. We will promote key programs as per the episode positioning and character setting on major online and offline platforms in line with the established promotional policies, and make adjustments according to the market data and response.

Intellectual Property

TV/film production and investment business

The Group is well aware that intellectual property is the efforts of the originators, and the protection of intellectual property is the key to promote industry innovation and the healthy development of the media and TV/film production business industries. The Group strictly abides by laws and regulations such as the “Copyright Law of the PRC” (中華人民共和國著作權法), the “Trademark Law of the PRC” (中華人民共和國商標法), the “Patent Law of the PRC” (中華人民共和國專利法) and the “Internet Domain Name Management Measures” (互聯網域名管理辦法), and has put in place a number of measures to protect the intellectual property of our TV series and films, including:

- TV series licensing contracts entered into with our customers generally explicitly stipulate that, unless specifically permitted, customers are only allowed to broadcast our TV series within authorized platforms and areas/regions and the customers are prohibited from infringing or misappropriating our intellectual property rights by sub-licensing our TV series or reproducing our TV series into audio and video products;
- our employees are prohibited under their employment contracts from making any improper use of our intellectual properties, including but not limited to disclosing the copyrights of our TV series to any third party during the term of their employment and for two additional years following the termination of their employment contracts; and
- after master tapes are finalized in the post-production process, they are then transported back to us securely and are locked in a room with restricted access. Any staff entering the room must first obtain our management’s approval and any entry and exit from the room are registered in a log.

The Literature and Legal Departments are the responsible departments for intellectual property management and are responsible for monitoring and preventing unauthorized use of the Company’s intellectual property. The Literature Department shall search for relevant information, websites and videos of our projects on the Internet to monitor infringement cases, for example, the core contents of any purchased intellectual property works are stolen, or the plots of other films or TV series are similar to those of the purchased novels, etc. If any infringement is found, the Literature Department shall provide supporting materials to the Legal Department and the person in charge of the project to be responsible for safeguarding rights through legal procedures if necessary.

Information Privacy Protection

The Group attaches great importance to the protection of students' and business information, in accordance with relevant laws and regulations. The Group has formulated the "Information Confidentiality Management System" (信息保密管理制度規定) to standardize the procedures and rules for dealing with and managing its confidential information. Confidential information includes but is not limited to: trade secrets (such as product planning, design schemes and documents (including drawings and files), development cases and progress, technical files, etc.), customer (student) profiles, financial budgets, sales reports, employee profiles, etc., for which the level of confidentiality will also be determined based on the confidential content of the information.

All employees must sign a confidentiality agreement and strictly abide by the requirements therein about confidentiality and taking appropriate measures to protect confidential information. Without the prior approval of the Group, employees shall not check, copy or print any confidential information or disclose it to any unauthorized person. In addition, all confidential information will be accessed by the responsible department and/or designated personnel only on a need-to-know basis for business purposes, with additional access controls (such as setting password and data encryption, etc.), securely kept only by authorized personnel in designated storage locations, mobile storage devices and/or internal systems involving confidential information, to prevent unauthorized disclosure or accidental access, processing, deletion or other use of data. Employees who violate the rules may be subject to disciplinary action and legal liability. To ensure the fairness and impartiality of the examinations, we follow the relevant regulations of the Ministry of Education and CUCN and require those who take part in the work related to the art entrance exams to sign the "Commitment of the staff involving in the art entrance exams of CUCN" (南京傳媒學院藝術類專業考試工作人員承諾書) to avoid information leakage.

Anti-corruption

The Group strictly implements various anti-corruption and integrity initiatives to ensure business integrity. The Group is committed to maintaining high standards of business ethics and governance, with zero tolerance toward any form of bribery, fraud and corruption. The Group strictly complies with the applicable laws and regulations, such as the "Prevention of Bribery Ordinance" (Cap. 201 of the Laws of Hong Kong) (香港特別行政區(第 201 章)防止賄賂條例), the "Criminal Law of the PRC" (中華人民共和國刑法), the "Anti-Unfair Competition Law of the PRC" (中華人民共和國反不正當競爭法) and the "Anti-Money Laundering Law of the PRC" (中華人民共和國反洗錢法). The Group has established an internal risk control system and relevant anti-corruption policies and management measures, such as the "Anti-Fraud and Reporting Mechanism Management Measures" (反舞弊與舉報機制管理辦法), the "Anti-Money Laundering Internal Control Management Measures" (反洗錢內部控制管理辦法), the "Management System for Conflict of Interest" (利益衝突管理制度) and the "Information Confidentiality Management System" (信息保密管理制度), with an aim to promote a corporate culture of integrity, regulate our business practices in the areas of fighting against corruption and fraud, keeping business information confidential, reporting conflicts of interest, and preventing improper transactions, safeguard the legitimate rights and interests of the Company. During the Reporting Period, the Group did not find any behaviors in violation of the relevant laws and regulations such as bribery, blackmail, fraud or money laundering in the places where the Group operated, nor did it find any completed corruption litigations brought against the Group or its employees.

Under the guidelines of the “Anti-Fraud and Reporting Mechanism Management Measures” (反舞弊與舉報機制管理辦法), our management will conduct annual fraud and bribery risk assessments, and the audit committee will review and approve the risk assessment results and policies every year. The Group designates the internal audit and compliance department as a standing organization for anti-fraud work, responsible for: (1) organizing and performing the anti-fraud work across departments and within their business scope; (2) reviewing and evaluating the establishment and implementation of the anti-fraud control mechanism; (3) carrying out the Company’s anti-fraud publicity activities; and (4) receiving and registering fraud reports, organizing the investigation of fraud cases, issuing opinions and reporting the investigation of related cases to the management and the board of directors.

The Group has also developed a code of conduct for employees in all business units to be strictly adhered to in order to maintain an ethical corporate working environment. Wherein, the Group strictly prohibits our employees from directly or indirectly accepting and/or soliciting any benefits from our business partners and customers (such as gifts, sponsorships or travels that violates fair competition, various membership and gift cards or kickbacks), or abusing their positions to gain personal advantages in business dealings.

We also make clear our anti-fraud requirements to all employees in our induction training so that employees are aware of the seriousness of the Group’s commitment to the prevention of fraud and of their own responsibility in this regard. All employees of our University have signed a written commitment of integrity and self-discipline, promising to abide by the Group’s ethical code of conduct for teachers to improve their awareness of integrity and self-discipline, and to establish a good professional image. During the Reporting Period, the Group conducted training sessions for all board members on the relevant rules and corporate governance of listed companies, covering corruption risks in the daily business operation, integrity management, corruption risk assessment, monitoring measures, etc. During the Reporting Period, the Group organized special anti-corruption training for directors and employees to deepen anti-corruption initiatives.

The Group encourages our employees at all levels and other stakeholders to report any suspected or actual violations of professional ethics and cases of fraud in their real names or anonymously through our established reporting channels (such as reporting hotline, email, etc.). When a reported case is received, our standing anti-fraud organization will investigate to verify the reported case. Depending on the seriousness of the case, the standing organization will consider forming a special investigation team with the management of the relevant departments to conduct a joint investigation and determine whether it is necessary to engage external experts in the investigation. Upon investigation of the case, the standing organization will provide feedback to the whistleblower on the findings of the investigation as soon as possible. All reporting materials will be kept confidential, and all reports, records and findings will be properly recorded and handled after investigation. The findings and reports on the work of the standing organization will be submitted to the board of directors and the audit committee on a regular basis. In case of fraud, the Group will immediately take appropriate remedial measures, evaluate their effectiveness and improve the written report of internal control, take appropriate disciplinary action against offenders, and communicate the results to internal and external third parties as necessary.

Supply Chain Management

We firmly believe that close collaboration with our business partners (including our suppliers, service providers and contractors) is one of the keys to business success and helps us continue to provide high-quality service. The Group has developed a sound procurement management system in all business segments to standardize the supplier development, evaluation and management, and to make clear provisions for procurement, tendering process, contract approval process, etc.

Higher Education (Media and Arts) and Vocational Education

The main suppliers of our University are campus construction contractors and service providers of facilities, logistics services and information technology equipment. Our University has developed “Guide to Bidding for Procurement Projects of CUCN” (南京傳媒學院採購類項目招標工作指南) to regulate the process of procurement and tendering and corresponding responsibilities, as well as to ensure the bidding activities follow the principles of standardization, transparency, efficiency and integrity.

The tendering office of our University engages suppliers through open tendering, invitation to tender, competitive negotiations, single source procurement and inquiry, taking into account such factors as enterprise qualification, relevant business performance, internal management system, legal compliance and financial stability to assess their qualifications and capabilities. In addition, the tendering office has established a list of approved suppliers, and will review their background information, and grade the quality of their products and services according to the actual situation. Substandard suppliers will be removed from the list of approved suppliers. In all public tendering announcements, our University clearly lists the requirements of materials and services to be purchased for the tendering project, such as construction technology, material quality, material brand and model, etc., and requires the compliance with relevant integrity agreements to ensure the impartiality of the tendering process and the maintenance of high ethical business standards. To further manage potential social responsibility risks in the supply chain, our University will screen the roster of successful companies for school construction to avoid child labor. When applying for the project, priority is given to environmentally friendly products, such as E0 grade for the furniture and boards in the apartments.

As of 31 December 2022, the Group’s higher education (media and arts) and vocational education business segments employed a total of 62 suppliers, all of which were located in the PRC.

TV/film production and investment business

In terms of TV/film production and investment business, the Group engages a number of third-party service providers, including directors, scriptwriters, producers, actors/actresses, studios, production equipment, costume and special effect providers, to assist in the production of TV series and films. Therefore, the selection and engagement of professional, well-known and experienced third-party service providers is crucial to maintain the quality and influence of TV/film production business. In order to regulate the procurement of media resources of the Group and its subsidiaries, we have formulated working guidelines such as the “Guidance of the Media Resource Procurement Management System” (傳媒資源採購管理制度) to regulate the procurement of media resources.

Following the Guidance, our production department, literature department and distribution department will jointly discuss the quantity and content of the original intellectual property works and TV/film projects to be purchased in the next year according to the actual business development needs and the changing trends of the TV/film market, and submit the same to the management and the financial department for approval. In the development and selection of suppliers, we will conduct qualification survey on the suppliers, such as intellectual property copyright certificates, and actor/actress agency contract certificates to ensure their legal validity and ability to fulfill the contract requirements. When a supplier is an intermediary, we should investigate its reputation, technical service capability, qualification, past service items, etc., focusing on the legitimacy and timeliness of the agency contract between the suppliers as intermediary and the actors/actresses. In addition, suppliers’ visibility and credibility, work style, quality, quantity, number of hits, ranking, distribution of relevant TV/films works, and subjects matching degree, as well as the audience, transmission range and influence of the broadcast platform are also within our investigation.

In terms of supplier management, the production department will establish supplier files and list records, evaluate the supplier every year/for individual projects, and update the qualification review information in a timely manner according to the changes in the market conditions of the TV/film industry and the needs of the Company’s internal projects. For IP products already purchased by the Company, the Production and Legal Departments will establish supplier files with reference to the lifetime of use in the purchase contract and prompt the leader to decide on renewal or write-off upon expiry. We also closely communicate with famous scriptwriters, directors, producers and agencies of the industry to maintain a long-term and stable strategic partnership to improve the quality of films and TV series, and enhance our brand image and influence.

As of 31 December 2022, the TV/film production and investment business segment of the Group engaged a total of 11 suppliers, all of which were located in the PRC.

ENVIRONMENTAL PROTECTION

The Group is well aware of the importance of environmental sustainability. We are actively committed to the concept of green operation, with efforts to reduce environmental emissions and pollutions from our operation, and improve the environmental awareness of employees and students. The Group operates in the TV/film production business and education industries, hence the environmental impact is mainly caused by the daily operations of our offices and our University and is kept relatively low. Nevertheless, we have developed relevant environmental management schemes and measures in all business segments to reduce air pollutants and greenhouse gas emissions, properly manage waste and optimize the use of resources and materials to minimize the environmental footprint of operations.

Green Operation

The Group actively fulfills its corporate responsibility in landscape protection and carries out its green operation philosophy. We follow the 4R principle (i.e. reduce, reuse, replace and recycle) and implement green initiatives to optimize the use of resources and materials and dispose of waste reasonably to further reduce the environmental impact of our operations. The Group has strictly abided by the “Environmental Protection Law of the PRC” (中華人民共和國環境保護法), the “Atmospheric Pollution Prevention and Control Law of the PRC” (中華人民共和國大氣污染防治法), the “Water Pollution Prevention and Control Law of the PRC” (中華人民共和國水污染防治法), the “Solid Waste Pollution Prevention and Control Law of the PRC” (中華人民共和國固體廢物污染防治法) and other relevant laws and regulations. During the Reporting Period, the Group was not aware of any violations of laws and regulations relating to waste gas and greenhouse gas emissions, pollution discharge to water and land, or generation of hazardous and non-hazardous wastes.

During the Reporting Period, our environmental organization and management department has clearly established a master list of environmental objectives, using the ISO14001 environmental management system as the standard, to set the direction and objectives for the sustainable development of the campus and to meet the needs of the overall development of the campus. In accordance with the “Green Campus Management Policy” (《綠化校園管理政策》), all teachers and employees are required to fulfill their greening obligations and to green and beautify the campus.

Use of Resources

Use of Energy

The main types of energy consumption of the Group are vehicle fuel and electricity use. The Group aims to improve energy efficiency and reduce the overall energy consumption of the enterprise as its overall energy use goal, and has actively taken measures to conserve electricity and energy and properly manage our energy consumption to reduce greenhouse gas emissions throughout our operations. Major measures to achieve the objective include but not limited to:

- Make full use of natural lighting during office hours, and when natural lighting is insufficient, turn on lights at intervals to reduce energy consumption of luminaires;
- Minimize the use of air conditioning in office areas where natural ventilation is available;
- Not to turn on air conditioning when no one is in office, and not to open doors or windows when air conditioning is on;
- Turn off lights when getting off work or leaving the office for a long time;
- Switch to more energy efficient lighting, such as LEDs for offices;
- Strictly implement the indoor temperature control regulations of air conditioning, which shall not be lower than 25°C in summer or higher than 20°C in winter (energy conservation requirements for public institutions);
- Encourage employees to use public transport and reduce reliance on official or private cars;
- Use video conference calls to avoid unnecessary travel arrangements;
- Encourage employees to turn off office equipment (such as computers, printers and photocopiers) when getting off work or not using them to reduce standby energy consumption.

Use of Water Resources

Water resources are mainly used for our daily office and campus operations. During the Reporting Period, the Group did not encounter any problems in sourcing water that is fit for purpose as the water used for the Group's operations was supplied by local water authorities and property management companies. We improve the use of water resources through a variety of measures:

- Actively promote the comprehensive utilization of water recycling and sewage treatment and fully improve the rate of water reuse to reduce water consumption. For example, rainwater is collected to irrigate campus green belts, etc.;
- Cultivate the awareness of water conservation among students. Strengthen water-saving awareness by posting water-saving signs, opening columns on water conservation in campus newspapers, and holding contests to test students' knowledge about water conservation;
- Make efforts to popularize water-saving appliances and water-saving measures. For dormitories, bathrooms, public classrooms and all other key areas with high and centralized water consumption, water-saving appliances shall be adopted. Promote the use of water-saving equipment, measures and technologies such as the use of upper floor washing water for lower floor toilet flushing and the use of air-conditioning water loops for improving the scientific and technological level of water-saving;
- Strengthen the daily maintenance and management of water facilities to prevent the "evaporating, emitting, dripping and leaking" problems;
- Advocate the use of phosphate-free detergents, degradable cleaning supplies, etc. as much as possible to reduce pollution.

Paper Use

The Group reduces printing and paper consumption by advocating paperless office operations, purchasing the certified environmentally friendly recycled paper made from recycled fibre, strengthening the recycling of waste paper, etc. Our policies to reduce paper use (e.g. raw materials, packaging materials, papers) include:

- Advocate paperless office operations, and carry out internal communication and document circulation through the application of computer technology;
- Implement double-sided printing, reuse single-sided print-outs, and place waste paper recycling bins next to photocopiers and printers for recycling;
- Environmentally friendly recycled paper to be ordered and used by our University for photocopying to save paper;
- Use computer technology and communication equipment to share information or for internal communication and document circulation;
- Appeal to society for the reuse of textbooks;
- Make every effort to replace paper greeting cards with telephone calls, emails, e-cards or short messages on mobile phones.

Based on the business nature of the Company, no packaging materials are used in the course of business operation.

Waste Management

Hazardous Waste

The Group produces limited hazardous wastes in the operation process, mainly including ink cartridges, waste batteries, old electrical appliances and medical wastes. Service providers will collect all used ink cartridges for recycling. As for other types of hazardous wastes, we collect and store them in designated locations, and entrust relevant professionally qualified recycling companies to recycle and clean up the wastes.

Non-hazardous Waste

The non-hazardous wastes produced by the Group mainly include household wastes, paper, glass bottles and plastics from TV/film production business offices and campus, as well as kitchen waste, waste cooking oil and construction waste from campus canteens. All wastes are sorted, collected and transported by our University and disposed of by the government. They are properly classified and stored, and collected, recycled and disposed by qualified waste disposal operators. The Group has taken measures to reduce wastes in the operation process, so as to further reduce the environmental impact of the operation, for example:

- Advocate the culture of “cherishing food”, encourage teachers, students and employees to choose appropriate portions when ordering food in the canteen, and implement the “Clean Your Plate” (光盤行動) campaign to reduce food waste;
- Reduce disposable office supplies (such as stationery, paper cups, tissues, etc.).

As for the oily wastewater produced by the campus canteen of our University, the campus canteen has installed oil separation facilities in accordance with the national standard, the “Technical Specifications for Environmental Protection in the Catering Industry” 《飲食業環境保護技術規範》, and wastewater will only be discharged into municipal sewage pipes if they are treated and fulfilled local discharge standards stipulated by local authorities.

Air Emissions

Air emissions involved in the Group’s operations mainly come from vehicle use of the Group. The Group is committed to a number of measures to optimize its operations in order to continuously reduce air emissions, including: in cases where official vehicles are required, we will arrange appropriate routes according to the number of passengers and the travel distance to avoid unnecessary transportation. We encourage employees to use public transport to reduce vehicle emissions.

Tackling Climate Change

Climate change has posed a certain impact on all walks of life, and tackling climate change has become a global consensus. By assessing the risks and opportunities brought by climate change to business operations, and formulating corresponding adaptation and mitigation measures, the Group ensures that climate change risk can be effectively managed and that the strength of the enterprise can be contributed to the realization of the national goal of “carbon neutrality and carbon peaking”.

Climate change risk is mainly divided into physical risk and transition risk. According to the definition of the International Monetary Fund, transition risk refers to the risk of asset price fluctuations or an economic crisis in the broad sense arising from changes in climate policy, technology and market sentiment in the course of making a transition to a low-carbon economy. We believe that the impact of transition risk on the Group’s business operations is not a significant one at this stage. At this stage, physical risk has a relatively significant impact on our business operations, and the potential risks include:

- Mainly the possible impact of extreme weather and climate events such as heavy precipitation, high temperature, typhoon, freezing and haze on business operations, including operation interruption, damage to facilities, and impact on project production, etc.;
- Health and safety issues of employees and students arising from or caused by extreme weather.

In light of the possible impact of the above climate change risks on the Group’s operations, the measures we have taken include:

Climate Change Mitigation

- Take into consideration climate change factors in the procurement process, adhere to green procurement, and give priority to the use of low-carbon and environmentally-friendly materials;
- Practice green operation, including green office operations, paper saving, electronic office operations and improving the utilization rate of energy-saving equipment;
- Promote the concept of environmental protection, and publicize and popularize the concept of green environmental protection among employees and students;
- Pay attention to ecology and environmental protection in the process of TV/film production.

Climate Change Adaptation

- Incorporate climate change considerations into project design to prevent or reduce the damage that climate change may cause to new projects;
- Develop extreme weather management plans (such as the “Flood Control Emergency Plan of CUCN” 《南京傳媒學院防汛應急預案》) and the “Emergency Plan for Sudden Environmental Events and Severe Polluted Weather” 《突發環境事件及重度污染天氣的應急預案》) formulated by our University) to deal with more frequent extreme weather events caused by climate change.

Promoting the Concept of Environmental Protection

In order to mobilize students to participate in the development of energy-saving and environmental-friendly campus activities, we vigorously advocate “Saving Energy and Living a Low-carbon Life Starting from Me”, carrying forward the traditional virtue of saving in the Chinese nation, and making the concept of energy conservation and a low-carbon life deeply rooted in the hearts of the people. CUCN held a series of class meeting activities with the theme of “Saving Energy and Living a Low-carbon Life”. For example, we provided education on environmental protection in extra-curricular activities, made full use of environmental education blackboards, bulletin boards, radio and permanent environmental education slogans, and organized students to participate in various environmental protection essay and speech competitions and handwritten posters. These activities have allowed students to have a further understanding of the importance of energy conservation and environmental protection, thus improving their awareness of energy conservation and environmental protection.

COMMUNITY RESPONSIBILITY

The Group is deeply aware that the development of an enterprise cannot be separated from the support of all sectors of society. We actively give back to the society through charitable donations and public welfare activities. At the same time, we also actively promote and encourage employees or students to participate in public welfare activities so as to spread the concept of care and build a beautiful and harmonious society together.

During the Reporting Period, our University participated in or organized a total of 89 events and the total number of volunteer hours reached 11,535 hours. The Youth Volunteer Association of 南京傳媒學院 (Pinyin: Nanjing Chuanmei Xueyuan) actively participated in various activities, including being volunteers in the campaign of blood donation bus entering campus, participating in a special hand-painting activity in villages for the “Always Follow the Party and Paint a New Era” (永遠跟黨走 彩繪新時代) practice group and being volunteers during the summer vacation.



Volunteers in the campaign of blood donation bus entering campus



Volunteers of returning to school in spring semester 2022



“Love Action, Love Around” (博愛行動 愛在身邊) Summer Volunteer Service



Participating in a special hand-painting activity in villages for the “Always Follow the Party and Paint a New Era” (永遠跟黨走 彩繪新時代) practice group

APPENDIX

Appendix 1: Performance Data Summary

Environmental Performance

Higher Education (Media and Arts) and Vocational Education

	Unit	2020	2021	2022
Air emissions				
Nitrogen oxides (NOx)	kg	10.43	6.64	6.29
Sulphur oxides (SOx)	kg	0.2	0.15	0.12
Particulate matter (PM)	kg	0.77	0.49	0.46
Greenhouse gas emissions ¹				
Direct emissions (Scope 1) ²	tCO ₂ e	37.53	28.35	21.85
Energy indirect emissions (Scope 2) ³	tCO ₂ e	9,379.85	13,924.44	12,675.63
Other indirect greenhouse gas emissions (Scope 3) ⁴	tCO ₂ e	66.03	/	/
Total greenhouse gas emissions ⁵	tCO ₂ e	9,483.41	13,952.79	12,697.48
Intensity	tCO ₂ e/m ²	0.028	0.032	0.029
Hazardous waste				
Total hazardous waste	Ton	1.26	0.63	0.71
Intensity	Ton/m ²	0.0000037	0.0000015	0.0000016
Non-hazardous waste				
Total non-hazardous waste	Ton	3,355.65	5,894.30	7,327.87
Intensity	Ton/m ²	0.01	0.01	0.02
Energy consumption				
Gasoline	MWh	134.31	101.46	78.18
Electricity	MWh	11,642.60	17,306.04	21,816.92
Intensity	MWh/m ²	0.03	0.04	0.05
Use of water resources				
Total water consumption	m ³	917,830	1,310,135	1,457,525
Intensity	m ³ /m ²	0.03	3.00	3.34
Use of other resources				
Paper	Ton	2.55	2.71	1.24

TV/film production and investment business⁶

	Unit	2021	2022
Air emissions			
Nitrogen oxides (NOx)	kg	1.92	1.38
Sulphur oxides (SOx)	kg	0.04	0.03
Particulate matter (PM)	kg	0.14	0.10
Greenhouse gas emissions			
Direct emissions (Scope 1)	tCO ₂ e	8.15	6.26
Direct emissions (Scope 2)	tCO ₂ e	/	47.35
Total greenhouse gas emissions	tCO ₂ e	8.15	53.61
Intensity	tCO ₂ e/m ²	0.0060	0.039
Hazardous waste			
Total hazardous waste	Ton	0.01	0.01
Intensity	Ton/m ²	0.0000044	0.0000059
Non-hazardous waste			
Total non-hazardous waste	Ton	0.03	0.03
Intensity	Ton/m ²	0.000018	0.000018
Energy consumption			
Gasoline	MWh	29.17	22.41
Intensity	MWh/m ²	0.021	0.016
Use of other resources			
Paper	Ton	0.22	0.22

Notes:

- The greenhouse gas is calculated with reference to the "Greenhouse Gas Protocol: GHG Protocol Corporate Accounting and Reporting Standard" (溫室氣體盤查議定書:企業會計與報告標準) issued by World Business Council for Sustainable Development, the "Guidelines on Accounting Methodology and Reporting of Corporate Greenhouse Gas Emissions — Power Generation Facilities (2022 Revision)" (企業溫室氣體排放核算方法與報告指南發電設施(2022年修訂版)), the "Calculation Tool for GHG Emissions from Energy Consumption (Version 2.1)" (能源消耗引起的溫室氣體排放計算工具指南(2.1版)), and "Greenhouse Gas Emissions Accounting Methodology and Reporting Guidelines for Public Buildings Operating Enterprises (Trial)" (公共建築運營(企業)溫室氣體排放核算方法和報告指南(試行)) issued by the General Office of National Development and Reform Commission.
- Scope 1 Emissions refer to the direct greenhouse gas emissions from fuel combustion of the vehicles controlled by the Group.
- Scope 2 Emissions refer to the indirect greenhouse gas emissions of energy generated by the use of electricity purchased from local power companies.
- Scope 3 Emissions only include other indirect greenhouse gas emissions generated by the Group's employees on business trips.
- The greenhouse gas emission intensity is calculated as the sum of the direct emissions (Scope 1) and the energy indirect emissions (Scope 2) from operations of business segments, divided by the total area rented as the office of TV/film production and investment business or the floor area of our University (as at 31 December 2022). This intensity unit will be used for calculation of other intensity data.
- As the scope of statistics for TV/film production and investment business mainly covers the day-to-day operation of the office. Data of water consumption is not disclosed as it is included in the lease contract. During the year, electricity consumption is calculated separately rather than being included in rentals, resulting in an increase in greenhouse gas emissions. The calculation of greenhouse gas in the table is consistent with that of the higher education (media and arts) and vocational education business segment.

Social Performance

Employee data ⁷:

	Unit	Higher Education (Media and Arts) and Vocational Education			Headquarters, TV/film production and investment business		
		2020	2021	2022	2020	2021	2022
Number of employees by gender							
Male	Person	666	710	713	54	32	32
Female	Person	793	875	948	42	45	62
Number of employees by age							
Below 30	Person	336	375	397	47	17	20
30-50	Person	895	990	1,051	48	59	72
Above 50	Person	228	218	213	1	1	2
Number of employees by employment type							
Full-time	Person	881	996	1051	92	73	90
Part-time	Person	578	589	610	2	3	4
Other	Person	0	0	0	2	1	0
Number of employees by employee category							
Management	Person	45	49	62	6	2	5
Teachers/content creation	Person	1,314	1,415	1,481	15	50	65
Administrative staff	Person	100	121	118	75	25	24
Number of employees by region							
Mainland China	Person	1,459	1,585	1,661	96	75	93
Overseas	Person	-	-	-	-	2	1
Employee turnover rate							
By gender							
Male	%	6	3	4	20	231	159
Female	%	6	5	4	55	151	100
By age							
Below 30	%	10	6	6	26	371	210
30-50	%	4	3	3	44	134	99
Above 50	%	5	6	9	100	0	0
By region							
Mainland China	%	6	4	4	35	142	122
Overseas	%	-	-	-	-	0	0

Note 7: The number of employees is calculated based on the headcount in each of our business segments as at the end of the Reporting Period.

Employee training data ⁸

	Unit	2020	2021	2022
Total percentage of employees who complete the training	%	52	19	54
Total hours of training completed by employees	Hour	26,876	24,739	44,586
Percentage of employees trained by gender				
Male	%	36	36	34
Female	%	64	64	66
Percentage of employees trained by employee category				
Management	%	8	4	7
Teachers	%	72	64	80
Administrative staff/content creation	%	21	33	13
Average training hours per employee by gender				
Male	Hour	17.9	12.5	21.3
Female	Hour	20.1	18.2	31.0
Average training hours per employee by employee category				
Management	Hour	81.0	10.5	24.0
Teachers	Hour	14.6	9.1	27.2
Administrative staff	Hour	39.5	94.2	23.8

Note 8: The scope of statistics for the employee training information for the year covers the higher education (media and arts) and vocational education business.

Health and safety

	Unit	2020	2021	2022
Number of work-related fatalities in the last three years	Person	0	0	0
Percentage of work-related fatalities	%	0	0	0
Number of work-related injuries	Person	0	0	0
Number of working days lost due to work-related injuries	Day	0	0	0

Supply Chain Management ⁹

	Unit	2020	2021	2022
Number of suppliers				
East China	Number	76	84	61
North China	Number	14	23	0
Northeast China	Number	1	0	0
South China	Number	2	2	1
Central China	Number	0	1	0
Northwest China	Number	0	1	0

Note 9: The scope of statistics for suppliers covers the higher education (media and arts) and vocational education business and TV/film production and investment business.

Anti-corruption

	Unit	2020	2021	2022
Anti-corruption				
Concluded anti-corruption litigations brought against the Group or employees	Number	0	0	0

Appendix 2: The Stock Exchange ESG Reporting Guide Index

ESG Reporting Guide		Section/Explanation
Mandatory Disclosure Requirement		
Governance Structure	<p>A statement issued by the board of directors containing the following:</p> <ul style="list-style-type: none"> (i) disclosure of the Board's oversight of ESG matters; (ii) the Board's ESG management approach and strategy, including the process for assessing, prioritizing and managing material ESG-related matters, including risks to the issuer's business; and (iii) how the Board reviews progress against ESG-related objectives and explains how they relate to the issuer's business. 	Board Statement on Environment, Social and Governance
Reporting Principles	<p>Describe or explain how the following reporting principles have been applied in preparing the ESG report:</p> <p>Materiality: The ESG report should disclose: (i) the process of identifying material ESG factors and the criteria for selecting these factors; (ii) if the issuer has engaged in stakeholder engagement, a description of the identified significant stakeholders and the process and outcome of the issuer's stakeholder engagement.</p> <p>Quantitative: The ESG report should disclose the information on the criteria, methods, assumptions and/or calculation tools used in reporting emissions/energy consumption (if applicable), and the sources of conversion factors used.</p> <p>Consistency: Issuers should disclose in the ESG reports changes (if any) in statistical methodologies or key performance indicators, or any other relevant factors that affect meaningful comparisons.</p>	About this Report – Standard of Report
Scope of Report	<p>Explain the scope of the ESG report and describe the process for selecting which entities or businesses to be included in the ESG report. The issuer should explain the difference and the reasons for the change if the scope of report changes.</p>	About this Report – Scope of Report

Level	General Disclosure and KPIs	Details of KPIs	Section of the Report
A. Environment			
	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 -Air Emissions Environmental Protection -Waste Management Environmental Protection -Green Operation
	KPI A1.1	The types of emissions and respective emissions data	Performance Data Summary
Level A1: Emission	KPI A1.2	The direct emissions (Scope 1) and the energy indirect emissions (Scope 2) of greenhouse gas (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Performance Data Summary
	KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Performance Data Summary
	KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Performance Data Summary
	KPI A1.5	Description of the emission targets set and the steps taken to achieve them.	Environmental Protection -Waste Management
	KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, and the reduction targets set and the steps taken to achieve them.	Environmental Protection -Air Emissions
	General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	Environmental Protection- Use of Resources
	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).	Performance Data Summary
Level A2: Use of Resources	KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Performance Data Summary
	KPI A2.3	Description of energy use efficiency targets set and the steps taken to achieve them.	Environmental Protection- Use of Resources
	KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, and water efficiency targets set and the steps taken to achieve them.	Environmental Protection- Use of Resources
	KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Not applicable to the Group's business

Level	General Disclosure and KPIs	Details of KPIs	Section of the Report
Level A3: The Environment and Natural Resources	General Disclosure	Policies on minimizing the issuer's significant impact on the environment and natural resources.	Environmental Protection- Promoting the Concept of Environmental Protection
	KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	
Level A4: Climate Change	General Disclosure	Identification of and response to the policies on the significant climate-related issues which have impacted, and those which may impact, the issuer.	Environmental Protection- Tackling Climate Change
	KPI A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	
B. Society Employment and Labor Practices			
Level 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.	People Focused- Employment Practices and Labor Standards
	KPI B1.1	Total number of employees by gender, employment type (such as full-time or part-time), age group and geographical region.	Performance Data Summary
	KPI B1.2	Employee turnover rate by gender, age group and geographical region.	Performance Data Summary
Level 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.	People Focused-Health and Safety
	KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Performance Data Summary
	KPI B2.2	Lost days due to work injury	Performance Data Summary
	KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	People Focused-Health and Safety

Level	General Disclosure and KPIs	Details of KPIs	Section of the Report
Level B3: Development and Training	General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	People Focused- Development and Training
	KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Performance Data Summary
	KPI B3.2	The average training hours completed per employee by gender and employee category.	Performance Data Summary
Level B4: Labor Standard	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 labor.	People Focused- Employment Practices and Labor Standards
	KPI B4.1	Description of measures to review employment practices to avoid child and forced labor.	People Focused- Employment Practices and Labor Standards
	KPI B4.2	Description of steps taken to eliminate such practices when discovered.	People Focused- Employment Practices and Labor Standards
Operational Practice	General Disclosure	Policies on managing environmental and social risks of the supply chain.	Compliance Operation- Supply Chain Management
Level B5: Supply Chain Management	KPI B5.1	Number of suppliers by geographical region.	Performance Data Summary
	KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Compliance Operation- Supply Chain Management
	KPI B5.3	Description of practices relating to identifying environmental and social risks along the supply chain, and how they are implemented and monitored.	Compliance Operation- Supply Chain Management
	KPI B5.4	Description of practices relating to promoting environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Compliance Operation- Supply Chain Management

Level	General Disclosure and KPIs	Details of KPIs	Section of the Report
Level B6: Product Responsibility	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Product Responsibility
	KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Not applicable to the Group
	KPI B6.2	Number of products and service-related complaints received and how they are dealt with.	No complaints relating to products or services were received during the Reporting Period
	KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	Compliance Operation-Product Responsibility
	KPI B6.4	Description of quality assurance process and recall procedures.	Compliance Operation-Product Responsibility
	KPI B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	Compliance Operation-Product Responsibility
Level 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.	Compliance Operation-Anti-corruption
	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.	Performance Data Summary
	KPI B7.2	Description of preventive and reporting measures, and how they are implemented and monitored.	Compliance Operation-Anti-corruption
	KPI B7.3	Description of anti-corruption training provided to directors and staff.	Compliance Operation-Anti-corruption
Level 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.	Community Responsibility
	KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labor needs, health, culture, sport).	
	KPI B8.2	Resources contributed (e.g. money or time) to the focus areas of contribution.	