

# JDH 京东健康

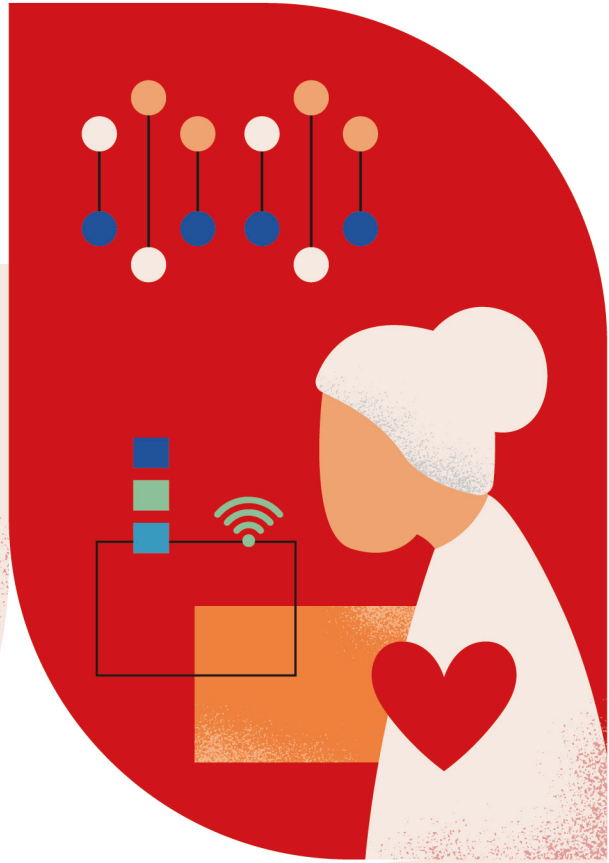
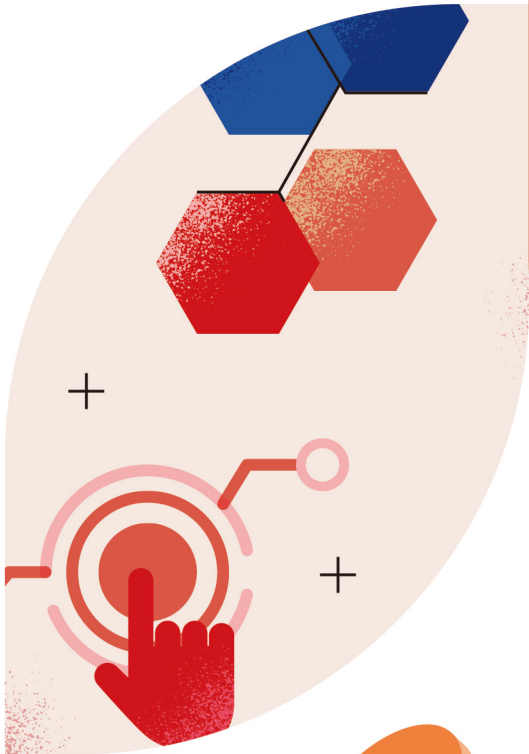
看好医生 · 买好药

JD Health International Inc.

京东健康股份有限公司

(A company incorporated in the Cayman Islands with limited liability)

Stock Codes: 6618 (HKD counter) and 86618 (RMB counter)



# 2023

## JD Health

### Environmental, Social and Governance Report

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# About This Report

## Report Introduction

This report is the fourth Environmental, Social and Governance (hereinafter referred to as "ESG<sup>1</sup>") report released by JD Health International Inc. (hereinafter referred to as "the Company", "JD Health", and "we"), aiming to demonstrate its ESG strategies, management and practices. This report has been reviewed and approved by the Board of Directors of the Company which is responsible for the authenticity and validity of the data provided.

## Reporting Scope

The materials and data disclosed in the report cover JD Health as listed in its annual report. The information covers the period from January 1, 2023 to December 31, 2023 (hereinafter referred to as "the reporting period", "this year", or "2023"), unless otherwise stated.

## Basis of Preparation

This report is compiled in accordance with the *Environmental, Social and Governance (ESG) Reporting Guide* in Appendix 27 of the Main Board Listing Rules (the "Listing Rules") of The Stock Exchange of Hong Kong Limited ("HKEX" or "Hong Kong Stock Exchange"), with reference to the *GRI<sup>2</sup> Sustainability Reporting Standard*. This report is also prepared with reference to MSCI<sup>3</sup>, S&P DJSI<sup>4</sup> and other mainstream ESG indices, and is aligned with the Sustainable Development Goals (SDGs<sup>5</sup>) and the *International Financial Reporting Standards S2 Climate-related Disclosures* (IFRS S2<sup>6</sup>).

## Source of Information

All materials and data referred in this report are sourced from our official documents, statistical reports and financial reports, which have been collected, summarized and reviewed by relevant departments. Unless otherwise stated, the reporting currency herein is Renminbi (RMB).

## Report Approval and Access

This report has been reviewed and approved by the Board of Directors on March 20, 2024, which is available on the website of HKEX ([www.hkexnews.hk](http://www.hkexnews.hk)) and the website of the Company (<https://www.ir.jdhealth.com>).

## Disclaimer

Parts of this report are forward-looking and subject to uncertainties, which could cause actual results to differ materially from those presented. The Company undertakes no obligation to update any forward-looking statements provided in this report.

<sup>1</sup> ESG, Environmental, Social and Governance.

<sup>2</sup> GRI, Global Reporting Initiative.

<sup>3</sup> MSCI, Morgan Stanley Capital International.

<sup>4</sup> S&P DJSI, S&P Dow Jones Sustainability Indices.

<sup>5</sup> SDGs, Sustainable Development Goals, include 17 global development goals adopted by the United Nations to guide global development from 2015 to 2030.

<sup>6</sup> IFRS S2, International Financial Reporting Standards S2 Climate-related Disclosures, requires entities to disclose information regarding climate risks and opportunities.

# Company Profile

JD Health is a provider of innovative healthcare services and is also one of the largest online healthcare platforms in China. The Company upholds the business philosophy of "trust-based value creation centered on customer's health" and undertakes the mission of "becoming the go-to health management platform for everyone in China". We seek to create a technology-driven platform that centers on the supply chain of pharmaceutical and healthcare products and is strengthened by healthcare services, encompassing a user's full life span for all healthcare needs.

Our innovative healthcare services range from marketing and sales of health products, healthcare services, enterprise health solutions, to smart healthcare solutions. Meanwhile, we partner with upstream, midstream, and downstream companies in the industrial chain to create a more extensive and comprehensive big health ecosystem and work with global brands and businesses to achieve sustained, stable and high-quality growth, providing users with "more, faster, better, and more cost-effective" consumption experiences of healthcare products.

JD Health is actively expanding the capability boundaries of the traditional healthcare system and advancing the digital and intelligent transformation of the medical industry and regional healthcare. Meanwhile, we are committed to leveraging our healthcare achievements and resources to serve the urgent needs of the people and fulfill our corporate social responsibility. In response to emergencies, JD Health has established rapid emergency response and regular assistance mechanisms to ensure the supply of essential medical supplies and healthcare services in special circumstances. We innovate public-welfare operations to improve the accessibility and affordability of medication and treatment for rare disease patients, rural residents, and other social groups. Through years of persistent efforts, JD Health has made indelible contributions to the development of China's healthcare industry.

## Main Business Scope of JD Health

### Marketing and Sales of Health Products

As the preferred omni-channel partner for pharmaceutical and healthcare product manufacturers and a trusted online healthcare platform, JD Health leverages its strong B2C e-commerce business to achieve supply across all categories, distribution through all channels, and marketing throughout the full life cycle, providing customers with the most comprehensive and effective product marketing and sales services. At present, JD Health has become one of the largest retail channels of medicines in terms of revenue scale in China, one of the largest online medical device retailers in terms of sales volume in China, and one of the online retail channels with the most comprehensive categories of foods for special medical purposes in China.

### Healthcare Services

JD Health offers users integrated, online and offline healthcare services in a professional, authoritative, and trustworthy manner. We also give users easy access to healthcare services anytime and anywhere. Our online hospitals, which connect to a nationwide network of doctors, including top-tier experts from Grade-A tertiary hospitals and full-time doctors, enable 24/7 online consultations across all medical specialties with an average response time of 30 seconds. "JD Family Doctor" provides continuous and timely proactive healthcare services and assists users with personal and family healthcare. Moreover, JD Health connects users with healthcare service institutions, offering a wide range of healthcare services such as health examinations, vaccinations, dental care, and medical aesthetics through both home visits and in-store services.

### Enterprise Health Solutions

JD Health is committed to providing enterprise customers with a one-stop solution for health management. We offer customized and digitized health management services to employees. We aim to improve the health experience and satisfaction of both employees and users while also providing health capabilities and medical supply support solutions for our partners under all scenarios.

### Smart Healthcare Solutions

JD Health delivers digitalized and intelligent region-specific health information and smart solutions for government customers and medical institutions. This includes the construction and operation of platforms and solutions such as smart hospitals and smart medical insurance, aimed at facilitating high-quality development of the healthcare system through innovation.



## Message from CEO

In 2023, new quality productive forces experienced vibrant development. JD Health, as an industry-leading provider of innovative healthcare services, JD Health actively responds to relevant national policies and regulations, strengthens the construction of healthcare supply chain infrastructure, expands the boundaries of healthcare services, accelerates the implementation of inclusive healthcare with technology, and speeds up the construction of an integrated, online-to-offline healthcare service system. In the past year, the value effect of JD Health as the “1st port for online consumption of healthcare products” continued to expand. While comprehensively safeguarding users’ health, we also achieved high-quality development and further promoted the construction of a sustainable development model.

**Corporate governance is our cornerstone.** JD Health, by establishing a scientific and effective governance framework, continuously optimizes compliance and risk management in practice. By doing so, we ensure transparency, stability, and efficiency in corporate operations. Through active communication with stakeholders, we consistently enhance the enduring internal dynamics of corporate operations and seamlessly align the concept of sustainable development with corporate operations.

**Social construction is our responsibility.** We uphold stringent standards for our products and services while providing robust support for our employees. Concurrently, we strive to disseminate positivity and goodwill throughout society. By seizing social needs and leveraging cutting-edge technology, we offer smart healthcare solutions to accelerate the implementation of inclusive healthcare. In 2023, JD Health launched the medical model “Jingyi Qianxun”, which is the first healthcare industry-specific model that connects physical goods and services and integrates knowledge and data, to actively empower the digital transformation of the healthcare industry. We have built a leading one-stop health care and elderly care services platform in China, comprehensively expanding the supply of elderly care products and optimizing the experience of elderly care services. JD Health is also accelerating the layout of offline medical service scenarios, providing local users with integrated, online-to-offline healthcare services. Our ultimate goal is to make healthcare services accessible to all.

**Green development is our commitment.** JD Health adheres to the path of sustainable development and actively responds to the national dual-carbon goals. By implementing a series of energy-saving and emission-reducing measures, we effectively reduce the environmental impact of our operations. We not only take green actions in our own operations, such as promoting the use of eco-friendly packaging materials and optimizing logistics routes, but also actively encourage partners and suppliers to participate in green development. We believe that JD Health will contribute to achieving the global carbon neutrality goals through relentless efforts.

Looking ahead, JD Health will remain the philosophy of “trust-based value creation centered on customer’s health” and consistently construct and improve the integrated, online-to-offline healthcare service system and cooperate with brand partners to achieve sustained, stable, and high-quality growth. JD Health is accelerating its journey towards becoming the “1st port for all-people universal health consumption” covering all scenarios and channels, and contributing to the realization of “Healthy China 2030”.

**Enlin Jin**  
Chief Executive Officer

## Statement of the Board

JD Health is dedicated to incorporating environmental, social, and governance (ESG) principles into corporate strategies, operations, and decision-making processes. We consistently enhance our ESG mechanisms to foster sustainable business practices and contribute to the sustainable and coordinated development of society and the environment.

The Board of Directors serves as the core leadership and highest decision-making body responsible for ESG matters. It regularly convenes meetings to discuss material ESG issues, identify potential risks and opportunities for the Company, and closely monitor the implementation of ESG strategies. Guided by the ESG responsibility concepts, the Board of Directors actively participates in ESG knowledge training and continuously improves professional competence to better fulfill ESG governance responsibilities and further enhance ESG governance capabilities.

To facilitate ESG work, JD Health has set up an ESG coordination and management group and a leadership group responsible for the execution and reporting of ESG matters. CEO is tasked with regularly evaluating the progress of ESG work and ensuring the effective execution of all relevant measures.

JD Health actively maintains an open and transparent communication mechanism with stakeholders to listen to their expectations. The Board of Directors regularly assesses the outcomes of communication to ensure that decisions made by the Company fully accommodate the interests and needs of all stakeholders.

This report is a detailed and truthful disclosure of the ESG progress and achievements of JD Health in 2023, and has been approved by the Board of Directors on March 20, 2024. In the future, JD Health will continue to strengthen its ESG efforts and investment, aiming to achieve targets for sustainable operations of the Company.

# Key Performance

## Corporate Governance

### Compliance Governance

The Board of Directors held four meetings, with attendance rate of all Directors

**89.29%**

Attendance rate of all independent Directors

**93.75%**

Women accounted for **29%** of the members of the Board Independent Directors accounted for **57%**

Organized compliance training sessions

**23**

Recorded enrollments

**9,189**



### Sustainable Development Management

Material ESG issues were identified

**25**



### Business Ethics

A total of enrollments in anti-corruption and business ethics training

**9,526**

Offline training and examinations were held

**over 20**

With aroundenrollments

**9,098**

The employee training totaled

**6,099.4 hours**



Conducted external training sessions

**10**

Internal training sessions on knowledge of the advertising law

**2**

## Social Construction

### Quality & Safety Safeguard

New documents were added to the pharmaceutical quality management system

**95**

Documents were revised

**304**

Standardized online diagnostic and treatment pathways for medical department

**13**

Diseases were added

**23**

Diagnostic and treatment pathway guidelines were updated

**200**

Internal quality audits were conducted

**over 100**

The Company received external audits

**44**

Including audits by the drug regulator, with **zero** quality risks identified

Rounds of on-site audits were conducted

**4**

Suppliers

**39**

With of identified issues resolved properly

**100%**



The coverage rate of employee product quality training reached

**100%**

A total of supplier quality training sessions were conducted

**22**

Covering suppliers

**over 1,300**

With more than person-times

**2,000**

Training sessions on quality compliance were conducted for POP merchants

**over 30**

With enrollments

**over 3,000**



### Innovative Research and Development

Research and medical institutions

**over 170**

**About 100** pharmaceutical companies and corporate clients

And **over 40,000** doctors had directly or indirectly participated in the construction of the Jingyi Qianxun large model

The Academic Communication Platform has covered doctors

**over 30,000**



Conducted **10** patent knowledge training sessions

**1** software copyright training session

Covering more than **630 employees**

Carried out **24** collaborative projects covering multiple fields such as osteoporosis, defecation disorders, skin diseases, and psychology

Involving more than **70** hospitals and more than **300** doctors, with a plan to recruit over **90,000** patients

### Talent Growth

A total of employees

**3,118**

Including **43** employees with disabilities

**178** employees of ethnic minorities

**3** foreign employees and **1,138** new employees

Internal and external training courses recorded enrollments

**4,296,099**

Of employee training coverage

**100%**

Of employee satisfaction survey coverage

**100%**

An investment of in employee training and development

**RMB 887,131.58**

Work-related fatalities and its rate were both

**0**

### Promoting Public Health

A total of 46 health science popularization livestreams were organized

**46**

Reaching a total audience of

**1.54 million**

As of the end of 2023, the JD Health Rare Disease Care Fund had assisted **358 patients** with **42** different rare diseases, with a total donation amount of

**RMB 3.79million**

A total of public-welfare activities were carried out

**56**

With joint donations of funds, supplies, services, and benefiting nearly

**4 million people**



## Green Development

### Addressing Climate Change

Nearly **400,000** cartons were saved due to the adoption of green packaging



### Green Operations

The target of reducing electricity consumption by **3%** was overachieved in Beijing Offices

# Honors and Awards

"Responsible Brand of the Year" Award at the 2023 China Philanthropist · Weibo Philanthropic Awards Ceremony themed "Strive for the Greatest Kindness"

*China Philanthropist*      Weibo

2023 Top 10 Chinese Enterprises with Public Welfare Influence

*China Times*

Innovation Award for a Better Life for the Elderly

AgeClub

Cloud Listening Health Conference · Annual Internet Health Innovation Platform

Audio APP Cloud Listening of China Media Group

Chinese Healthcare Enterprises for Excellent ESG Performance

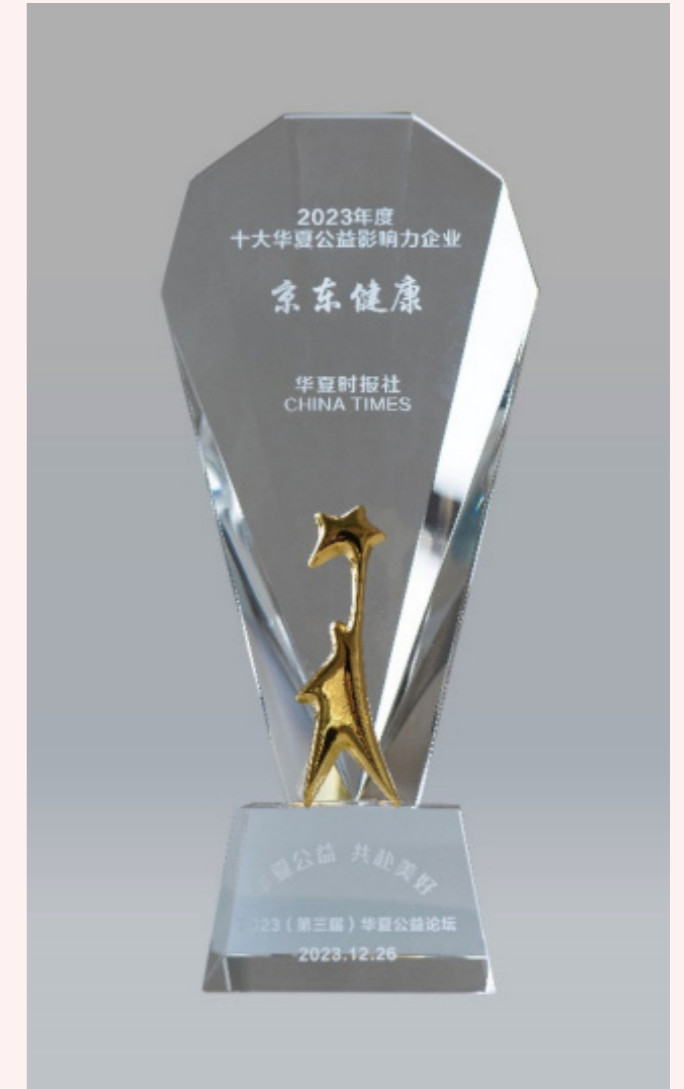
*China Times*



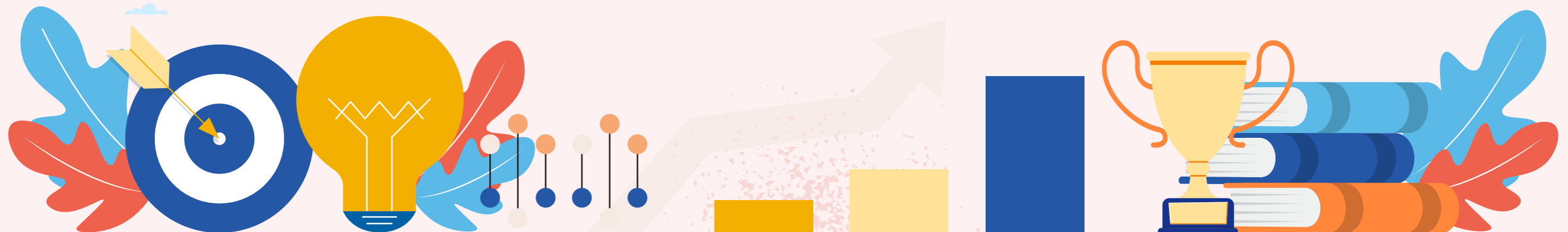
"Responsible Brand of the Year" Award themed "Strive for the Greatest Kindness"



Chinese Healthcare Enterprises for Excellent ESG Performance



2023 Top 10 Chinese Enterprises with Public Welfare Influence



# JD Health and the UN SDGs

Embracing the philosophy of responsible development and management, JD Health actively responds to the global call for sustainability. Guided by the *United Nations 2030 Sustainable Development Goals (SDGs)*, we regard environmental protection and health as cornerstones of business development. Through continuous optimization of our products and services, we aim to fulfill our social responsibilities and promote the sustainable development of both the Company and society while maintaining business and economic growth.

SDGs	Our Actions
	<ul style="list-style-type: none"> <li>Carry out a wide range of public welfare actions aimed at addressing medical difficulties, safeguarding children's growth, and caring for outdoor workers.</li> <li>Vigorously promote inclusive healthcare, improve the accessibility of drugs for rare diseases, initiate actions for elderly care, and provide a wider population with easier access to high-quality healthcare services.</li> <li>Advance rural revitalization in all respects, boost rural economic development according to the local actuality, and support the growth of rural children.</li> </ul>
	<ul style="list-style-type: none"> <li>Provide the public with more convenient, affordable and quality medical healthcare products and services in the fulfillment of our mission as a go-to health management platform for everyone in China.</li> <li>Assume the industrial responsibilities, take the initiative to develop and publish the standardization path of online hospitals, so as to help standardize the diagnosis and treatment in such hospitals.</li> <li>Create a comprehensive occupational health protection system, improve first aid facilities, and safeguard the physical and mental health of our employees.</li> </ul>
	<ul style="list-style-type: none"> <li>Enrich the talent training and development system, integrate internal and external resources, and provide diverse training courses for employees and external partners.</li> </ul>
	<ul style="list-style-type: none"> <li>Establish a fair and just employment system, build a diverse talent team, and advocate for an equal and diverse workplace culture.</li> <li>Implement equal pay for male and female employees in the same positions and ranks, and enhance the exclusiveness of the workplace and the sustainability of corporate development.</li> </ul>

SDGs	Our Actions
	<ul style="list-style-type: none"> <li>Integrate climate change response plans into the governance and strategic framework, initially identify climate risks, and formulate response measures accordingly.</li> <li>Conduct greenhouse gas (GHG) emissions accounting, promote the reduction of GHG emissions in an orderly manner, and pursue low-carbon development across the entire industry chain.</li> <li>Practice green office and low-carbon operations, adopt energy-saving and emission-reducing actions such as energy-efficient stores and lightweight packaging, and create an eco-friendlier business model.</li> </ul>
	<ul style="list-style-type: none"> <li>Strictly regulate and supervise the quality and safety of pharmaceutical and healthcare products and services throughout the industry chain; clearly specify the product quality management of suppliers and POP merchants; make persistent efforts to safeguard the health and safety of the public and contribute to the construction of a national health defense line.</li> <li>Continuously enhance the capacity for independent innovation, actively promote the development of medical technologies, and provide diversified smart healthcare solutions.</li> </ul>
	<ul style="list-style-type: none"> <li>Abide by the applicable laws and regulations of the countries and regions where the Company operates.</li> <li>Assess the diversity of the Board of Directors represented by two female directors.</li> <li>Establish a sound ESG governance framework.</li> <li>Combine the five dimensions of compliance management requirements and the three defense lines of internal control compliance management, as well as achieve closed-loop compliance review management.</li> <li>Continuously improve the risk management framework and risk management process.</li> <li>Consistently conduct anti-corruption and anti-bribery efforts, and focus on raising the business ethics awareness of all employees.</li> </ul>
	<ul style="list-style-type: none"> <li>Effectively communicate with stakeholders, gather feedback, and forge close partnerships.</li> <li>Actively conduct responsible marketing and promotional activities, and integrate the concept of responsible marketing into daily operations.</li> <li>Establish a sound supplier lifecycle management process, value supply chain ESG risk management, and construct a supplier lifecycle risk prevention management system.</li> <li>Emphasize communication and exchange with suppliers and POP merchants, and empower each other to ensure that business operations comply with regulatory requirements.</li> </ul>

# ESG Strategy

JD Health, as a provider of innovative healthcare services, centers around customers' health. We are committed to providing users with more accessible, convenient, high-quality, and affordable healthcare products and services. Taking the supply chains of pharmaceutical and health products as the core and focusing on medical services, we strive to provide users with technology and digital driven full lifecycle health management covering the entire medical process and all health scenarios.

Currently, JD Health's major business areas include marketing and sales of health products, healthcare services, enterprise health solutions, and smart medical solutions. The development of diversified and complementary businesses provides inexhaustible impetus for the long-term development of JD Health, and also puts higher requirements on its sustainable governance.

In 2023, with a view to become the most trustworthy health management enterprise, JD Health formulated the TRUST sustainable development strategy. Supported by its five pillars, namely "Trustworthy", "Resource", "Understand", "Support", and "Technology" JD Health cooperates with enterprises and institutions in all links (upstream, midstream and downstream) of the industrial chain, to create a more complete health ecosystem for providing users with "more, faster, better and more cost-effective" consumption experience of healthcare products and create a trustworthy health management enterprise to lead the future sustainable development of the healthcare industry.



## Health with Trust, Empowering Lives



<h3>T</h3>	<p><b>Trustworthy</b></p> <p>Trustworthy for its excellence, JD Health aims to deliver safe and reliable healthcare services and premium healthcare products to a broader user base with a pragmatic and responsible attitude.</p> <table border="0"> <tr> <td>Customer relationship</td> <td>Compliant Governance</td> <td rowspan="4"> </td> </tr> <tr> <td>Product guarantee</td> <td>Business Ethics</td> </tr> <tr> <td></td> <td>Quality and Safety Assurance</td> </tr> <tr> <td></td> <td>Supporting Public Health</td> </tr> </table>	Customer relationship	Compliant Governance		Product guarantee	Business Ethics		Quality and Safety Assurance		Supporting Public Health	
Customer relationship	Compliant Governance										
Product guarantee	Business Ethics										
	Quality and Safety Assurance										
	Supporting Public Health										
<h3>R</h3>	<p><b>Resource</b></p> <p>JD Health pursues ecological governance, optimizes environmental management, and adopts green packaging and logistics solutions. We collaborate with upstream and downstream partners to build eco-friendly industrial models and actively address climate change by reducing the carbon footprint of our products.</p> <table border="0"> <tr> <td>Climate Action</td> <td>Addressing Climate Change</td> <td rowspan="3"> </td> </tr> <tr> <td>Environmental Management</td> <td>Green Operations</td> </tr> <tr> <td>Green Packaging and Logistics</td> <td></td> </tr> </table>	Climate Action	Addressing Climate Change		Environmental Management	Green Operations	Green Packaging and Logistics				
Climate Action	Addressing Climate Change										
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<h3>U</h3>	<p><b>Understanding</b></p> <p>With deep insight into healthcare, JD Health conducts in-depth market research and builds a transparent and reliable supply chain. We aim to make medical resources and health awareness more accessible to the public.</p> <table border="0"> <tr> <td>Responsible Supply Chain</td> <td>Quality and Safety Assurance</td> <td rowspan="2"> </td> </tr> <tr> <td>Medical Resources</td> <td>Innovative Research and Development</td> </tr> </table>	Responsible Supply Chain	Quality and Safety Assurance		Medical Resources	Innovative Research and Development					
Responsible Supply Chain	Quality and Safety Assurance										
Medical Resources	Innovative Research and Development										
<h3>S</h3>	<p><b>Support</b></p> <p>JD Health supports win-win progress. In addition to pursuing stable development, JD Health proactively fulfills its social responsibilities, cares for the growth of its employees, and contributes to the harmonious progress of society.</p> <table border="0"> <tr> <td>Social Responsibility Management</td> <td>Compliant Governance</td> <td rowspan="3"> </td> </tr> <tr> <td>Rights Protection</td> <td>Sustainable Development Management</td> </tr> <tr> <td>Community Development</td> <td>Talent Growth</td> </tr> <tr> <td></td> <td>Supporting Public Health</td> <td></td> </tr> </table>	Social Responsibility Management	Compliant Governance		Rights Protection	Sustainable Development Management	Community Development	Talent Growth		Supporting Public Health	
Social Responsibility Management	Compliant Governance										
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Community Development	Talent Growth										
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<h3>T</h3>	<p><b>Technology</b></p> <p>JD Health is committed to technological innovation. We empower online healthcare products with advanced digital and intelligent technologies, encourage innovation and development through standardized intellectual property management, as well as facilitate the intelligent and customized development of healthcare service solutions.</p> <table border="0"> <tr> <td>Smart Health Solutions</td> <td>Innovative Research and Development</td> <td> </td> </tr> <tr> <td>Technological Innovation</td> <td></td> <td></td> </tr> </table>	Smart Health Solutions	Innovative Research and Development		Technological Innovation						
Smart Health Solutions	Innovative Research and Development										
Technological Innovation											



## Topic 1

# Practicing Responsibility and Commitment, Creating Smart Solutions for the Elderly

The global trend towards an aging population is becoming increasingly severe. There is a global consensus on the need to actively respond to the impact of aging and promote coordinated economic and social development. In order to actively implement the *Special Action Plan for Aging and Accessibility Adaptation of Internet Applications*, JD Health continuously promotes the elderly-friendly development of products, services, and platforms to address the life, health, and elderly care concerns for the elderly. JD Health also joins hands with various sectors of society to create a favorable environment for aging adaptation.

JD Health focuses on elderly health by integrating hospital supply chain and healthcare resources and service capabilities. We launch a wide range of health and elderly care solutions covering both online and offline scenarios, including providing more diversified elderly care products, high-quality health management, and high-quality medical services. It empowers the sector of health and elderly care with digital and intelligent technology and builds a leading one-stop health care and elderly care services platform in China. By doing so, we contribute to the vision of "Healthy China".

## New Frontier of Silver Economy: One-stop Platform for Health care and Elderly Care Consumption

JD Health leverages its resources and supply chain advantages in the online healthcare industry to actively integrate and apply new technologies. This initiative aims to enrich product diversity, improve service convenience, and enhance the adaptability and accessibility of various products for the elderly. The Company focus on the daily lives of the elderly and the application of healthcare products.

JD Health's mobile applications, such as its smartphone app and WeChat mini-program, have undergone upgrades to make their operation interfaces and service models more elderly-friendly. A special section dedicated to comprehensive health care and elderly care has been set up to offer a variety of elderly-friendly products and services, in a bid to meet the home-based elderly care consumption needs of elderly users in assisted walking and hearing, assisted bathing and dining, rehabilitation care, monitoring and treatment, and traditional Chinese medicine health care. To further enhance the safety and comfort of the elderly at home, the company provide elderly-friendly home renovation services catering to the specific needs of the elderly population. In doing so, the company have established a comprehensive system of home-based elderly care products and services.



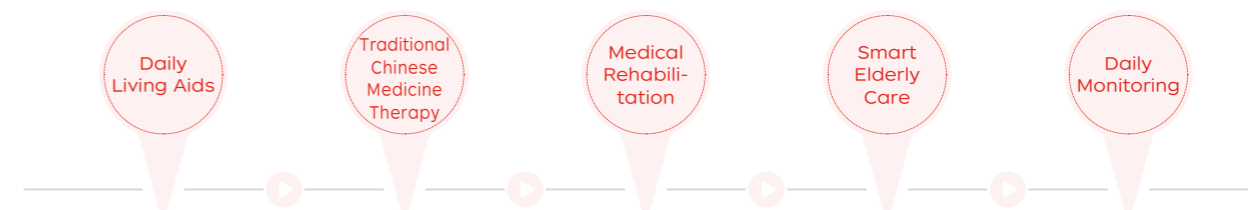
Page of JD Health's Elderly Care Channel



## Diversified elderly-friendly products

JD Health advocates for more social attention and care for the elderly. The Company has launched a wide range of elderly-friendly products for various home scenarios, according to the needs of the elderly for home-based health management, home safety, and convenient home environment. Based on profound insights into consumer needs, the Company guides leading brands and merchants to upgrade their existing production lines with mature quality control to develop elderly-friendly products. The Company also help our partners and manufacturers refine their product R&D and upgrade processes more accurately. Our platform offers five categories of rehabilitation aid products specifically designed for the elderly, encompassing 55 subcategories such as nursing beds, electric wheelchairs, shower chairs, and nursing equipment, covering 30,000 brands and spanning more than a thousand specialized subcategories. The Company also provides full-process product solutions, including delivery, installation, removal of old items, and waste disposal, to meet the diverse needs of the elderly. Through these measures, the company has further improved the quality of life for the elderly and alleviated any difficulties they may encounter in their daily lives. In 2023, JD Health's transaction volume of elderly-friendly medical devices increased by 100% compared to the previous year.

### Classification of Elderly-Friendly Products Launched on JD Health



### Case | JD Health Launches Multi-functional Nursing Beds for the Elderly

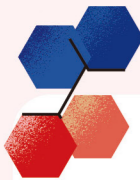
As the physical functions of the elderly gradually decline, their mobility and ability to respond to external stimuli also suffer, making it more difficult for them to handle activities such as turning over, eating, and bathing. Nursing beds, as an important elderly-friendly product of JD Health, are designed for patients who need long-term bed rest. These beds not only meet the basic needs of bedridden life but also include various nursing functions, such as weight monitoring, assisting with meals, timed turnover alarms, and preventing pressure ulcers. In 2023, more than 280,000 nursing beds were sold on the JD Health platform, representing a year-on-year growth rate of 22%. The year-on-year growth rate of self-operated sales exceeded 40%.



Nursing Bed

JD Health meets the diverse needs of elderly consumers by offering a variety of specialized nursing bed products. By integrating specialized elderly-friendly products and services, the Company provides more humane and convenient life solutions for the elderly.





## New Frontier of Elderly Care: Premium Elderly-friendly Healthcare Services

It is our relentless pursuit to deliver better services to the elderly. JD Health not only offers a variety of elderly-friendly healthcare products but also strives to provide a sound service system covering online consultations, health management, disease prevention and screening, and rehabilitation care. The Company aims to ensure that all elderly users can enjoy the benefits brought by technological progress.

Focusing on elderly users, JD Health has set up a dedicated customer service team for them. The team is able to provide 24/7 support and ensure timely responses for users aged 50 and above. We have implemented the service strategy of "one-click access, follow-up, and full coverage". The Company has established an exclusive service loop for elderly users. In addition, seven service guidelines have been formulated to significantly improve the efficiency, convenience, and warmth of communication and service processes for elderly users.

To facilitate the high-quality development of health services for the elderly JD Health comprehensively optimizes the "Beijing Integrated Elderly Service Platform". Upholding the "health-centered" service standards, the company strives to meet the diverse needs of elderly users and improves the quality of elderly care through online and offline measures.



Seven Service Guidelines Tailored to Elderly Users

### Beijing Integrated Elderly Service Platform Business

Service Sector	Service Content
Home Monitoring	JD Health offers continuous, seamless, and all-in-one home-based elderly care services through software and hardware such as smart devices and call centers.
Product Sales	JD Health has launched an elderly care mall to offer products and services such as medicines, medical devices, nutritional supplements, and healthcare services.
Community Health Service Network	JD Health, in partnership with the Home and Community Elderly Nursing Station, brings elderly-friendly model rooms into communities, thus raising residents' awareness of elderly-friendly home living.

JD Health's product "JD Family Doctor" introduces a steward-style health management service called "Year-Round Care for the Elderly". Tailored to the health needs of the elderly, this service accurately matches them with professional health managers. Top-tier doctors from Grade-A tertiary hospitals, chronic disease management specialists, psychologists, and other professionals are engaged in multidisciplinary consultations. They also provide professional treatment and continuous monitoring of the elderly's health throughout the year. Moreover, JD Health coordinates high-quality medical resources for users and offers professional offline medical companionship services. During home treatment, professional nurses provide doorstep care and healthcare consultation services. Relying on continuous, proactive, and meticulous service, JD Health has launched various solutions to address the health issues faced by the elderly, thus helping the elderly improve their physical health and enhance their quality of life.



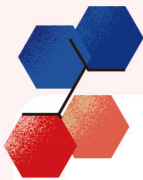
Interface of JD Family Doctor

In addition, JD Health has launched "Silver Hair Connect", a one-stop service platform for the health and well-being of elderly users. It aims to create a specialized ecosystem for the prevention, screening, diagnosis, treatment, and care of Alzheimer's disease. The platform is dedicated to providing more comprehensive healthcare services for elderly users as a leading smart elderly care service platform nationwide. It has been one of the platforms in China with the largest and most accurate patient base. As of the reporting period, the platform had 5,000 doctors from departments highly related to elderly diseases and over 200,000 users.



Alzheimer's Care Center in Silver Hair Connect



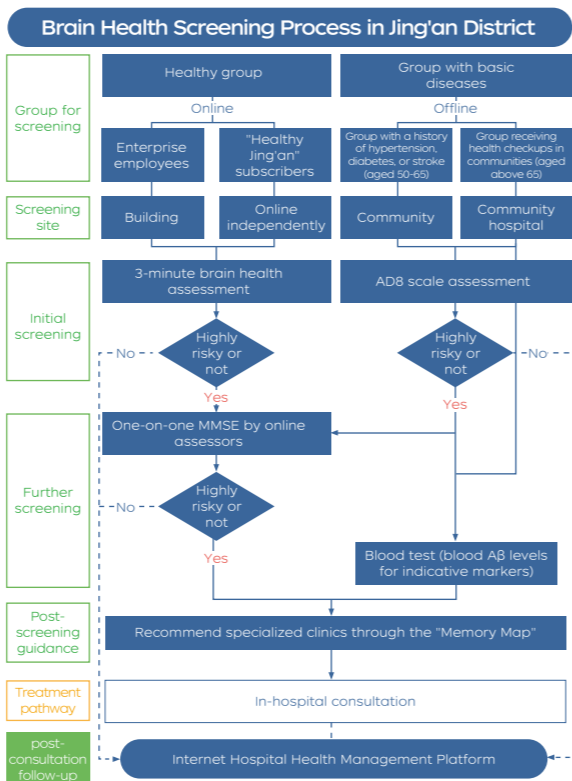


### Case | Elderly Brain Health Care Project

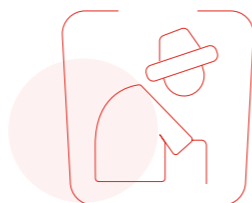
From May to July 2023, JD Health launched the Elderly Brain Health Care Project. The Company carried out 38 brain health screening activities for over 1,400 elderly people. The project aimed to provide brain health examinations (dementia risk screening), personalized health guidance, continuous monitoring, and management of health risks for the elderly. Targeted health management and intervention services were also provided for the elderly at high risk of dementia. Moreover, the Company established a comprehensive, dynamic health management involving both general and specialized care to improve the health conditions of the elderly population.



Brain Health Screening Site



Brain Health Screening Procedure



### Case | JD Health launched "Memory Map" on "Silver Hair Connect"

In September 2023, JD Health launched a patient care product called "Memory Map" on its one-stop elderly care service platform "Silver Hair Connect".

The "Memory Map" integrates online and offline resources to facilitate early screening and comprehensive prevention of Alzheimer's disease. It provides rich information on medical institutions, including lists such as the "Memory Clinic" hospitals released by the National Health Commission, the AD cooperative hospital list recommended by the Alzheimer's Disease Chinese (ADC) of the Chinese Aging Well Association, and the national key specialty and nominated key (neurology, geriatrics, and psychiatry) hospital directory. There are over 2,000 public medical institutions closely related to Alzheimer's disease. The product recommends the nearest and most specialized testing, diagnosis and treatment facilities based on the location of the patient.

Moreover, the "Memory Map" matches hundreds of professional doctors to facilitate preliminary screening and health consultation for patients. It is capable of offering online consultations, appointments for testing, and disease management services throughout the lifecycle. Through continuous product and service optimization, JD Health contributes to the prevention and treatment of Alzheimer's disease in China.



"Memory Map" Interface of "Silver Hair Connect"



## Topic 2

# Upholding the Original Aspiration and Mission, Building an Accessible and Inclusive Healthcare Platform

Inclusive healthcare aims to ensure that everyone has access to essential healthcare services regardless of geographic location, economic status, or social standing. JD Health is devoted to accelerating the construction of integrated, online and offline healthcare services, promoting universal access to healthcare services, and enabling more people to enjoy high-quality, efficient, and convenient healthcare services.

## Efficient Healthcare Services: Boundary-less Healthcare Solutions

JD Health overcomes spatial and temporal barriers by deeply integrating Internet technology with traditional healthcare services. This approach optimizes the allocation of healthcare resources and provides users with convenient and efficient healthcare services.

## Enhancing reception capacity

JD Health's online hospitals improve reception capacity by optimizing physician supply and precise doctor-patient matching. We aim to meet patients' medical needs with more efficient and professional services, thereby expediting the high-quality development of online healthcare services.

## Increasing physician supply

The Company has comprehensively upgraded and simplified the process of physician registration, thus remarkably increasing the success rate of physician registration and enhancing the supply capacity of online healthcare services. Additionally, it has innovatively introduced the physician recommendation process, which has injected new vitality into the development of online healthcare services.

## Precise doctor-patient matching service

The Company has launched the Precise Doctor-Patient Matching Project to facilitate online doctor-patient communication and empower the development of expert platforms. This project focuses on building underlying capabilities and innovating scenario applications. In collaboration with industry experts and research elites, the Company has built a library of over 600 disease direction tags, thus laying a solid foundation for precise matching. At the application level, the Company has optimized vertical search logic to ensure accurate results. Based on disease grading and user preferences, it has further refined search results with technology and thus enhanced professionalism and precision. In this way, it has facilitated solving such problems as unprofessional sorting and imprecise matching.

## Diversifying service types

JD Health actively diversifies its online healthcare service types. In alignment with the social reality and the characteristics of disease consultations, we continuously expand the boundary of online healthcare services and provide users with safe, convenient, and efficient medical consultation and guidance.

### Children's Fever Clinic

The Company innovatively launched the Online Children's Fever Clinic service, bringing convenient healthcare experience for children and their families and effectively reducing the risk of infection caused by gathering of people, as well as contributing to prevention and control through technological means. It has actively integrated pediatric medical expert resources nationwide to provide one-stop online consultations and prescription services for children under 14, thereby ensuring timely and efficient diagnosis and treatment. As of the end of 2023, we had assisted more than 13,000 pediatric patients in accessing online diagnosis and treatment. In the future, the Company will further expand its online fever clinic business to alleviate the pressure of offline visits during flu peaks. By doing so, it continuously improves patients' medical experience and makes healthcare services more considerate and efficient.

### Dermatology specialty

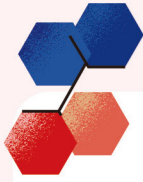
JD Health taps into the advantages of online diagnosis and treatment, actively diversifies specialized services to meet different diseases and user needs. In April 2023, JD Health launched the first online skin hospital in China and partnered with 40 top experts in the field of dermatological diseases to create a leading online healthcare service platform for dermatology in China. As of the end of 2023, over 3,000 dermatologists from Grade-A tertiary hospitals had registered in our online skin hospital, providing quality services for millions of patients.



JD Health Launches Online Skin Hospital

### Psychiatry and psychology specialty

Due to the unique nature of diagnostic and treatment methods and the need for user privacy, the psychiatry and psychology specialty is one of the departments most suitable for online diagnosis and treatment. In October 2023, JD Health Mental Service Center underwent a comprehensive upgrade. It matches users with psychological counselors or psychiatrists to solve different types of psychological problems. It also offers various services including psychological testing, assessment, counseling, and diagnosis and treatment of mental and psychological disorders. We keep a close eye on users in emergency medical situations or with serious mental health issues during online consultations and promptly report them to JD Group's customer service intervention team. The team will respond rapidly to ensure user safety. For keywords such as sleeping pills, we have offered channels for psychological care and crisis intervention to provide timely emotional support and assistance for users. As of the end of 2023, the Mental Service Center had served hundreds of thousands of users.



## Convenient Healthcare Services: Opening a New Chapter in Comprehensive Healthcare Experience

JD Health actively explores a variety of convenient healthcare services by establishing medical examination centers, conducting home visits for rapid testing, and setting up offline hospitals. Through these efforts, we have built a comprehensive health management system to make healthcare more accessible.

### Offline health examination centers


The Company fully leverages its advantage of medical resources to advance the booming development of health examination services and steer the new trend of personalized health management. In 2023, JD Health's health examination centers in Suqian and Yizhuang were opened, aiming to provide users with a wide range of medical support services.

#### JD Health Yizhuang Health Examination Center

Built on the Company's advantage of healthcare in recent years, JD Health Yizhuang Health Examination Center aims to provide users with one-stop, full-process health examination services.

The center is able to offer diversified and high-quality comprehensive health management services tailored to the specific needs of users, including basic and in-depth health examinations, and development of medical solutions. It can provide local residents with premium healthcare experience and safeguard their health.

#### Service Process of Yizhuang Health Examination Center

Before examination	During examination	After examination
<ul style="list-style-type: none"> <li>Enjoy personalized and customized examination plans.</li> </ul> 	<ul style="list-style-type: none"> <li>Scan the QR code to view the examination items online through the mini-program;</li> <li>Receive real-time updates about appointment queues;</li> <li>Add examination items as needed.</li> </ul>	<ul style="list-style-type: none"> <li>View the examination report online and communicate with doctors about the examination report;</li> <li>Generate a 3D intelligent model based on the user's three-dimensional data and comprehensively display disease risks and health abnormalities.</li> </ul>

### Rapid testing services launched by JD Daojia

In response to the frequent outbreaks of winter influenza in 2023, JD Health cooperated with partners to launch the "12 Respiratory Virus and Bacteria Test" service, which was aimed at reducing the burden on offline medical institutions and lowering the risk of cross-infection among residents seeking medical treatment. This service has been deployed in 10 large cities in China. After receiving the orders of the users, the platform sends dedicated couriers to deliver the testing reagent kits to the users' home and guide the users to complete the sampling, after which the dedicated couriers send the samples to professional testing institutions. Test reports are issued within 3 hours on average and automatically uploaded to the JD app for users to view online. Additionally, users can also log on to JD Health's online hospitals to communicate with online doctors in real time, and obtain professional guidance and suggestions conveniently and efficiently to cope with respiratory diseases.

### Inclusive healthcare offered by Suyu Community Hospital

In 2023, the Suyu Community Hospital, a primary medical institution that JD Health jointly built with the Suyu District government of Suqian City and the Suyu District Health Bureau, officially opened. The Company has become the first internet healthcare enterprise in the industry to operate both online and offline self-operated pharmacies and medical service institutions on a large scale. By integrating medical resources and enhancing service quality and efficiency, JD Health has speeded up the implementation of inclusive healthcare, thus allowing more patients access to convenient, high-quality, and affordable healthcare services.



### Community health service

As a pioneer in local healthcare services, the Suyu Community Hospital is committed to improving community healthcare services. In 2023, the hospital launched affordable vaccination services and administered a total of 600 doses of routine vaccines to residents, including BCG and hepatitis B vaccines. These efforts safeguard the health of the residents in the community.

Since September 2023, the hospital has further strengthened child health care efforts and closely collaborated with the Health and Family Planning Service Center. As of the end of 2023, the hospital had completed physical and vision examinations for 171 children. Moreover, the hospital actively conducted screenings for autism spectrum disorder, provided free blood routine tests, and offered guidance on traditional Chinese medicine acupoints. Through these practical actions, the hospital demonstrates its social responsibility and commitment and safeguards the healthy growth of children in the community.

### Free consultation service

The Suyu Community Hospital offers free consultation services and free pulse diagnosis and health guidance for local residents with a considerate service attitude by our professional medical teams, which fully demonstrating the hospital's sense of social responsibility and commitment to improving the health of local residents.



#### Case | Suyu Community Hospital offers free consultation services

Since the free consultation service was launched on May 16, 2023, the Suyu Community Hospital has organized a total of 22 free consultation services in response to the health needs of the community residents. Relevant services included free pulse diagnosis services to the public. Based on the health condition of each resident, professional health guidance is provided. This initiative effectively raises the health awareness of the community residents and demonstrates the sense of social responsibility and commitment of JD Health's offline medical institutions.



Offline Free Consultation

### Popular education on traditional Chinese medicine

The Traditional Chinese Medicine Department of the Suyu Community Hospital has been actively participating in various activities within the hospital since its establishment. It regularly organizes lectures on traditional Chinese medicine health preservation and disease prevention. The aim is to provide health guidance for both patients and residents in the community.



#### Case | Suyu Community Hospital conducts popular education on TCM

In 2023, the Traditional Chinese Medicine (TCM) Department of the Suyu Community Hospital partnered with the Suyu branch of Nanjing Bank to launch a popular education campaign on winter nutrition and spleen-stomach health. The aim of the campaign was to help residents understand how to scientifically adjust their diet and maintain health in winter. Besides, the TCM Department joined hands with the public health authority to organize lectures on TCM health knowledge for residents near the hospital and promote TCM health concepts and wellness methods. The department also actively participated in activities

supporting military personnel and their families in Suyu District, offered free pulse diagnosis services and TCM knowledge education to in-service military personnel and their families, reflecting the department's social responsibility and commitment to healthcare services.




Popular Education on TCM



# 01

## Corporate Governance

JD Health constantly advances the development of the corporate governance system, solidifying the foundation of compliance management. Through active communication with stakeholders, it constantly enhances the enduring intrinsic motivation for compliance management, integrating the concept of sustainable development into corporate operations. It consistently refines risk management and internal control systems, and resists misconducts that violate business ethics, such as corruption and bribery, to steadily enhance compliance management.

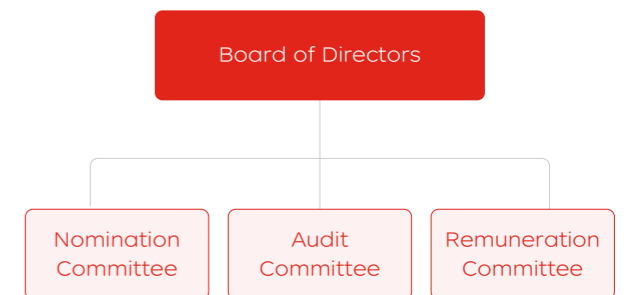


## Compliance Governance

JD Health strictly complies with the requirements of relevant laws, regulations, and normative documents such as the *Company Law of the People's Republic of China*, the *Securities Law of the People's Republic of China*, the *Code of Corporate Governance for Listed Companies* issued by the China Securities Regulatory Commission, the *Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited*, and the *Corporate Governance Code*. The Company continuously improves the compliance management organizational structure, clarifies compliance management responsibilities, and ensures the Company's stable operation.

### Governance Structure

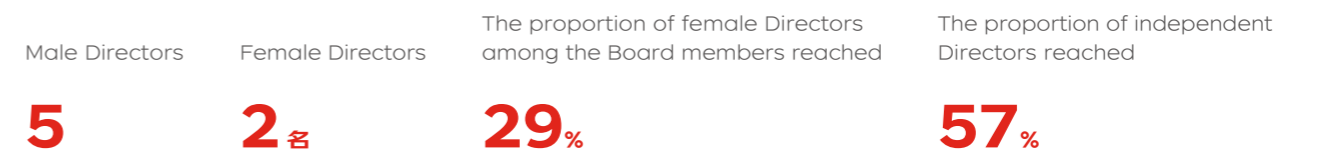
JD Health has established a scientific, standardized, and effectively balanced governance structure. The Board of Directors, serving as the highest level of governance, is responsible for coordination and management, including formulating corporate development strategies, reviewing significant issues, overseeing company operations, and managing risk and internal controls. The Board of Directors has an audit committee, a compensation committee, and a nomination committee, which include professionals from various fields to supervise and coordinate specific affairs of the Company. Each level of the Company rigorously reviews significant decision-making processes, strengthens departmental collaboration, and ensures compliance management across all areas, collectively advancing the efficient operation of the Company's governance system. The terms of reference of each committee under the Board, as well as the information of each director, can be accessed on the investor relations section of the Company's website and the website of HKEX. During the reporting period, the Board held four meetings, with an attendance rate of 89.29% of all Directors and 93.75% for all independent Directors.



Structure of the Board

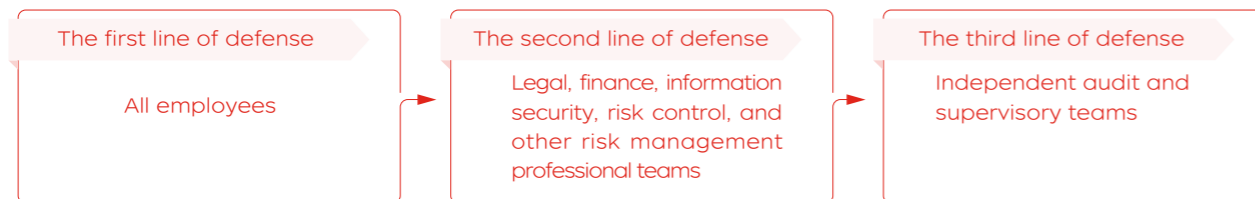
JD Health prioritizes the diversity of the Board and has formulated the *Board Diversity Policy* and the *Director Nomination Policy*. It reviews the Board's diversity to ensure that its members come from varied regional and industry backgrounds, educational levels, ages, genders, and possess diverse skills and knowledge reserves. It strictly abides by Listing Rules of the Hong Kong Stock Exchange and articles of association of the Company. Each Director shall be subject to retirement by rotation at least once every three years. The Board annually reviews the independence of Directors and requires independent non-executive Directors to sign written confirmation letters. The criteria for being considered an independent Director are detailed in the Company's annual report.

During the reporting period, the Board of Directors of JD Health was composed of Directors with diverse backgrounds in business management, e-commerce, finance, law, medicine, and other fields, including five male Directors and two female Directors. The proportion of female Directors among the Board members reached 29%, while the proportion of independent Directors reached 57%.



## Internal Control and Compliance Management

To ensure the legality and compliance of business management, asset security, and authenticity and completeness of financial reporting and related information, JD Health has established a "three lines of defense" governance system for internal control and compliance management. The first line of defense includes all employees; The second line of defense consists of professional teams engaged in risk management of legal affairs, finance, information security, and risk control; The third line of defense consists of independent audit and supervisory teams. In addition, the Company has set up compliance management requirements in five perspectives, including legal regulation and anti-corruption integrity, which complement the three lines of defense in internal control and compliance management, achieving a closed-loop management of compliance review.



Three Line of Defense for Internal Control and Compliance Management of JD Health



Five Perspectives for Internal Control and Compliance Management of JD Health



## Internal and External Audits

Adhering to the Audit Law of the People's Republic of China and other relevant regulations, JD Health conducts regular internal and external audits, establishes an effective, independent, and objective mechanism for supervision, evaluation, and recommendations, and rectifies issues identified during audits. In 2023, the Company conducted over 100 internal quality audits on entity and warehouse monitoring, among other areas. It underwent 44 external regulatory audits, including 4 audits by the Beijing Municipal Medical Products Administration, and successfully passed all inspections.

## Supervising Transactions of Related Parties

The Company places a high emphasis on managing related party transactions, standardizing internal control and daily monitoring from multiple dimensions. Through measures such as internal control and management, identification and reporting, training and publicity, we ensure the legality and compliance of the actions of both parties involved in transactions, thereby avoiding related risks.



## Risk Management

JD Health constantly improves the internal risk control system, having revised the *New Business Risk Assessment Management System*. It constantly optimizes risk management processes to prevent potential risks in company operations, information security, product quality, and other aspects.

### Risk Management Structure

The Risk Management Committee led by the CEO is the highest decision-making body for risk management in the Company. It includes a Data Security Committee, a Pharmacy and Therapeutics Committee, a Medical Devices and Consumables Management Committee, and a New Business Support Committee, which comprehensively manages business operations and internal control risks. In addition, there are dedicated personnel for risk management, as well as for monitoring and auditing risk management performance who report directly to the CEO.



### Risk Management Structure

In 2023, JD Health upgraded and optimized the risk management, incorporating unified management from the headquarters for its segmented businesses. For instance, for offline stores, on top of the existing provincial and district operation risk management, a team under the headquarters' operations center was added to unify management standards and refine management granularity. Regarding the risk management of new businesses, the optimization now includes technology-related projects, with all types of new businesses undergoing risk assessment.

### Risk Management Process

JD Health has long been dedicated to advancing the optimization and improvement of the risk management processes. In 2023, the Company initiated a Business Process Reengineering (BPR) project, utilizing a third-party perspective to identify risks. Through the four phases of observing risks, learning benchmarks, identifying gaps, and implementing processes, we enhanced the Company's overall risk identification and risk control capabilities. In 2023, the Company completed all risk identification and control tasks for new business additions, achieving a 100% dynamic clearance of data security risks.



### Risk Management Process

Additionally, as part of our Business Process Reengineering (BPR) project, we offer employees training courses on process optimization. We encourage employees to actively learn external process optimization methods, complete the McKinsey Process Expert certification for internal employees, and cultivate talent for the long-term advancement of risk management process optimization at JD Health.

## Compliance Training

JD Health actively fosters a culture of compliance, enhancing the awareness of legality, integrity, and rule-based conduct among all employees. It incorporates compliance management as a key component of corporate learning, business exchanges, and new employee orientation training, continuously advancing the development of a compliance culture and creating a comprehensive atmosphere of compliance. In 2023, JD Health conducted 23 compliance training sessions, with a total of 9,189 participants.

### Event 1: Pengcheng Three-Phase Special Training

JD Health held six sessions as part of the comprehensive three-phase Pengcheng training program, which lasted for six weeks. The training covered the publicity of laws and regulations related to pharmaceuticals and medical aesthetics, control of common violations such as the handling of returned drugs, counterfeit and substandard drugs, license and certification display, and false advertising. The training aimed to enhance the professional capabilities and risk control awareness of the staff in the compliance governance department through assessments. A total of 384 individuals participated in the event, with a 100% pass rate in the assessments.

### Event 2: Pharmaceutical Wholesale Compliance Training Camp

JD Health organized a "Pharmaceutical Wholesale Compliance Training Camp," featuring a competition on quality compliance knowledge for the business side. This event aimed to enhance the understanding of quality management and regulatory requirements across departments, establish a sense of quality compliance, and deepen the collaboration between departments and the quality side. It sought to break down departmental barriers, improve work efficiency, and strengthen a sense of collective honor and belonging. A total of 80 individuals participated in this event.



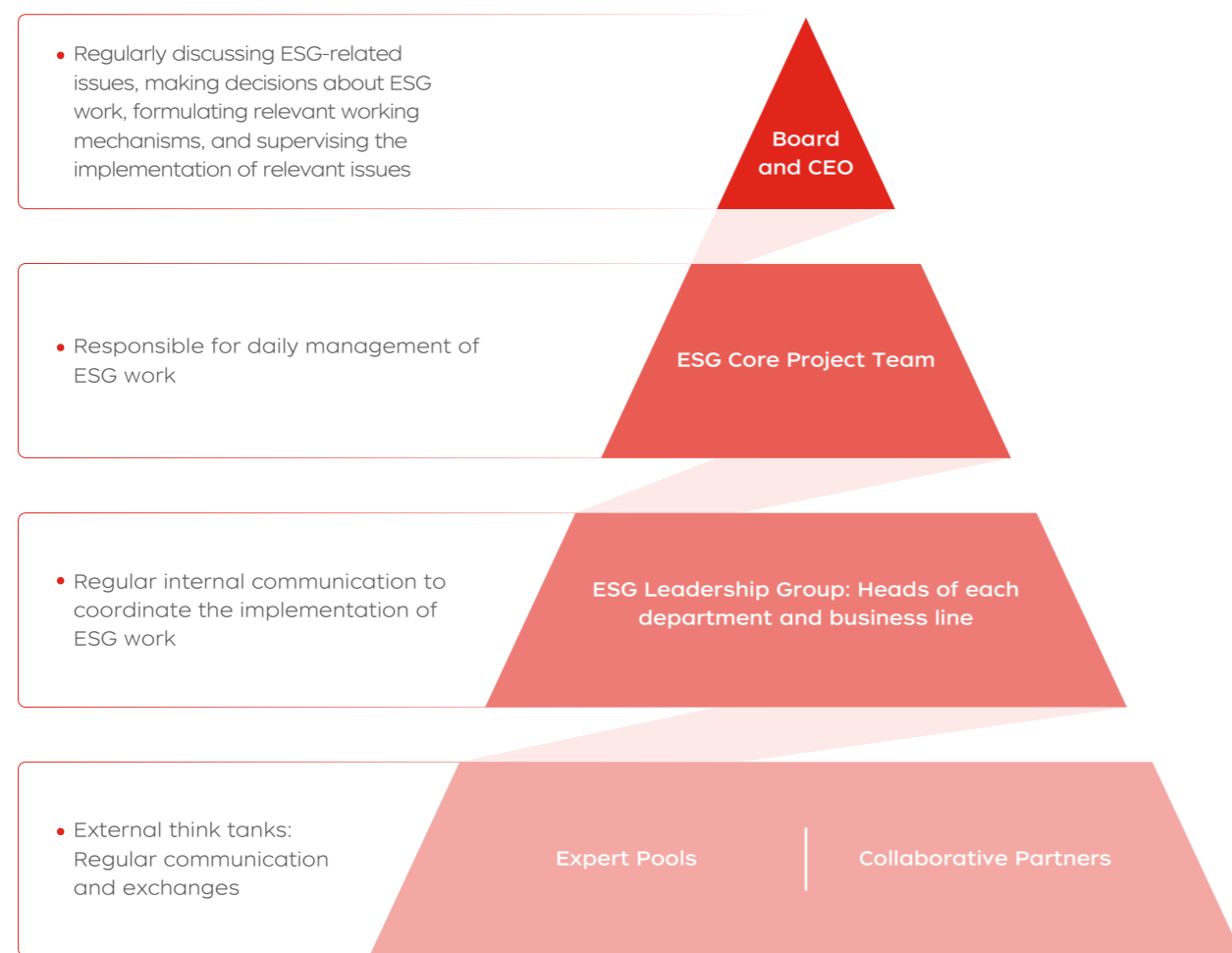


# Sustainable Development Management

JD Health aims for the concept of sustainable development to be effectively implemented and executed in the Company's daily business activities, considering and measuring from multiple dimensions such as governance, environment, society, and economy. This approach integrates the ESG governance system, combining the Company's strengths to make correct strategic deployments and business decisions. In addition, we aim to achieve long-term stable development by responding to the key issues of concern to stakeholders.

## ESG Governance

The Company, taking into account its actual situation and referencing ESG governance standards and best practices, has established a sound ESG governance system. The Board of Directors and the CEO oversee ESG-related matters, responsibly carrying out ESG-related decisions and supervisory management. The ESG Core Project Team is responsible for the daily management of ESG work, while the ESG Leadership Group handles the communication, coordination, and implementation of ESG-related activities. Additionally, the Company regularly engages in exchanges with external experts to stay informed about market changes and potential opportunities, driving continuous innovation and development for the Company.



The Framework of the ESG Governance System

# Stakeholder Engagement

JD Health regularly engages in effective communication with stakeholders to establish close cooperation, aiming to achieve a long-term, stable situation of sustainable development together. By identifying the key issues of concern to various stakeholders, the Company better understands and responds to changes in the external environment.

Stakeholders	Material Issues	Means of Communication
 <b>Consumers</b>	<ul style="list-style-type: none"> <li>Product quality and safety</li> <li>High-quality and efficient healthcare services</li> <li>User experience improvement</li> <li>Inclusive healthcare</li> <li>Information security and privacy protection</li> <li>Responsible marketing</li> </ul>	<ul style="list-style-type: none"> <li>Continuous online and offline communication</li> <li>Online consultations with doctors</li> <li>24/7 customer service</li> <li>Consumer research and feedback</li> <li>Social media communication</li> <li>Regular media publicity and communication</li> </ul>
 <b>Business Clients</b>	<ul style="list-style-type: none"> <li>Product quality and safety</li> <li>High-quality and efficient healthcare services</li> <li>Development of medical technology</li> <li>Intellectual property rights protection</li> <li>Sustainable development of supply chain</li> <li>User experience improvement</li> <li>Compliant operations</li> </ul>	<ul style="list-style-type: none"> <li>Regular work meetings</li> <li>Online/offline/video/phone calls and other business dialogues</li> </ul>
 <b>Governments and Regulatory Agencies</b>	<ul style="list-style-type: none"> <li>Product quality and safety</li> <li>High-quality and efficient healthcare services</li> <li>Development of medical technology</li> <li>Inclusive healthcare</li> <li>User experience improvement</li> <li>Public welfare activities</li> <li>Compliant operations</li> <li>Comprehensive risk management</li> <li>Business ethics and anti-corruption</li> <li>Responsible marketing</li> </ul>	<ul style="list-style-type: none"> <li>Regular reports and communication, policy suggestions</li> <li>Signing cooperation agreements and establishing strategic cooperation</li> <li>Infrequent industrial forums and conferences</li> <li>Onsite investigation of enterprises</li> <li>Visits to government departments</li> <li>Establishing specialist overseeing communication channels</li> <li>Replies to relevant inquiries from regulators</li> <li>Regular communication with regulatory agencies</li> </ul>

Stakeholders	Material Issues	Means of Communication
 <p><b>Shareholders and Investors</b></p>	<ul style="list-style-type: none"> <li>Product quality and safety</li> <li>High-quality and efficient healthcare services</li> <li>Information security and privacy protection</li> <li>Intellectual property rights protection</li> <li>Employment compliance</li> <li>Compliant operations</li> <li>Risk management</li> <li>Business ethics and anti-corruption</li> <li>Sustainable development of supply chain</li> </ul>	<ul style="list-style-type: none"> <li>Phone calls, meetings, and company visits</li> <li>Enterprise annual reports, quarterly reports, and announcements</li> <li>Non-deal roadshows</li> <li>Regular communication and disclosure of ESG-related issues</li> <li>General meetings of shareholders</li> </ul>
 <p><b>Value Chain Partnerships</b></p>	<ul style="list-style-type: none"> <li>Development of medical technology</li> <li>Sustainable development of supply chain</li> <li>Business ethics and anti-corruption</li> <li>Sustainable development</li> </ul>	<ul style="list-style-type: none"> <li>Regular purchasing, training, and evaluation</li> <li>Monthly/quarterly communication mechanism</li> <li>Regular online/offline communication and meetings</li> <li>Ad hoc industry forums</li> <li>Supplier conferences</li> </ul>
 <p><b>Employees</b></p>	<ul style="list-style-type: none"> <li>Staff training and development</li> <li>Diversity, equality, and inclusion</li> <li>Employees' remuneration and benefit</li> <li>Employment compliance</li> <li>Employees' health and safety</li> </ul>	<ul style="list-style-type: none"> <li>Staff mail, communication meetings, staff forums, staff congresses, training activities, appeal mechanism</li> <li>Online and offline research and feedback</li> </ul>
 <p><b>Communities and Environment</b></p>	<ul style="list-style-type: none"> <li>Carbon footprint of products</li> <li>Addressing climate change</li> <li>Green operations</li> <li>Waste management</li> <li>Public welfare activities</li> <li>Response to the epidemic diseases</li> </ul>	<ul style="list-style-type: none"> <li>Long-Term public welfare projects</li> <li>Regular media publicity and communication</li> <li>Social media communication</li> <li>Public welfare forum activities</li> <li>Volunteer activities</li> </ul>

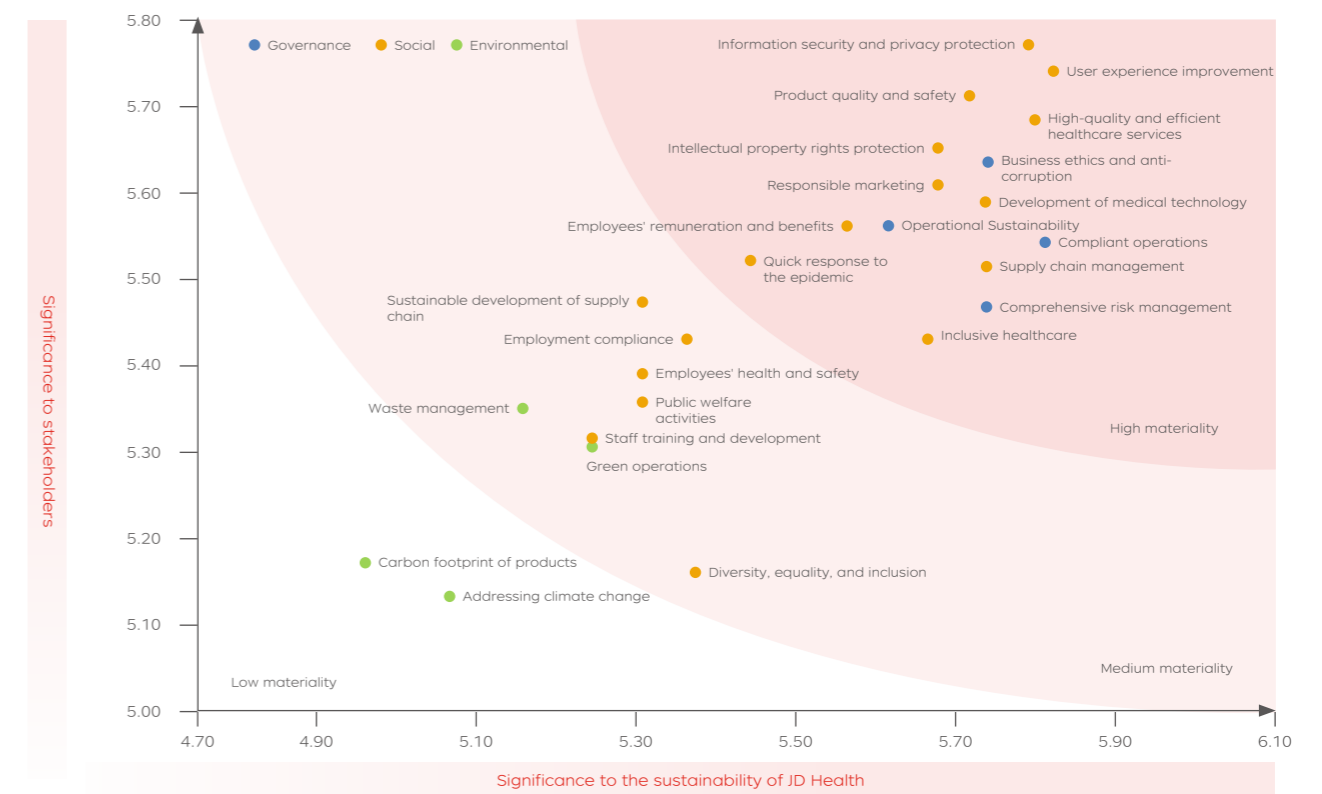
## Materiality Determination

JD Health pays attention to stakeholders' feedback and suggestions on ESG issues, understanding their expectations and interest demands to ensure that the Company makes reasonable and effective major decisions. It followed the three steps of "identification, research, and analysis" to determine material issues, further organizing the materiality matrix for 2023.



Materiality Assessment Flow

## ESG Materiality Matrix



ESG Materiality Matrix

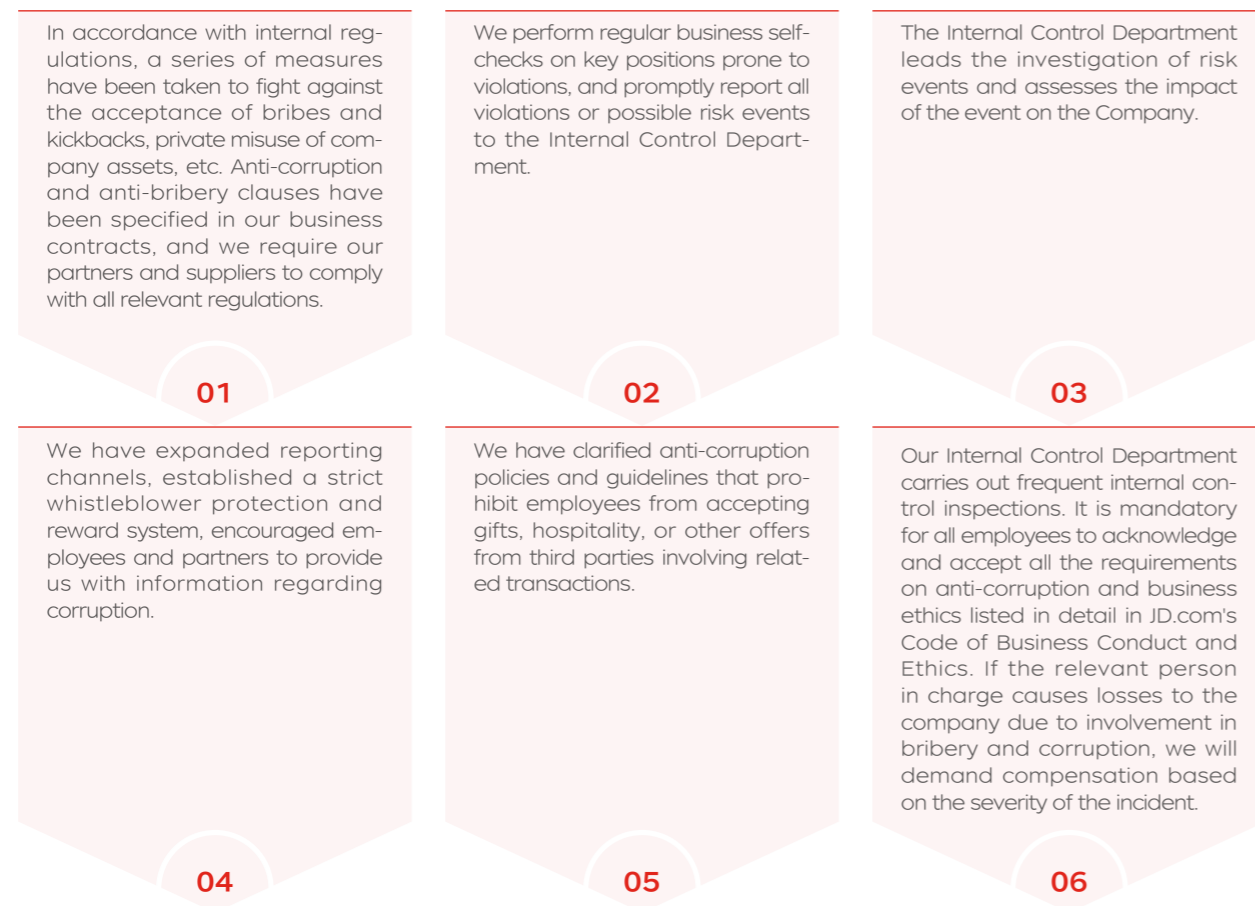
## Business Ethics

JD Health strictly abides by laws and regulations such as the *Anti-Unfair Competition Law of the People's Republic of China* and the *Interim Provisions on Banning Commercial Bribery*, among others. We adhere to a "zero tolerance" approach towards fraudulent behavior, continuously improve the business ethics management system. We strictly supervise malpractices such as corruption and bribery, and strive to create a fair, just, and transparent working environment.

## Management Systems

JD Health abides by internal policies and rules including the *JD Business Conduct and Ethics Code*, and the *JD Anti-Corruption Regulations*, and establishes internal policy and systems such as the *JD Health Online Hospital Anti-Commercial Bribery Management Regulations*, the *JD Health Business Banqueting Management System* and the *JD Health Service Provider Recommendation Management System*. In 2023, the Company revised the *Anti-Commercial Bribery Management Regulations* to further strengthen the management of offline activities such as product samples and banquets. Moreover, JD Health built a dedicated anti-corruption team and developed loss prevention strategies, enhancing the restraint on the behavior of frontline personnel to prevent embezzlement.

The Company employs strict internal procedures to prevent and control unethical malpractices such as bribery, corruption, and fraud, requiring employees to adhere to integrity in business activities to ensure the effective implementation of the Company's business ethics standards.



### Internal Procedures

In 2023, JD Health finished the internal investigations into four cases of employee corruption. During the reporting period, there were no concluded cases relating to corruption concluded, and no corruption lawsuits involving JD Health as either plaintiff or defendant.

## Whistleblowing Management

The Company adheres to the *JD Group Whistleblower Protection and Reward System*, establishing a Corruption Reporting Center that offers various channels for reporting and complaints, including a telephone hotline, email, QR code, and letters. We encourage employees, suppliers, partners and other stakeholders to jointly monitor the integrity of JD Health's operations. Whistleblowers are rewarded based on the validity of the information provided, the nature of the case, and its severity.

Corruption Reporting Channels

Tel: 400-601-3618

Email: [jiancha@jd.com](mailto:jiancha@jd.com)

Letter: Supervisory Department, Building A, No. 1, JD Group Headquarters, Science and Technology Innovation 11th Street, Beijing Economic and Technological Development Area

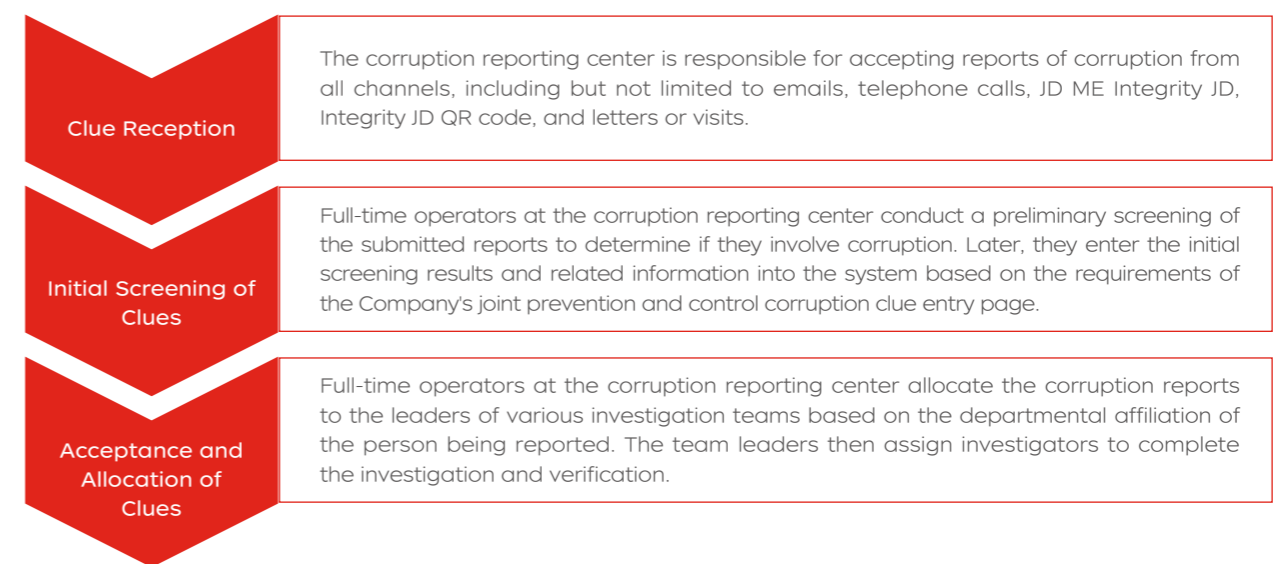
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JD Health has further clarified the requirements for whistleblower protection, ensuring strict confidentiality of the whistleblower's information and the reported materials. It allows reporting anonymously or under a pseudonym, and strictly maintains confidentiality throughout the acceptance, registration, preservation, and investigation phases to prevent leaks or loss. Individuals who violate confidentiality regulations will be dealt with severely and stringently. Moreover, it strictly prohibits any form of retaliation against whistleblowers; any discovered behaviors constituting a crime will be pursued for criminal responsibility in accordance with laws and regulations.

### Report Handling Process

Upon receiving a report, the Company will promptly assess the collected clues to verify the authenticity and validity of the report. Based on the results of the information analysis, the report will be assigned for further investigation.



### Report Handling Process

## Training on Business Ethics

JD Health actively fosters a culture of compliance, respect, integrity, and business ethics among the employees by conducting a diverse range of business ethics and anti-corruption training sessions. Tailored special training sessions are developed for different positions and ranks.



To conduct effective integrity and compliance promotion, the Company organized departments to conduct various themed integrity and compliance training sessions and exams in 2023. These activities were tailored to their specific operational circumstances, helping to enhance the organization's internal capacity for integrity management.

**Case | Anti-Commercial Bribery Training in Pharmaceuticals**

In October 2023, JD Health conducted anti-commercial bribery training in the pharmaceutical sector, focusing on themes such as bidding, medical device distribution, medical institutions, and medical personnel, with a total of 515 participants. The training utilized a combination of online and offline means to introduce laws, regulations, and policies related to commercial bribery. It taught employees how to identify and prevent acts of commercial bribery, advocating for the creation of an honest, fair, and transparent business environment. Employees were urged to adhere to professional ethical standards and actively resist commercial bribery.

**Case | Online Hospital Integrity and Compliance Training**

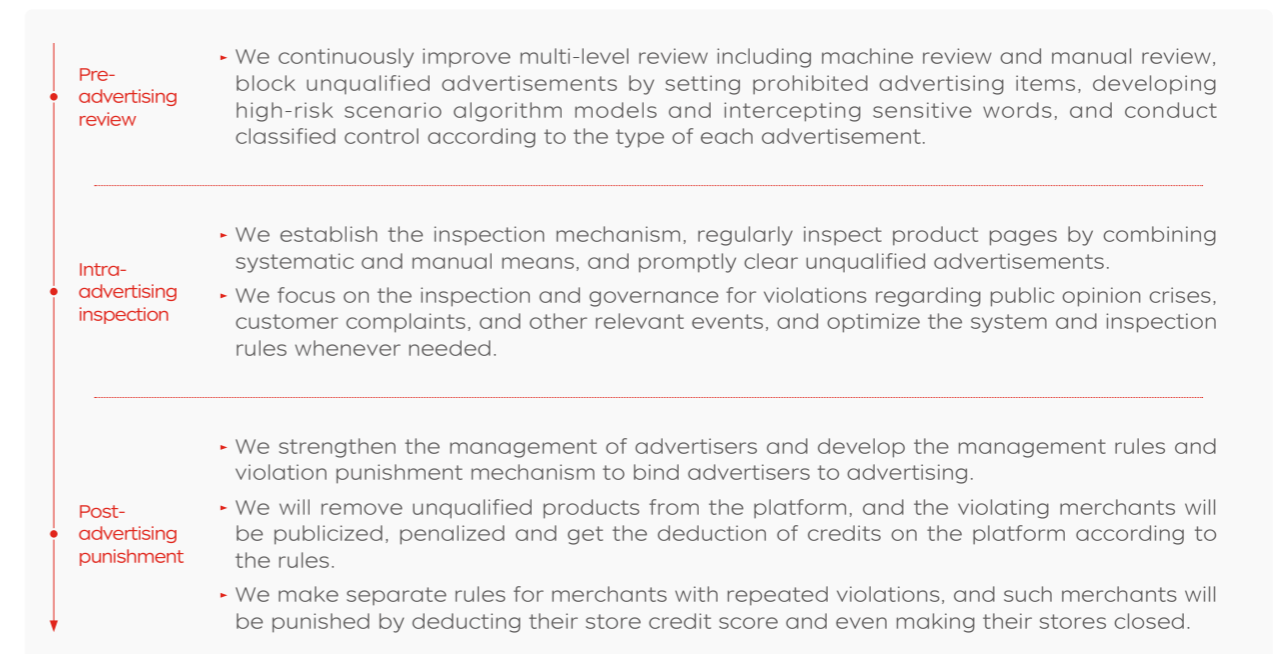
In December 2023, JD Health conducted integrity and compliance training for all employees related to online hospitals in the form of face-to-face teaching and online courses, with a total of 261 participants. This training emphasized the importance of adhering to the *JD Health Online Hospital Anti-Commercial Bribery Management Regulations* and the *JD Health Business Dinner System*. It also included an examination on online hospital integrity and compliance training to further reinforce employees' awareness of integrity and compliance.

## Responsible Marketing

JD Health rigorously adheres to laws and regulations such as the *Advertising Law of the People's Republic of China*, the *E-commerce Law of the People's Republic of China*, the *Internet Advertising Management Measures*, the *Anti-Unfair Competition Law of the People's Republic of China*, the *Consumer Rights and Interests Protection Law of the People's Republic of China*, and the *Product Quality Law of the People's Republic of China*. The Company has formulated the *JD Open Platform Marketing Activity Rules*, which were revised in 2023, to further standardize online marketing behaviors and enhance consumer trust.

The Company has constantly improved the rules for advertisement content security and established a control system of advertisement content compliance management including pre-advertising review, inter-advertising inspection and post-advertising punishment. In 2023, JD Health made efforts to ensure that advertisement contents conform to laws and regulations, as well as public order, good morals and mainstream values.

### Control System of JD Health Advertisement Content Compliance Management



Additionally, JD Health actively carries out responsible marketing promotion activities, implementing responsible marketing concepts into the Company's daily operations through optimizing compliance standards and hosting internal and external knowledge training sessions. During the reporting period, JD Health conducted 10 external training sessions on Advertising Law knowledge and 2 internal training sessions, effectively enhancing both internal and external awareness of responsible marketing risk prevention.

# 02

## Community Co-building

JD Health actively fulfills its social responsibilities. It consistently optimizes the quality of its products and services, respects employees' rights and interests, and supports their development, while focusing on improving people's health and well-being. We are committed to creating a high-quality and harmonious corporate environment, and pursuing a better, more harmonious, healthier and more prosperous social life.



## Quality and Safety Assurance

JD Health adheres to its corporate mission of becoming the "go-to health management platform for everyone in China." The Company strictly regulates and supervises the quality and safety of pharmaceutical and healthcare products and services, spares no effort in safeguarding the safety and health of the public, and contributes our efforts to building a national health defense line.

### Product Quality and Safety

JD Health attaches great importance to the construction of quality management systems for various products, pharmaceutical and non-pharmaceutical products. The Company regularly conducts quality audits and implements quality improvement activities, strives to improve the product quality and safety management, and provides patients and customers with high-quality and affordable products.

### Quality Management System of Pharmaceutical Products

JD Health adheres to the bottom line of pharmaceutical quality and safety and strictly controls pharmaceutical quality to ensure customers' medication safety. Strictly complying with a series of laws, regulations, and industry standards such as the *Drug Administration Law of the People's Republic of China*, the *Measures for the Supervision and Administration of Drug Quality in Operation and Usage*, and considering the Company's diverse business models, the Company has made targeted and systematic revisions to the drug quality

system documents. In 2023, the Company formulated a total of 95 new system documents and revised 304 documents, implementing the Company's quality requirements in various business processes such as retail chain headquarters, chain warehouses, chain stores, individual stores and their warehouses, as well as wholesale. The system documents include drug quality management regulations, organizational quality management responsibilities, and drug guarantee risk control processes.

External laws and regulations	Internal policies and systems
<i>Drug Administration Law of the People's Republic of China</i>	<i>Drug Quality and Safety Management System</i>
<i>Good Supply Practice for Drugs</i>	<i>Drug Safety Management System</i>
<i>Regulations for the Implementation of the Drug Administration Law of the People's Republic of China</i>	<i>Drug Quality Operating Procedure</i>
<i>Pharmacopoeia of the People's Republic of China</i>	<i>Responsibilities of Pharmaceutical Quality Positions Management System for Online Drug Sales</i>
<i>Regulations of the People's Republic of China on Traditional Chinese Medicine</i>	<i>Monitoring and Inspection System for Online Drug Sales Activities</i>
<i>Regulations on Protection of Traditional Chinese Medicines</i>	<i>Drug Information Release Management System</i>
<i>Measures for the Supervision and Administration of Drug Quality in Operation and Usage</i>	<i>Drug Information Presentation Management System</i>
<i>Provisions for Supervision and Administration of Online Drug Sales</i>	<i>Management System for Reporting of Adverse Drug Reactions</i>
<i>Good Pharmacovigilance Practice</i>	<i>Regulations on Risk Management of Falsified and Substandard Drugs</i>
	<i>Drug Distribution Management System</i>

To deliver professional and effective drug quality management, JD Health has established a quality management structure, set up a quality and safety management organization, and designated managers in charge of quality and safety. In addition, The Company has developed the *Organizational Structure and Responsibilities of Quality Management Positions*, specifying professional requirements for personnel on key positions such as the managers in charge of quality and safety management, quality and safety management personnel, and pharmaceutical service personnel to ensure that personnel in each position possess the required professional qualities and skills. Meanwhile, the Company has employed multiple licensed pharmacists in 2023 to assist in completing the registration and construction of the quality platform, providing solid technical support for drug quality and safety.

This year, JD Health has comprehensively sorted out and improved the quality and safety control process of the entire lifecycle of drug sales, from purchasing drugs from suppliers to drug delivery and even including return of goods, ensuring that every step is in line with the highest quality and safety standards so as to deliver satisfactory drug quality and safeguard customers' medication safety.

**Procurement**

Regularly review the legal qualifications, quality reputation, and quality assurance capabilities of suppliers, and conduct on-site inspections or verify related information about the suppliers with regulatory authorities when necessary. Sign a quality assurance agreement with the suppliers, specifying agreed quality responsibilities.

Prioritize cooperation with manufacturers and tier one agents who can ensure the quality of the production process to reduce intermediate circulation links, thus reducing drug quality risks.

**Warehousing**

Check the purchased drugs before acceptance in strict accordance with the sampling ratio required by the *Good Supply Practice for Drugs (GSP)*, ensuring that the appearance quality of the incoming drugs is 100% qualified, the quality inspection report is 100% qualified, and the physical products are entirely consistent with the information entered into the system.

**Outbound delivery**

Review the outbound drugs in strict accordance with the GSP, ensuring that the appearance quality of the outbound drugs is 100% qualified, and the physical products are entirely consistent with the information entered into the system.

**Return**

Check the drugs returned by customers before acceptance in strict accordance with the sampling ratio required by the GSP. Drugs that are not sold by our company are not allowed in, and identified substandard drugs shall not be sold again.

**Traceability system**

Digital management is applied to all links including purchasing, receipt, acceptance, warehousing, inventory management, recheck and outbound shipping, sales and return, to deliver full-process tracking and recording of drug circulation, and ensure drug traceability.

Quality and Safety Control Process for Pharmaceutical Products

**Case | Revise the sales page of prescription drugs to create a safe purchasing environment**

On December 1, 2022, the *Provisions for Supervision and Administration of Online Drug Sales* came into effect, requiring that prescription drugs and over-the-counter drugs should be displayed separately, and clarifying that packaging, labels, and other information shall not be directly displayed on the main and home page of prescription drugs. JD Health promptly launched the

rectification work of prescription drug sales pages, using algorithms to blur hundreds of millions of drug images. In addition, before selling prescription drugs, the Company fully informed consumers of relevant risk warning information and confirmed their acknowledgment to effectively prevent medication safety risks.

Quality Management System of Non-pharmaceutical Products

In terms of medical device products, JD Health abides by the *Regulations on Supervision and Administration of Medical Devices*, and the *Rules for Quality Control in Business Activities Involving Medical Devices* and other laws and regulations as well as industry norms, and has comprehensively revised 126 quality system documents about medical devices in 2023. In terms of nutrition and health supplements, the Company has formulated a series of food quality management system documents, including the *Health Food Management Measures* covering health management of employees, product

storage management, and handling of nonconforming products., in accordance with the laws and regulations such as the *Regulations for the Implementation of Food Safety Law of the People's Republic of China*, and the *Labeling Guidelines on Foods for Special Medical Purposes*. In terms of pet health products and services, JD Health has developed 24 quality management systems for pet diagnosis and treatment services including the *Drug Management and Distribution System of Dongguan JD Pet Health Co., Ltd.*

External laws and regulations	Internal policies and systems
<ul style="list-style-type: none"> <li>Regulations on Supervision and Administration of Medical Devices</li> <li>Rules for Quality Control in Business Activities Involving Medical Devices</li> <li>Measures for the Quality Supervision and Administration of Medical Devices in Use</li> <li>Measures for the Supervision and Administration of Online Sales of Medical Devices</li> <li>Administrative Measures for Sampling Inspection of Medical Device Quality</li> <li>Classification Rules for In Vitro Diagnostic Reagents</li> <li>Food Safety Law of the People's Republic of China</li> <li>Guideline for Health Food Filing Application (Trial)</li> <li>Administrative Measures for Registration of Formula Foods for Special Medical Purposes</li> <li>Measures for the Administration of Animal Diagnosis and Treatment Institutions</li> </ul>	<ul style="list-style-type: none"> <li>Management System for Quality Records and Vouchers of Medical Devices</li> <li>Management System for Medical Device Adverse Event Detection and Reporting</li> <li>Period of Validity Management System of Medical Devices</li> <li>Management System of Non-conforming Medical Devices</li> <li>Code of Conduct for Pet Diagnosis and Treatment of Dongguan JD Pet Health Co., Ltd.</li> <li>Drug Management and Distribution System of Dongguan JD Pet Health Co., Ltd.</li> </ul>

Medical Service Quality Management

JD Health is committed to ensuring medical quality and safety, and safeguarding the health rights and interests of all users. JD Health online healthcare platform has successfully achieved online full process service, including seeking medical advice and drug purchase. The Company has established a comprehensive online diagnosis and treatment service quality control system. The Company has established a medical quality management committee by inviting experts and scholars in the industry, and established a quality and safety management team for specialized management in each department. The Company enabled the doctors to realize improvement in both diagnosis and treatment efficiency and quality through strict implementation of the strategy of "Four Priorities and Four Controls".

*Republic of China*, the Company strictly follows the admission review process of JD Health Internet Hospital at the recruitment stage of all doctors, and reviews the qualification documents such as the practicing certificate of doctors and their professional title certificates. Non-medical practitioners such as nutritionists, exercise rehabilitation therapists, and psychological counselors are also required to provide educational certificates and qualification certificates that meet national standards to ensure that all types of medical and non-medical service personnel meet professional requirements so as to provide quality service through the platform.

To further improve the quality of online doctor service, the Company optimized the management of doctor service process.

Strictly abiding by the *Law on Doctors of the People's*

**Admission mechanism**



Put forward more stringent requirements for the professional qualifications of doctors who have to be at least an attending physician in a Grade II Level A hospital and have prescription rights. Ensure the professionalism of the platform's physician workforce through comprehensive training and rigorous assessment.

**Exit mechanism**



Take stringent measures to handle negative reviews of doctors for not fulfilling their due obligations. Doctors who receive a negative review for not fulfilling their due obligations will be suspended for 3 days; doctors who repeatedly violate regulations will be removed from the system permanently.



**Daily operations**



Improve the operational efficiency of the platform, timely respond to user requests and negative reviews in a one-to-one approach, regular assess the work of doctors, create an automated system of rewards and punishments, to ensure that users receive high-quality medical and health services.

**Quality management process of online doctor service**

In the online diagnosis and treatment link, JD Health strengthened the quality management construction and added 23 kinds of standardized diagnosis and treatment paths for 13 medical departments and updated 200 kinds of diagnosis and treatment path guides this year. The Company improved its three-level quality control system, including AI quality control, initial check, and re-check. Effective quality control measures have been added to processes such as consultation and exchanges, electronic prescriptions, and medical record quality control.

The Company has upgraded its quality control scoring system and conducted comprehensive quality control from three perspectives: compliance, professionalism, and service. In terms of compliance, the Company strictly

abides by national laws and regulations as well as platform norms. In terms of professionalism, the Company strictly controls the quality of consultation, diagnosis, treatment advice, electronic medical records, and prescriptions, to ensure accurate online diagnosis and treatment results. In terms of service, the Company focuses on the doctors' service attitude, awareness, and skills, as well as medical ethics.

As of the end of the reporting period, the Net Promoter Score (NPS) of JD Health's online doctor services increased from 64.4 points at the beginning of the year to 78 points at the end of the year, and the positive review rate increased from 96.2% at the beginning of the year to 98.4% at the end of the year.

**Case | Doctor-patient Precise Matching Service**

In 2023, JD Health implemented a program to improve the matching between doctors and patients, assisting patients in quickly finding doctors matching their conditions when seeking medical care on the Internet, which can ensure that the treatment is conducted in a targeted way and better efficacy can be achieved, and thus improve the quality of medical services. The Company has completed the construction of two core blocks, including construction of underlying capabilities and scenario application. In the construction of underlying capabilities, collaborating with the industry experts and production research teams, we established a tag

library including over 600 diseases, and established three professional correspondences between disease directions and query terms, departments, and doctors for efficient and accurate matching between doctors and patients. In terms of scenario application, the Company applied the capabilities of disease direction to the recall logic of vertical search to ensure high relevance and strong professionalism of search results. These improvements have effectively solved the problems of lack of professionalism and inaccurate doctor-patient matching in the previous sorting system, which can provide users with a better experience of medical service.

While improving online healthcare services, JD Health also attaches great importance to the development of offline medical services. The Company provided regular training for doctors around professional skills and

service standards, and conduct follow-up visits to gain a deeper understanding of user needs, ensuring that users can receive high-quality offline medical support while enjoying convenient online services.

**Quality Audit**

Quality audit is a powerful guarantee of quality management system improvement and quality management method optimization. The Company formulated the *Management System for Internal Audit of the Quality Management System* and the *Management System for Implementation of the Quality Management System* to standardize the quality-related internal and external audits. In 2023, the Company conducted over 100 internal quality audits and received 44 external supervision audits from the National Medical Products Administration and other

authorities. No quality risks were found in both internal and external audits. As of the end of the reporting period, the subsidiaries of JD Health that have obtained the ISO9001 quality management system certification include Jingdong Yiyao (Beijing) Co., Ltd., Beijing JD Tuoxian Technology Co., Ltd, Shanghai JD Health Internet Pet Hospital Co., Ltd. and Yinchuan JD Internet Hospital Co., Ltd., covering the main business segments, including marketing and sales of health products, healthcare services, enterprise health solutions, and the operation of smart medical solutions.

Internal and External Audit Content
<ul style="list-style-type: none"> <li>Make sure that the inspection standards fully cover the relevant inspection terms specified in the GSP, GSP annexes and regulations for online drug sales.</li> <li>The audits cover 8 stages of the entire product sales process, including suppliers, goods, procurement, inventory and display, sales, fulfillment, after-sales, etc., with a total of 130 indicators.</li> <li>Analyze summary data on a weekly, monthly, quarterly and yearly basis.</li> <li>Detect the trend of indicator changes in real time and develop preventive measures in advance, moving away from problem-solving to problem prevention so as to fundamentally improve quality management capabilities.</li> </ul>

**Quality Promotion Actions**

JD Health conducts monthly inspections and audits to promptly identify issues and hidden dangers in products and services, providing specific improvement directions and basis for quality improvement. The Company customizes audit and inspection standards based on the quality characteristics and quality risk factors of each product category to comprehensively identify all product quality risks. As of the end of the reporting period, the Company has conducted 12 rounds of full warehouse audits and the identified risks have all been rectified.

In addition, JD Health takes an active part in formulating industry standards and is committed to facilitating standardized industry development and improving product quality through standardization.

**Case | Releasing Industry Standards for Edible Bird's Nest**

In January 2023, JD Health, in collaboration with the Special Committee of Edible Bird's Nest Market of the China Agriculture Wholesale Market Association, Guangzhou University of Traditional Chinese Medicine, Chinese Academy of Inspection and Quarantine, and many well-known brands in the industry, jointly formulated some group standards including the *Product Specification and Grading Standards for Clean Edible Nest of House Swallow*, *Standard for Refrigerated Fresh Stewed Bird's Nest Products*, and *Standard for Room Temperature Fresh Stewed Bird's Nest Products*. These standards regulate the bird's nest category from multiple dimensions such as raw material requirements, sensory requirements, physical and chemical indicators, microbial limits, inspection rules, labeling, packaging, transportation, storage, and shelf life, to ensure the high quality of related products.



Press Conference Releasing Grading Standards for Edible Bird's Nest

**Case | Releasing Grading Standards for Cordyceps Sinensis**

In January 2023, JD Health and the Chinese Academy of Inspection and Quarantine jointly developed grading standards for Cordyceps sinensis. Focusing on indicators such as the number of roots per gram and the content of arsenic, cadmium, and mercury, the Company tested products from different manufacturers. The Company has developed four grades for primary Cordyceps sinensis products based on product data and industry consensus, following the principle of different indicators and weights, to provide consumers with product quality reference for purchasing Cordyceps Sinensis.



Display of Brands Participating in the Cordyceps Sinensis Grading Standards

**Case | Releasing the "JD Good Ginseng" Standard System**

In December 2023, JD Health joined forces with authoritative organizations such as the National Ginseng Products Quality Inspection Testing Center, the Jilin Provincial Institute of Standards, and multiple brands to launch the "JD Quality Ginseng" standard system. This standard system has covered all ginseng categories, including wild ginseng, mountain cultivated ginseng, transplanted wild ginseng, fresh ginseng, sun-dried ginseng, and red ginseng. For example, JD Health has comprehensively upgraded the national standard of wild ginseng (GB/T 18765-2002) by adding terminology and definitions, making the standard clearer and easier to understand; Meanwhile, we have also added how to determine the age of wild ginseng, allowing consumers to judge the quality quickly and accurately.



Releasing the "JD Good Ginseng" Standards

**Quality Culture Construction**

JD Health attaches great importance to the quality culture construction, keeps strengthening its awareness of quality and incorporates it into the deployment of quality standards and daily operations. In 2023, the Company revised and released the *Management System for On-the-job Training*, expanding the coverage of quality training requirements to all employees. JD Health provides diversified quality training courses, and develops annual quality training programs tailored to business lines and product categories.

The training types include pre-job training, routine training, continuing education training, and temporary training. The training content covers the interpretation of the latest laws and regulations and industry standards, promotion of quality management systems, improvement of professional knowledge and skills, responsibilities and operation procedures of different posts, etc. During the year, the training coverage rate of employees in business lines related to product quality of JD Health reached 100%.

**Highlights of Quality Training Programs in 2023:**

- Drug quality training: A total of **27** sessions were organized, with **8,849** trainees and covering over **90%** of employees;
- Training on quality standardization documents: A total of **16** sessions were organized, with over **800** trainees who participated in the training and post training assessments, the pass rate of which reached **100%**;
- Training on device quality compliance: Procurement employees, sales force and customer service personnel, as well as device suppliers and platform merchants, jointly participated in over **40** training sessions with over **2,000** trainees in total throughout the year.

**Product Recall**

In a bid to strengthen the emergency management capability for product emergencies and further safeguard the rights, interests and safety of patients, JD Health has improved its systems including the *Drug Recall Management System*, the *Platform's Regulations on Drug Quality and Recall Management*, and the *Medical Device Recall Management System* in accordance with relevant laws and regulations such as the *Drug Administration Law of the People's Republic of China* and the *Good Supply Practice for Drugs*. The Company has divided product recalls into three levels based on the severity of product quality and safety hazards, and customized the recall process for each level. In addition, the Company has optimized its product traceability management system and issued regulatory documents such as the *Drug Traceability Management System* and the *Medical Device*

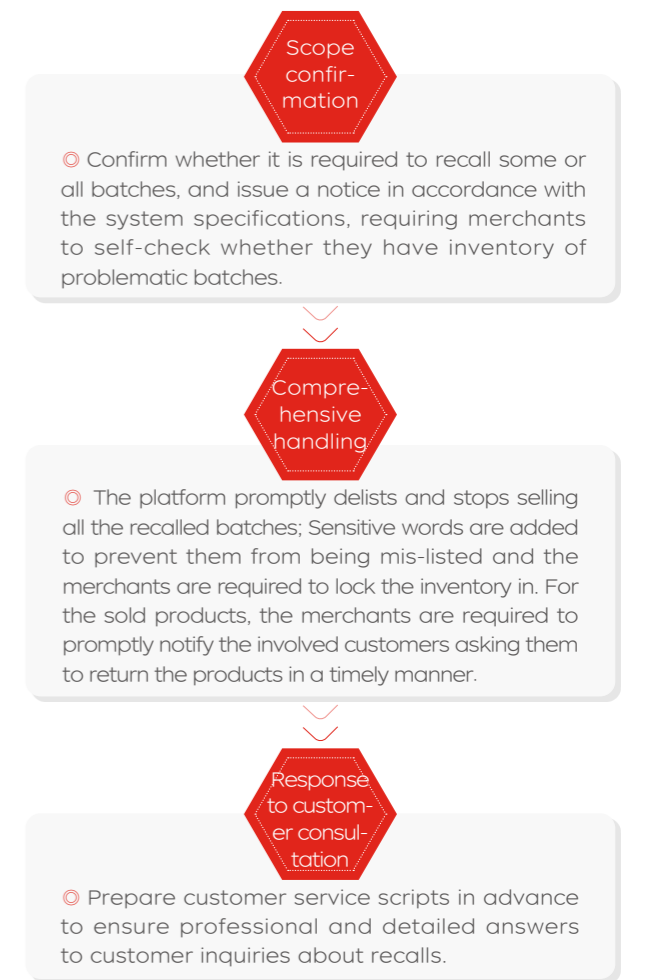
*Traceability Management System* to standardize the management process of purchase and sales record retention, ensuring the traceability of products.

JD Health requires all departments to actively assist the marketing authorization holder (MAH) in investigating and evaluating marketed drugs with quality and safety hazards, and actively cooperate with them to fulfill their recall obligations. We promptly communicate and provide feedback on drug recall information according to the recall plan, control and retrieve drugs with quality problems or other safety hazards, and ensure the medication safety of consumers. In 2023, there were no recall incidents caused by our company's quality operation errors, and one recall responding to the National Medical Products Administration, and it has been properly handled.

**Recall process of direct-sales products**



**Recall process of POP merchant products**





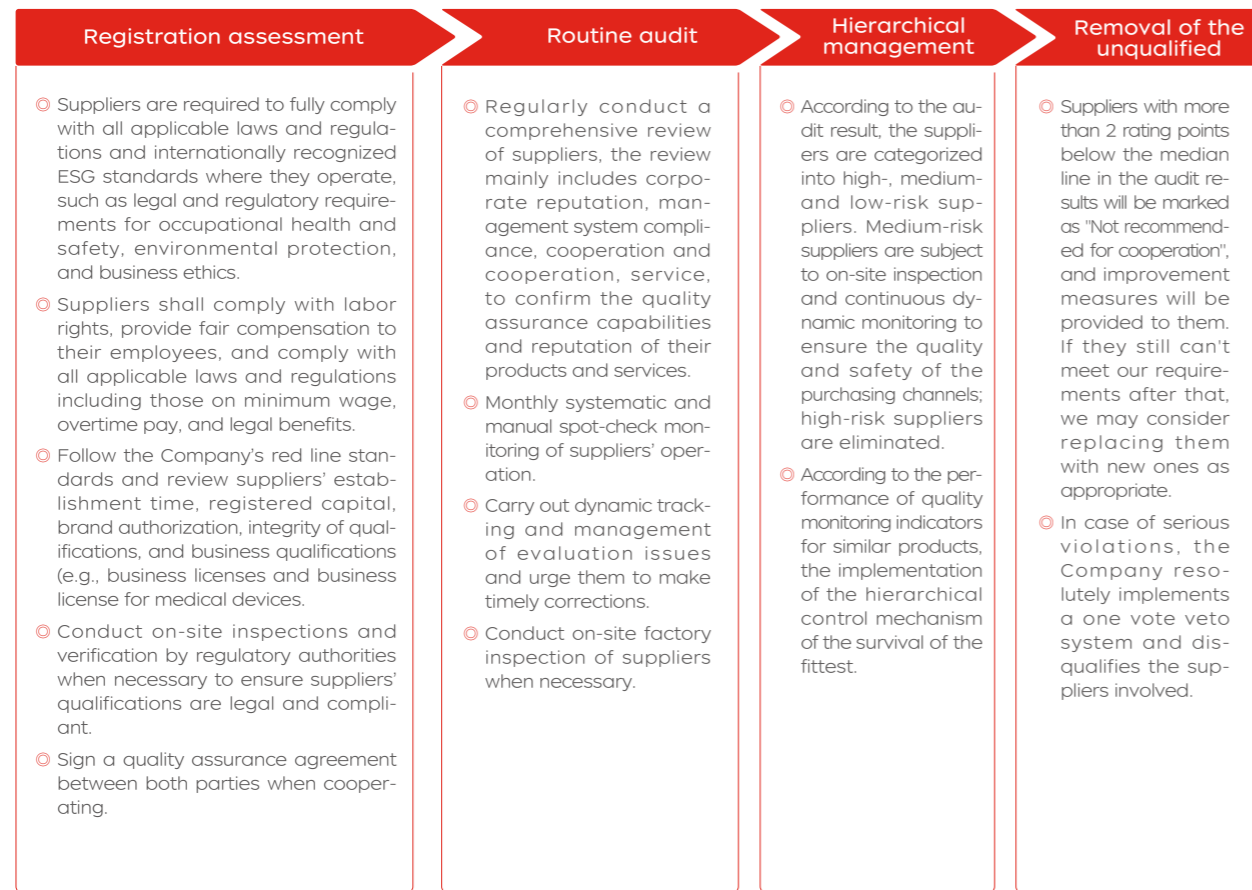
## Third-party Management

JD Health has always regarded product and service quality as the lifeline of its operations. It not only implements strict quality management measures internally, but also promotes the concept and practice of quality management to external third parties, working together with suppliers and POP merchants to ensure controllable quality and excellent quality of drugs and services.

### Supply Chain Management

Strictly complying with the requirements of the *Law of the People's Republic of China on Tenders and Bids* and the *JD Group Supplier Code of Conduct*<sup>7</sup>, JD Health has formulated a series of detailed rules and regulations, including the *Registration Qualification Standards for Direct-Sales Suppliers*, the *Management Rules for Contract Performance of JD Direct-Sales Supply Chain*, the *Supplier Audit Management System*, and the *Principles for Removal of Disqualified Suppliers*. For medical devices, the Company also issued supplier management documents such as the *Management System for Direct-Sales Medical Devices* in accordance with the *Regulations on Supervision and Administration of Medical Devices* and the *Provisions for Supervision and Administration of Medical Device Manufacturing*, in a bid to regulate procurement actions and ensure product quality and safety. In addition, the Company has newly formulated the *Management System for Entrusted Service Providers*, which puts forward stricter quality compliance requirements for outsourced providers.

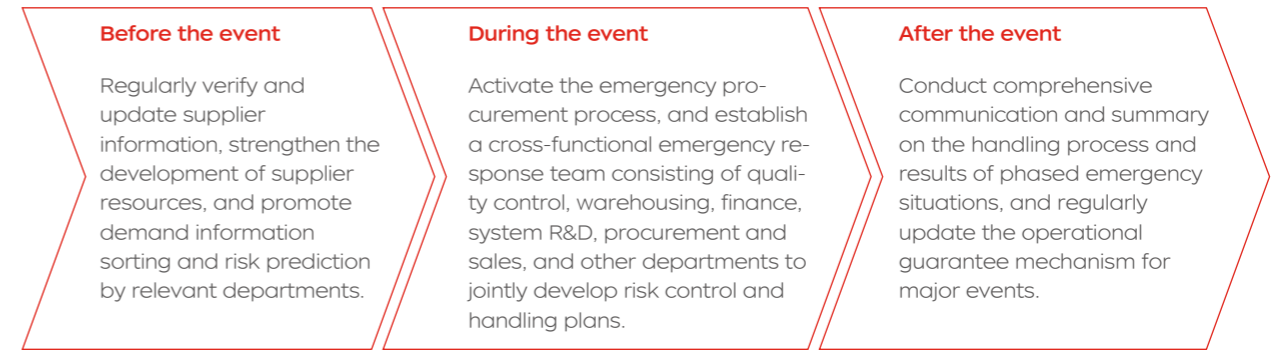
JD Health has established a management process incorporating the full supplier lifecycle, covering various stages including registration assessment, routine audit, hierarchical management, and removal of the unqualified. The Company strives to control supply chain risks to the greatest extent possible by meticulously managing suppliers throughout the entire process, so as to ensure solid assurance for product supply quality.



Supplier Management Process

<sup>7</sup>JD Group Supplier Code of Conduct <https://proc-bidding.jd.com/openMsg/detail/6a6d6b323b36478e99c70169cecbf7fd>

JD Health attaches great importance to supply chain interruption risk management. The Company has built a supplier risk prevention management system incorporating prevention before the event, response to the event and review after the event, clarifying the four major risk control steps, namely risk identification, risk measurement, risk control, and implementation and monitoring, to ensure the smooth operation of the supply chain.



**Case | Dynamic Risk Management of the Supply Chain during the Major Promotion Campaigns**

JD Health implements strict risk management measures for poor sales and being out of stock before and during promotion campaigns to ensure the smooth progress of the promotion. Before this year's 618 Shopping Festival, the Company had planned and reserved sufficient goods in advance to cope with potential sales peaks. During the shopping festival, the Company monitored the sales situation in real time. When sales exceeded expectations, the Company quickly evaluated the inventory and activated emergency replenishment plans when necessary. JD Health also maintained close contact with suppliers to ensure that they could respond promptly when replenishment was needed to meet market demand. When the sales trend weakened, the Company immediately stopped restocking to control inventory scale, and improved inventory clearing efficiency through strategies such as linked sales to avoid excess inventory. Through such real-time dynamic risk management, JD Health has successfully minimized the risks of poor sales and being out of stock, providing a solid guarantee for the smooth progress of the shopping festival.

In terms of ESG risk management, JD Health adopts methods such as questionnaires, third-party assessments, certification submissions, and on-site audits to review the environmental and social risks of suppliers. If any risk is identified, they are urged to rectify the risk promptly. JD Health reserves the right to unilaterally and immediately terminate cooperation with suppliers who do not rectify the risks and seriously violate the ESG standards from the *JD Group Supplier Code of Conduct*.

JD Health regularly conducts comprehensive and meticulous quality compliance audits and inspections on suppliers, and requires them to independently conduct audit inspections. The inspection items include product production quality, warehousing compliance, etc., to ensure the continuous and stable operation of

the supplier quality management system. With that, the Company uses a standardized model of quality compliance indicators to digitize the audit results, accurately identifies the indicators with low compliance rates, and focuses on handling and improving them to enhance the overall quality management. This year, the Company conducted 4 rounds of on-site audits, covering 39 suppliers, and all issues have been rectified. In terms of device retail, the Company conducted weekly sampling inspections on the business qualifications of suppliers, and the Company has checked a total of 379 suppliers, covering 30% of all medical device suppliers. In terms of offline retail, the Company conducted an annual review of key suppliers. In 2023, a total of 214 suppliers were reviewed, covering 40% of all offline suppliers.

The Company has established the *Supplier Training Management System* and regularly provides systematic training to all suppliers every year, assisting them in continuously improving their quality management system and enhancing their quality management capabilities. In 2023, the Company conducted a total of 10 training sessions for direct-sales drug suppliers, including the interpretation of standards such as the *Notice on the Display of Online Sales Information for Prescription Drugs*. The Company conducted 12 training sessions for medical device suppliers, covering more than 1,300 suppliers, with over 2,000 trainees in total.

Case | Training for First Suppliers<sup>8</sup> on Rules of Adding Products

In 2023, JD Health conducted in-depth training on the rules of adding products for new direct-sales suppliers. Through this training, the Company promoted the standardization process of getting suppliers engaged in the products adding, improved the first suppliers' pass rate in adding products, effectively reduced the handling time, optimizing the supply chain management process, and enhancing the cooperation experience of suppliers.

### Number of Suppliers

Type	Quantity
Total number of suppliers	4,179
Chinese Mainland	3,864
China's Hong Kong, Macao, and Taiwan and overseas	315

### Management of POP Merchants

JD Health also implements strict quality management for POP merchants to ensure that the products and services they provide are in line with high standards of quality requirements. The Company has comprehensively revised the *Operating Procedures for Qualification Review of Introduced Enterprise Merchants*, updated the qualification review standards and approval processes to enable us to conduct strict and efficient review. In 2023, the Company established self-inspection and monitoring regulations for online sales risk merchants,

and conducted sampling inspections on the legal compliance of merchants in their business activities. The sampling inspections focused on identifying illegal display of prescription drugs, whether business operations are beyond the scope, the compliance of business qualification certificates, and the compliance of product display. All violations identified during the sampling inspections have been promptly stopped and rectification requirements were sent at the same time.

 Introduction review	Adjust the introduction agreement with POP merchants in accordance with the latest laws and regulations, and ensure real-time updates of qualification requirements to ensure customers' safety
 Product information monitoring	Conduct daily monitoring, checking, and management of the merchants' product information, including but not limited to the product titles, main product images and videos, advertisements and slogans, sales attributes, product attributes, extended attributes, and product details.
 Product price monitoring	Conduct daily monitoring on the product price data and set price thresholds. Once the price of a product exceeds the price thresholds, it is considered to be a violation, and the product will be removed from the platform.  Send a violation notice to merchants who repeatedly violate regulations and take corresponding punishment measures.
 Risk warning	After identifying product risks daily, promptly send backend warnings to merchants, constantly reminding them to run their business in compliance with regulations and rules, to reduce regulatory risks.
 Violation governance	Conduct daily governance and investigation of violations such as discrepancies between physical objects and descriptions, products in wrong categories, and the use of hot search terms unrelated to products.
 Sampling inspections of products	Develop sampling inspection plans based on the sampling inspection results of regulatory authorities and public opinion risks.  Carry out regular or irregular sampling inspections to promptly identify and handle products and merchants with quality issues.
 Handling of non-conforming products	Punish products unqualified in sampling inspection by removing them from the platform, requiring the closing of relevant stores, credit deduction, fines, and blocking and downgrading.

#### Quality Management Process of POP Merchants

In 2023, the Company focused on conducting a series of quality and compliance training sessions, including training on laws and regulations, training on the full process management rules of business operations, and training on criminal risk warning for business operations. The Company conducted over 30 training sessions, with over 3,000 trainees, covering 60% of the total number of POP merchants. After training, the Company held guidance and exchange meetings, focusing on the requirements for online product sales under the new regulations. The Company discussed the requirements with the merchants and answered their questions to ensure that they comply with the new regulations in their business operations.

### Customer Service

Relying on the Internet platform as the main media, JD Health is committed to providing users with online and offline high-quality medical services in an all-round way, and improving patients' experience in seeking medical advice and purchasing medications. The Company has established a comprehensive customer complaint management mechanism. The Company attaches great importance to the suggestions and concerns of users, and takes an active part in safeguarding the legitimate rights and interests of customers. The Company further expanded its offline network, significantly shortened drug delivery time, and effectively improved user satisfaction.

<sup>8</sup> The first suppliers refer to the merchants who have opened a store on the JD .com for the first time. If the products they sell belong to new categories, the platform will create new quality management rules for them.

### Improvement of User Experience and Satisfaction

JD Health is committed to building a customer-oriented service and operation model and consistently strengthening value creation centered on user health. JD Health has established a comprehensive customer service management system. It also improves the "traffic lights" assessment management mechanism. In addition to real-time monitoring of the NPS, it also monitors the quality of products and services, fulfillment, compensation, and other aspects. It regularly reports abnormal indicators and looks for the causes with the collaboration between business departments, based on which it develops corresponding improvement measures. In 2023, the Company's NPS was 73.1 points.

The Company adopted the Dada and JD Logistics to realize professional delivery services for cold chain of medicines and traditional Chinese medicine tonics, which can quickly respond to the needs of users for emergency medicines and ensure the quality and

timeliness of medicines from the warehouses to the hands of consumers. The average delivery time of the Company's goods has been significantly shortened, with the average delivery time of self-owned goods at 34.4 hours, a year-on-year speed-up of 43.3%. In the after-sales stage, the Company introduced a 30-day price guarantee for all categories of self-owned goods, "return after expiration date, return at any time" service, extended the service of only exchange but not repair for electrically charged goods to 365 days, and realized free shipping for all POP products, helping users to realize hassle-free and worry-free shopping. In the instant retail business, the Company upgraded the "JD Health Drug Hourly Delivery" business in the current year and realized online medical insurance payment in Shanghai for the first time, providing an average of 28-minute door-to-door delivery of medicines, which greatly improved the convenience of users in purchasing medicines.

The average delivery time of direct-sales products is

**34.4 hours**

A year-on-year increase of

**43.3%** ↗

Price protection for all direct-sales products has been extended to

**30 days**

Exchanging all electric products that require repairing has been extended to

**365 days**

#### Case | JD Health has Established Warehouses of Pharmaceutical Products in the Northwest and Northeast, Significantly Improving the Users' purchasing experience

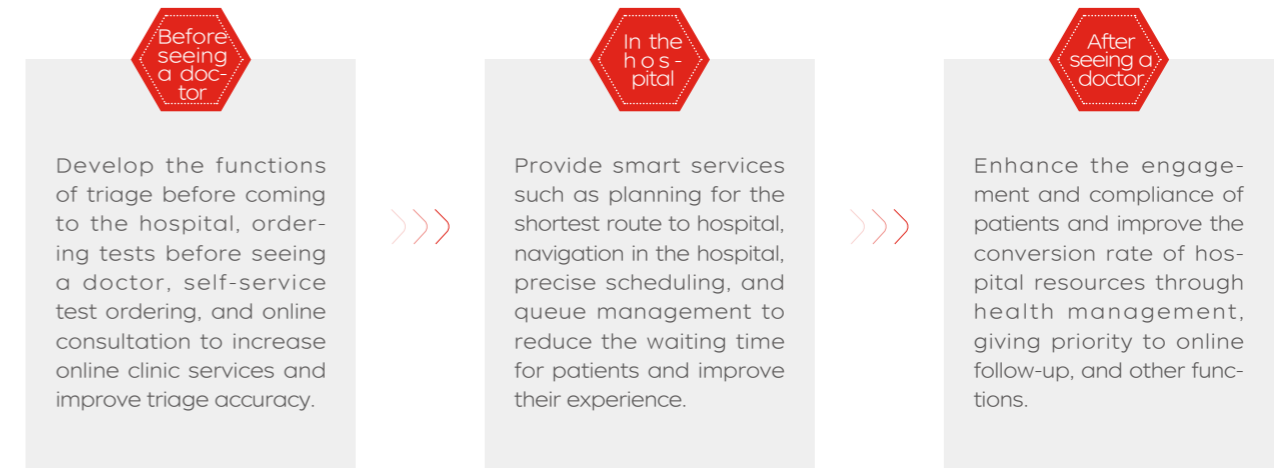
In 2023, JD Health established warehouses of pharmaceutical products in Xinjiang Uygur Autonomous Region in the northwest of China and Jilin Province in the northeast, significantly improving the purchasing experience for users in those regions. Previously, it took 3 to over 5 days to deliver drugs purchased online. The warehouses have significantly improved the delivery time and the purchased products in these regions can be delivered on the same day or the next day. With the improvement of operational efficiency after the launch of the warehouses, it is expected that we will be able to meet the needs of 50% to 80% of users for drug delivery within one day in the future.



Jilin Province drug warehouse

In offline medical service scenarios, JD Health takes technology as its driving force, and integrates and optimizes medical resources to provide digital services for the government and hospitals. Relying on a strong technological platform and rich industry experience, JD Health closely cooperates with governments at all levels, public hospitals and some other medical institutions to build smart medical platforms, in a bid to achieve digital transformation of medical services, promote innovation in medical service models, and improve the quality and efficiency of medical services.

### A Smart Healthcare Solution for Hospitals



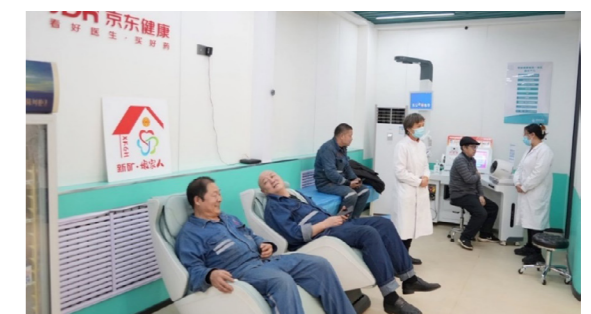
#### Case | AI-based Regional Prescription Review - the Cloud Prescription Review System

In 2023, JD Health, in collaboration with the Haidian District Health Commission, jointly promoted the pilot project of AI-based Regional Prescription Review - the Haidian Regional Cloud Prescription Review System, to accelerate the construction of regional information-based healthcare services. With the automatic reading and learning capabilities of AI, the system can provide personalized medication treatment advice to doctors, and help them identify common prescription issues and patient risk factors. By the end of 2023, the Cloud Prescription Review System had been implemented in nearly 100 community-level healthcare institutions in Haidian District, with an average of over 20,000 prescriptions reviewed daily.

Relying on a sound supply chain system of pharmaceutical products and rich healthcare resources, JD Health provides comprehensive and professional one-stop services for enterprise partners, to meet the health needs of their employees, and promote the improvement of their health management capabilities and raise their health service levels.

#### Case | Building a Health Station for Shandong Energy Group

JD Health has customized a comprehensive health management solution that integrates health management, medical diagnosis and treatment, and emergency rescue to meet the needs of energy enterprises' employees for disease prevention, diagnosis and treatment, and rehabilitation, providing integrated online and offline healthcare services for them. In 2023, JD Health built a health station for Shandong Energy Group. The health station is equipped with professional devices and equipment such as health examination all-in-one machine, as well as Internet medical service resources. The Company established personal electronic health records for each employee in the mining areas, effectively solving the pain points of the energy enterprise in the health management of employees in the mining areas, and facilitating the implementation of healthy mining area construction.

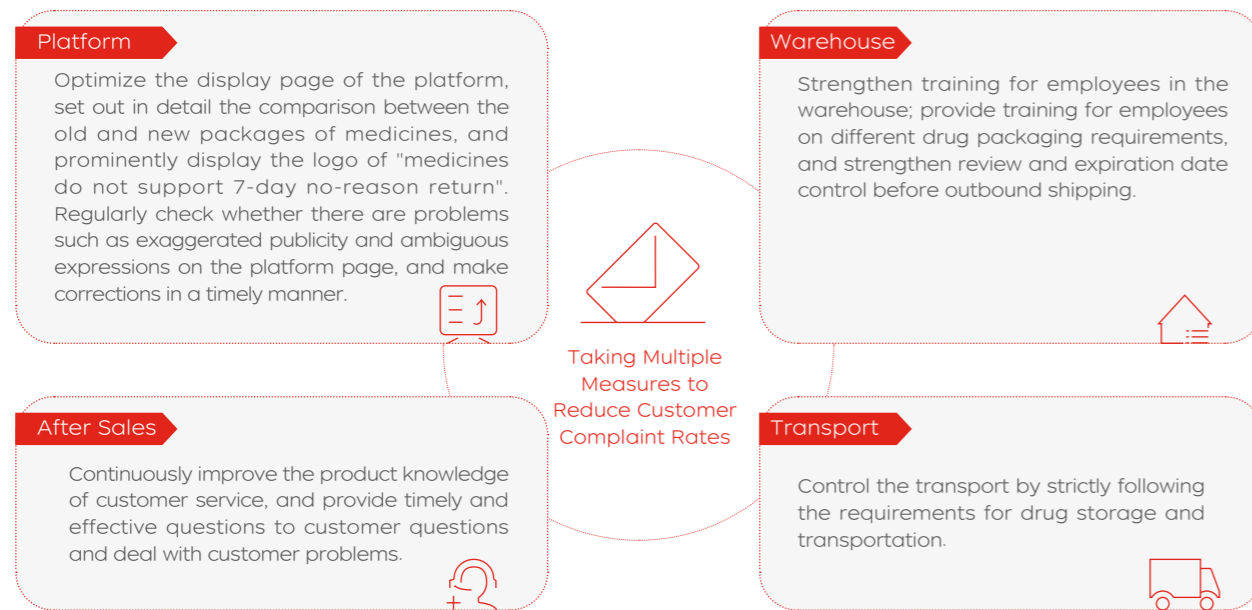


The Health Station of Shandong Energy Group

## Customer Complaints and Communication

JD Health has established a sound management mechanism for customer complaints and maintains smooth customer communication channels, actively safeguarding the legitimate rights and interests of customers. In 2023, the Company optimized the complaint handling process by dividing complaints into two categories: ordinary complaints and crisis complaints, so that the Company can quickly intervene in crisis complaints and promptly handle the emergency to avoid quality accidents. In addition, the Company further expanded the mechanisms of VOC operation, preposition of solutions, process and system problem closed-loop to solidify the foundation of organizational mechanisms, and improve customer service experience.

JD Health attaches great importance to customer complaints and takes multiple measures to reduce customer complaint rates. In 2023, the Company had 7,300 product and service complaints, all of which were followed up and handled.



JD Health has actively conducted user satisfaction surveys and collected user satisfaction information from offline medical examination centers and online medical services in August and November respectively. The former covered a total of 2,671 people, with 609 for the latter, recording a user satisfaction rate of 96%. Improvement efforts have been made for areas with low scores.

## Privacy and Data Security

JD Health attaches extreme importance to privacy and data security, adopts diversified measures to maintain the information security of users, and makes continuous efforts to create a secure and trustworthy data environment. The Company has effectively improved its privacy and data protection, and established a solid data security defense line for users by improving the privacy and information security governance structure, conducting data security training and assessments, and refining privacy protection technologies.

### Information Security

JD Health strictly complies with the *Cybersecurity Law of the People's Republic of China*, the *Data Security Law of the People's Republic of China*, the *Personal Information Protection Law of the People's Republic of China* and the *Regulation on Protecting the Security of Critical Information Infrastructure*. We have formulated the *Data Management System* in compliance with *Data and Privacy Security Management Regulation of JD Group*, which provides detailed supplements to JD Health's data security scenarios based on the security regulation of JD Group. This system applies to all departments of JD Health, as well as all data output scenarios within and outside JD Health's subgroups.

JD Health makes continuous efforts to improve the security management mechanism, promote the preposition security review of health strategy programs to reduce subsequent protection costs, and establish a monthly lighting mechanism within the Company to supervise all departments to deliver compliance in information security and other work.

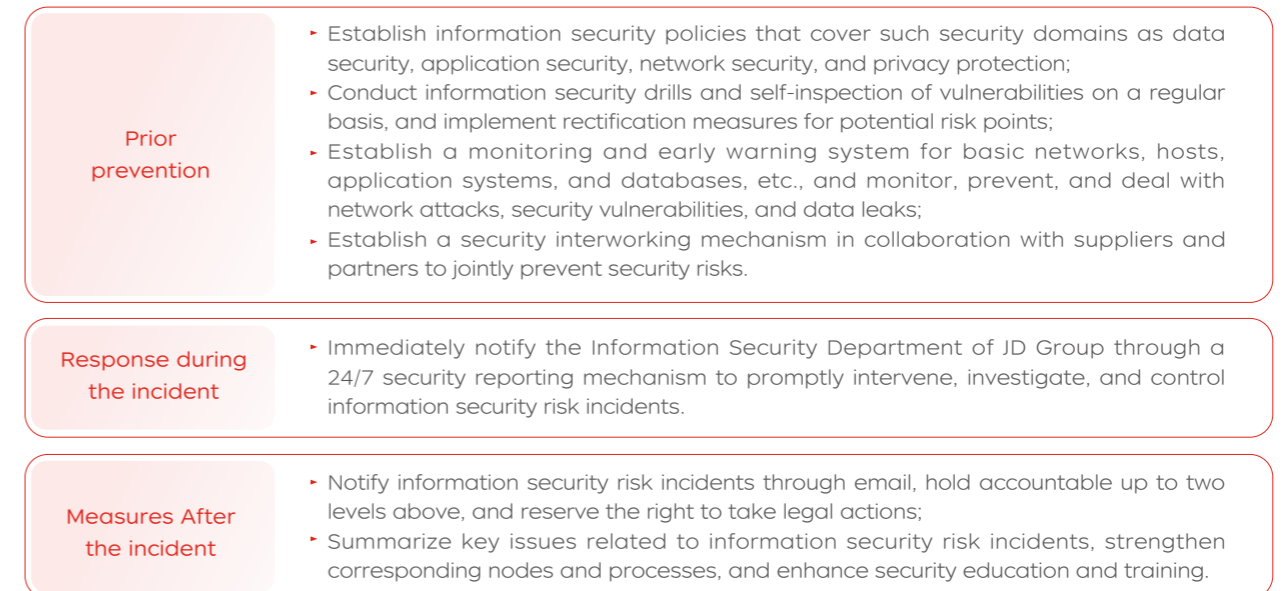
In 2023, the Company established the BP, a new security department, with the participation of the Group's Safety and Risk Control Committee and the Group's CCO in making major decisions on information security, further improving the Company's information security management structure to safeguard its information security.

### JD Health Privacy and Information Security Governance Structure



JD Health has established a full-cycle information security risk management process to ensure that all business data is properly protected. The Company scans for and repairs information management system vulnerabilities from time to time and optimizes data processing, storage, leak prevention and other technologies. In addition, the Company conducts at least one internal and external information security audit every year to ensure the effectiveness of data security measures.

### JD Health's Full Cycle Risk Management Process for Information Security



In June 2023, JD Health successfully passed the annual inspection and audit of the ISO 27799 Health Information Security Management System certification, covering JD Health's product management, R&D and testing, operation and maintenance services. Currently, it has successfully passed both the ISO 27001 Information Security Management System and ISO 20000 IT Service Management System certification. JD Health APP has also obtained the national APP security certification and APP information security certification.



Case | JD Health Conducted "Health Training Month" Data Security Training

In 2023, JD Health launched a series of data security training sessions once a week, including "Health Data Security Month", "Training Month on Data and Information Security of Internet Healthcare Employees", and "Marketing Training Month". The training sessions focus on publicity, and covers the healthcare workplace through channels such as JD ME, sending notifications to all staff, and elevator videos. Among them, the overall reading volume of the long images on Employee Code of Conduct posted on the homepage of JD ME and EPR exceeded 10,000.



Training on Data Security

In 2023, JD Health

# did not have any

data security incidents

achieving the management effect of

**0** data security incidents for three years in a row



JD Health attaches great importance to the information security assurance measures of suppliers and business partners, and regularly conducts evaluations on information security and privacy protection for suppliers. In a bid to enhance the information security awareness and capabilities of the Company's managers and employees, it has made data security exams a necessary onboarding step for new employees, and conducted specialized information security training for the management that covered senior executives and core managers, with a pass rate of 100% in security and compliance exams.

In 2023, JD Health did not have any data security incidents, achieving the management effect of zero data security incidents for three years in a row.

## Privacy Protection

JD Health strictly complies with relevant laws and regulations such as the *Personal Information Protection Law of the People's Republic of China*, and implements the *JD.com Users' Personal Information Security Management Specifications* and *JD.com Privacy Compliance Detection Specifications*. The relevant policies cover all business, suppliers, and external partners of the Company. The Company adheres to the principles of "legitimacy, necessity, informed consent, clear purpose, security and legal use" in the collection, processing, use, and sharing of user information, and put forward some management requirement to constrain the third parties in the use and retention of information. It minimizes the collection and use of data based on business scenarios. JD Health pledges not to collect personal data from third parties and to delete retained information on a regular basis as required.

In 2023, JD Health completed the preliminary drafting of the *Security Management Specification and Requirements* and the *Non-disclosure Agreement* for third parties and conducted security governance of third-party business suppliers. We sorted out sensitive data involved, drew business application dependencies, and further improved

the Company's security management and privacy protection. JD Health has successfully obtained ISO 27701 Privacy Information Management System certification.

JD Health actively responded to regulatory requirements and launched an independent account cancellation and rectification project in 2023, archiving medical data that has been in use for more than five years. The Company firmly guarantees the users' control over their data, providing convenient links for users to access, correct, and delete personal data. We use encryption technology to encrypt and save personal information, and in collaboration with JD Group we encrypt sensitive numbers on the waybill of our logistics and sensitive data in the system of the JD Health's merchants. We continue to improve the data backup mechanism of JD Health's database and conduct emergency drills.

In response to potential data security emergencies, the Company has established a 24/7 security reporting mechanism to promptly investigate and control violations. We have zero tolerance for violations and reserve the right to take legal actions, effectively protecting user privacy and data security.

# Innovative Research and Development

JD Health, as a technology-driven full life cycle and all scenario health management enterprise that centers on the supply chain of pharmaceutical and healthcare products and is strengthened by healthcare services, encompassing a user's full life span for all healthcare needs, makes continuous efforts to improve its independent innovation capabilities, promote the technological innovation, and provide users with diversified smart medical solutions, while facilitating common progress in the health industry.

## Building up and Management of Medical Knowledge

JD Health continues to improve and innovate its medical technology system, actively applying cutting-edge technologies such as artificial intelligence and digital technology to healthcare industry to provide high-quality medical services to users.

### Jingyi Qianxun-the Healthcare Industry-Specific Model

JD Health officially launched its healthcare industry-specific large model Jingyi Qianxun (meaning asking doctors thousands of times) on 2023 JD Discovery tech summit, and announced the launch of the medical and health open ecological platform Jingyi Xingmai, marking a solid step towards the construction of the remote medical ecosystem.

Jingyi Qianxun - A medical large model covering all medical needs during the entire process, enabling intelligent decision-making, and supporting multimodality



Full Process Service of Jingyi Qianxun

The Jingyi Qianxun large model focuses on the healthcare sector, aiming to integrate and analyze a large amount of data in the healthcare sector, and provide comprehensive healthcare solutions through artificial intelligence technology. This model can quickly learn for various scenarios in the healthcare sector to deliver personalized medical advice, precise and efficient diagnosis and treatment assistance, and various services provided by different medical roles. After being trained with numerous evidence-based medicine knowledge bases, the model's performance in handling tasks in the medical field has been significantly improved. In addition, the Company has enhanced the model's ability to understand multimodal data and has further optimized its application

in the healthcare sector, providing solid technical support for telemedicine services. As of 2023, over 170 research and medical institutions, about 100 pharmaceutical companies and corporate clients, and over 43,000 doctors had directly or indirectly participated in the construction of the Jingyi Qianxun large model.

JD Health actively applies the Jingyi Qianxun large model to various scenarios, with medical value as the foundation, actively exploring the application of artificial intelligence in creating social value, and focuses on building the "1+4+5"<sup>9</sup> healthcare digital intelligence engine to facilitate doctor's efficient diagnosis and treatment of patients and doctor's response to patients' problems.

Application Scenarios of Jingyi Qianxun Large Model

Intelligent Platform Assisting in Diagnosis and Treatment

Focusing on Jingyi Qianxun, the artificial intelligence big model, relying on authoritative medical guides and literature, we have provided a series of services and functions such as auxiliary Q&A, diagnosis and treatment recommendation, and intelligent medical record covering pre-diagnosis, during diagnosis and after diagnosis in the scenarios of consultation between the doctors and patients and pharmacist consultation in the Internet Hospital. We seek to solve the problem of tight doctor supply and efficiently meet the needs of users, creating a new experience of remote diagnosis and treatment for both doctors and patients.

Intelligent Interpretation of Physical Examination Reports

Relying on the technical platform of Jingyi Qianxun and utilizing advanced technologies such as large model and natural language processing, under the guidance of professional physicians, we are constructing a logic tree and knowledge base through deep learning of a large number of medical guidelines. This enables automated generation of personalized overall conclusions of the physical examination report based on the requirements of guidance documents for quality control of the physical examination such as the *Expert Consensus on the Management of Important Results with Abnormal Values in Health Checkup* and the *Writing Standards for Main Examination Reports*, and combined with the user's previous health data. This technology effectively enhances the overall efficiency and clinical application value of physical examination services.

Internet Medical Specialty

**Dermatology:** Wide coverage of skin diseases among people, coupled with high recurrence rate and long treatment cycle, makes dermatology an ideal specialty of telemedicine. Online diagnosis and treatment environment is conducive to dermatology.

JD Health provides intelligent solutions through the use of AI technology, enhancing the accessibility of services and enhancing the professionalism of our services through the use of diagnostic and treatment pathways certified by certification authorities. In addition, the skin digital therapy independently developed by the Company can intelligently process skin examination images. Relying on the learning capability and image analysis capability of the large model, we can respond to patients' frequently asked questions and assess the severity of patients' conditions in an automatic way. The Company has developed an evidence-based diagnostic model that supports over 100 common skin diseases and achieves a result accuracy of over 95% for the diagnosis of skin diseases. It has served a total of 12 million patients with this model. In July 2023, JD Health's independently developed skin image processing product has been approved for the National Class II Medical Device Certificate.

**Mental Health:** In China, there are a large number of people suffering from psychological problems, and the supply of mental health services is uneven. Relying on a multimodal large model, JD Health has developed an intelligent screening tool that combines video and questionnaire methods. Based on a standardized psychological counseling path, it guides users and counselors for psychological counseling services. It explores integrated treatment methods to reduce the recurrence rate of psychological diseases.

<sup>9</sup> The "1+4+5" healthcare digital intelligence engine includes 1 cloud consultation room with doctors and 4 major technical platforms (intelligent auxiliary diagnosis platform, patient management platform, RWD research platform, digital therapy platform), as well as 5 core technical capabilities (medical knowledge system, auxiliary diagnosis and treatment, specialized diagnosis, multimodal interaction between doctors and patients, and medical big data).

Academic Communication Platform

The Internet Plus model is adopted to provide doctors with cutting-edge academic literature, professional consensus interpretation of experts and opportunities for exchanges and interaction with medical professionals. It is conducive to case discussions and academic research of doctors, and can comprehensively raise doctors' diagnosis and treatment and clinical competence to a new level. As of the end of the reporting period, the coverage of doctors exceeded 30,000.

JD Health has built the first large-scale health knowledge atlas in the health industry that integrates physical objects and services, as well as knowledge and data, and has accumulated over 100 million high-quality health records and vast pharmaceutical circulation data, providing a solid foundation for the development of Jingyi Qianxun. In terms of application, the intelligent doctor assistant based on Jingyi Qianxun can not only provide users with personalized health management

and self-diagnosis services, but also support doctors in such aspects as knowledge management, literature mining, and medical record generation. In addition, the model can read and analyze complex multi-modal data, including medical images, for autonomous reasoning and decision-making, further improving the quality of medical services. The overall processing efficiency of the model is at the forefront of the industry.

RWD Platform

Real world data (RWD) refers to the data related to patients obtained in Real World Research (RWS). The RWD platform independently developed by JD Health assist researchers in researching the usage of medical products and evidence for potential clinical benefits with SaaS services under data desensitization and security guarantees, in a bid to support medical research and

clinical decision-making. In 2023, the Company carried out 24 collaborative projects covering multiple fields such as osteoporosis, defecation disorders, skin diseases, and psychology. These projects involve more than 70 hospitals and more than 300 doctors, with a plan to recruit over 90,000 patients.

With a plan to recruit over

**90,000** patients

Case | The Project on the Construction of the Database and Risk Assessment System Related to Osteoporosis and Osteoarthritis

In 2023, JD Health, in collaboration with 11 hospitals, including Beijing Hospital, JD Internet Hospital, and West China Hospital of Sichuan University, jointly carried out a research project on osteoporosis and osteoarthritis. The project aims to establish a large database, with records and analyses of diseases, and which can help users more accurately identify the risk factors of these diseases.

hospitals and doctor teams use an online data processing platform to integrate data from the information system of their hospitals, develop unified data standards to record information on adverse events of patients in detail, and predict and take protective measures for identified risks in subsequent treatment. This research achievement will provide powerful tools for clinical doctors, which is crucial for improving patient prognosis and reducing medical resource waste.





This project plans to select at least 25,000 patients in China for data collection and analysis. The collaborating

## Digital and Intelligent Supply Chain

JD Health promotes the digital transformation of the supply chain through technological innovation, to reduce operating costs and improve work efficiency. In 2023, the Company integrated advanced technologies

such as big data and artificial intelligence into the business scenarios on the industrial chain and supply chain, driving the common development of online and offline supply chains.

### 2023 JD Health Digital Transformation and Application at Different Links in the Supply Chain

Links in the Supply Chain	Efficiency Improvement
 <p>Inventory Management</p>	<ul style="list-style-type: none"> <li>By establishing a database of standardized products and accumulating nearly 100,000 entries of data on standards, the Company has developed an automated product distribution process, delivering precise management of sales of products in the health category, and collaborative efficiency enhancement of various links in the supply chain, thus improving the overall security and efficiency of the supply chain.</li> </ul>
 <p>Qualification Review of New Suppliers</p>	<ul style="list-style-type: none"> <li>By optimizing the compliance of new drug suppliers and the process of product quality certification, we have delivered consistency in audit standards, and enhanced collaboration with B2B merchants, store customers, and JD Health's retail suppliers, significantly increasing supply chain efficiency and market competitiveness. By utilizing the platform for initial qualification exchange, the efficiency of new supplier qualification management was improved by 67%.</li> </ul>
 <p>Management of Sales Statistics</p>	<ul style="list-style-type: none"> <li>We implemented the direct connection technology of DDI<sup>10</sup>, achieving automated collection and verification of sales statistics between suppliers and downstream distributors, and improving supplier management efficiency by 75%.</li> </ul>
 <p>Upgrade of Group Management Capability</p>	<ul style="list-style-type: none"> <li>We have upgraded the individual model to a model supporting the chain, enabling the enterprises to manage multiple stores more effectively and ensuring smooth operation of all links from procurement to sales, thus achieving multi-level operational management of headquarters, business forms, regions, and stores.</li> <li>We improved product information maintenance efficiency by 85%, distribution efficiency of procurement by 46%, and ordering efficiency of stores by 62%.</li> </ul>

<sup>10</sup> DDI is short for Distributors Data Integration, namely automatic collection of channel data, which delivers scheduled automatic transmission of specified data from the commercial end to pharmaceutical companies by installing data capture and transmission software on distributors' PC.


## Digital Marketing Services for Pharmaceutical Industry

JD Health provides comprehensive digital solutions in digital marketing, patient operations and academic operations that can assist pharmaceutical clients in improving operational efficiency. By integrating big data analysis and advanced technological tools, the Company provides pharmaceutical companies with one-stop services from initial target market analysis to later effect evaluation, assisting them in analyzing patient needs and improving service quality.

multiple channels and use various channels to synchronize product promotion information and science popularization content for doctors and patients, helping to raise patients' awareness of health. In addition, JD Health also supports pharmaceutical companies to observe operational results and analyze the market data of their brands through Medical Doppler, a product for data analysis, which can provide feedback on operational effects from multiple perspectives, continuously track the actual needs of patients, and provide more accurate market orientation and data support for drug R&D.

In the patient operation project, JD Health provides market analysis services to pharmaceutical companies based on the big data platform, including providing insights into sales trends, tracking hot topics, and capturing market opportunities, setting more accurate patient operation goals and plans, and making estimates of the final results. Through the patient management platform, pharmaceutical companies can reach users through

In academic operation projects, pharmaceutical companies can use the Xueshutong (Academic Pathway) platform to publish educational content or questionnaires to enhance doctors' and users' understanding of diseases and medications.

 **Case | Medical Doppler for Data Analysis**

In July 2023, JD Health launched a digital tool for the pharmaceutical industry - Medical Doppler. This tool conducts data analysis through multiple dimensions such as user profile, medication overview, disease buzzwords, order analysis, and doctor profile to comprehensively reveal brand performance.

By monitoring the completion of learning tasks by enrolled doctors, enterprises can quantify their understanding of drugs or treatment plans, explore the process and path of applying medical research results to clinical practice, and evaluate the effectiveness of medical education activities. So, this tool can facilitate the popularization of medical knowledge and the improvement of medical services.

## Intellectual Property Rights

JD Health strictly adheres to the *Patent Law of the People's Republic of China*, the *Trademark Law of the People's Republic of China*, and other relevant laws and regulations, maintaining an ongoing dedication to safeguarding intellectual property. To provide a comprehensive framework for the integration and orderly progression of intellectual property management alongside our business activities, the Company has embarked on a fresh round of revisions to our internal documentation, including the *JD.com Patent Management Regulations*, the *JD.com Trademark Management Regulations*, the *JD.com Copyright Management Regulations*, the *JD.com Domain Name Management Regulations*, and the *JD.com Trade Secret Management Regulations (Trial)*. We have received certification for our corporate intellectual property management system, further boosting the Company's capacity for innovation through standardized management procedures.

management events, and investing more resources into key projects, products, and business lines. In 2023, the Company updated and improved its management measures for patents, trademarks, copyrights, and domain names, and optimized internal guidance documents such as the *Manual on Patent Work* and the *Guidelines for the Work of Patent Agents*, further moving towards systematic and standard patent management. By the end of 2023, JD Health filed more than 800 patent applications, with 77 patent grants and 304 registered trademarks approved.

The Company continued to improve the full process management of patent application, focusing on the application of high-quality patents, proactively integrating intellectual property management into daily patent

To further raise the awareness and enthusiasm of business and R&D departments on innovation and intellectual property protection, JD Health launched annual patent awards, carried out World Intellectual Property Day activities, and provided intellectual property training, in a bid to encourage employees to pay attention to innovation and keep empowering sustainable business growth with technological innovation. In 2023, JD Health conducted 10 patent knowledge training sessions and 1 software copyright training session, covering more than 630 employees. The Company's IP training in 2023 totaled 16.5 hours, registering 650 enrollments.

## Talent Growth

JD Health adheres to the people-oriented concept, strictly abides by all laws and regulations, actively builds a talent empowerment platform, establishes and improves smooth channels for talent development, and consolidates a diverse, equal, and inclusive employment foundation. We are committed to promoting the comprehensive development of employees to create a safe, comfortable, and healthy workspace and achieve mutual progress and win-win benefits for the Company, employees, and external partners.

## Protection of Employees' Rights and Interests

JD Health strictly abides by the *Labor Law of the People's Republic of China*, the *Labor Contract Law of the People's Republic of China* and other relevant laws and regulations, continuously improves internal management systems, such as the *Employee Handbook*, based on internal conditions, and explicitly prohibits the employment of child labor and forced labor in the relevant provisions of labor contract. In order to protect the legitimate rights and interests of employees, we have clearly stipulated the attendance system and vacation procedures of employees to ensure that employees can enjoy reasonable vacation treatment. There was not any employment of child labor or forced labor during the report period.

The Company has always been committed to diversifying its talent pool, focusing on building an open and transparent recruitment environment, and treating every employee and job application fairly and equally. The Company has established diverse recruitment channels to attract employees with various backgrounds, majors, cultures, and experiences, offering equal employment opportunities to employees of different ethnicities and from different regions. The Company commits to providing equal treatment to all employees regardless of their age, gender, ethnicity, nationality, disability, or marital status. We strive to ensure that the salary competitiveness of males and females in the same position and rank is generally balanced. Furthermore, we continue to build a diverse talent team, enhance the inclusiveness of the workspace, and promote the sustainability of our development. In 2023, JD Health had a total of 3,118 employees, including 43 disabled people, 178 ethnic minorities, 3 foreign employees, and 1,138 new hires.



### Breakdown of JD Health Employees in 2023

Indicators		2023	
Employee breakdown	Total employees	3,118	
	Total part-time employees	215	
	Employees by gender	Male	1,299
		Female	1,819
	Employees by rank	Senior managers	18
		Middle-level managers	149
		Junior managers	32
		General employees	2,919
	Employees by age	Below 30 (excluding 30)	978
		Between 30 and 50	2,092
		Above 50 (excluding 50)	48
	Employees by geographical region	Employees in Chinese mainland	3,117
		Employees in China's Hong Kong, Macao and Taiwan regions	1
		Overseas employees	0
Employees by ethnicity	Employees from ethnic minorities	178	
	Ethnic Han employees	2,937	
Employees by nationality	Employees with Chinese nationality	3,115	
	Foreign employees	3	
Employees with disability		43	
Total new employees		1,138	

### Employee Turnover of JD Health in 2023

Indicators		2023	
Turnover	Employee turnover by gender	Male	7.69%
		Female	11.66%
Turnover	Employee turnover by age	Below 30 (excluding 30)	14.29%
		Between 30 and 50	8.02%
		Above 50 (excluding 50)	3.70%
Turnover	Employee turnover by geographical region	Employees in Chinese mainland	10.03%
		Employees in China's Hong Kong, Macao and Taiwan regions	0%
		Overseas employees	/



The Company places great emphasis on promoting and practicing the concept of anti-discrimination, maintaining a policy of "zero tolerance" towards all forms of sexual harassment. We have established the *Code of Conduct against Sexual Harassment and Discrimination*, the *JD.com Management System for Disqualification from Positions*, and the *JD.com Sexual Harassment Prevention and Management Regulations*, defining various forms of discrimination and harassment. It has set up a comprehensive whistleblowing and reporting system along with an investigation and handling mechanism and is committed to providing all employees with a fair, safe, respectful, and healthy

workspace. In 2023, there were no complaints related to sexual harassment or discrimination in the workplace.

JD Health practices democratic management, respects employees' freedom of association, and continuously improves the democratic management system. This allows employees to exercise their rights to join or establish clubs, trade unions, and other organizations in line with national regulations. We selected employee representatives to participate in the collective bargaining meetings held by JD.com and actively offer advice and suggestions on labor standards and working conditions. In 2023, the signing rate of the *Collective Contract of JD.com* was 100%.

JD Health supports and pledges to respect human rights, following the *Universal Declaration of Human Rights* and the *International Labor Organization Conventions*. To ensure the compliance of the Company's human rights protection practices, it complies with and actively implements the requirements of the *Human Rights Policy of JD Group*, oversees and manages human rights issues, and makes continuous efforts to safeguard the rights and interests of all stakeholders within our business scope. The Company participates in the human rights due diligence conducted by JD Group, identifies and assesses potential human rights risks in the Company's operational and business-related activities, and develops corresponding risk mitigation and remedial measures to eliminate, avoid or minimize potential impacts.

**Human Rights Due Diligence Framework Adopted by JD Health**

- Policy and commitment statement to safeguard human rights
- Identify and assess potential human rights risks in the value chain
- Assess risk impact in a targeted way
- Take necessary mitigation measures and actions
- Regularly review key human rights risk points
- Deliver human rights due diligence report

**Employee Promotion and Analysis**

JD Health values both the vertical promotion channel and horizontal expansion space for employees. Based on the "70% and 80%" principle, we promote employees who meet 70% of the qualification requirements of the higher rank, and guarantee to promote 80% of internal qualified employees, so as to encourage the promotion of talents within the company. In addition, the Company offers internal transfer opportunities based on the business development situation and the personal development aspirations of employees. In 2023, the internal transfer rate at JD Health was 11.3%.

- **Five professional talent committees:** supply chain, medical treatment, technology, product and service operation, and marketing
- **The collaborative mechanism for virtual positions:** Designate a training liaison in each first-tier department to conduct a training needs assessment aligned with the department's business requirements. Collaboratively develop and establish training programs and synchronize the driving logic. Enhance communication and collaboration through monthly meetings to boost the Company's overall training efficiency and effectiveness.

In 2023, based on the professional talent committees, JD Health established a collaborative training mechanism for virtual positions. By integrating the actual talent needs for the Company's business and focusing on the Big Boss Mechanism<sup>11</sup>, it aims to assist employees in continuously refining their professional skills and fulfilling their career aspirations across various fields.

The Company continuously conducts personnel analysis, utilizing data analysis platforms such as JD.com's "Galaxy Watcher" and the HR Workbench to macroscopically observe the market talent supply and internal talent demand. Internally, it analyzes employee composition, performance distribution, turnover rate, and training needs to formulate recruitment plans and personnel management strategies. It refines and establishes human resources plans to provide strong data support for the Company's stable development.

JD Health is committed to measuring employee performance through a reasonable performance appraisal system and establishing goals that align with individual development. It has designed targeted assessment systems based on different job functions to ensure the fairness and effectiveness of the assessment. In our front-office business departments, such as business groups, the Company assesses performance through the year-on-year growth rate and distributes variable pay based on monthly performance results. For front-line employees who directly serve customers, it adjusts their variable pay in light of the monthly performance assessment results. Employees in support departments in the middle and back offices are subject to quarterly assessments and their variable pay is calculated based on performance coefficients set by managers. The Company provides a clear growth path for outstanding talents through a scientific and efficient assessment mechanism.

<sup>11</sup> Big Boss Mechanism: Treat each business unit as a standalone operating entity and empower business managers with decision-making authority.

**Talent Development and Capacity Enhancement of External Partners**

Employee development is a vital driving force for the development of a company. JD Health has established the "JD Health Business School" training brand, which comprehensively covers key areas such as content development, platform construction, training execution, and resource integration. This initiative drives knowledge accumulation, skill enhancement, resource sharing, and interactive exchange among talents, providing solid intellectual support and talent guarantee for the Company's business development. Consequently, it promotes the

shared growth and development of employees and business partners. In 2023, JD Health's training initiatives, both internal and external, encompassed a total of

**4,296,099 participants**

**JD Health's Training and Development Investment in 2023**

	Indicator	Unit	2023
Training and development investments	Internal employees <sup>12</sup>	CNY	887,131.58
	External business partners	CNY	1,318,287.74

**Talent Training and Development**

JD Health emphasizes employee empowerment and continuously updates its internal training system to help employees discover their potential. Relying on JD.com's training system and resources, JD Health has formulated training policies such as the *Internal Training Management System for Employees*, the *Employee Education Funding Management System*, the *Internal Lecturer Management System*, and the *Supplier Training Management System*. It establishes specialized learning courses focusing on business management capabilities, leadership skills, professional competence in positions, new employee integration, and learning atmosphere creation through internal training and external instruction. In addition, it invests in three foundational support capabilities including learning organization and mechanisms, learning products and platforms, and learning technologies and methods, to assist employees with their learning and development. In 2023, 100% of employees in JD Health received the training, with an average learning duration of 24 hours.



<sup>12</sup>The scope of statistics is full-time employees.

JD Health's Employee Training Plan

New Employee Integration	Professional Capacity Improvement	Operation Capacity Improvement
<p>"Hello Health": This program organizes both online and in-person courses aimed at all new hires to primarily introduce JD Health's business operations, management philosophy, data security, and compliance with anti-corruption regulations.</p>	<p><b>Learning Map:</b> The project combines the experience of experts and key personnel across different roles into online courses that cover relevant job responsibilities, assisting new employees in successfully transitioning through their probationary period.</p> <p>In 2023, the Company developed 106 tailored courses, with 77 in operation, and 556 employees engaged in the learning initiative.</p>	<p><b>Special Enhancement Program for Business Managers:</b></p> <ul style="list-style-type: none"> <li><b>Vision Expansion:</b> Broaden managers' horizons and establish a communication mechanism through management-level experience exchanges and case sharing, such as "Leadership Lecture" and "Boss and Mogul Experience" sessions.</li> <li><b>Practical Training Exercises:</b> Enhance business skills in practical scenarios through focused seminars and practical training exercises, such as "Industry Category Analysis" and "Business Planning Development".</li> <li><b>Solidify Foundations:</b> We utilize learning platforms and resource libraries, such as the "Health Knowledge Map" and the "JD Elite BOSS Learning Zone," to provide ongoing support for their self-directed learning.</li> </ul> <p>In 2023, there were a total of 14,769 participants.</p>
<p><b>Araneae Plan:</b> a three-year plan for employees from campus recruitment, including a series of activities such as welcome parties, courses on professional skills, sharing and mentorship in professional capabilities, meeting CEO, and growth challenge competitions.</p>	<p><b>Industry Expert Perspective Sharing:</b> In coordination with the five talent committees, we promptly introduce external information resources internally, gaining insights from industry experts on current affairs to inform business decisions and thereby facilitate business growth. In 2023, the Company hosted seven events with a total of 2,024 participants.</p>	<p><b>Spark Program:</b> The Company screens excellent innovative ones from innovative business and capability projects of various departments through competitions, fostering a learning atmosphere of "embracing innovation" within the Company. In 2023, a total of four projects were recognized as the annual outstanding innovative projects.</p>
<p><b>Practical Training Camp:</b> The Company has embarked on a scenario-based exploration of the "Practical Training" learning technology, focusing on simulating real-work situations. We have developed specialized learning canvases tailored for different business areas and job levels, enhancing employees' problem-solving skills through practical exercises.</p> <p>In 2023, a total of 17 projects were implemented, with 294 participants.</p>	<p><b>Knowledge Management Practices:</b> The Company employs diverse methods to gather and catalog knowledge.</p> <p>In 2023, we produced a total of 5,188 documents for talent training and development and provided 506 growth documents for external partners. There was a total of 85,647 views and 30,311 unique visitors around the documents.</p>	
<p><b>Creation of a Learning Atmosphere:</b></p> <ol style="list-style-type: none"> <li><b>Innovation atmosphere:</b> Through the Spark Program, we screen outstanding innovative business and capability projects from each department in a competitive process that includes qualifying rounds, ongoing coaching, and year-end finals. This approach aims to create a learning atmosphere of "embracing innovation" across the entire health sector. In 2023, we incubated a total of 73 projects, with 4 named as the annual outstanding innovative projects.</li> <li><b>Self-directed learning atmosphere:</b> JD Health displays and shares the Company's daily knowledge management content on the Knowledge Map Platform to foster employees' learning habits and enhance their learning efficiency. In 2023, there were a total of 82,341 views and 29,102 unique visitors around this activity.</li> <li><b>Inheritor atmosphere:</b> JD Health launches the "Health Inheritors" initiative, encouraging employees to understand and learn best practices through various learning programs, knowledge-sharing sessions, Teacher's Day recognition events, and internal honor badges. In 2023, a total of 354 individuals were honored as the "Inheritors".</li> </ol>		



The Knowledge Map Interface—Knowledge Management



The Learning Map Interface

Employee Training Plans of JD Group

New Employee Integration	Comprehensive Capability Improvement	Leadership Enhancement
<p>JD.com</p> <p>"Golden Class", "Red Class" and "Star Class" New Employee Plan: Offering online and in-person courses ranging from one to three days in duration based on the job levels of new employees, including an introduction to JD.com's business and culture, compliance rules, and more.</p>	<p><b>JDTALK:</b> Discussing the microeconomic situation, professional quality, and best industry practices with external guests and experts.</p> <p><b>JDTECH:</b> Exploring technology frontiers and successful cases with technical experts.</p> <p><b>JDVOICE:</b> Internal predecessors sharing management experience and wisdom.</p>	<p><b>Pengyuan Plan:</b> A training plan for employees newly promoted or transferred to managers at the level of director every year.</p> <p><b>Pilot Project:</b> A dedicated training plan for future leaders of JD.com.</p> <p><b>Core Executive Project:</b> A training project for core executives.</p> <p><b>Jianfeng Plan A:</b> A special leadership training project for middle-level management talents in JD Health to enable the participants to achieve a leap in leadership through multi-module training lines and diversified training forms.</p>

In addition to providing a variety of internal training projects, we encourage employees to achieve self-improvement with external educational resources. JD.com has launched a project named "I am Attending the University in JD.com", providing a channel for all employees to improve their academic qualifications. The Company provides financial support for employees to continue their studies, including discretionary tuition exemption for employees in the "I am Attending the University in JD.com" program, and loan support for employees participating in MBA/MEM programs on the job, to ensure employees' academic and personal career development. In 2023, the Company invested a total of RMB 887,131.58 in training and development for its employees.

Employee Training of JD Health in 2023<sup>13</sup>

Indicator		Unit	2023
Percentage of trained employees by gender	Male	%	100
	Female	%	100
Percentage of trained employees by rank	Senior management	%	100
	Middle-level management	%	100
	Junior management	%	100
Average training hours per employee by gender	General employees	%	100
	Male	Hour	19.04
	Female	Hour	27.37
	Senior management	Hour	27.74
Average training hours per employee by rank	Middle-level management	Hour	40.41
	Junior management	Hour	22.13
	General employees	Hour	23.20

Case | JD Health Organized the "Leadership Lecture" Specialized Training Program

In 2023, to drive business growth and achieve significant breakthroughs, JD Health initiated the "Leadership Lecture" specialized training program. In this training initiative, the CEO, along with eight senior executives, conducted a three-phase program that integrated online and in-person sessions with document-based learning. They shared their professional skills and work experience respectively, drawing a total of 4,574 participants.



The "Leadership Lecture" Training

Case | Special Training for Business Manager Competency Enhancement Organized in Suqian

From November to December 2023, JD Health organized a three-day special training camp in Suqian for more than 60 business managers and middle-office managers. The learning content included business operations and team management courses based on actual business management scenarios, summaries and sharing of practical methods based on course theories by business managers, and a session dedicated to solving customers' problems. This initiative fully enhanced the participants' management skills and team leadership abilities, deepened their comprehension of business operations, and fostered communication and collaboration among managers, equipping them to tackle upcoming business challenges.



Special Training Scene

Case | The Supply Chain Talent Committee Hosted a Sharing Session Titled Mogul Insights: Category Breakthroughs and Growth During the 618 Shopping Festival

In June 2023, the Supply Chain Talent Committee invited eight business managers who excelled in the 618 Shopping Festival to share their experiences. The event was conducted both online and offline, with approximately 980 participants. The sharing session featured substantial exchanges of practical experiences and included interactive Q&A segments, enabling participants to deeply explore and comprehend the successful strategies across various categories. This event fostered greater communication and learning among supply chain professionals and contributed to spreading industry knowledge and sharing the best practices.



Supply Chain Mogul Sharing Experience

<sup>13</sup>The scope of statistics is full-time contractual employees.

## External Partners' Capability Enhancement

JD Health also focuses on the growth and development of external partners. The Company has formulated the *JD Health Business School Category Expert Management System*, the *JD Health Business School Video Course Recording and Course Information Reporting Specifications*, the *JD Health Business School Course Review Specifications*, and the *JD Health Business School Online Live Training SOP*, and conducted various training courses for new merchants<sup>14</sup>, regular merchants<sup>15</sup> and part-time doctors at the Business School. The Company provides systematic training for all suppliers every year, assisting them in improving their quality management systems and operational capabilities, and exploring key breakthroughs together to achieve business growth.

The Company leverages detailed analysis of data from new POP merchants to craft customized operational strategies for merchants across various tiers. This approach ensures the accurate execution of stratified growth strategies, significantly improving merchants'

operational efficiency, and maintaining a high standard of platform performance. JD Health has introduced a suite of specialized programs including the "New Merchant Open Day", the "Dark Horse Incubation Camp for New Merchants", and the "Dark Horse Competitions for New Merchants" to facilitate the operational proficiency improvement of new merchants. These initiatives are designed to refine merchants' fundamental operational skills and their capacity to resolve issues, markedly enhancing their overall activity level and business performance. In addition, the Company has initiated a series of training programs tailored for top and mid-tier key merchants and brand partners, such as the "Youth Elite Practical Training Camp", the "Star Initiative", and the "Liaoyuan Initiative". These programs are designed to reinforce strategic partnerships, consistently enhance merchants' operational proficiency and business performance, and establish a robust foundation for future collaborative efforts.

### JD Health's Training System for External Partners in 2023

Programs	Content	Highlights in 2023	
New merchants' operation programs	<b>New Merchant Open Day</b>	The program provided a detailed explanation of JD Health's merchant recruitment policies, benefits for new merchants, and operational tips for new merchants through live streaming. It helped merchants gain a deeper understanding of the platform's advantages and partnership conditions, offering practical operational guidance and advice.	We carried out a total of 12 activity sessions, covering 11,900 participants and converting more than 800 merchant leads.
	<b>Dark Horse Incubation Camp for New Merchants</b>	JD Health, in collaboration with service providers, has created a merchant growth community where merchants can receive instant answers to basic questions, enjoy regular course training sessions, and accept store diagnostics to optimize their operational strategies.	We held a total of 21 sessions of the Dark Horse Incubation Camp for New Merchants, cumulatively assisting 3,500 new merchants in achieving rapid growth and business expansion.
	<b>Dark Horse Competitions for New Merchants</b>	We guide merchants to achieve operational tasks with marketing resources through the Dark Horse system, prompting new merchants to rapidly enhance their basic operational capabilities.	We organized a total of 12 Dark Horse Competitions for New Merchants, covering 42,686 merchants, with an average increase of 20.52% in the activity rate of new merchants.
	<b>Lion Dance Series Courses for New Merchants</b>	By collaborating with business departments, we have established an efficient internal rule communication mechanism to ensure that platform rules are quickly and accurately conveyed to merchants. This assists them in timely adjusting their operational strategies to comply with the latest policies, thereby enhancing their systematic business management capabilities.	JD Health Business School has led the initiative to launch 117 "Lion Dance Series Courses for New Merchants", aiming at accelerating the growth of new merchants.

<sup>14</sup> Merchants newly joined on JD Health platform.

<sup>15</sup> Experienced e-commerce platform merchants.

Programs	Content	Highlights in 2023	
Merchant Conferences	To enhance communication and clarify business directions and policies, JD Health hosts online and in-person.	There were 17 online sessions with 48,468 participants and 2 in-person sessions with 3,300 enrollments.	
	Merchant Conferences during key periods such as major promotions and the New Year to convey information to all partners timely, help them seize business opportunities and promote business growth.		
In-person Youth Talent Training Plan	We carried out the program closely aligning with the platform's key marketing rhythms and important planning milestones in a practical training model. Offline training and Q&A, practical collaboration, online operational communication guidance, review workshops, and other teaching methods are employed to ensure that merchants can master key skills in practical operations and enhance their problem-solving capabilities.	We carried out six training sessions, engaging top and mid-tier merchants in nutrition and health care, medical devices, and pharmaceuticals, with 101 participants. Merchants participating in the training achieved a target fulfillment rate of over 67.3% for their business performance metrics.	
Regular merchants' operation programs	<b>In-person Private Board Meeting</b>	This project aimed to communicate with the senior management of leading enterprises in the FSMP industry to jointly assess industry trends and explore cooperation opportunities.	We invited JD Health's VP of business development, core managers in categories and marketing, as well as leaders of core brands in the FSMP category to participate, in a bid to gain insights into the segmented market of the category, discuss the development challenges, and jointly study development trends and opportunities.
	<b>Online Learning Program</b>	The program focuses on enhancing specialized capabilities of important merchants with potential, including the Star Initiative, and the Liaoyuan Initiative, the Zhuoyu Plan, the Jinghong Plan, and the Pengfeng Plan.	We have carried out a total of 10 sessions of online learning programs, covering 226 participants, with a merchant achievement rate of 57%.
The Category Open Day		We communicate the latest updates on platform rules, marketing cycles, policies, and activities to merchants on the Open Day, thereby enhancing their recognition and engagement with the JD.com platform and its health business.	We have conducted a total of 83 sessions, with 45,546 participants.
	<b>The Thematic Live Streaming</b>	Themed live streaming training sessions were scheduled to align with key promotional periods, including the year-end, New Year, 618, and Double Eleven shopping festivals, aiming to assist merchants in annual planning and post-promotion reviews. External expert lecturers were invited to offer professional guidance and advice to merchants.	There were three phases of courses, comprising 31 classes and reaching 8,382 participants.
	<b>The "Four Libraries for Merchants", the Merchant Knowledge Management Program</b>	We provide a one-stop solution for the diverse needs of different merchants in various scenarios, encompassing a course library, tool library, solution library, and channel library. This support helps merchants navigate issues related to rules and operational strategies, ultimately improving their operational efficiency, and boosting their performance.	There were 517 training documents available and 18 special columns established.

In addition, JD Health has enhanced its specialized training and the foundational construction of medical content through its consultation services, aiming to improve the service quality and professional capabilities of collaborating doctors. JD Health standardizes doctors' online diagnostic and treatment practices, enhances their service awareness, and improves their collaborative work abilities by training doctors on various service formats such as rapid consultations, telephone consultations, and video consultations, and intensive learning on standard treatment pathways and medication safety for common diseases. In 2023, a total of 210 online and in-person training courses were conducted, with over 104,150 trainees.

## Employees' Benefits and Care

JD Health actively creates a warm, harmonious, and inclusive workplace culture. Beyond offering competitive compensation packages, it is committed to enhancing our employee benefits and care systems, organizing diverse employee activities, and establishing robust long-term incentive programs to strengthen team unity and employee engagement.

### Employees' Incentives

Strictly complying with national legal requirements, JD Health has established its internal management documents such as the *JD.com Compensation Management System*, the *JD.com Salary Management Regulations*, the *JD.com Daily Salary Increase and Employee Stock Options Management Regulations*, the *JD.com Salary Adjustment Management Regulations*, provides all employees with fixed salary above the local minimum wage, performance bonus, year-end bonus, other variable pay such as key milestone incentives<sup>16</sup> and long-term incentives. By referring to personnel analysis results, the Company provides employees with remuneration that matches their abilities and contributions upon comprehensive evaluations. Furthermore, to ensure that employees' wages adequately cover their basic needs such as food, clothing, etc. it evaluates and determines the annual salary adjustment plan according to macroeconomic environment, industry salary increase rates, and company performance, so as to ensure that the Company's salary level maintains competitive in the market and satisfies our employees.

To reward the outstanding contributions of our employees and retain top talents, JD Health has initiated an equity incentive plan customized to their specific job levels and positions. This plan extends to senior managers, medical experts, business unit leaders, and all employees holding managerial roles, offering a sustained material reward to inspire them to fulfill their long-term personal and professional goals.

Category	Incentive plan in 2023
<b>Categorized by rank</b>	Encompassing 100% of the senior management. The equity incentive plan, excluding the senior management, covers all management levels with a reach of about 90%.
<b>Categorized by post</b>	Medical experts are a core group crucial to JD Health's fostering its professional capabilities and shaping key business processes. In 2023, JD Health allocated specific equity resources to retain and incentivize medical experts over the long term with a reach of over 90%. Business unit leaders play a critical role in achieving operational results and promoting business development. In 2023, JD Health invested in special equity resources to encourage them to lead their teams in driving their teams to enhance long-term business expansion, achieving a full coverage rate of 100%.

### Employees' Benefits

JD Health is committed to the belief that "employees are our most valuable asset," prioritizing their well-being in all corporate endeavors. The Company has implemented robust welfare initiatives, aligned with our internal policies such as the *JD.com Subsidy Management Regulations*, the *JD.com Love Relief Fund Management System*, the *JD.com Settlement Plan*, the *JD.com Team Building Fee Management Regulations* and the *JD.com Attendance and Leave Management System*, to ensure comprehensive support for our employees and to foster their sustained development. In addition, the Company rehires retirees who are willing to work, providing them with the opportunity to give full play to their spare time and realize their value.

The Company ensures that all employees receive the legally mandated benefits, including but not limited to the social insurances and housing provident fund (i.e., endowment insurance, medical insurance, unemployment insurance, employment injury insurance, maternity insurance, and housing provident fund), as well as public holidays and paid leave. In addition, it has enhanced exclusive internal welfare programs to comprehensively safeguard their rights and interests.

Employees' benefits	Content
<b>Insurances</b>	The Company offers a range of benefits and insurance programs to protect the safety and well-being of employees, including accidental injury insurance, accidental medical insurance, supplementary medical plan, annual physical examination, love relief fund, and settlement plan, among others.
<b>Employee housing benefit</b>	JD.com has been continuously providing welfare housing for its employees. In 2023, JD.com applied for talent-protected rental housing in the Beijing Economic-Technological Development Area and obtained more than 120 distribution indicators; Since JD.com pays taxes in full each year, its employees are now eligible to apply for public-private partnership housing in the office area. As of the reporting period, its employees have purchased hundreds of houses within the area.

<sup>16</sup>Refer to the 618 and Double Eleven shopping festivals.

Employees' benefits	Content
<b>Company canteen</b>	The Company, in collaboration with its catering suppliers and COFCO Nutrition and Health Research Institute, has created a healthy and nutritious food stall, launching more than 200 healthy meal options that are iodine-free, low-fat, low-salt, and high-fiber. In 2023, the Company's nine catering suppliers have obtained the globally recognized food safety certification mechanism—SGS-HM certification—realizing a shift in the canteen's approach from "final product testing" to "process monitoring", which greatly ensures the dietary health of employees.
<b>Women care</b>	The Company has established facilities such as a childcare center, a mother and baby room, and dedicated parking spaces for working mothers.
<b>Festival benefits</b>	The Company distributes JD Gifts to all employees during the Mid-Autumn Festival and the Spring Festival. On the "618" and "Double Eleven" shopping festivals, the Company distributes comfort and support packages to employees. The Company issued commemorative culture T-shirts and employee card lanyards to all employees to celebrate the 20th anniversary of JD.com.
<b>Facilities</b>	Barrier-free facilities, including barrier-free elevators, restrooms, and access. Fitness rooms.
<b>Transportation and commuting</b>	Deeply cooperating with ride-hailing services such as DiDi and CaoCao, facilitating employee commuting. Operating a comprehensive shuttle bus service spanning across Beijing.
<b>Sports</b>	JD Health has established seven health clubs for all employees, including basketball, soccer, badminton, tennis, swimming, hiking, and running clubs. The Company provides activity venues and financial support for these clubs on a weekly basis. The Company conducts a "Sports Season" event, including nine competitions: badminton tournaments, basketball games, low-carbon running persistence challenges, healthy exercise attendance contests, mini marathons, balance forest fun races, rope-skipping team competitions, tug-of-war challenges, and relay sprint races.
<b>EAP (Employee Assistance Program)</b>	The Company prioritizes the provision of comprehensive psychological counselling and support services for employees, aiding them in evaluating operational strategies, creating targeted improvement plans, and ultimately elevating their work experience.

### Employee Communication

JD Health values the opinions and suggestions of its employees. It has established comprehensive channels for employee communication and interaction. Employees of JD Health can give suggestions or voice their concerns online with their real name or anonymously through bigear@jd.com, JD Health CEO email, employee hotline, employee forums, JDH TownHall Meeting, "Enlin One on One" and other channels. In addition, we also encourage employees to voice their concerns through dialogue, offline one-on-one communication, with department leaders or HRBP.

JD.com administers a comprehensive survey to all employees quarterly to assess their sense of personal dignity, happiness, and achievement, to ensure a focus on individual work experiences. JD Health also engages proactively in the Company-wide "Organizational Health and Employee Morale" survey and conducts a quarterly analysis of the feedback data. In 2023, the coverage rate of the Company's employee satisfaction survey reached 100%; the quarterly organizational health scores were all above 4.4 points<sup>17</sup>, and the employee morale scores were all above 4.5 points and the annual employee satisfaction score was 4.5 points.

In 2023, the coverage rate of the Company's employee satisfaction survey reached

**100%**

<sup>17</sup>The maximum scores for organizational health, employee morale and employee satisfaction were 5 points.

## Employees' Health and Safety

JD Health firmly believes that access to a healthy and safe workplace is a fundamental right for everyone and the cornerstone of a company's sustainable development. We strictly abide by laws and regulations such as the *Law of the People's Republic of China on the Prevention and Control of Occupational Diseases*, the *Work Safety Law of the People's Republic of China*, and the *Administrative Measures for the Diagnosis and Appraisal of Occupational Diseases*. We have issued the *JD.com Occupational Health and Safety Management Policy*, committing to prioritizing safe and healthy working conditions and to comprehensively addressing the occupational safety and overall well-being of our employees.

The Company has established a comprehensive occupational health and safety protection system. JD.com has set up a Committee on Occupational Safety and Health ("OHS Committee") as the highest governing body for occupational health and safety, chaired by the Chief Human Resources Officer (CHO) with each CEO serving as committee members. The Occupational Health and Safety Working Group and the BGBU Task Force under the committee create a tiered organizational structure for comprehensive management of occupational safety and health. To further strengthen the awareness of occupational health and safety among all employees and emphasize their sense of responsibility, we have incorporated the creation of a safe working environment into the performance assessments of managers at all levels, which has significantly enhanced the safety of the Company's assets and the lives of its employees and ensured the smooth implementation of safety prevention measures.

### The Responsibilities of the OHS Committee

<b>OHS Committee</b>	The OHS Committee coordinates and makes strategic decisions regarding occupational health and safety planning, approves the development, implementation, and changes to OHS-related policies and systems, establishes mechanisms for OHS risk control, and supervises the implementation of OHS management activities. The Committee also reports such work regularly to the board of directors.
<b>The Occupational Health and Safety Working Group</b>	The Occupational Health and Safety Working Group composed of JD.com's Human Resources, Administration, Legal Affairs, Labour Union, Public Relations, and Loss Prevention Departments issues the occupational health and safety policies, supervises the implementation of decisions made by the OHS Committee, and coordinates specific tasks related to occupational health and safety, including directing the joint response to major emergencies and guiding the BGBU task force in implementing the OHS management activities.
<b>BGBU Task Force</b>	Composed of business department managers, HR Business Partners (HRBP), and relevant functional modules as stakeholders, the BGBU Task Force is responsible for the specific implementation of the OHS management activities within each BGBU under the guidance and supervision from the Occupational Health and Safety Working Group.

The Company provides targeted annual health check-ups for employees in different positions to help them identify and address potential health risks in a timely manner. In addition, employees have access to long-term, systematic psychological support through offline consultations and telephone advice, which helps them actively cope with work and life challenges. We have installed AED<sup>18</sup> emergency medical equipment in office areas and continue to offer first aid training in how to conduct cardiopulmonary resuscitation (CPR) and how to use AED to all employees at JD Health's Beijing workplace. This training equips employees with the necessary emergency response procedures for various situations. In 2023, we organized employees to participate in the first aid training and obtained first aid certificates.

### Occupational Health and Safety Indicators of JD Health

Indicators		Unit	2023
Work-related injuries	Working days lost due to work injury	Day	84
Lost time injury frequency rate (LTIFR)	LTIFR of employees per million working hours	Per million working hour	0.805

### Work-related Fatality of JD Health in the Past Three Years

Indicators	Unit	2023	2022	2021	
Work-related fatalities	Number of work-related fatalities	Person	0	0	1
	Rate of work-related fatalities	%	0	0	0.03

<sup>18</sup>Automated External Defibrillator.

## Supporting Public Health

### Promoting Inclusive Healthcare

JD Health is committed to providing high-quality medical services to the public by making continuous efforts to advance the development of inclusive healthcare. The Company offers a range of public-convenience and benefiting services, widely carries out health education activities, and promotes online medical insurance payment business, striving to make high-quality healthcare services benefit a wider range of people.

### Public-Convenience and Benefiting Services

JD Health provides convenient and efficient health services and products to meet the daily health needs of the public and make a healthy lifestyle easily accessible.

**Case | Launching an Online Consultation Section**

To respond to peak seasons for respiratory diseases in autumn and winter, on November 7, 2023, JD Health launched the "Consultation Service Platform for the Economic-Technological Development Area" on the Shangyicheng APP of the Beijing Economic-Technological Development Area. A special "Pediatric Cough/Child Fever Mycoplasma Pneumonia Express Consultation" section was established, where doctors from JD Internet Hospital provide 24/7 rapid consultation services to promptly meet the public's medical treatment and medication needs.

**Case | Providing Convenient Services through the Jingmintong APP**

To effectively meet the healthcare needs of community residents, JD Health has created a specialized page for residents' convenience and benefit with the Jingmintong APP based on its service offerings. This page features a comprehensive range of services including health monitoring, educational content, online consultations, and home delivery of medications. These services are designed to support local government authorities in managing community health, and alleviate the burden on community hospitals.

### Health Education Activities

JD Health is committed to providing the public with authoritative and accessible health knowledge and information, to enhance national health awareness and improve their quality of life.

**Case | The Live Streaming of Health Education Activities**

In 2023, JD Health organized a total of 46 live streaming sessions, focusing on topics such as COVID-19 prevention, influenza response, mental health, and skin health, reaching 1.54 million people. These live streaming sessions greatly improved the accessibility, professionalism, and efficiency of health science popularization for users.

**Case | Health Education for "Five Venues" (Communities, Government Offices, Enterprises, Rural Areas, and Schools)**

To enhance residents' health awareness and enrich their knowledge of first aid, the Beijing Health Education for "Five Venues" activity was launched on April 26, 2023, with the opening ceremony and a special event for municipal enterprises held at the JD.com headquarters. The activity featured several emergency and medical experts who conducted thematic lectures on emergency first aid and occupational mental health. Through hands-on experiences with airway obstruction and CRP simulation equipment, as well as on-site analyses of occupational stress, the experts delivered health knowledge in a clear and accessible manner.

**Online Medical Insurance Payment**

The Company actively participates in the structural adjustment of the pharmaceutical industry, closely follows the development direction of the national "Internet + medical health", and expands the implementation channels for innovation of pharmaceutical e-commerce in the pharmaceutical retail market.

**Case | Online Pharmacies Start Medical Insurance Payment**

In 2023, Shanghai initiated a pilot program for online pharmacy's medical insurance payment. JD Health readily responded the policy by enabling online medical insurance payment for multiple pharmacies in Shanghai. With this service in place, insured individuals in Shanghai can enjoy the convenience of online medical insurance payment when purchasing medications. Furthermore, the Company harnesses its strong omnichannel supply chain and healthcare service capabilities to provide residents with an average 28-minute home delivery service, offering users a higher quality and rapid immediate retail experience of health products.

To efficiently promote the online medical insurance payment for medication purchase, JD Health clearly displays the relevant process through its WeChat official account, ensuring that all insured individuals can smoothly access this service.



JD Health's Official Account Publishes Instructions for Medical Insurance Payment

**Providing Special Care**

JD Health makes continuous efforts to deepen special care services for patients with rare diseases and the elderly and is committed to creating a more caring and professional health protection and support system for them.

**Care for Rare Diseases**

JD Health is persistently seeking solutions to the challenges faced by patients suffering from rare diseases in terms of diagnosis and treatment and strives to provide more accessible medical care options for these patients.

The Company launched the "Rare Disease Care Project" in 2021, which has covered nearly 80% of drugs and foods for special medical purposes for rare diseases on the domestic market through all channels. In 2023, we served over 100,000 patients with rare diseases, providing them with comprehensive services including medical consultation, drug purchase, patient services, financial support, and psychological support. As of the end of 2023, the JD Health Rare Disease Care Fund has provided assistance to 358 patients with 42 different rare diseases, with a total donation amount of RMB3.79 million.

On February 27, 2023, the third JD Health Rare Disease Service Ecosystem Forum was held in Shanghai. During the forum, JD Health announced an upgrade to its "Rare Disease Care Project," which has been running for two years, and the launch of a new "Project for Caring 20-million Rare Disease Patients" to further reduce the costs for rare disease patients to seek medical care.



JD Health Signed an Agreement with the Bo'ao Winhealth Rare Disease Medicine Center

In 2023, we, in collaboration with relevant enterprises, conducted online screening for high-risk populations of hereditary angioedema (HAE), and provided them with offline medical services. In 2024, we will also work with eco-partners to make more attempts in patient screening and help more patients with rare diseases.



## Elderly Care Initiative

JD Health focuses on providing perfect and professional health management and medical care services for the elderly, streamline the process of medical treatment for them, and caring for their health.



### Case | Public Welfare Activity on the World Hearing Day

March 3rd marks the eleventh "World Hearing Day" and the twenty-fourth "National Ear Care Day" in China. JD Health, in collaboration with the Audiology Development Foundation of China, organized a public welfare activity on this occasion at the Qinshanshui South Community in Babaoshan Sub-district. The activity included the donation of hearing aids, public lectures, hearing tests, and expert consultations, aiming to raise awareness about elderly hearing health, promote the dissemination of ear care knowledge, and assist the elderly with hearing difficulties. The activity also aimed to enhance the prevention of hearing disabilities among the elderly and their ability to prevent disabilities.



JD Health's Audiologists Conducts Hearing Tests for the Elderly

## Contributing to Public Welfare

JD Health takes the initiative to assume social responsibility, actively carries out various social welfare activities and supports rural revitalization to contribute to social development, setting an example in the industry.

### Public Welfare Projects

In 2023, JD Health, in collaboration with over a hundred charitable partners and more than 100,000 "Aixindongdong" stores, carried out 56 public welfare activities, donating funds, materials, and services, benefiting nearly 4 million people.

### Making It Easier to Get Medical Service

JD Health prioritizes addressing the healthcare access challenge by offering medical support including online consultations and health knowledge popularization to population in remote areas, thereby effectively tackling the local healthcare shortage and enhancing the healthcare awareness of local residents as well as health literacy.



### Case | Providing Health Support to the Tibet Criminal Investigation Team

In 2023, JD Health provided family doctor services for 1,049 members of the Tibet Criminal Investigation Team, for whom electronic healthcare records are kept and 24/7 online consultation is provided. In case of an emergency, JD Health can also provide them with services such as a green channel for medical treatment in a Grade-A tertiary hospital and offline medical guides, making every effort to safeguard their health to motivate them in this way and make it possible for them to better serve the people.



### Case | Telemedicine Services for Teachers in Remote Mountainous Areas

In 2023, JD Health provided family doctor services for teachers in remote mountainous areas, including online consultations, follow-up consultations and prescription renewal, medication guidance, online specialist consultation, and development of personalized health management plans. These services make it available for the volunteer teachers to have access to high-quality medical resources even in remote mountainous areas, which also save money and time for them, safeguarding their health, and facilitating the development of education in remote areas. JD Health provided remote medical services for teachers in remote mountainous areas, including online consultation with famous doctors, health management, medical green passes and other aspects of medical and health services, to ensure that the teachers' medical needs and unexpected medical problems can be effectively met under the difficult health and medical conditions.

### Caring for Children's Growth

JD Health is committed to addressing the physical and mental health needs of children with autism and other disorders, actively embracing its corporate social responsibility to safeguard and nurture their growth.



### Case | Autism Children Care Initiative

In 2023, to raise awareness and provide practical assistance for autism children, JD Health joined forces with charitable partners and caring brands to launch the "Autism Children Care Initiative". Through a "donating RMB 10 after sales of one specific item" program, this initiative supports "autism families' scientific and systematic stay-at-home intervention skills," helping more autism children receive early intervention and achieve better recovery. This initiative is designed to meet the fundamental needs of autism families by providing them with essential resources and assistance.



## Caring for Outdoor Workers

JD Health is well aware of the challenges that outdoor workers are confronted with, especially in severe cold and hot weather, and provides necessary health care for outdoor workers.

### Care | Caring for Outdoor Workers Under High Temperatures

In the summer of 2023, with persistent high temperatures and scorching heat across various regions, JD Health joined forces with compassionate brands such as XPH, CONBA Pharmaceutical, and Tong Ren Tang, along with the China Social Assistance Foundation, to launch a health care initiative for outdoor workers. This initiative donated over 14,000 health supplies, including Xiasangju Granules, Banlangen Granules, Yuekang No. 1 Herbal Tea, Vitamin C Effervescent Tablets, Sour Plum Soup, and "JD Pharmacy" first aid kits, to 600 construction workers in Nanning, Guangxi Province. The total market value of these supplies exceeded RMB 470,000. Through this philanthropic effort, timely and strong support was provided to safeguard the health of outdoor workers under heat.

### Case | Donating Health Products in Winter

Beijing experienced a heavy snowfall on December 13, 2023. JD Health partnered with the China Social Assistance Foundation to launch the public welfare campaign titled of "Enjoying the Warmth from JD Health". Delivery riders and couriers engaged in order delivery and express services in Beijing can pick up one free set of health products at designated JD Pharmacy stores.



Health Products Pick-up Store

## Carrying Out Earthquake Relief Actions

JD Health is concerned about disaster relief and reconstruction of stricken areas by donating drugs to the flood-stricken areas in Beijing, Tianjin and Hebei and the Jishishan earthquake-stricken areas in Gansu, thus making every effort to safeguard life and health of people.

### Case | Earthquake Assistance in Jishishan County, Gansu Province

In December 2023, a 6.2 magnitude earthquake struck Jishishan County, Linxia Hui Autonomous Prefecture, Gansu Province. The earthquake and the cold weather resulted in a shortage of antipyretic and analgesic drugs in the affected areas. JD Health responded quickly and, in collaboration with JD Foundation and the Chinese Red Cross Foundation, donated 580,276 boxes of acetaminophen orally disintegrating tablets to Jishishan County and Minhe County, Haidong City, Qinghai Province, with a total value of RMB3,394,614.60, to meet their needs. This donation activity has provided timely and effective medical assistance to the affected people, demonstrating JD Health's sense of corporate social responsibility and commitment as a responsible enterprise.

## Relieving Pressure of Primary Healthcare Institutions

JD Health takes an active part in safeguarding the health and well-being of the public by donating medical supplies to improve the healthcare resources supply capacity of primary healthcare institutions with its strong health resources and supply chain capabilities.

### Case | Donating Commonly Used Drugs to Primary Healthcare Institutions

In December 2023, the spread of winter flus led to a surge in the demand for drugs in primary healthcare institutions. JD Health launched a program of donating commonly used drugs with its own medical resources. In collaboration with JD Foundation and China Social Assistance Foundation, JD Health donated 7 OTC drugs including Ibuprofen tablets and vitamin C chewable tablets to 9 provinces including Gansu, Guangxi, and Henan, totaling 2.061 million boxes with a total value of RMB10,025,000. This donation activity effectively alleviated the shortage of drugs in primary healthcare institutions.

## Facilitating Rural Revitalization

JD Health is comprehensively promoting its rural revitalization layout, adapting to local conditions to support rural economic development, and safeguarding the growth of rural children, working together to safeguard a better life in rural areas.

## Developing Rural Industries

JD Health comprehensively facilitates the revitalization of rural industries and injects new vitality into rural industries by establishing online sales platforms, attracting enterprise participation, and launching industry standards.

### Case | Ginseng Program in Fusong, Jilin Province

To harness the power of the digital economy, JD Health partnered with the People's Government of Fusong County in 2023 to establish "Jilin Fusong Ginseng Pavilion" and "Fusong Ginseng Pavilion Self-Operated Flagship Store". Additionally, origin warehouses for JD Logistics have been completed, with 19 companies invited, to facilitate the development of the ginseng industry cluster.



JD.com's Press Conference for the Double Eleven Shopping Festival

## Caring for Children's Growth

JD Health is committed to protecting the health and well-being of rural children, caring for their physical and mental health through initiatives including funds and book donations, dedicated care programs, thus brightening their path to a better future.

In 2023, the Company participated in a special flea market of books initiated by JD Group. The proceeds from sales, along with unsold books, were donated to the charitable initiative "Let's Read" to facilitate children's education and growth in the rural areas.

### Case | Rural Children's Health Care Initiative

JD Health, in partnership with SUPER-VITA and the China Social Assistance Foundation, launched the "Rural Children's Health Care Initiative". As part of this effort, they donated 50,000 bottles of SUPER-VITA multivitamin & multimineral tablets to rural primary and secondary schools in Sichuan, Guizhou, Qinghai, Xinjiang, and other regions. The initiative aims to encourage rural children to actively participate in sports, enhance their awareness of nutritional health, and improve their health status through the donation of health products.



Health Supplies for Rural Schools

03

# Green Development

JD Health always adheres to the "environment-friendly" business philosophy, continuously improving its environmental management system and optimizing resource utilization efficiency. Through practical actions, the Company reduces the environmental impact of its operations, decreases the carbon footprint of products, and contributes to the "dual carbon" goals.



## Addressing Climate Change

Climate change poses a major global challenge to humanity. In alignment with China's carbon peak and carbon neutrality goals, JD Health is proactively identifying risks and opportunities associated with climate change, implementing targeted response measures, and incorporating low-carbon development into its strategic planning. In addition, JD Health continues to advance its exploration of low-carbon practices. The Company's carbon footprint audits of its products have established a data foundation for scientific carbon reduction. Through various energy-saving initiatives, the Company effectively improves its efficiency in using energy resources and significantly reduces GHG emissions. JD Health also focuses on building its capacity to address climate change and making practical contributions.

### Risk Identification and Response

JD Health incorporates ESG risks, including climate-related risks, into its holistic risk management system. The Company thoroughly assesses the probability of climate-related risks and their potential impact on the business. Following the framework of the Task Force on Climate-Related Financial Disclosure (TCFD), JD Health integrates climate change response action plans within its corporate governance and strategic framework. We have completed the initial identification of climate-related risks and have developed corresponding response measures. In the next phase, we intend to refine the identification and analysis of climate-related risks based on various climate scenarios. In parallel with our plans, we will establish a governance system for climate change, aiming to create a complete, systematic, and standardized framework for addressing climate change.

#### JD Health's Initial Identification Results of and Response Measures for Climate-Related Risks

Risk categories	Risks	Risk description	Response measures
Transition risks	Policy risks	Our country has put in place the "1+N" policy framework for carbon peak and carbon neutrality and has issued the <i>National Climate Change Adaptation Strategy 2035</i> . With the continuous improvement of relevant laws and regulations on green transport, green packaging, and green industrial park development, higher compliance requirements are being imposed on enterprises for low-carbon management.  The country continues to advance the construction of the China Carbon Emission Trade Exchange, which imposes higher requirements for the accuracy of environmental data disclosure reported by enterprises.	Upholding the principle of high efficiency and low carbon emissions in using energy resources, we encourage all departments of the headquarters and offline stores to explore more environment-friendly operational models.  We regularly track the latest disclosure rules and guidelines from superior regulatory authorities, and publicly disclose energy consumption, carbon emissions, and other data as required.
	Reputational risks	As the concept of sustainable development becomes more widespread, consumers are increasingly concerned about the environmental impact of business operations and place greater emphasis on companies' initiatives in environmental protection.  On one hand, external investors and other stakeholders are worried about business stability, such as store operations, being affected by climate change. On the other hand, they have higher expectations for companies' climate initiatives.	We continue to provide "green products" to consumers by setting low-carbon qualification scores for products.  We guide consumers toward green consumption through intelligent recommendations and implement responsible marketing.  We regularly summarize the effectiveness of environmental actions and publicly disclose the Company's progress in environmental protection initiatives.
	Technical risks	The adoption of green packaging materials, low-carbon logistics, and other technological improvements or business model innovations requires upfront cost investments, bringing financial pressure to companies.  If the improvement or innovation projects fail, companies will not be able to enhance production efficiency and reduce the operational carbon footprint, potentially weakening their revenue-generating capabilities and social reputation in the long term.	We collaborate with upstream and downstream partners to jointly advance the research, application, and promotion of green packaging materials.  By utilizing the existing technological support such as the big data platform of JD Group, we optimize logistics routes, reduce unnecessary vehicles, and enhance the proportion and efficiency of green logistics.
Physical risks	Acute physical risks	Typhoons, high temperatures, and heavy rainfall pose threats to the normal operation of stores, creating potential safety risks for employees commuting to and from work, as well as for product distribution.	We integrate emergency management features into the office platform, regularly update emergency plans for extreme weather, and organize emergency drills for extreme weather conditions.  We continuously update our emergency supplies list and regularly maintain emergency equipment such as generators.
	Chronic physical risks	Rising global temperatures make it difficult for the public to maintain existing mature lifestyle patterns, leading to psychological and physical stress associated with adapting to new conditions. This, in turn, intensifies the operational demands on the healthcare industry and presents challenges to the efficiency of business operations.	We regularly summarize the difficult issues and links in the operational process, optimize standardized operational procedures, and enhance overall operational efficiency.

## Low-carbon Practice Exploration

To proactively address climate change in the long term, JD Health is committed to reducing the carbon footprint of its products, thereby decreasing GHG emissions in its business operations. We scientifically plan the process of GHG reduction and provide data support for setting and achieving GHG reduction targets at various stages through regular accounting of our GHG emissions. Additionally, we actively seek to improve energy efficiency and promote the use of circular resources throughout the entire industry chain, advocating for our business partners to join us in the pursuit of low-carbon development.

### JD Health's Highlights of Carbon Footprint Reduction Efforts in 2023

<ul style="list-style-type: none"> <li>In the procurement process, we considered the environmental performance of products and gave priority to purchasing environment-friendly, energy-saving, and recyclable raw materials, products, as well as services.</li> </ul>	<ul style="list-style-type: none"> <li>JD Health has effectively reduced carbon emissions in the terminal transportation phase and achieved low-carbon logistics by utilizing the delivery resources of Dada, a subsidiary of JD Group, for O2O pharmacy and front-end warehouse logistics, and with deliverymen riding electric vehicles throughout the process.</li> <li>We use electronic documents in logistics and transportation and reduced the use of paper ones.</li> </ul>	<ul style="list-style-type: none"> <li>We have replaced original corrugated boxes with degradable non-woven bags or thin paper bags for pre-warehouse logistics transportation, effectively reducing the use of paper boxes and cutting down on raw material consumption. On average, nearly 40,000 paper boxes are saved each month.</li> </ul>
<b>Low-carbon procurement</b>	<b>Low-carbon Logistics</b>	<b>Low-carbon Packaging</b>

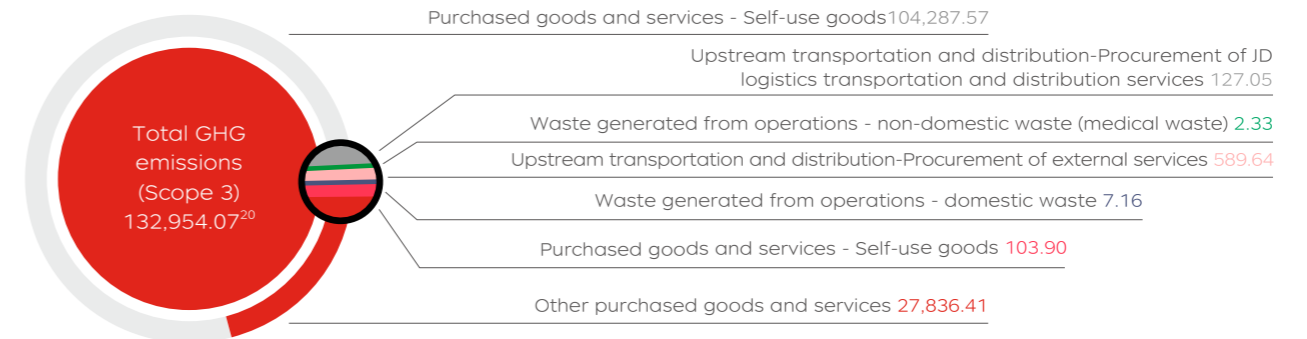
### GHG Emissions of JD Health in 2023<sup>19</sup>

Indicator	Unit	2023	2022	2021
Total GHG emissions (Scope 1+ Scope 2)	tCO <sub>2</sub> e	5,263.71	1,944.03	/
Total GHG emissions (Scope 1)	tCO <sub>2</sub> e	174.66	75.42	33.71
Vehicle diesel	tCO <sub>2</sub> e	133.00	/	/
Vehicle gasoline	tCO <sub>2</sub> e	41.66	/	/
Total GHG emissions (Scope 2)	tCO <sub>2</sub> e	5,089.05	1,868.61	505.82
Electricity (Operations)	tCO <sub>2</sub> e	4,766.68	/	/
Electricity (Vehicles)	tCO <sub>2</sub> e	1.37	/	/
Heat (Operations)	tCO <sub>2</sub> e	321.00	/	/
Total GHG emissions (Scope 3)	tCO <sub>2</sub> e	132,954.07	53,483.52	/
Purchased goods and services - Self-use goods	tCO <sub>2</sub> e/revenue (RMB ten thousand)	0.0010	0.0004	/

Note:

- Since JD Health shared office space and operating facilities with JD.com, the GHG emissions indicators relating to administration were calculated according to the proportion of employees of JD Health in JD.com's Beijing office.
- Indirect GHG Emissions (Scope 3) of JD Health covered GHG emissions generated by logistics, which were calculated according to the proportion of orders of JD Health in that of JD Logistics.

<sup>19</sup> GHG emission intensity=Total GHG emission within the year (Scope1+Scope 2) ÷ Revenue of the Company of the year



To gradually achieve the goal of reducing GHG emissions, JD Health follows the climate change management initiatives of JD.com, actively carries out green and energy-saving actions, and effectively improves the efficiency of resources and energy use.

**Case | JD Health Actively Participated in the "Earth Hour" Energy-saving Campaign**

To strengthen employees' awareness of energy conservation and deepen their perception of energy conservation in daily work, on March 25, 2023, JD Health actively responded to JD.com's "Earth Hour" Energy-saving Campaign with the theme of "Turn Off the Lights for an Hour, Embark on a Starry Night Date." The campaign included online sharing of energy-saving practices, a lights-off stargazing session, and offline activities such as receiving green plants. JD Health vigorously promotes everyday energy-saving habits among all employees, motivating employees to care for the environment and protect the earth.



<sup>20</sup> Unit: tCO<sub>2</sub>e

## Green Operations

JD Health integrates the principles of the circular economy and resource conservation into its entire production and operation process, continuously improves its environmental management system, and strives to create an eco-friendly operation and development model. The Company strictly adheres to laws and regulations such as the *Environmental Protection Law of the People's Republic of China and the Circular Economy Promotion Law of the People's Republic of China*, as well as internal policies such as the *JD.com Environmental Management Policy*<sup>21</sup>. The Company promotes the efficient and circular use of water resources, packaging materials, and energy-saving and consumption-reducing actions to improve resource utilization efficiency and actively creates a resource-conserving and environment-friendly enterprise.

### Energy Management

JD Health is dedicated to enhancing the efficiency of resource utilization and minimizing resource consumption. The Company is actively implementing energy-saving measures and extensively utilizing energy-saving technologies and equipment to promote low-carbon operations.

The Company conducts its energy management by the *Energy Conservation Law of the People's Republic of China* and other relevant laws and regulations, as well as the requirements of government departments to achieve high efficiency in energy use management. In 2023, the Company's primary use of energy and resources in daily store operations and office management includes electricity, natural gas, steam, gasoline, diesel, and water.

To achieve scientific and efficient energy management, JD Health has implemented a series of green initiatives at its offline pharmacy stores, hospitals, health check centers, and office premises. We have established operational regulations for various offline business premises, including guidelines for electricity and tap water usage, to actively promote water and electricity conservation. We assign dedicated personnel to monitor and inspect our office spaces to ensure that lights are turned off when unoccupied and power is disconnected when not in use, thus optimizing energy conservation. We also renovate our Company's bicycle shed and replace our employee shuttle buses with new-energy electric vehicles, providing convenient green commuting options for employees.



#### Case | JD Health's Checkup Centers Implemented Diverse Energy-Saving Operations

In 2023, JD Health carried out energy-saving operational transformations at its offline health checkup centers by uniformly replacing LED lamps and frequency conversion sewage treatment pumps, effectively reducing electricity consumption, and saving energy usage. Additionally, timer control programs have been set for external billboards and internal screens of the health checkup centers, which automatically turn them off during off-peak hours such as weekday afternoons, thus reducing unnecessary screen brightness duration. Security personnel are stationed at each center to perform regular patrols, enforcing compliance with energy-saving operational guidelines among the staff.



Smart Lamps in JD Health Offline Checkup Centers



<sup>21</sup> Please refer to *JD.com Environmental Management Policy* at <https://storage.jd.com/lai/aboutjd/%E4%BA%AC%E4%B8%9C%E9%9B%86%E5%9B%A2%E7%8E%AF%E5%A2%83%E7%AE%A1%E7%90%86%E6%94%BF%E7%AD%96.pdf>

### Resource Consumption of JD Health in 2023

Indicator	Unit	2023	2022	2021
Natural gas consumption	m <sup>3</sup>	0	4,271.61	3,318.57
Gasoline consumption	liters	50,329.70	23,213.21	9,737.91
Diesel fuel consumption	liters	18,717.73	2,125.99	0
Direct energy consumption	kg of standard coal	81,202.48	36,192.19	/
Direct energy consumption intensity	kg of standard coal/ revenue (RMB ten thousand)	0.02	0.01	/
Purchased power	kWh	8,360,590.49	2,245,758.56	825,363.87
Purchased heat	GJ	2,918.15	5,344.17	/
Indirect energy consumption	kg of standard coal	1,127,083.85	458,346.76	/
Indirect energy consumption intensity	kg of standard coal/ revenue (RMB ten thousand)	0.21	0.10	/
Total energy consumption	kg of standard coal	1,208,286.33	494,538.95	/
Energy consumption intensity	kg of standard coal/ revenue (RMB ten thousand)	0.023	0.11	/
Total water consumption	Tons	46,375.82	17,416.91	6,562.64
Water consumption intensity	Tons/ revenue (RMB ten thousand)	0.009	0.004	/

Note:

- In 2023, JD Health strengthened its efficiency management of resource use, optimized the discounting method by using the number of employees as a percentage of that in the JD Group, and adopted a new judgment criterion based on the ownership of control of vehicles to discount JD Health's annual consumption of natural gas, diesel fuel, and gasoline, so that the discounted results are more closely aligned with the actual energy consumption.
- To further improve the accuracy of the data, JD Health also conducted GHG inventories in 2023. Unlike previous years when we used the number of employees as a percentage of that in the JD group for discounting estimation, we collected data on the purchased electricity and purchased heat of the headquarters, offline pharmacies, medical checkup centers, and hospitals respectively in 2023, and conducted GHG emissions calculations based on the data.
- In 2023, the basis of GHG inventories at JD Health included *ISO 14064-1:2018 Greenhouse Gases - Part 1: Specification with Guidance at The Organization Level for Quantification and Reporting of Greenhouse Gas Emissions and Removals*, the *GHG Protocol Corporate Accounting and Reporting Standard*, and the *GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard*.

## Emission Management

JD Health strictly manages all pollutants generated during its operations, such as waste gas, wastewater, and solid waste. On the premise of meeting environmental standards, the Company continuously improves its environmental performance. The Company, in strict compliance with the laws and regulations such as the *Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution*, the *Integrated Emission Standard of Air Pollutants*, and the *Law of the People's Republic of China on the Prevention and Control of Water Pollution*, promotes the environment-friendly treatment of wastewater and waste gas pollutants generated during its operational processes.

JD Health strictly regulates the management and disposal of waste and ensures that all pharmaceutical waste is disposed of in compliance with regulations. We continuously strengthen the construction of solid waste management systems as required by relevant national policies such as the *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste*, and the *Technical Policy for Prevention and Control of Hazardous Waste Pollution*, and actively carry out initiatives to reduce the generation and discharge of pollutants. The non-hazardous waste generated by JD Health mainly consists of office and daily waste from operations, while the hazardous waste primarily consists of medical waste from offline business premises.

JD Health places great importance on handling and recycling medical waste from its offline business operations. The Company strictly complies with the *Good Supply Practice for Drugs (GSP)* and contributes to the

public's health and environmental safety through refined and standardized management of medical waste. With a heightened sense of responsibility, we return the near-active drugs to the suppliers or third-party merchants and supervise them to process the drugs completely to ensure compliance with legal and regulatory requirements. This approach aims to minimize the risk of pharmaceutical contamination and rigorously protect public health and environmental safety. Drugs are classified as hazardous waste, and we classify them based on their nature. For expired, obsolete, deteriorated or contaminated drugs, we collect and register them by type and then submit them to hazardous waste disposal agencies for recycling and harmless treatment, effectively eliminating any potential threats to the environment and public health. For other types of medical waste, we clearly distinguish them from non-hazardous waste and other hazardous waste in strict compliance with the classification standards. We then entrust these wastes to third-party companies with the necessary qualifications for compliant disposal, in a bid to meet our internal management regulations and relevant legal requirements.

To further optimize the management of non-hazardous waste, JD Health has implemented measures such as establishing a simple garbage sorting station on each floor of office buildings, reminding employees to sort their waste, and recycling some of the solid waste, in a bid to achieve resource recycling.

In 2023, JD Health did not cause any incidents of environmental damage caused by the discharge of a large number of pollutants.

### Key Performance Indicators of Emissions

Emission Type	Indicator	Unit	2023	2022	2021
Waste gas	Nitrogen oxide (NO <sub>x</sub> )	kg	415.20	325.57	26.7
	Sulfur oxide (SO <sub>x</sub> )	kg	1.09	0.40	0.16
	Particulate matter (PM)	kg	32.01	25.10	2.49
Non-hazardous waste	Total non-hazardous waste	Tons	38.45	448.40	1,402.77
Hazardous waste	Total hazardous waste	Tons	3.59	0.04	0.00

Note:

1. JD Health's emission data included emissions produced by offices and offline stores. Office emissions were calculated according to the proportion of employees of JD Health in Beijing offices in that of JD.com.
2. NO<sub>x</sub> emissions came from office vehicles. Referred to the Guidelines on Reporting Environmental Key Performance Indicators issued by the HKEX, as the use of administration-related vehicles covers all vehicle types, the emission coefficient OF NO<sub>x</sub> was estimated by the average emission coefficient of each vehicle type in the guidelines of the HKEX.
3. PM emissions came from office vehicles. Referred to the Guidelines on Reporting Environmental Key Performance Indicators issued by the HKEX, as the use of administration-related vehicles cover all vehicle types, the emission coefficient of PM was estimated by the average emission coefficient of each vehicle type in the guidelines of the HKEX.
4. In 2023, JD Health launched a new offline checkup center and Suyu Hospital, and included waste from offline pharmacies into the scope of statistics, providing more accurate statistics on emissions than in previous years.

## Resource Management

Amidst the mounting global pressure on water resources, JD Health remains deeply committed to promoting the sustainable use of water. JD Health scrupulously complies with laws and regulations such as the *Water Law of the People's Republic of China* to ensure the proper use and conservation of water resources. The Company sources the water used in operations primarily from the municipal water supply network, supplemented by a minor amount of rainwater harvesting.

Since 2022, JD Health has set a water-saving target to actively reduce water consumption in its office buildings by an annual decrease of no less than 3% compared to the previous year. To achieve this target, we actively carry out measures to decrease water consumption, including reducing the internal water usage frequency, upgrading water-saving equipment, and applying water recycling systems.

In response to the trend of eco-friendly and waste-

reducing packaging, JD Health has established a set of management practices for product packaging. We continuously encourage partners along the supply chain, collaborating merchants, and logistics companies to optimize packaging specifications, to avoid excessive packaging. Concurrently, we actively use recyclable and degradable packaging materials.

To ensure product quality, we advocate for suppliers to implement a strategy of DWOP (Delivered with Original Package) to avoid resource waste caused by secondary packaging of logistics companies. We have also effectively reduced the consumption of packaging materials by means of product disassembly and assembly and other methods. In addition, cooperating with JD Logistics, we used green logistics materials such as "reusable transit bags," "reusable insulation boxes," and "plastic woven fabric packaging bags" for the transportation of goods to reduce the environmental impact of logistics links.

### Key Performance Indicators of Packaging Materials

Indicator	Unit	2023	2022
Total packaging used for finished products	Tons	50,217.59	20,002.25
Packaging density	kg/Revenue (RMB ten thousand)	9.38	4.28

Note:

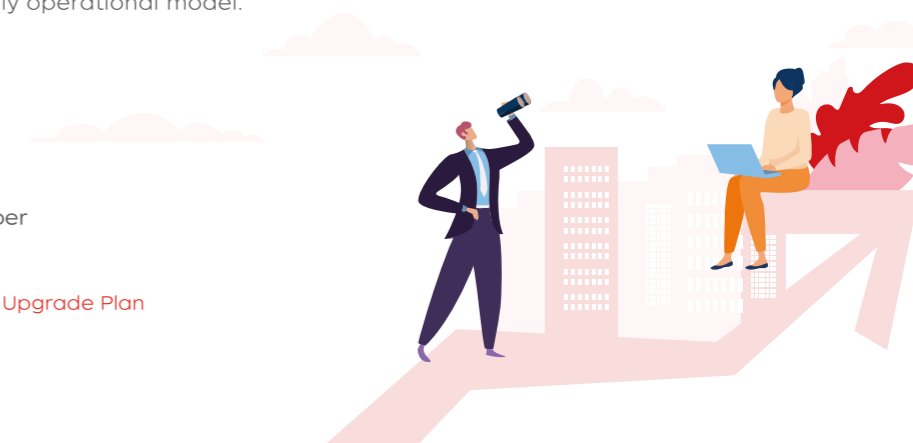
Total volume of packaging materials was calculated by the proportion of orders of JD Health in that of JD Logistics.

To reduce the use of paper and other daily office supplies, JD Health, in collaboration with JD Group, is implementing an upgrade of printing paper types across various offices in different regions, aiming to create a more environment-friendly operational model.

Beijing offices

Using **100%** carbon-neutral printing paper

JD Health's 2023 Office Paper Upgrade Plan



## Biodiversity Conservation

Adhering to the concept of "harmonious co-existence between humanity and nature", JD Health strictly complies with relevant laws and regulations such as the *Wild Animal Conservation Law of the People's Republic of China*, the *Regulation of the People's Republic of China on the Protection of Terrestrial Wild Animals*, the *Fisheries Law of the People's Republic of China*, and the *Forest Law of the People's Republic of China*. The Company actively practices biodiversity conservation and forest protection, contributing to sustainable development. In compliance with *Prohibited Goods and Information Management Specifications for JD Open Platforms*, JD Health resolutely cracks down on illegal wildlife

trade within the platforms and has strictly forbidden deforestation to maintain the integrity and stability of forest resources.

We actively respond to the United Nations Sustainable Development Goals (UNSDGs) and the *Kunming-Montreal Global Biodiversity Framework* under the Convention on Biological Diversity (CBD), integrating the concept of eco-friendliness into our business decision-making processes. We collaborate with diverse stakeholders to tightly align our business growth with ecological conservation and conduct a range of environmental public welfare activities to foster a harmonious coexistence with nature.



### Case | JD Health Collaborates with Caring Partners to Launch the "Panda Watcher Care Program"

To protect the endangered giant panda, JD Health, in 2023, joined forces with JD Foundation Material Assistance and Love, JD Finance Order Public Welfare and China Social Assistance Foundation to jointly launch the "Panda Watcher Care Program", contributing to the biodiversity conservation together. The program has garnered substantial support from multiple brands including Dabao and HYNAUT. Additionally, a public welfare participation channel has been established for society, encouraging more individuals to get involved. Moving forward, JD Health is committed to rallying additional support from compassionate individuals and organizations. We will continue to delve into and broaden the scope and depth of our public welfare initiatives, offering our intelligence and efforts to the cause of biodiversity conservation.



Bureau Veritas Certification



## INDEPENDENT ASSURANCE STATEMENT

**Introduction and objectives of work**

BUREAU VERITAS CERTIFICATION (BEIJING) CO. LTD ("Bureau Veritas") has been engaged by JD Health International Inc. to conduct an independent assurance of its 2023 Environmental, Social and Governance Report (hereafter referred to as "the Report"). This Assurance Statement applies to the related information included within the scope of work described below.

The information and its presentation in the report are the sole responsibility of the management of JD Health. Bureau Veritas was not involved in the drafting of the Report. Our sole responsibility was to provide independent assurance on the accuracy and reliability of information included, and on the underlying systems and processes used to collect, analysis and review it.

**Scope of work**

JD Health requested Bureau Veritas to verify the following contents:

- The accuracy and objectivity of key data, information and management support system of the Report within the disclosure period (January 1, 2023 to December 31, 2023);
- Appropriateness and robustness of underlying reporting systems and processes, used to collect, analysis and review the information reported;
- The assessment team visited relative functional departments in JD Health International Inc. head-quarters (located in Block C, Building 2, Jingdong Headquarters No. 20 Kechuang 11 Street Yizhuang Economic and Technological Development Zone Daxing District Beijing 101111 People's Republic of China), JD Health examination center Beijing store (located in Yicheng Times Square, Kechuang 5 Street, Daxing District, Beijing), Beijing Jingdong Jiachuang Pharmacy Co., LTD. (2B-2F-12, Building 1, No. 20 Kechuang 11th Street, Beijing Economic and Technological Development Zone, Beijing), SUYU Hospital (No. 24, Hongzhehu East Road, Shunhe Street, SUYU District, Suqian City) and Jingdong Medicine (Tianjin) Co., LTD (132 Yongjin Road, Wind Power Industrial Park, Beichen District, Tianjin). Auditors did not visit other site and its stakeholders.

Excluded from the scope of our work is any assurance of information relating to:

- Activities outside the defined assurance period;
- Positional statements (expressions of opinion, belief, aim or future intention by JD Health) and statements of future commitment;
- Operating financial data in the Report, which were separately audited by an external auditor and therefore excluded from the scope of work.


**Methodology**

As part of its independent assurance, Bureau Veritas undertook the following activities:

- Interviews with relevant personnel of JD Health;
- Review of documentary evidence produced by JD Health;
- Audit of sampled CSR performance data;
- Assessment of data and information systems for collection, aggregation, analysis and review.

Our work was conducted against Bureau Veritas' standard procedures and guidelines for external Assurance of Sustainability Reports, based on current best practice in independent assurance. For this assignment, we have used the verification rules and instructions IASE3000, AA1000 and GRI . The work was planned and carried out to provide limited, rather than absolute assurance and we believe it provides an appropriate basis for our conclusions.

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**Our findings**

On the basis of our methodology and the activities described above, it is our opinion that:

The information and data in the report is relatively objective and reliable based on the on-site assessment and the auditor did not find any systematic and materialized mistake, which will significantly affect the reliability of the report.

During the process of assessment, BV also identified some improvement opportunities to be included in the "Key areas for ongoing development".

**Additional commentary**

**Objectivity**

The information and data presented in the report is objective and reliable. JD Health uses information system to manage data and information. The relevant departments are responsible for collecting, checking, sorting, summarizing and analysing data and information from different aspects. The evidence provided by JD Health is objective, reliable and traceable.

**Materiality**

JD Health identified and disclosed key sustainability issues and relative information according to the Core Scheme of GRI Sustainability Reporting Standards issued by the Global Sustainability Standards Board, The Stock Exchange of Hong Kong " Environmental, Social and Governance Reporting Guidelines". The Report has materiality.

**Completeness**

The report focuses on compliance governance, sustainability management, business ethics, quality and safety assurance, innovation and R&D, talent growth, support for people's health, environmental management, resource management, climate change response, and product carbon footprints, as well as disclosing topics of interest to stakeholders, such as corporate social responsibility (CSR) management, economic responsibility and community responsibility.

**KEY AREAS FOR ONGOING DEVELOPMENT**

Based on the assurance work conducted, the following opportunities for improvement have been identified for JD Health:

It is recommended that the company further improve the collection of quantitative data on the existing basis to improve the quality of ESG reporting data.


**Statement of independence, impartiality and competence**

Bureau Veritas Group is an independent professional services company that specialises in Quality, Health, Safety, Society responsibility and Environmental management with more than 190 years history in providing independent assurance services. No member of the assurance team has a business relationship with JD Health, its directors or managers beyond that required of this assignment. We have conducted this assurance independently, and there has been no conflict of interest. Bureau Veritas Group has implemented a Code of Ethics across the business to maintain high ethical standards among staff in their day to day business activities.

**Lead Verifier: Yuheng Zheng**

**Certificate Number: EMICN100347A**

**Authorized Signatory**



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## Greenhouse Gases Verification Statement

is awarded to

### JD HEALTH INTERNATIONAL INC.

Bureau Veritas Certification (Beijing) Co., Ltd. (hereinafter referred to as BVC) was engaged to conduct an independent verification of the greenhouse gases (GHG) emissions reported by JD HEALTH INTERNATIONAL INC. for the period stated below. This verification statement applies to the related information included within the scope of work described below. The determination of the GHG emissions is the sole responsibility of JD HEALTH INTERNATIONAL INC. BVC's sole responsibility was to provide independent verification on the accuracy of the GHG emissions reported, and on the underlying systems and processes used to collect, analyze, and review the information.

**Boundaries covered by the verification:**

- Verified Site: JD Health International Inc.
- Verified Address: headquarter and sampled workplaces, medical examination centers, hospitals, warehouses, and pharmacies.
- Reporting Period covered: 01/01/2023 to 31/12/2023.

**Organizational boundaries:** Activities and facilities of JD Health International Inc. under operational control approach

**Reporting boundaries:** Direct GHG emissions generated in retail pharmacy, medical and health services and related management activities within the organizational boundaries, as well as significant indirect greenhouse gases emissions.

**Emissions data verified under reporting boundaries:**

• Scope 1: Direct GHG emissions:	174.66 tCO <sub>2</sub> e
• Scope 2: Indirect GHG emissions from imported energy:	5,089.05 tCO <sub>2</sub> e
• Scope 3: Other significant indirect GHG emissions:	132,954.07 tCO <sub>2</sub> e

Including following categories:

- Purchased Goods & Services (self-use goods and purchased services)
- Upstream Transportation and Distribution
- Waste Generated in Operations
- Employee Commuting (Shuttle bus)

Total quantified emissions: 138,217.78 tCO<sub>2</sub>e

**Limitations and exclusions:** Excluding non-significant indirect greenhouse gases emissions

**GHG reporting protocol against which verification was conducted:**

- ISO 14064-1:2018 Greenhouse gases — Part 1: Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals
- Greenhouse Gas (GHG) Protocol Corporate Accounting and Reporting Standard (Scope 1 and 2)
- Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard

**GHG verification protocol used to conduct the verification:**

- ISO 14064-3:2019 Greenhouse gases — Part 3: Specification with guidance for the verification and validation of greenhouse gas statements

**Level of assurance and qualifications:**

- Reasonable

**GHG verification methodology:**

- Interviews with relevant personnel;

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- Review of documentary evidence;
- Review of data and information systems and methodology for GHG emissions data collection, aggregation, analysis, and review of information used to determine GHG emissions;
- Sample verification of data to determine GHG emissions.

**Assurance opinion:**

Based on the verification process and findings, the GHG emission data in the GHG inventory report from JD HEALTH INTERNATIONAL INC. is in conformance with ISO 14064-1:2018, GHG Protocol Corporate Accounting and Reporting Standard, and GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard.

It is our opinion that JD HEALTH INTERNATIONAL INC. has established appropriate systems for the collection, aggregation and analysis of quantitative data for determination of these GHG emissions for the stated period and boundaries.

**Statement of independence, impartiality, and competence**

Bureau Veritas Group is an independent professional services company that specializes in Quality, Health, Safety, Social and Environmental management with over 190 years' history in providing independent assurance services.

No member of the verification team has a business relationship with JD HEALTH INTERNATIONAL INC. and its directors or managers beyond that required by this assignment. We conducted this verification independently and to our knowledge there has been no conflict of interest.

Bureau Veritas Group has implemented a Code of Ethics across the business to maintain high ethical standards among staff in their day-to-day business activities.

Lead verifier: Pin Tian

Verification date: 15/03/2024

Statement No.: EMICN100343A

Issue date: 12/04/2024


Version No.: No.1



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Signed on behalf of BVC (Beijing) Co., Ltd.

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**Appendix: GHG Emissions Data Detail Sheet**

Scope & Category	Unit: tCO <sub>2</sub> e	GHG reporting/ verification protocol
<b>Total quantified emissions</b>	<b>138,217.78</b>	<ul style="list-style-type: none"> <li>ISO 14064-1:2018 Greenhouse gases — Part 1: Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals</li> <li>ISO 14064-3:2019 Greenhouse gases — Part 3: Specification with guidance for the verification and validation of greenhouse gas statements</li> <li>Greenhouse Gas (GHG) Protocol Corporate Accounting and Reporting Standard (Scope 1 and 2)</li> <li>Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard</li> </ul>
Scope 1 Direct GHG emissions	174.66	
Scope 2 Indirect GHG emissions from imported energy	5,089.05	
Scope 3-1 Purchased goods and services (self-use goods and purchased services)	27,940.31	
Scope 3-4 Upstream transportation and distribution	104,877.21	
Scope 3-5 Waste generated in operations	9.49	
Scope 3-7 Employee commuting (Shuttle bus)	127.05	

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# Appendix

## Key Performance Indicators

Indicator	Unit	2023	2022	
<b>Environment</b>				
Emissions of air pollutants	Nitrogen oxide (NOx)	kg	415.20	325.57
	Sulphur oxide (SOx)	kg	1.09	0.40
	Particulate matter (PM)	kg	32.01	25.10
GHG emissions and intensity	Total GHG emissions (Scope 1+Scope 2)	tCO <sub>2</sub> e	5,263.71	1,944.03
	Scope 1 GHG emissions	tCO <sub>2</sub> e	174.66	75.42
	Scope 2 GHG emissions	tCO <sub>2</sub> e	5,089.05	1,868.61
	Scope 3 GHG emissions	tCO <sub>2</sub> e	132,954.07	53,483.52
	CO <sub>2</sub> emission intensity	tCO <sub>2</sub> e/revenue (RMB ten thousand)	0.0010	0.0004
Waste	Total waste	tonne	42.05	448.44
	Total hazardous waste	tonne	3.59	0.04
	hazardous waste intensity	g/revenue (RMB ten thousand)	0.67	0.008
	Total non-hazardous waste	tonne	38.45	448.40
	Non-hazardous waste intensity	tonne/ revenue (RMB ten thousand)	0.0000072	0.0001
Use of direct energy	Natural gas consumption	m <sup>3</sup>	0	4,271.61
	Diesel consumption	liter	50,329.70	23,213.21
	Gasoline consumption	liter	18,717.73	2,125.99
	Total direct energy consumption	kg of standard coal	81,202.48	36,192.19
	Direct energy consumption intensity	kg of standard coal/ revenue (RMB ten thousand)	0.02	0.01
Use of indirect energy	Purchased electricity	kWh	8,360,590.49	2,245,758.56
	Purchased heat	GJ	2,918.15	5,344.17
	Total indirect energy consumption	kg of standard coal	1,127,083.85	458,346.76
	Indirect energy consumption intensity	kg of standard coal/ revenue (RMB ten thousand)	0.21	0.10

Indicator	Unit	2023	2022	
Total energy consumption	Comprehensive energy consumption	kg of standard coal	1,208,286.33	494,538.95
	Comprehensive energy consumption intensity	kg of standard coal/ revenue (RMB ten thousand)	0.23	0.11
Total water consumption and intensity	Total water consumption	tonne	46,375.82	17,416.91
	water consumption intensity	tonne/ revenue (RMB ten thousand)	0.009	0.004
Packaging material	Total packaging materials	tonne	50,217.59	20,002.25
	Intensity of packaging materials	kg/ revenue (RMB ten thousand)	9.38	4.88
<b>Social</b>				
<b>The Number and breakdown of employees</b>				
Total full-time employees	person	3,118	2675	
Total part-time employees	person	215	155	
Full-time employees by gender	person	person	1,299	1,513
	person	person	1,819	1,792
Full-time employees by rank	person	person	18	15
	Percentage of female senior management	%	44.4	40
	Middle management	person	149	86
	Junior management	person	32	60
Full-time employees by age group	General employees	person	2,919	2,337
	Employees aged 29 and below	person	978	738
	Employees aged between 30 and 49	person	2,092	1,730
	Employees aged 50 and above	person	48	30
Full-time employees by geographical region	Employees in Chinese mainland	person	3,117	2,498
	Percentage of employees in Chinese mainland	%	99.97	100
	Employees in China's Hong Kong, Macao and Taiwan regions	person	1	0
	Percentage of employees in China's Hong Kong, Macao and Taiwan regions	%	0.03	0
	Overseas employees	person	0	0
	Percentage of overseas employees	%	0	0
Full-time employee by nationality	Chinese	person	3,115	2,494
	Foreigner	person	3	4

Indicator	Unit	2023	2022	
Full-time employees by ethnicity	Minority employees	person	178	157
	Ethnic Han employees	person	2,937	2,337
Special employees	Total employees with disabilities	person	43	44
<b>New employees and breakdown</b>				
Employment	Total new employees	person	1,138	565
	Male employees	person	402	205
	Female employees	person	736	360
	Employees aged 29 and below	person	373	217
	Employees aged between 30 and 49	person	739	346
	Employees aged 50 and above	person	26	2
	Employees with disability	person	0	0
	Employees from ethnic minorities	person	65	37
	Ethnic Han employees	person	1,073	527
	Employees with Chinese nationality	person	1,137	564
Foreign employees	person	1	1	
Average recruitment cost	RMB/ person	3,317	2,264	
Internal hires	Percentage of vacancies	%	11.3	66.4
<b>Employee turnover</b>				
Total staff turnover rate <sup>22</sup>	%	10.04	10.26	
<b>Employee development and training</b>				
Percentage of trained employees by gender	Male employees	%	100	100
	Female employees	%	100	100
Percentage of trained employees by rank	Senior managers	%	100	100
	Middle managers	%	100	100
	Junior managers	%	100	100
Average training hours per employee by gender	General employees	%	100	100
	Male employees	hour	19.04	27.88
Average training hours per employee by rank	Female employees	hour	27.37	32.94
	Senior managers	hour	27.74	21.85
	Middle managers	hour	40.41	37.03
	Junior managers	hour	22.13	36.76
	General employees	hour	23.20	30.47

<sup>22</sup> Employee turnover ratio= the number of full-time employees who leave the organization voluntarily/ (the number of full-time employees who leave the organization during the year + the number of full-time employees in service at the end of the year).

Indicator	Unit	2023	2022	
<b>Employee health and safety</b>				
Work-related injuries	Working days lost due to work injury	day	84	578.5
	LTIFR of employees per million working hours	per million working hours	0.805	0.602
	Number of work-related fatalities	person	0	0
	Rate of work-related fatalities	%	0	0
<b>Supply Chain Management</b>				
Number of suppliers (based on region)	Number of suppliers	/	4,179	4,839
	Number of suppliers in Chinese mainland	/	3,864	4,152
	Number of suppliers overseas or in Hong Kong, Macao and Taiwan	/	315	687
Suppliers screened by environmental or social criteria	Percentage of new suppliers screened by environmental or social criteria	%	/	70
	Number of suppliers conducting environmental or social impact assessment	/	/	2,884
	Number of suppliers identified as having significant negative environmental or social impact	/	0	0
<b>Product quality and safety</b>				
Product quality audits	Number of internal audits	/	100	469
	Number of external audits	/	44	98
Quality training of direct-sales suppliers	Number of training sessions	/	22	23
	Number of training participants	person-times	2,000+	17,500
	Total training hour	hour	/	46
Quality training of POP merchants	Number of training sessions	/	30	30
	Number of training participants	person-times	3,000+	30,000
	Total training hour	hour	/	30
Training coverage	%	60	60	
Number of major regulatory penalties for products	/	0	0	
Total number of training sessions on responsible marketing	/	12	/	
<b>Information security management</b>				
Number of training sessions on information security	session	44	/	
Coverage of training on information security	%	100	/	
Number of information and data leakage incidents	/	0	/	
Number of complaints about privacy infringement	/	0	/	

Indicator	Unit	2023	2022	
<b>Information security management</b>				
Satisfaction survey	After-sales satisfaction percentage of direct-sales suppliers	%	96	94.3
Complaints about products and services	Total number of complaints about products and services	/	7,300	7,080
	Resolution rate of complaints about products and services	%	100	100
<b>Governance</b>				
<b>Anti-corruption training</b>				
Anti-corruption training	Hours of anti-corruption training	hour	6,099.4	5,520.99
	Rate of employees that has attended the anti-corruption training	%	100	100
	Number of anti-corruption training sessions for the management	session	20	27
	Total anti-corruption training hour for the management	hour	35.21	451.97
Number of concluded legal cases regarding corrupt practices		/	0	0
Number of people in the Board of Directors		person	7	7
Board diversity	Number of male Board members	person	5	5
	Number of female Board members	person	2	2
	Rate of female Board members	%	29	29
Board independence	Number of independent directors	person	4	4
	Number of non-independent directors	person	3	3

## List of Policies

Category	Secondary title	Law and regulations	Internal systems
Topic	Topic 1: Practicing Responsibility and Commitment, Creating Smart Solutions for the Elderly	<i>Special Action Plan for Aging and Accessibility Adaptation of Internet Applications</i>	/
	Topic 2	/	/
Corporate Governance	Compliance Governance	<i>Company Law of the People's Republic of China Securities Law of the People's Republic of China Audit Law of the People's Republic of China</i>	<i>Board Diversity Policy Director Nomination Policy New Business Risk Assessment Management System</i>
	Sustainable Development Management	/	/
	Business Ethics	<i>Anti-Unfair Competition Law of the People's Republic of China Interim Provisions on Banning Commercial Bribery Advertisement Law of the People's Republic of China E-Commerce Law of the People's Republic of China Measures on the Administration of Internet Advertising Law of the People's Republic of China on the Protection of Consumer Rights and Interests Product Quality Law of the People's Republic of China</i>	<i>JD Business Conduct and Ethics Code JD Anti-Corruption Regulations JD Health Online Hospital Anti-Commercial Bribery Management Regulations JD Group Whistleblower Protection and Reward System JD Health Business Banqueting Management System JD Health Service Provider Recommendation Management System Anti-commercial Bribery Regulation JD Open Platform Marketing Activity Rules</i>

Category	Secondary title	Law and regulations	Internal systems
Community Co-building	Quality and Safety Assurance	Drug Administration Law of the People's Republic of China Good Supply Practice for Drugs Regulations for the Implementation of the Drug Administration Law of the People's Republic of China Pharmacopoeia of the People's Republic of China Regulations of the People's Republic of China on Traditional Chinese Medicine Regulations on Protection of Traditional Chinese Medicines Measures for the Supervision and Administration of Drug Quality in Operation and Usage Provisions for Supervision and Administration of Online Drug Sales Good Pharmacovigilance Practice Regulations on Administration of Veterinary Drugs Measures for the Administration of Veterinary Drug Labels and Instructions Regulations on Supervision and Administration of Medical Devices Rules for Quality Control in Business Activities Involving Medical Devices Measures for the Supervision and Administration of Online Sales of Medical Devices Administrative Measures for Sampling Inspection of Medical Device Quality Classification Rules for In Vitro Diagnostic Reagents Food Safety Law of the People's Republic of China Guideline for Health Food Filing Application (Trial) Administrative Measures for Registration of Formula Foods for Special Medical Purposes Measures for the Administration of Animal Diagnosis and Treatment Institutions Law on Doctors of the People's Republic of China Law of the People's Republic of China on Tenders and Bids Data Security Law of the People's Republic of China Personal Information Protection Law of the People's Republic of China Data Security Law of the People's Republic of China Regulation on Protecting the Security of Critical Information Infrastructure	Drug Quality and Safety Management System Drug Safety Management System Drug Quality Operating Procedure Responsibilities of Pharmaceutical Quality Positions Management System for Online Drug Sales Monitoring and Inspection System for Online Drug Sales Activities Drug Information Release Management System Drug Information Presentation Management System Management System for Reporting of Adverse Drug Reactions Regulations on Risk Management of Falsified and Substandard Drugs Drug Distribution Management System Management System for Quality Records and Vouchers of Medical Devices Management System for Medical Device Adverse Event Detection and Reporting Period of Validity Management System of Medical Devices Management System of Non-conforming Medical Devices Code of Conduct for Pet Diagnosis and Treatment of Dongguan JD Pet Health Co., Ltd. Drug Management and Distribution System of Dongguan JD Pet Health Co., Ltd. Management System for Internal Audit of the Quality Management System Management System for Implementation of the Quality Management System Management System for On-the-job Training Drug Recall Management System latform's Regulations on Drug Quality and Recall Management Medical Device Recall Management System Drug Traceability Management System Drug Traceability Management System Registration Qualification Standards for Direct-Sales Suppliers Management Rules for Contract Performance of JD Direct-Sales Supply Chain Supplier Audit Management System Principles for Removal of Disqualified Suppliers Management System for Direct-Sales Medical Devices Management System for Entrusted Service Providers Supplier Training Management System Operating Procedures for Qualification Review of Introduced Enterprise Merchants Data and Privacy Security Management Regulation of JD Group JD.com Users' Personal Information Security Management Specifications JD.com Privacy Compliance Detection Specifications Data Management System Security Management Specification and Requirements Non-disclosure Agreement
		Expert Consensus on the Management of Important Results with Abnormal Values in Health Checkup Writing Standards for Main Examination Reports Patent Law of the People's Republic of China Trademark Law of the People's Republic of China	Manual on Patent Work Guidelines for the Work of Patent Agents

Category	Secondary title	Law and regulations	Internal systems
Community Co-building	Talent Growth	Labor Law of the People's Republic of China Labor Contract Law of the People's Republic of China Provisions on the Prohibition of Using Child Labor Law of the People's Republic of China on the Prevention and Control of Occupational Diseases Work Safety Law of the People's Republic of China Administrative Measures for the Diagnosis and Appraisal of Occupational Diseases	Employee Handbook Code of Conduct against Sexual Harassment and Discrimination JD.com Management System for Disqualification from Positions JD.com Sexual Harassment Prevention and Management Regulations Internal Training Management System for Employees Employee Education Funding Management System Internal Lecturer Management System Supplier Training Management System JD.com Compensation Management System JD.com Salary Management Regulations JD.com Daily Salary Increase and Employee Stock Options Management Regulations JD.com Salary Adjustment Management Regulations JD.com Occupational Health and Safety Management Policy
	Supporting Public Health	/	/
Green Development	Green Operations	Environmental Protection Law of the People's Republic of China Circular Economy Promotion Law of the People's Republic of China Energy Conservation Law of the People's Republic of China Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution Integrated Emission Standard of Air Pollutants Law of the People's Republic of China on the Prevention and Control of Water Pollution Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste Technical Policy for Prevention and Control of Hazardous Waste Pollution Good Supply Practice for Drugs (GSP) Water Law of the People's Republic of China Wild Animal Conservation Law of the People's Republic of China Regulation of the People's Republic of China on the Protection of Terrestrial Wild Animals Fisheries Law of the People's Republic of China Forest Law of the People's Republic of China	JD.com Environmental Management Policy Prohibited Goods and Information Management Specifications for JD Open Platforms

## HKEX ESG Index

ESG Indicator	Location	
Environmental	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.	3.1 Addressing Climate Change 3.2 Green Operations
	A1.1 The types of emissions and respective emissions data.	3.2 Green Operations
	A1.2 Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	3.2 Green Operations
	A1.3 Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	3.2 Green Operations
	A1.4 Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	3.2 Green Operations
	A1.5 Description of emissions target(s) set and steps taken to achieve them.	3.2 Green Operations
	A1.6 Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	3.2 Green Operations
	General Disclosure Policies on the efficient use of resources, including energy, water and other raw materials.	3.2 Green Operations
	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).	3.2 Green Operations
	A2.2 Water consumption in total and intensity (e.g. per unit of production volume, per facility).	3.2 Green Operations
	A2.3 Description of energy use efficiency target(s) set and steps taken to achieve them.	3.2 Green Operations
	A2.4 Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	3.2 Green Operations
	A2.5 Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	3.2 Green Operations
	General Disclosure Policies on minimising the issuer's significant impacts on the environment and natural resources.	3.2 Green Operations
	A3.1 Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	3.1 Addressing Climate Change 3.2 Green Operations
	General Disclosure Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	3.1 Addressing Climate Change
	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.	3.1 Addressing Climate Change

ESG Indicator	Location	
Social	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	2.3 Talent Growth
	B1 Employment	
	B1.1 Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	2.3 Talent Growth
	B1.2 Employee turnover rate by gender, age group and geographical region.	2.3 Talent Growth
	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.	2.3 Talent Growth
	B2 Health and Safety	
	B2.1 Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	2.3 Talent Growth
	B2.2 Lost days due to work injury.	2.3 Talent Growth
	B2.3 Description of occupational health and safety measures adopted, and how they are implemented and monitored.	2.3 Talent Growth
	General Disclosure Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	2.3 Talent Growth
	B3 Development and Training	
	B3.1 The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	2.3 Talent Growth
	B3.2 The average training hours completed per employee by gender and employee category.	2.3 Talent Growth
	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	2.3 Talent Growth
	B4 Labour Standards	
	B4.1 Description of measures to review employment practices to avoid child and forced labour.	2.3 Talent Growth
	B4.2 Description of steps taken to eliminate such practices when discovered.	2.3 Talent Growth
	General Disclosure Policies on managing environmental and social risks of the supply chain.	2.1 Quality and Safety Assurance
	B5 Supply Chain Management	
B5.1 Number of suppliers by geographical region.	2.1 Quality and Safety Assurance	
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.	2.1 Quality and Safety Assurance	
B5.3 Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	2.1 Quality and Safety Assurance	
B5.4 Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	2.1 Quality and Safety Assurance	

ESG Indicator		Location
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.	2.1 Quality and Safety Assurance
	B6.1 Percentage of total products sold or shipped subject to recalls for safety and health reasons.	2.1 Quality and Safety Assurance
	B6.2 Number of products and service-related complaints received and how they are dealt with.	2.1 Quality and Safety Assurance
	B6.3 Description of practices relating to observing and protecting intellectual property rights.	2.1 Quality and Safety Assurance
	B6.4 Description of quality assurance process and recall procedures.	2.1 Quality and Safety Assurance
	B6.5 Description of consumer data protection and privacy policies, and how they are implemented and monitored.	2.1 Quality and Safety Assurance
B7 Anti-corruption	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	1.3 Business Ethics
	B7.1 Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	1.3 Business Ethics
	B7.2 Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	1.3 Business Ethics
	B7.3 Description of anti-corruption training provided to directors and staff.	1.3 Business Ethics
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.	2.4 Supporting Public Health
	B8.1 Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	2.4 Supporting Public Health
	B8.2 Resources contributed (e.g. money or time) to the focus area.	2.4 Supporting Public Health

## GRI Content Index

Statement of use	JD Health has reported in accordance with the GRI Standards for the period [January 1, 2023 to December 31, 2023].		
GRI 1 used	GRI 1: Foundation 2021		
Disclosure issues/items	Disclosure	Section	Page
<b>GRI 2: General Disclosures</b>			
<b>The organization and its reporting practices</b>			
2-1	Organizational details	Company Profile	P02-P03
2-2	Entities included in the organization's sustainability reporting	About this Report	P01
2-3	Reporting period, frequency and contact point	About this Report	P01
2-4	Restatements of information	About this Report	P01
2-5	External assurance	N/A	P89-P93
<b>Activities and workers</b>			
2-6	Activities, value chain and other business relationships	Company Profile	P02-P03
2-7	Employees	2.3 Talent Growth	P60-P62
2-8	Workers who are not employees	2.3 Talent Growth	P47-P49, P60-P62
<b>Governance</b>			
2-9	Governance structure and composition	1.1 Compliance Governance	P25
2-10	Nomination and selection of the highest governance body	1.1 Compliance Governance	P25
2-11	Chair of the highest governance body.	1.1 Compliance Governance	P25
2-12	Role of the highest governance body in overseeing the management of impacts	1.1 Compliance Governance	P25
2-13	Delegation of responsibility for managing impacts	1.1 Compliance Governance	P25
2-14	Role of the highest governance body in sustainability reporting	1.2 Sustainable Development Management	P30
2-15	Conflicts of interest	1.3 Business Ethics	P25
2-16	Communication of critical concerns	Corporate Governance	P24
2-17	Collective knowledge of the highest governance body	1.1 Compliance Governance	P25
2-18	Evaluation of the performance of the highest governance body	2.3 Talent Growth	P70
2-19	Remuneration policies	2.3 Talent Growth	P70
2-20	Process to determine remuneration	2.3 Talent Growth	P70
2-21	Annual total compensation ratio	N/A	
<b>Strategy, policies and practices</b>			
2-22	Statement on sustainable development strategy	JD Health and the UN SDGs	P10-P11
2-23	Policy commitments	1.2 Sustainable Development Management	P30

Disclosure issues/items	Disclosure	Section	Page
2-24	Embedding policy commitments	1.2 Sustainable Development Management	P30
2-25	Processes to remediate negative impacts	1.2 Sustainable Development Management	P30
2-26	Mechanisms for seeking advice and	1.2 Sustainable Development Management	P30
2-27	raising concerns	1.2 Sustainable Development Management	P30
2-28	Compliance with laws and regulations	N/A	/
<b>Stakeholder engagement</b>			
2-29	Approach to stakeholder engagement	1.2 Sustainable Development Management	P31-P32
2-30	Collective bargaining agreements	N/A	/
<b>GRI 3: Material Topics 2021</b>			
3-1	Process to determine material topics	1.2 Sustainable Development Management	P33
3-2	List of material topics	1.2 Sustainable Development Management	P33
Economic			
<b>GRI 201: Economic Performance</b>			
3-3	Management of material topics	1.2 Sustainable Development Management	P33
201-2	Financial implications and other risks and opportunities due to climate change	3.1 Addressing Climate Change	P81-P82
201-3	Defined benefit plan obligations and other retirement plans	2.3 Talent Growth	P70-P71
<b>GRI 204: Procurement Practices</b>			
3-3	Management of material topics	2.1 Quality and Safety Assurance	P46-P48
<b>GRI 205: Anti-corruption</b>			
3-3	Management of material topics	1.3 Business Ethics	P34
205-1	Operations assessed for risks related to corruption	1.3 Business Ethics	P34
205-2	Communication and training about anti-corruption policies and procedures	1.3 Business Ethics	P34
205-3	Confirmed incidents of corruption and actions taken	1.3 Business Ethics	P34
<b>GRI 206: Anti-competitive Behavior</b>			
3-3	Management of material topics	1.3 Business Ethics	P34, P37
206-1	Legal actions for anticompetitive behavior, anti-trust, and monopoly practices	1.3 Business Ethics	P34, P37
<b>Environmental</b>			
<b>GRI 302: Energy</b>			
3-3	Management of material topics	3.2 Green Operations	P84-P85
302-1	Energy consumption within the organization	3.2 Green Operations	P84-P85
302-3	Energy intensity	3.2 Green Operations	P84-P85

Disclosure issues/items	Disclosure	Section	Page
302-4	Reduction of energy consumption	3.2 Green Operations	P84-P85
302-5	Reductions in energy requirements of products and services	3.2 Green Operations	P84-P85
<b>GRI 303: Water</b>			
3-3	Management of material topics	3.2 Green Operations	P87
303-1	Water withdrawal by source	3.2 Green Operations	/
303-2	Water sources significantly affected by withdrawal of water	3.2 Green Operations	/
303-3	Water recycled and reused	3.2 Green Operations	P87
<b>GRI 305: Emissions</b>			
3-3	Management of material topics	3.2 Green Operations	P82-P83
305-1	Direct (Scope 1) GHG emissions	3.2 Green Operations	P82-P83
305-2	Energy indirect (Scope 2) GHG emissions	3.2 Green Operations	P82-P83
305-4	GHG emissions intensity	3.2 Green Operations	P82-P83
305-5	Reduction of GHG emissions	3.2 Green Operations	P82-P83
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions.	3.2 Green Operations	P86
<b>GRI 306: 6: Effluents and Waste</b>			
3-3	Management of material topics	3.2 Green Operations	P86
306-1	Water discharge by quality and destination	3.2 Green Operations	/
306-2	Waste by type and disposal method	3.2 Green Operations	P86
306-3	Significant spills	3.2 Green Operations	/
306-4	Transportation of hazardous waste	3.2 Green Operations	P86
306-5	Water bodies affected by water discharges and/or runoff	3.2 Green Operations	/
<b>GRI 308: Supplier Environmental Assessment</b>			
3-3	Management of material topics	2.1 Quality and Safety Assurance	P47
308-1	New suppliers that were screened using environmental criteria	2.1 Quality and Safety Assurance	/
308-2	Negative environmental impacts in the supply chain and actions taken	2.1 Quality and Safety Assurance	/
<b>Social</b>			
<b>GRI 401: Employment</b>			
3-3	Management of material topics	2.3 Talent Growth	P60-P62
401-1	New employee hires and employee	2.3 Talent Growth	P60-P62
401-2	Turnover	2.3 Talent Growth	P70-P71
401-3	Benefits provided to full-time employees that are not provided to temporary or parttime employees	2.3 Talent Growth	P70-P71
<b>GRI 402: Labor/Management Relations</b>			
3-3	Management of material topics	2.3 Talent Growth	P72
<b>GRI 403: Occupational Health and Safety</b>			

Disclosure issues/items	Disclosure	Section	Page
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403-1	Occupational health and safety management system	2.3 Talent Growth	P72
403-2	Hazard identification, risk assessment, and incident investigation	2.3 Talent Growth	P72
403-3	Occupational health services	2.3 Talent Growth	P72
403-4	Worker participation, consultation, and communication on occupational health and safety	2.3 Talent Growth	P72
<b>GRI 404: Training and Education</b>			
3-3	Management of material topics	2.3 Talent Growth	P63-P69
404-1	Average hours of training per year per employee	2.3 Talent Growth	P63-P69
404-2	Programs for upgrading employee skills and transition assistance programs	2.3 Talent Growth	P63-P69
404-3	Percentage of employees receiving regular performance and career development reviews	2.3 Talent Growth	P63-P69
<b>GRI 405: Diversity and Equal Opportunity</b>			
3-3	Management of material topics	2.3 Talent Growth	P60
405-1	Diversity of governance bodies and employee	2.3 Talent Growth	P60-P61
<b>GRI 406: Non-discrimination</b>			
3-3	Management of material topics	2.3 Talent Growth	P60-P62
406-1	Incidents of discrimination and corrective actions taken	2.3 Talent Growth	P62
<b>GRI 408: Child Labor</b>			
3-3	Management of material topics	2.3 Talent Growth	P60
<b>GRI 409: Forced or Compulsory Labor 2016</b>			
3-3	Management of material topics	2.3 Talent Growth	P60
<b>GRI 413: Local Communities</b>			
3-3	Management of material topics	2.4 Supporting Public Health	P77-P79
413-1	Operations with local community engagement, impact assessments, and development programs	2.4 Supporting Public Health	P77-P79
<b>GRI 414: Supplier Social Assessment</b>			
3-3	Management of material topics	2.1 Quality and Safety Assurance	P46-P47
414-1	New suppliers that were screened using social criteria	2.1 Quality and Safety Assurance	/
414-2	Negative social impacts in the supply chain and actions taken	2.1 Quality and Safety Assurance	/
<b>GRI 418: Customer Privacy 2016</b>			
3-3	Management of material topics	2.1 Quality and Safety Assurance	P52-P54
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	2.1 Quality and Safety Assurance	/

## Feedback

Dear stakeholders,

Thank you for reading our 2023 Environmental, Social and Governance Report. This questionnaire is designated to better understand your expectations and demands for JD Health's ESG governance and information disclosures and facilitate ongoing improvements on our ESG performance. To this end, we sincerely invite you to participate in this questionnaire.

Your real feedback is vital to our continuous improvement and is highly appreciated by us!

1. What is your relationship with JD Health?

- Employee
- Partner in value chain
- Shareholder and investor
- NPO/NGO
- Consumer
- Government and regulator
- Community representative
- Others

2. What is your overall impression of this report?

- Good
- Average
- Poor

3. Is the information you are concerned about reflected in this report?

- Yes
- Average
- No

4. What are your expectations or suggestions for the ESG report of next year?

- Novel ESG topics
- Extended scope of ESG standards
- Easier-to-understand language
- Others (Please specify)
- Creative structure and ideas
- Clear logical lines
- More reader-friendly layout

5. Do you have any suggestions or expectations for our ESG work?

- Formulating log-term ESG management plans
- Improving the ESG management structure
- Conducting extensive external communication
- Launching new public welfare projects with influence
- Others



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