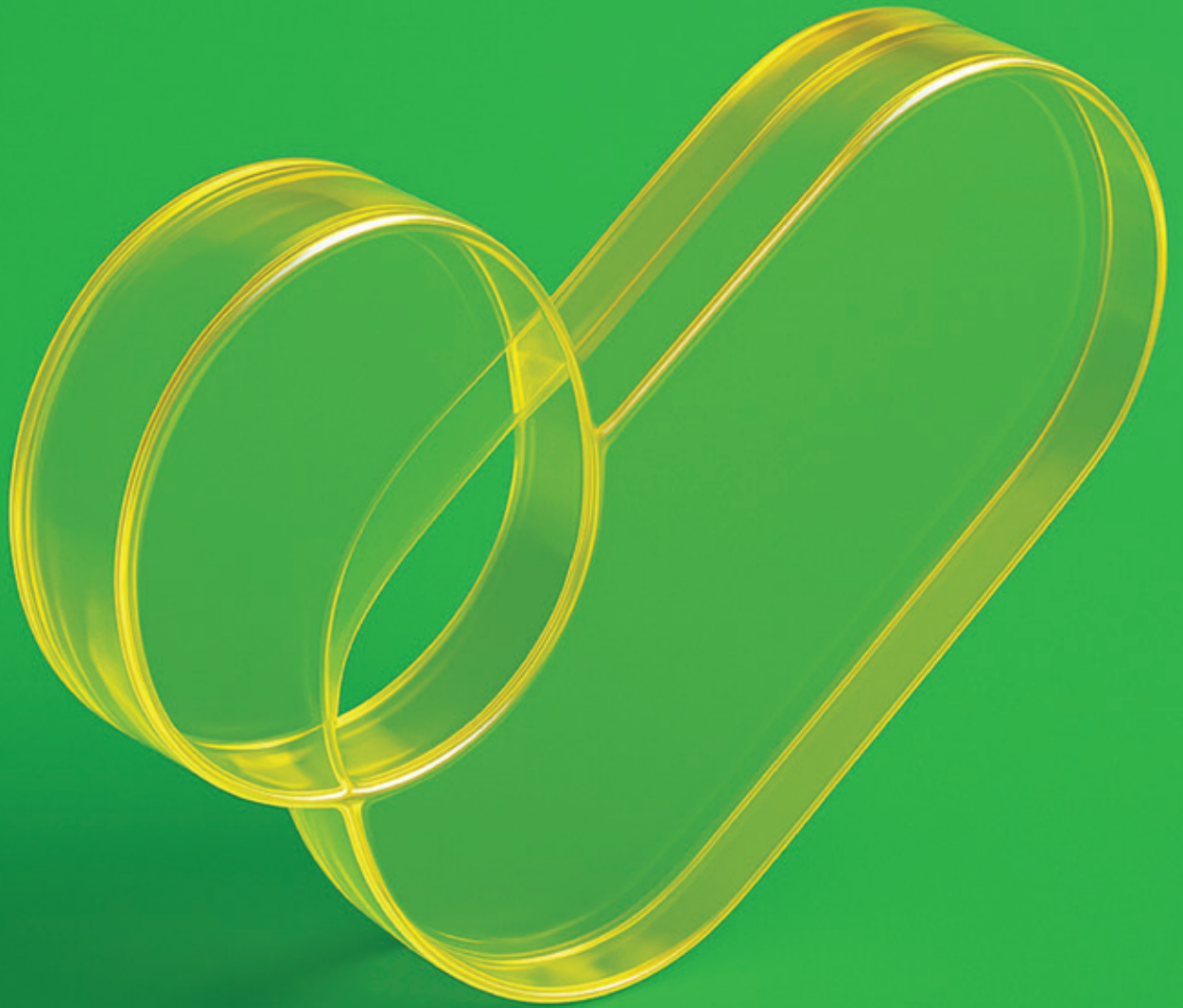


# 2025

## 環境、社會及管治報告

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT



阿里健康

阿里健康信息技術有限公司  
Alibaba Health Information  
Technology Limited

於百慕達註冊成立之有限公司 | 股票代號: 00241  
Incorporated in Bermuda with limited liability | Stock code: 00241

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## PUBLICATION CYCLE

This is the ninth consecutive Environmental, Social and Governance (“ESG”) Report annually prepared and published by Alibaba Health Information Technology Limited.

## BASIS OF PREPARATION

This report is prepared in accordance with the Environmental, Social and Governance Reporting Code under Appendix C2 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (HKEX-ESG).

## REPORTING PERIOD

The reporting period is from April 1, 2024 to March 31, 2025 (the “Reporting Period” or “FY2025”).

## SCOPE OF REPORT

The main body of this report is Alibaba Health Information Technology Limited, including all the management and supporting departments of the Company.

## REFERENCE

For the convenience of expression, Alibaba Health Information Technology Limited is also referred to as “Alibaba Health”, the “Company” or “we” in this report. The “Group” refers to Alibaba Health and its subsidiaries and “Alibaba Group” refers to Alibaba Group Holding Limited and its subsidiaries.

## NOTE ON CURRENCY

Unless otherwise specified, the currency in this report is in Renminbi (RMB).

## REPORTING PRINCIPLES

**Materiality:** By referencing ESG issues of international concern, as well as engaging and communicating with stakeholders in different ways, Alibaba Health selects ESG issues that are related to the Company and are prioritized by materiality for review and approval by the board of directors.

**Quantitative:** The Company collects regular statistics on quantitative key disclosure indicators regarding environmental and social aspects in this report, and summarizes and discloses them at the end of the financial year. For further details, please refer to the relevant sections in this report. This report discloses information on the standards, methodologies, assumptions and/or calculation tools used for reporting emissions/energy consumption, where applicable, as well as the sources of the conversion factors used.

**Consistency:** The approach to the disclosure of statistics and key performance indicators used in this report is consistent with that in the Company’s previous ESG reports. There are no other influencing factors that have comparative significance for this report.

**Balance:** This report provides an unbiased picture of the Company’s ESG performance.

# ABOUT THIS REPORT

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## REPORT VERSION AND AVAILABILITY

This report is released online. You can access and download this report from the following websites:

Website of Alibaba Health: <http://www.irasia.com/listco/hk/alihealth/>

Website of The Stock Exchange of Hong Kong Limited: [www.hkex.com.hk](http://www.hkex.com.hk)

# MESSAGE FROM SENIOR MANAGEMENT

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Year 2024 marked a pivotal phase in implementing the “Healthy China 2030” roadmap. Guided by the national strategies such as “Digital China” and the “Dual Carbon” goals, the healthcare industry is accelerating its transition toward a new era of quality development – defined by greater sustainability, digitalization, and accessibility. Alibaba Health remains firmly committed to these national strategies, driven by its mission to make healthcare services accessible and affordable. By embedding ESG principles deeply into its three core businesses of “cloud-based infrastructure”, “cloud-based pharmacy”, and “cloud-based hospital”, Alibaba Health honors its commitment to leveraging technological innovation to tackle pressing challenges of the time, such as uneven distribution of medical resources and response to climate change. In doing so, it continuously explores new pathways for sustainable healthcare.

Alibaba Health continues to refine its corporate governance structure by reinforcing its board of directors’ oversight and decision-making roles on ESG matters. We have established an effective mechanism for ESG daily management and information disclosure to ensure ESG principles are fully integrated across our operations. A comprehensive risk management and internal monitoring system is also in place to enable the effective identification and mitigation of risk exposures. Simultaneously, we uphold a strict “zero tolerance” policy toward corruption to protect our goodwill and reputation. Owing to strong performance across all ESG dimensions, we have been included in both the “HSI Low Carbon Index” and “Hang Seng TECH Index”. As at the end of the financial year 2025 (“FY2025”), MSCI upgraded Alibaba Health’s ESG rating to above “AA”, a true testament to external stakeholders’ recognition of our continued efforts in ESG excellence.

As a frontrunner in the Internet healthcare industry, Alibaba Health always places the principle of “quality first” at the very core of its corporate development. We have implemented a digital quality management system spanning the entire life-cycle of pharmaceutical products, thereby enhancing both the brand values and operational efficiencies of partner merchants. By thoroughly unlocking the potential of digital health services, we are well positioned to meet different consumer groups’ diverse needs for health products. Additionally, we continue to strengthen data security and privacy protection, aiming to build a safe, reliable, and trustworthy digital intelligent health service platform for users.

We have established ourselves as an ecosystem-based employer that integrates career development, health management, and psychological support. Our diverse and inclusive protection system, designed to benefit all employees, is continuously refined to ensure their fair and equitable access to opportunities. By establishing a sophisticated OKR (Objectives and Key Results) business management system and performance management model, we empower employees to grow through structured training and optimized talent development pathways. Employee health and safety remain our top priorities. We have developed an internal emergency management system to offer comprehensive protection for the physical and mental well-being of our workforce. Meanwhile, we emphasize human-centric care by cultivating a sense of belonging and team cohesion through diversified corporate cultural activities and a robust employee welfare system. Together, we are shaping a future where healthcare is truly inclusive.

## MESSAGE FROM SENIOR MANAGEMENT

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We strictly align ourselves with national strategies, actively supporting China's "Dual Carbon" goals, while fully implementing the concept of green operations. We are fully committed to executing Alibaba Group's strategic decarbonization roadmap. Drawing on the frameworks and recommendations of the International Sustainability Standards Board ("ISSB"), we adopt a systematic approach to identify and evaluate climate change risks while promoting decarbonization across the entire value chain. Meanwhile, throughout its proactive exploration for a new model of smart healthcare, Alibaba Health has made ongoing efforts in building partnerships with data and logistic service providers; in establishing both green data centers and green facilities; as well as in applying and promoting green logistics. These initiatives support the medical industry's pursuit of environmentally friendly and sustainable development.

We remain firmly committed to the philosophy of "responsible technology", embedding social responsibility throughout our business practices. In terms of digital supply chain management, we have taken the innovative step in developing a smart supplier evaluation system. Our AI-powered "FireEye System"<sup>^</sup> (火眼系統) enables real-time risk monitoring and early warnings for suppliers, thereby enhancing overall supply chain compliance. On the inclusive technology front, we fully leverage our platform's strengths to create the innovative "Internet + Public Service" model. Through public service projects, such as the "Care Campaign for Lemon Babies"<sup>^</sup> (檸檬寶寶關愛行動), "Health Checkups for the Visually Impaired"<sup>^</sup> (助盲體檢), "Hearing Support"<sup>^</sup> (助聽行動), and "Xiao Lu Lantern"<sup>^</sup> (小鹿燈) children's serious disease relief, we have effectively alleviated burdens on families and society, making healthcare services more accessible and affordable.

Going forward, Alibaba Health will continue to harness technological innovation as its core driver, leveraging digital capabilities to redefine the standards of sustainable development in the healthcare industry. We are dedicated to expanding access to high-quality medical resources, working hand in hand with ecosystem partners to build a smarter, more inclusive healthcare system, one where the warmth of technology touches every life.

# STATEMENT BY THE BOARD OF DIRECTORS

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The Company and the board of directors (the “Board”) have fulfilled the requirements of the Environmental, Social and Governance Reporting Code of The Stock Exchange of Hong Kong Limited, focusing on advancing the Board’s participation in and decision-making on ESG matters. As the highest governing body in charge of ESG affairs, the Board is responsible for deciding on the Company’s ESG management approach and strategy, coordinating ESG-related risk management, and overseeing the progress of goal implementation. The Board reviews the assessment results of the Company’s material ESG issues and the ESG report for the current year, while striving to embed ESG principles into the Company’s routine operations.

Led by the Board, Alibaba Health has established an effective mechanism for ESG daily management and information disclosure. The Chief Executive Officer (CEO) and Chief Financial Officer (CFO) are in charge of the Company’s ESG efforts, while each business unit and department must fulfil ESG-related requirements and report work progress to the Board in a timely manner. The Internal Audit Department, being responsible for ESG information disclosure, actively communicates and works with business units and departments to prepare and disclose the ESG report.

Alibaba Health attaches great importance to the opinions and expectations of its stakeholders. By consulting management and ESG experts, benchmarking against peers in China and overseas, and through media monitoring, Alibaba Health has reviewed and made adjustment to the major issues, aligning with both internal and external stakeholders’ key focus areas. Furthermore, a materiality matrix for FY2025 has been identified, covering highly material issues such as green operation, compliance operation, and customer/consumer protection.

During the Reporting Period, Alibaba Health adhered to the environmental goals set by Alibaba Group in relation to business operations. This report, which discloses in detail Alibaba Health’s ESG-related matters during the current financial year, has been reviewed and approved by the Board on May 19, 2025.

# COMPANY PROFILE

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## Alibaba Health – Making Healthcare Services Accessible and Affordable

### COMPANY OVERVIEW

Alibaba Health is the flagship platform of Alibaba Group for integrated online and offline medical and healthcare resources, providing one-stop healthcare solutions. Guided by a customer-centric approach, Alibaba Health is actively pioneering new business models in the healthcare sector, while also utilizing its existing advantages in pharmaceutical e-commerce and expanding into adjacent industry verticals. Through a dual-engine strategy that integrates its platform ecosystem and self-operated businesses, Alibaba Health continuously and actively advances in areas such as pharmaceutical data interoperability, medical AI, and Internet-based traditional Chinese medicine diagnosis and treatment. The Company is committed to providing affordable, accessible, efficient, reliable medical and healthcare services to hundreds of millions of families.

### BUSINESS PROFILE

Alibaba Health is principally engaged in the businesses of pharmaceutical e-commerce, healthcare and digital services, AI-empowered healthcare, and public service. Leveraging years of in-depth expertise in Internet and digital technologies, Alibaba Health has built a strong brand recognition and an extensive resource network. It serves as an important connector among physicians, pharmaceutical merchants, and patients, helping to better align supply with demand. The Company has also established an integrated online and offline platform for pharmaceutical and healthcare offerings. Remaining true to its founding mission of making healthcare services accessible and affordable, Alibaba Health continues to enhance user experience while fulfilling its social responsibilities.

#### Pharmaceutical E-commerce Business

- With a customer-centric principle, Alibaba Health's pharmaceutical e-commerce business makes full use of its strong brand and resources accumulated over the years. Building on its strengths in e-commerce, big data and cloud computing, Alibaba Health actively expands its partnerships with premium pharmaceutical, nutritional and healthcare product manufacturers and distributors through the Tmall Healthcare Platform, pharmaceutical direct sales business, and other operating models to enrich product portfolio and improve customer shopping experience. The Group is committed to providing users with quality and affordable healthcare solutions.

#### Healthcare and Digital Services Business

- During the Reporting Period, the Group continued enhancing and refining the user experience of its healthcare services by providing seamless online-to-offline healthcare services (including, among others, TCM, medical checkups, testing, medical consultation, appointment-making) to a broad base of end users across platforms such as Tmall, Taobao, and Alipay. Leveraging its advanced digital capabilities, "Ma Shang Fang Xin" (碼上放心), Alibaba Health's proprietary tracking platform, maintained steady growth and further expanded its coverage. The platform now spans the entire pharmaceutical value chain, from production and distribution to retail pharmacies and medical institutions.

## AI-empowered Healthcare Business

- In FY2025, Alibaba Health leveraged AI technology to enable end-to-end empowerment in the application of large medical service models. Across traffic generation, supply, and service delivery, we optimized key scenarios such as medical search and recommendation models, intelligent supply chains, product operations, and smart customer service. These efforts not only allowed us to better address users' healthcare service needs and significantly improve operational efficiency, but also reduced energy and resource consumption through technological optimization, thereby supporting the Company's goal of low-carbon operations.

## Corporate Philanthropy

- In FY2025, Alibaba Health further intensified its public service efforts by expanding its contributions to public welfare and collaborating with multiple stakeholders to launch public service projects. Leveraging our digital capabilities to advance the Group's public welfare, we actively embedded social responsibility into our corporate development through a series of public service activities. These included heartwarming awareness campaign for special medical-purpose powdered milk for rare diseases, which was launched in partnership with Maeil Dairies; the enhancement of the "Care Campaign for Lemon Babies"; the launch of "Lemon Babies: Boundless Love for Newborns", which received support from 24 neonatal screening centers and comprehensive pediatric hospitals; as well as the execution of our "Xiao Lu Mama" (小鹿媽媽) maternal health protection initiative, the "Hearing Support" on Tmall Health, and the Alibaba Health public welfare forest initiative.

# 1 CORPORATE GOVERNANCE

Corporate Governance is a fundamental cornerstone of the Company's commitment to ensuring sustainable development. We continuously enhance our governance standards and drive steady corporate growth by adopting a scientifically-sound and well-structured governance framework, implementing comprehensive risk management and stringent integrity practices, as well as engaging our stakeholders in an efficient and transparent manner.

## 1.1 GOVERNANCE STRUCTURE

By strictly complying with the *Company Law of the People's Republic of China* (《中華人民共和國公司法》), as well as other applicable laws, regulations, and relevant ordinances, Alibaba Health has established a top-down governance structure with clearly defined roles and responsibilities. During the Reporting Period, Alibaba Health actively adhered to the Rules Governing the Listing of Securities and the Corporate Governance Code on The Stock Exchange of Hong Kong Limited. Its Board serves as the core decision-making body, supported by the Audit Committee, the Nomination Committee, and the Remuneration Committee.

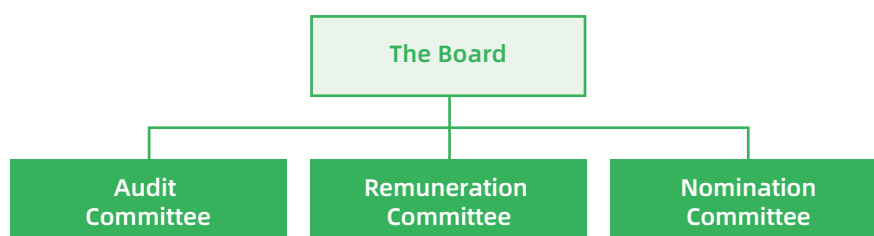


Chart: Corporate Governance Structure of Alibaba Health

Committees	Main Duties
Remuneration Committee	<ul style="list-style-type: none"> <li>to make recommendations to the Board on the Company's policy for and structure of remuneration in relation to directors and senior management, as well as other matters, and on the establishment of fair and equal procedures for developing its remuneration policy;</li> <li>to make recommendations to the Board on the remuneration packages of individual executive directors and senior management, including benefits in kind, pension rights and compensation payments, and to make recommendations to the Board on the remuneration of non-executive directors;</li> <li>to review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives;</li> <li>to make recommendations on the review of Alibaba Health's share schemes and/or approve related matters.</li> </ul>

# 1 CORPORATE GOVERNANCE

Committees	Main Duties
Audit Committee	<ul style="list-style-type: none"> <li>to make recommendations to the Board on the appointment, reappointment and removal of the external auditor, to approve the remuneration and terms of engagement of the external auditor, and to address any questions relating to their resignation or dismissal;</li> <li>to hold pre-audit discussions with the external auditor about the nature, scope of the undertaking, and the relevant reporting obligations;</li> <li>to review the half-year, annual financial statements, reports and accounts before submission to the Board;</li> <li>to monitor the Company's financial reporting policy, risk management and internal control systems, to supervise their effectiveness, and ensure they are provided with sufficient resources.</li> </ul>
Nomination Committee	<ul style="list-style-type: none"> <li>to review the structure, size, composition and diversity of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy;</li> <li>to make recommendations to the Board on the appointment, reappointment or removal of directors, and succession planning for directors, in particular the chairperson of the Board and the chief executive officer;</li> <li>to identify individuals suitably qualified to become members of the Board and to make recommendations to the Board on the selection of individuals nominated for directorships;</li> <li>to evaluate the independence of independent non-executive directors.</li> </ul>

We have established a *Board Diversity Policy*<sup>^</sup> (《董事會多元化政策》), under which we take a holistic approach to nominating and appointing Board members – considering a wide range of factors including gender, educational background, professional skill, and industry expertise. As of the end of the Reporting Period, the Board comprised eight directors, including three non-executive directors and three independent non-executive directors, who collectively represented 75% of the total Board membership. There were four female directors, accounting for 50% of the Board. Our directors bring diverse industry backgrounds and are well-versed in fields such as finance, economics, accounting, and healthcare. For biographical details of Board members, please refer to the Company's FY2025 Annual Report. We remain committed to strictly complying with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. To safeguard the effectiveness of our Board governance, we exercise rigorous governance over connected transactions, equity financing activities, and other corporate actions that may impact our listing status as an issuer.

# 1 CORPORATE GOVERNANCE

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Alibaba Health has revised its equity incentive scheme, expanding the scope of participants to include directors and employees of the Company and its subsidiaries, relevant individuals at its holding company, fellow subsidiaries, associates, as well as eligible service providers. The scheme also incorporates an adjustment mechanism to maintain the incentive scheme's stability in the event of changes in control, capital restructuring, among other scenarios. To ensure compliance and fairness, equity awards under the scheme are non-transferable without proper authorization. Additionally, we have enhanced the claw back mechanism for performance-linked remuneration of our executives, which to a certain extent, helps mitigate potential risks and supports the Company's stable development.

## 1.2 INTERNAL RISK CONTROL

Internal risk control is regarded as a top priority at Alibaba Health, where a risk management and internal monitoring system, covering strategy, management, and operation, has been established in compliance with applicable laws and regulations. We remain committed to a risk management strategy designed to "ensure steady growth and sustainable development of the Group's businesses through continual optimization of its risk management framework, capability and culture." By embedding risk control into its development strategies, Alibaba Health aligns risk management objectives with its needs for growth, thereby ensuring stability within corporate operations.

The Company's risk management organizational structure consists of three levels: governance, management, and execution. In particular, an interactive risk management mechanism featuring "three lines of defense" has been implemented at the execution level, through which the Company brings together teams responsible for business operation, risk management, and internal audit, fostering close coordination and communication among these three functions. By addressing both internal and external risks identified, this structure ensures that Alibaba Health's risk management mechanism operates in a highly efficient and orderly manner.

Sitting at the center of our corporate governance, the Company's Board is responsible for reviewing the effectiveness of the Group's risk management framework, as well as safeguarding interests for shareholders and investors. To discharge its role in monitoring and supervising the risk management of the Company, the Board formed the Risk Management Committee in 2016.

# 1 CORPORATE GOVERNANCE

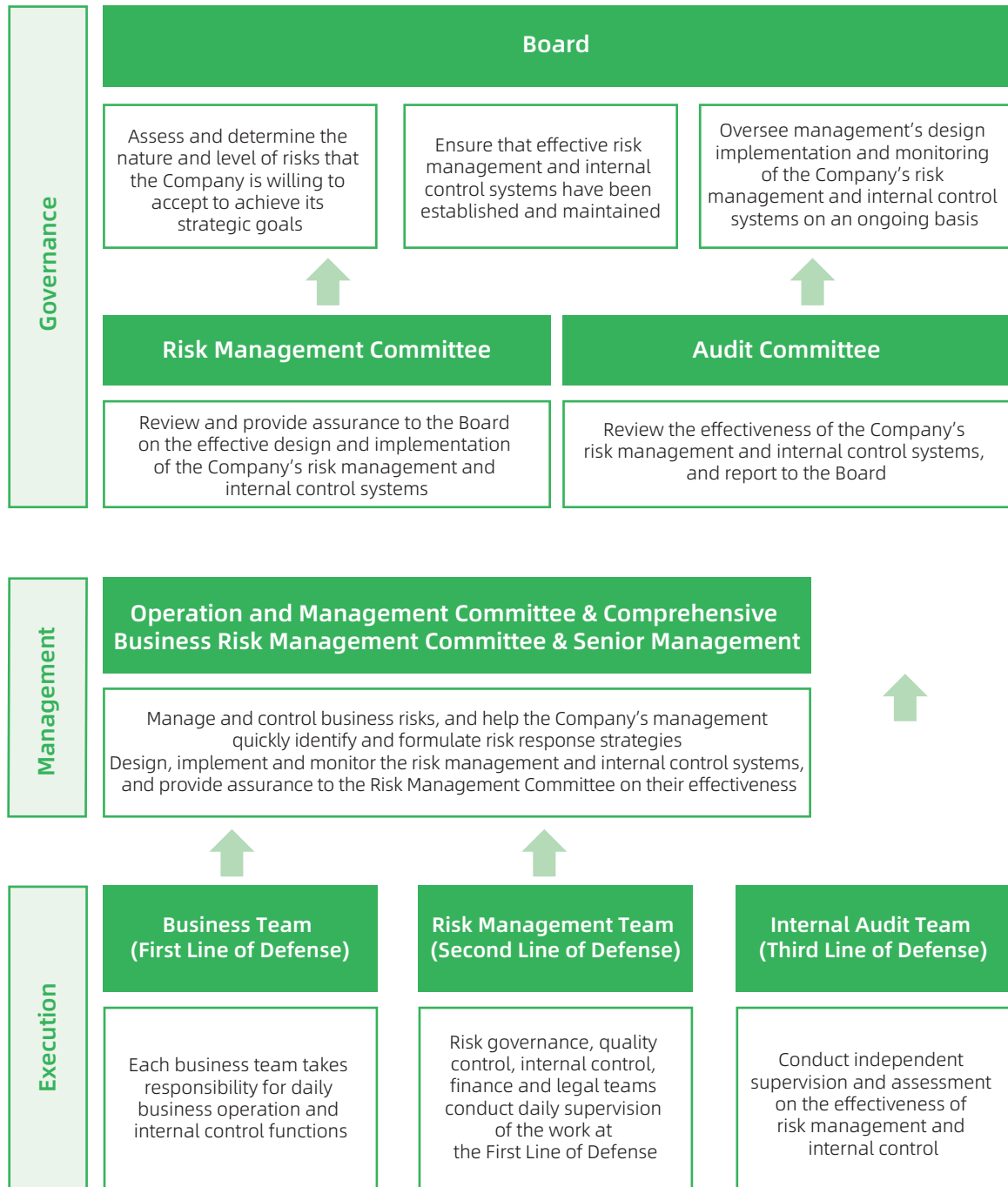


Chart: Risk Management Organizational Structure at Alibaba Health

# 1 CORPORATE GOVERNANCE

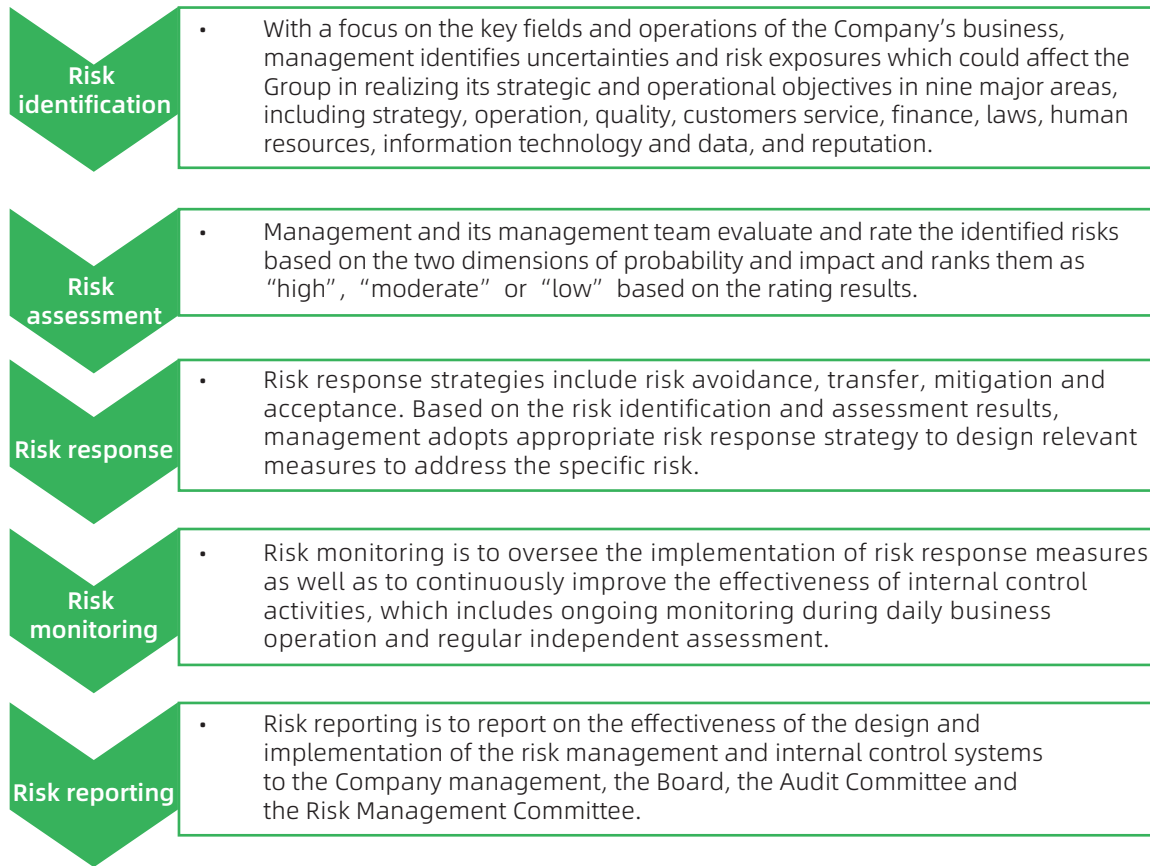


Chart: Risk Management Processes at Alibaba Health

To ensure stable development of the Company's internal risk control capabilities, we have carried out various risk response measures, including business process standardization, performance appraisal, and risk awareness training. These are all focused on reducing the occurrence of risk events.

## Business process standardization

- The Company undertakes processes and internal control activities at the organizational, operational, financial reporting and IT system levels according to internal control manuals and relevant policies, which are published on the policy management platform of Alibaba Health as reference and learning materials for all employees;
- The Company has established a rules center for Alibaba Health to publicize policies and requirements in respect of the management of partners and businesses.

## Risk management performance appraisal

- In order to ensure an effective implementation of its risk management as well as Group-wide risk management strategy, the Company raises all employees' risk awareness, standardizes internal control processes and adopts an accountability mechanism for all employees.

# 1 CORPORATE GOVERNANCE

## Risk management communication and training

- The Company ensures the implementation of various operational procedures, policy regulations and internal control activities through related communication and training sessions on internal control. These are held by means of centralized training sessions, seminars, on-job communication and instructions, online courses and examinations, internal e-mail engagement, covering themes such as legal and regulatory compliance, company regime, internal control, integrity, and data security.

Chart: Risk Management Assurance Mechanisms at Alibaba Health

## 1.3 INTEGRITY MANAGEMENT

Alibaba Health strictly adheres to ethical standards and adopts a “zero tolerance” approach towards corruption. We are firmly committed to compliance and integrity management, placing strong emphasis on fostering greater integrity awareness both within the organization and across our supplier network. Our goal is to cultivate a healthy, positive, and transparent workplace.

By mirroring Alibaba Group’s compliance system and standards, Alibaba Health has set up designated teams for its integrity, internal control, audit, risk control, legal and financial practices to promote corporate integrity. We have established a Disciplinary Management Committee comprised of our CEO, CPO, CFO, COO, CRO, head of legal affairs, and head of integrity. This committee is responsible for the daily supervision of business ethics and compliance operation, including amendments to our integrity system, integrity management for employees, as well as routine management related to integrity and compliance operation. We have also succeeded in efficiently managing integrity and compliance activities by enabling the leader of our integrity team to report to the head of integrity and compliance at Alibaba Group.

In compliance with the *Company Law of the People’s Republic of China* (《中華人民共和國公司法》), the *Anti-Money Laundering Law of the People’s Republic of China* (《中華人民共和國反洗錢法》), the *Anti-unfair Competition Law of the People’s Republic of China* (《中華人民共和國反不正當競爭法》), the *Interim Provisions on Prohibition of Commercial Bribery* (《關於禁止商業賄賂行為的暫行規定》), the *Anti-monopoly Law of the People’s Republic of China* (《中華人民共和國反壟斷法》), and other national laws and regulations, we have formulated a number of internal policies, such as the *Alibaba Health Anti-commercial Bribery Compliance Policy*<sup>^</sup> (《阿里健康反商業賄賂合規政策》), the *Alibaba Health Code of Business Conduct*<sup>^</sup> (《阿里健康商業行為準則》), and the *Alibaba Health Rules for Managing Conflicts of Interest among Employees*<sup>^</sup> (《阿里健康員工利益衝突管理細則》). Additionally, FY2025 saw us amend the *Employee Discipline System*<sup>^</sup> (《員工紀律制度》), the *Alibaba Health Rules for and Analysis of Managing Conflicts of Interest among Employees*<sup>^</sup> (《阿里健康員工利益衝突管理細則》), and the *Alibaba Health Guidelines for Employee Participation in External Activities Organized by Third Parties*<sup>^</sup> (《阿里健康員工參加第三方主辦的外部活動的指引》). These amendments define ethical norms and standards for the business conduct of both the Company and its employees, thereby enhancing the overall standard of integrity management within the organization.

# 1 CORPORATE GOVERNANCE

**Chart: Core Content of the Alibaba Health Anti-commercial Bribery Compliance Policy**

Prohibition of facilitation payments	Compliance with gift, entertainment and hospitality requirements
Charity/public service donation and sponsorship	Political donation
Hiring a referred candidate	Interactions with third parties
Management of anti-commercial bribery compliance for self-funded medical institutions	Medical interaction and exchange activities
Conflict of interest	Training and engagement
Books and records	Supervision and review
Reporting of misconduct related to commercial bribery and compliance investigation	Handling non-compliance

## Integrity Training

At Alibaba, fostering integrity and compliance awareness among employees and directors is of paramount importance. To this end, we have organized a series of training activities on business ethics and anti-corruption. The Company has customized training programs to suit the distinctive needs of those at different posts, such as management, front-line staff, and new recruits. These programs cover a wide range of topics, such as the Code of Business Conduct, management of employee conflicts of interest, and education on our employee discipline system. Meanwhile, we have put in place a designated education mechanism for new hires. All new employees are required to pass an exam within 30 days upon induction, and to attend special offline training sessions organized by the Company on a regular basis, with a view to ensuring that they fully understand and comply with the Company's integrity management policies.

During the Reporting Period, the Company conducted over 10 integrity-related awareness and training sessions, both online and offline, reaching a total of more than 9,000 participants. These efforts significantly enhanced compliance awareness among our employees and directors. In addition, we implemented a Code of Business Conduct certification exam, achieving a 100% pass rate among full-time employees and over 90% among outsourced staff.

# 1 CORPORATE GOVERNANCE

**Chart: Number of Participants & Duration of Integrity Training at Alibaba Health**

Indicator	Unit	Number
Number of Employees Participating in Integrity Training	head	1,127 <sup>1</sup>
Average Integrity Training Hours per Employee	hour	2
Number of Directors Participating in Integrity Training	head	8
Average Integrity Training Hours per Director	hour	1

## Whistleblowing Management

During the Reporting Period, Alibaba Health continued to enhance the *Rules for Integrity Reporting*<sup>^</sup> (《廉正舉報制度》). It established an open and transparent whistleblowing management system to standardize internal reporting channels and procedures, thereby safeguarding the interests of both the Company and its employees. We encourage employees to report misconduct in a timely manner to ensure the efficient operation of our whistleblowing management process. Multiple reporting mechanisms are made available to whistleblowers, including QR codes displayed within the Company, as well as a reporting hotline and a dedicated whistleblowing email with public access. We also introduced an “Integrity Chatbot” feature on the DingTalk App, putting designated personnel in charge of managing whistleblowing emails, as well as analyzing and handling reported information.

### Alibaba Health’s Integrity Reporting Channels

Online reporting channel	alihealth.jubao.alibaba.com
Whistleblowing email	Health_Integrity@alibaba-inc.com
Reporting hotline	400-854-5198

Alibaba Health has appointed dedicated integrity investigators to promptly verify and assess reports upon receipt. Where allegations are substantiated, corresponding data analysis and investigation procedures will be initiated immediately, with a view to ensuring that whistleblowing information is managed in a timely and effective manner. Our *Code of Business Conduct*<sup>^</sup> (《商業行為準則》) and related policies contain explicit whistleblower protection provisions, mandating strict confidentiality of both the whistleblower’s identity and the report content. To safeguard whistleblowers’ legitimate rights and interests, any form of retaliation by any person is strictly prohibited. During the Reporting Period, two litigation cases related to fraud or misconduct occurred at Alibaba Health. One of these cases has been concluded, and those involved have been dealt with in accordance with applicable laws.

<sup>1</sup> Including active and former employees who participated in the training during FY2025

# 1 CORPORATE GOVERNANCE

## Integrity in Procurement

Alibaba Health upholds the principles of honesty in procurement, strictly adhering to the *Alibaba Group Procurement Guidelines – Supplier Management Rules and Regulations (V2.0)*<sup>^</sup> (《阿里巴巴集團採購指引之供應商管理細則規範V2.0》), the *Alibaba Health Anti-commercial Bribery Compliance Policy*<sup>^</sup> (《阿里巴巴健康反商業賄賂合規政策》), and other relevant policies. When a supplier breaches business ethics, such as through bribery, improper advantage, bid-rigging, fraud, or deception, we assess the severity of the misconduct in accordance with these rules, and take disciplinary action accordingly. In doing so, we aim to minimize the occurrence of supplier violations, and reduce the potential impact on the Company.

To sustain the development of our supply chain, all suppliers are required to sign an “Integrity and Honesty Agreement Letter” with us at the stage of database entry, which explicitly prohibits dishonest conduct such as deception or fraud. Concurrently, we also maintain open and confidential reporting channels for suppliers, making sure all whistleblowing information is handled with strict confidentiality. These efforts contribute to a comprehensive integrity management system, through which concrete steps are taken in safeguarding the legitimate rights and interests of both the Company and its suppliers, while also strengthening integrity management across the supply chain. During the Report Period, the Company did not experience any incident of corruption in procurement.

## 1.4 COMMUNICATION WITH STAKEHOLDERS

Alibaba Health places great importance on listening to its stakeholders, firmly believing that their needs and feedback are key drivers of the Company’s sustainable development. We have established regular communication mechanisms with stakeholders to gain a thorough understanding of and respond to their demands, while working hand in hand with them to advance our own ESG agenda.

Stakeholders	Needs & Expectations	Communication & Responses
Government	Compliance with laws & regulations Response to national policies Support for economic development Payment of taxes according to laws	Compliance management Implementation of national policies Contribution to economic development Active payment of taxes
Investors	Return on investment Business & profit growth Risk management Information disclosure	Results announcement meetings General meetings Enhancement of internal control compliance Timely disclosure of operating information

# 1 CORPORATE GOVERNANCE

Stakeholders	Needs & Expectations	Communication & Responses
Consumers	Quality products & services Healthcare knowledge education Safeguards of privacy and security	Premium pharmaceutical healthcare services Consumer satisfaction surveys Consumer information protection
Employees	Staff benefits assurance Occupational health protection Sound career path Work-life balance	Competitive remuneration package Provision of staff health training Enhancement of career development path Improvement of staff wellness
Partners	Industry advancement and win-win outcome Transparent procurement Honesty in business	Launch of cooperative projects Public tenders Contract fulfillment according to laws
Environment	Energy conservation and emission reduction Mitigation of negative environmental impacts	Strict management of emissions Improvement of efficiency in the use of resources and energy Participation in environmental public welfare activities
Society and the Public	Integration of business operation and public welfare Support for community development	Charitable activities Volunteer services

## 1.5 IDENTIFICATION OF MATERIAL ISSUES

Committed to “making healthcare services accessible and affordable,” Alibaba Health aligns the actual needs of its own businesses to those of its users. We continuously advance our four core pillars for sustainable management, actively fulfilling our corporate social responsibilities while ensuring a steady development for our business.

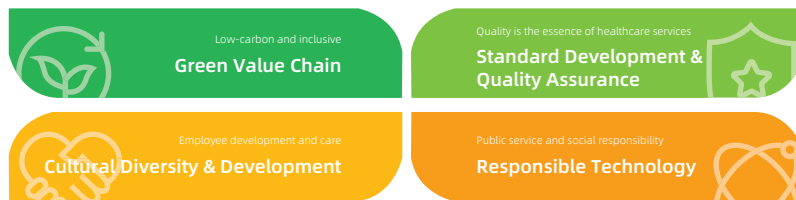


Chart: Four Core Pillars for Sustainable Management of Alibaba Health

In response to evolving ESG trends within the sector, the development of our business, and the concerns of our stakeholders, Alibaba Health has continued to refine its list of ESG issues. Additionally, we have undertaken to identify, categorize, and assess these ESG issues, ultimately contributing to the materiality matrix of ESG issues of Alibaba Health in FY2025.

# 1 CORPORATE GOVERNANCE



- Source of the List of the Issues**
  - Suggestions made by management of the Company
  - Analysis and suggestions made by internal and external experts
    - Analysis of media information
    - Benchmarking against peers in China and overseas
- Standards of Identification & Selection**
  - Contribution to sustainable development
  - Issues of general concern to the industry and stakeholders
  - The Company's needs of strategic development
- Materiality Analysis Process**
  - Materiality rating of the issues by stakeholders
  - Materiality assessment and decision-making on the issues by the Company's management
- Results of Identification**
  - Prioritization of the issues to create a materiality matrix of ESG issues for the year

Chart: Process of Analyzing Material ESG Issues

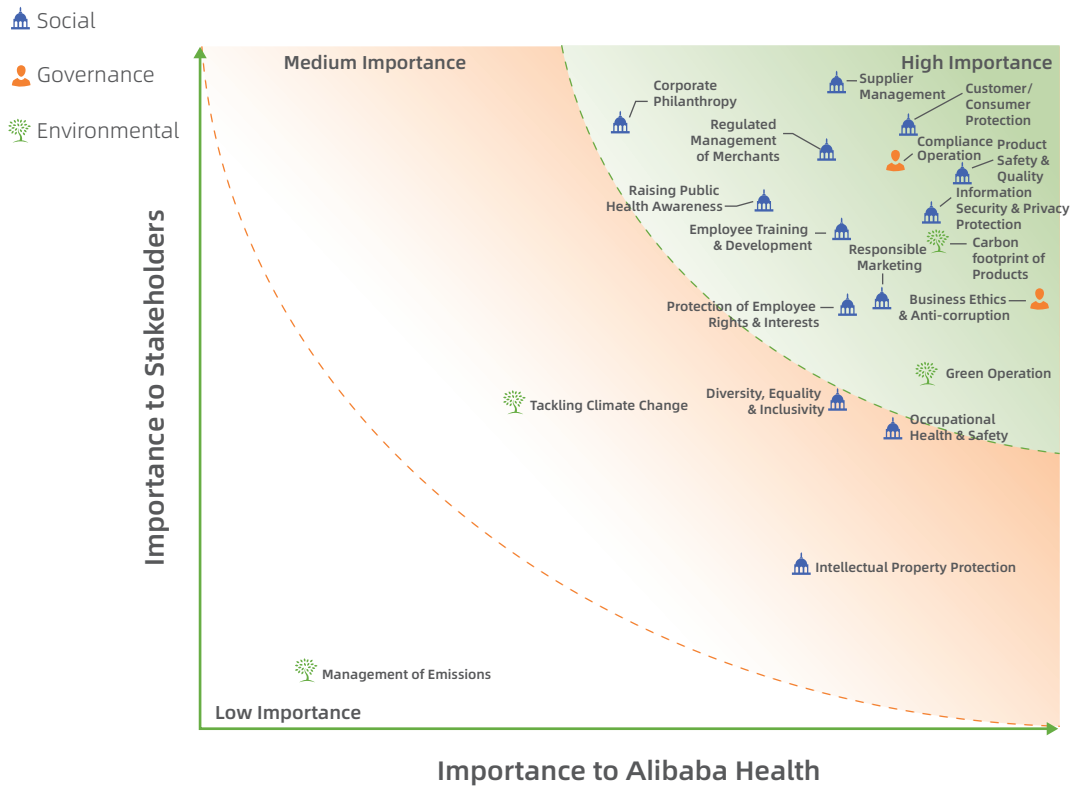


Chart: Materiality Matrix of ESG Issues of Alibaba Health in FY2025

## 2 STANDARD DEVELOPMENT & QUALITY ASSURANCE

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Guided by its “Quality First” philosophy, Alibaba Health takes a comprehensive approach to building a trustworthy healthcare service ecosystem and driving quality development across the industry. This includes strict control over product quality and safety, enhanced regulation of merchant practices, improvement of customer service experience, robust information security management, and a sound intellectual property protection mechanism.

### 2.1 PRODUCT QUALITY & SAFETY

Alibaba Health fully recognizes the importance of ensuring product quality and safety in safeguarding public health. We have taken concrete steps to strengthen drug quality audits, enhance end-to-end product quality management, and actively carry out diverse quality training sessions. These efforts are aimed at providing our consumers with access to safe, reliable, and effective pharmaceutical products.

Alibaba Health strictly abides by the *Food Safety Law of the People’s Republic of China* (《中華人民共和國食品安全法》), the *Drug Administration Law of the People’s Republic of China* (《中華人民共和國藥品管理法》), the *Vaccine Administration Law of the People’s Republic of China* (《中華人民共和國疫苗管理法》), the *Regulations on the Implementation of the Drug Administration Law of the People’s Republic of China* (《中華人民共和國藥品管理法實施條例》), the *Measures for the Supervision and Administration of the Quality of Drug Distribution and Use* (《藥品經營和使用質量監督管理辦法》), the *Interim Provisions on the Examination and Approval of Internet Drug Trading Services* (《互聯網藥品交易服務審批暫行規定》), as well as other laws and regulations. We also undertake operational management and quality control in accordance with the *Good Supply Practice for Pharmaceutical Products (GSP)* (《藥品經營質量管理規範》). To ensure that each process is governed by clearly defined, standardized procedures and guidelines, we continue to enhance our internal quality management system, covering all stages across our drug supply chain, including procurement, storage, transportation, and sales.

#### Drug Quality Audits

In FY2025, the Company thoroughly and systematically advanced its drug quality audit initiatives, focusing on the sustainability and effectiveness of its quality management system. These efforts serve as a solid foundation for guaranteeing drug quality and safety. During the Reporting Period, the Company successfully passed GSP spot inspections conducted by provincial, municipal, and district-level authorities where it operates.

## 2 STANDARD DEVELOPMENT & QUALITY ASSURANCE

**Table: Special Audits on Key Element Changes at Alibaba Health in FY2025**

Type of Audit	Content of Audit
Annual Comprehensive Internal Audit	<ul style="list-style-type: none"> <li>Conducted a thorough review of the Company's quality management system to ensure effective implementation of each policy and procedure.</li> </ul>
External Independent Audit	<ul style="list-style-type: none"> <li>Engaged third-party professional agencies to perform an independent GSP compliance audit of the Company's quality management system, aimed at accurately identifying potential issues and areas for improvement to enhance overall quality management.</li> </ul>
Special Internal Audit	<ul style="list-style-type: none"> <li>Carried out targeted audits, focusing on changes to key elements, which involved a self-assessment on the implementation of new regulations, to ensure the suitability, adequacy, and effectiveness of the quality management system.</li> </ul>

### End-to-End Management for Product Quality

We continue to refine our quality management framework, focusing on four key areas, namely quality control, product verification, product tracking, and product recall. We set out to build a scientific and efficient quality management process that enables comprehensive oversight of product quality.

**Table: Quality Management Processes at Alibaba Health in FY2025**

Quality Control
<ul style="list-style-type: none"> <li><b>Quality management system:</b> To meet the needs of the emerging business model while providing clear internal guidance for quality assurance, we systematically updated our quality policies, operating procedures, and responsibility documentation in alignment with the latest product quality regulations and business dynamics.</li> <li><b>End-to-End quality control:</b> To make sure we meet the highest standards at every stage and guarantee drug safety and quality, we followed GSP standards in a sustained effort to optimize quality control throughout the supply chain, spanning drug storage, sales, and transportation.</li> </ul>



## 2 STANDARD DEVELOPMENT & QUALITY ASSURANCE

### Product Verification

- **Refining verification standards:** To build a more rigorous and comprehensive product quality verification standard system, the platform made reference to product characteristics and specific requirements of various sub-sectors in continuously enhancing internal standard documents, such as the *Standards for Launching Vaccine Products on the Platform of Alibaba Health*<sup>^</sup> (《阿里健康疫苗平台商品發佈標準》), and the *Technical Specifications for Prohibited Additives in Edible Products*<sup>^</sup> (《可食用類產品違禁添加技術規範》).
- **Verification method:** To ensure transparency in the testing process and the credibility of the results, we adopted a dual verification model, combining in-house testing through our “transparent laboratory” with evaluations conducted by professional third-party testing agencies.
- **Sampling tests on pharmaceutical products:** In FY2025, the Zhejiang Provincial Authority conducted on-site sampling inspections across a total of 13 categories of pharmaceutical products under the Alibaba Health brand, recording a 100% pass rate.
- **Sampling tests on non-pharmaceutical products:** The Alibaba Health platform adheres to the issue-oriented principle, safeguarding the legitimate rights and interests of its users. In FY2025, platform-wide sampling tests were conducted to assess the quality of available goods, drawing on data such as consumer complaints, quality issues, and refund rates. The sampling covered a wide range of categories, including cosmetic, personal care products, SFDA-approved supplements, general food items, and primary agricultural products. The platform commissioned external testing on 35 items identified as having a high risk of counterfeiting or high return rates.
- **Technology promotion:** We actively collaborated with consumers, government authorities, and industry partners to engage in broad-based technical exchanges and cooperation. These efforts aimed at enhancing collective capabilities in quality supervision and working together to combat counterfeit and substandard products in the market, safeguarding market order.



## 2 STANDARD DEVELOPMENT & QUALITY ASSURANCE

### Product Tracking

- **Technological Innovation:** We extensively integrated AI-powered automated identification with blockchain technology into the product tracking system, achieving precise quality control and end-to-end transparency across the entire supply chain.
- **Product tracking platform:** We continued to optimize the third-party tracking platform “Ma Shang Fang Xin” by expanding its service capabilities to provide comprehensive functionalities including regulatory compliance, channel traceability, and distribution flow queries. The platform ensures full traceability from production and circulation to end-use, enabling source verification and destination tracking throughout the supply chain, while ensuring the safety and transparency of drug distribution and use. The platform now covers 98% of pharmaceutical manufacturers, achieving 100% coverage of vaccine and blood product manufacturers. It is also connected to over 10,000 wholesale enterprises, 6,000 retail chain headquarters, and 200,000 retail pharmacies.



Picture: Interface of the “Ma Shang Fang Xin” Platform



## 2 STANDARD DEVELOPMENT & QUALITY ASSURANCE

### Product Recall

- **Internal management structure:** We established a dedicated recall leadership team to oversee decision-making and the handling of exceptional cases during the recall process. Designated personnel are responsible for collecting, communicating, and following up on all recall-related information to ensure efficient execution. The Quality Management Department is in charge of issuing recall notices, formulating recall plans, supervising implementation, and reporting to drug regulatory authorities. The Operations Management Department is responsible for executing the recall plans.
- **Recall system development:** We established the *Management Rules for Drug Recalls*<sup>^</sup> (《藥品召回管理制度》), and the *Management Rules for Destruction of Unqualified Drugs*<sup>^</sup> (《不合格藥品銷毀管理制度》) for the direct pharmacy business of Alibaba Health in accordance with the national *Administrative Measures for Drug Recalls*<sup>^</sup> (《藥品召回管理辦法》). These policies explicitly require the Company to respond immediately upon receiving a recall notice from any regulatory authority or supplier, complete relevant analysis and assessment, draft a recall plan, and initiate recall procedures. During this process, recalled drugs are destroyed in a unified manner in strict compliance with regulatory requirements. All recall records are properly organized and archived to ensure full traceability.
- **Drug quality information management mechanism:** We established a comprehensive pharmaceutical quality assurance system and an adverse drug reaction monitoring mechanism in accordance with the *Management Rules for Drug Enquiries*<sup>^</sup> (《藥品查詢管理制度》), the *Management Rules for Drug Complaints*<sup>^</sup> (《藥品投訴管理制度》), the *Rules for Processing Drug Quality Information*<sup>^</sup> (《藥品質量信息處理制度》), and the *Rules for Drug Maintenance*<sup>^</sup> (《藥品養護制度》). We regularly collect and record information on drug quality issues and adverse reactions, report such information to drug regulatory authorities as required, thereby ensuring the safety of public medication.

## 2 STANDARD DEVELOPMENT & QUALITY ASSURANCE

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During the Reporting Period, Alibaba Health conducted a total of 94 product recalls, involving 70 SKUs<sup>2</sup> and a total of 53,666 units were recalled<sup>3</sup>. Its direct sales business reported no product recall over health and safety reasons.

### Quality Trainings

The Company places great emphasis on fostering a strong quality culture, it takes a comprehensive approach to enhancing employees' awareness of quality control through a wide range of quality training activities, with a view to providing patients with products and healthcare services of higher quality assurance. Alibaba Health strictly adheres to the national *Good Supply Practice for Pharmaceutical Products (GSP)* (《藥品經營質量管理規範》), under which it formulates an annual training plan, implements targeted training sessions and assessments. The training content covers newly introduced national regulations as well as the Company's operational procedures.

In FY2025, the Company organized a total of 20 quality training sessions, with a total of 3,214 participants actively taking part. These sessions injected strong momentum into the Company's quality development.

<sup>2</sup> SKU: Stock Keeping Unit, the smallest unit in product inventory.

<sup>3</sup> The Company's product recalls primarily fall into three categories: those initiated by notifications from the National Medical Products Administration (NMPA), recalls by brand owners or upstream suppliers, and those voluntarily initiated by the Company itself. The main reasons for recalls were notifications from the NMPA and actions taken by brand owners or upstream suppliers.

## 2 STANDARD DEVELOPMENT & QUALITY ASSURANCE

**Table: Internal Quality Training of Alibaba Health**

Drug training	Non-drug training
<ul style="list-style-type: none"> <li>Customer service teams of pharmaceutical products: Training was delivered in a combination of offline and online streaming formats, with content covering the handling of intrinsic quality-related complaints, interpretation of drug leaflets, and clarification of common complaint scenarios. These sessions effectively improved the professional competence and problem-solving abilities of customer service personnel;</li> <li>Drug quality control teams: Training was provided on the management of first-time product dossiers and procedures for handling quality-related information. This strengthened the standardization and accuracy of quality control personnel in overseeing pharmaceutical quality, while also ensuring the effective management and communication of related information;</li> <li>Warehouse operation teams: Training was delivered on key warehouse processes, including quality control standards and procedures for inputting and verifying expiration dates. These enhanced the professionalism of warehouse personnel in pharmaceutical storage and management, ensuring drug safety throughout the warehousing stage;</li> <li>Supply chain teams: Training was conducted on cold-chain pharmaceutical storage and transportation management, emphasizing compliance with the <i>Good Supply Practice for Pharmaceutical Products</i> (《藥品經營質量管理規範》). The sessions covered receipt, inspection, storage, maintenance, dispatch, and transportation procedures, ensuring strict adherence to technical guidelines and operational protocols. This aimed at contributing to a stable supply chain operation by ensuring drug quality and safety during storage and transit.</li> </ul>	<ul style="list-style-type: none"> <li>Operation teams of non-pharmaceutical products: Training was conducted on topics such as first-time onboarding regulations and legal requirements for non-pharmaceutical products and tonic food products, supplier management rules, impact of error and omission in shipment and management procedures, red-line compliance and common mistakes in merchant operations, and direct delivery warehouse management standards. These initiatives enhanced operational efficiency and quality control.</li> <li>Supply chain teams: Training was conducted on medical device professional know-hows and regulatory requirements. The sessions covered procedures for inbound and outbound logistics, storage maintenance standards, and risk control measures, all in alignment with relevant laws and quality management system standards. These improved warehouse and logistics staff's technical skills and risk awareness, ensuring the quality and safety of medical devices throughout the warehouse and logistics processes.</li> </ul>

## 2 STANDARD DEVELOPMENT & QUALITY ASSURANCE



### 2.2 REGULATED MANAGEMENT OF MERCHANTS

Alibaba Health attaches great importance to standardized merchant management. By refining its merchant management system, which covers qualification review, risk control, and product compliance, it aims to comprehensively enhance the effectiveness of merchant management.

## 2 STANDARD DEVELOPMENT & QUALITY ASSURANCE

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### Optimization of Merchant Management System

Alibaba Health strictly regulates merchants operating in the “Three Products & One Medical Device”<sup>4</sup> category and their products. Explicit requirements are stipulated across the entire chain, including merchant entry qualifications, security deposits, product listing compliance, product quality, and after-sales service. Leveraging Alibaba Group’s technological capabilities, risks are promptly identified and managed. Alibaba Health has introduced professionals with medical doctor and pharmacist backgrounds to build a pharmaceutical risk control platform, enabling systematic management for the qualifications of internet hospitals/doctors/pharmacists, prescription compliance, and prescription assessment. At the same time, Alibaba Health continuously upgrades its e-commerce platform’s merchant management system, refining management manuals to ensure regulated and efficient platform operations. In alignment with the characteristics of Taobao, Tmall Global, Tmall Supermarket, among other platforms, Alibaba Health has developed designated management policies and control measures targeting specific merchants, such as medical device providers, medical service providers, and consumer healthcare institutions. This deepens refined management and drives continuous improvement in platform operational standards.

### Product Compliance Management

To create an environment where consumers feel reassured, Alibaba Health has upgraded regulations such as the *Tmall Market Management Rules*<sup>^</sup> (《天貓市場管理規範》) and the *Tmall Pharmaceutical Management Rules*<sup>^</sup> (《天貓藥品管理規範》) to protect legitimate merchant operations and combat violations. In response to the complexity of product listings in specific scenarios, the platform has optimized information display and established clear and transparent violation alerts and rectification guidance mechanisms, significantly reducing merchant inquiries and easing the difficulty in compliance corrections. At the same time, by enhancing live-streaming risk identification capabilities and leveraging AI large-model audits, we can quickly detect and filter inappropriate content, thereby ensuring compliance operations by merchants.

<sup>4</sup> Three Products & One Device: Pharmaceutical products, health foods, foods for special medical purposes (FSMPs), and medical devices.

## 2 STANDARD DEVELOPMENT & QUALITY ASSURANCE

### Chart: Merchant Management on the Platform

<p>Management of merchants selling medical devices</p>	<ul style="list-style-type: none"> <li>We adhere to the <i>Measures for Supervision and Management of Online Sales of Medical Devices</i><sup>^</sup> (《醫療器械網絡銷售監督管理辦法》), implementing a strict review and regulation system for qualifications;</li> <li>During the entry stage of the merchants: Merchants are required to provide qualifications of medical device business, medical device online registration certificates, business licenses and other documents as required;</li> <li>During the operation stage of the merchants: Merchants are required to provide information about the registration certificate or label of the medical device before launching such products in accordance with Alibaba Health’s regulations for launching medical device products.</li> </ul>
<p>Management of medical service providers</p>	<ul style="list-style-type: none"> <li>We formulated the <i>Standards on Admission to Alibaba Health Medical Platform</i><sup>^</sup> (《阿里健康醫療平台入駐標準》), the <i>Rules of Alibaba Health on Management of Sourcing of Physical Check/Inspection Providers in Alipay</i><sup>^</sup> (《阿里健康支付寶體檢/檢查機構招商管理規範》) and other regulatory documents to clearly define the specific requirements for the admission of medical service providers;</li> <li>We conduct a preliminary verification of the qualifications of all medical institutions and physicians admitted to the platform. The final review will be conducted through the website of the National Health Commission of the People’s Republic of China (“National Health Commission”).</li> </ul>
<p>Management of consumer healthcare institutions</p>	<ul style="list-style-type: none"> <li>We developed rules, management standards and verification processes for sourcing consumer healthcare institutions;</li> <li>During the entry stage of merchants: We combine qualification verification with on-site visits to comprehensively assess the qualification documents of consumer healthcare institutions in terms of management and services, while non-periodic reviews are conducted on the actual state of their operations.</li> </ul>

## 2 STANDARD DEVELOPMENT & QUALITY ASSURANCE

Engagement with platform merchants	<ul style="list-style-type: none"> <li>We maintain daily communication with merchants via DingTalk groups, email, and phone to address quality-related issues;</li> <li>We maintain regular engagement with platform merchants through activities such as Q&amp;A sessions on operational issues, notifications on rules updates, and quality training during major promotional periods, with the aim of ensuring merchants understand and comply with our quality standards and management requirements.</li> </ul>
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### 2.3 CUSTOMER SERVICE

Alibaba Health stays customer-centric by building an intelligent customer service management system and a team of professional pharmacists, delivering an efficient and convenient online consultation experience. It maintains strict control over medication safety, adheres to responsible marketing practices, and is committed to safeguarding public health and well-being on all fronts.

#### Customer Service Management

Alibaba Health adheres to the principle of “No Complaint is Left Behind.” It has developed the *Operation Procedures for Customer Complaints Management*<sup>^</sup> (《客戶投訴管理操作規程》), the *Quality Complaint Management System*<sup>^</sup> (《質量投訴管理制度》), and the *Alibaba Health Implementation Plan for Performance Management of Customer Service Outsourcing Suppliers*<sup>^</sup> (《阿里健康客服外包供應商績效管理實施方案》) to further standardize complaint handling procedures. To ensure every customer complaint is effectively tracked and addressed, a full-chain accountability tracking system has been put in place, covering the occurrence, feedback and conclusion of problems. We have built a comprehensive customer service management system that covers the entire service lifecycle, including customer development, engagement, complaint, guaranteeing prompt and effective response to and resolution of customer needs.

#### Chart: Customer Service Management Initiatives at Alibaba Health

Multi-channel services	<ul style="list-style-type: none"> <li>Provides various communication channels including online and hotline engagements, offering real-time support to over 160,000 customers on average each day.</li> </ul>
Issue tracking & follow-up	<ul style="list-style-type: none"> <li>For unresolved issues, the resolution results are communicated to customers via online messages, outbound calls, or SMS, followed by proactive follow-up to ensure complete issue resolution.</li> </ul>
Data analysis & optimization	<ul style="list-style-type: none"> <li>Conducts in-depth analysis of customer feedback and VOC<sup>5</sup> scenarios to identify and prioritize areas with lower satisfaction. Implements targeted optimization for customer service teams through specialized training and strengthened quality control to ensure effective execution of improvement actions.</li> </ul>

<sup>5</sup> VOC: Voice of Customer

## 2 STANDARD DEVELOPMENT & QUALITY ASSURANCE

Proactive intervention	<ul style="list-style-type: none"> <li>Analyzes characteristics of complaints that may involve regulatory bodies and increases efforts on early intervention and issue mitigation with reference to commonly encountered scenarios where complaints are received, aiming to minimize complaint incidence through multi-dimensional risk assessments.</li> </ul>
Customer service training	<ul style="list-style-type: none"> <li>Delivers diversified training for store-based customer service staff, covering on-the-job practices, brand-related knowledge, quality inspection standards, and sales techniques to enhance overall professionalism and service skills;</li> <li>In FY2025, the Company conducted an aggregate of 853 customer service training sessions, with the number of participants totaling 13,438.</li> </ul>

In FY2025, a total of 234,000 complaints were received. While we achieved a 100% response rate, 71% of the complaints were resolved through one-time settlements. Compared with FY2024, the number of customer complaints decreased by 19%, with customer satisfaction reaching 79%.

### Pharmacist Team Development

Alibaba Health continues to enhance its pharmacist service system by providing round-the-clock (24/7) online consultation services. We offer users end-to-end consultation throughout the entire journey, from pre-sale to post-sale stages, covering consultation and medication. For members enrolled in chronic disease welfare programs involving prescription drugs, we provide personalized medication counselling tailored to their specific needs. In addition, Alibaba Health has developed user-friendly tools such as medication reminders and auto-generated medication plans to comprehensively address users' medication needs.

To further strengthen the platform's service system, Alibaba Health has consistently raised the bar in pharmacist team management. We uphold a rigorous pharmacist admission and credential review process to ensure high standards of professionalism and service quality. By continuously improving our consultation services, we aim to ensure that every user has access to timely and accurate guidance for their medication needs.

## 2 STANDARD DEVELOPMENT & QUALITY ASSURANCE

**Table: Pharmacist Team Development Initiatives at Alibaba Health**

Strict credential review of doctors	<ul style="list-style-type: none"> <li>All doctors working at Alibaba Health’s internet hospitals are licensed practitioners with over three years of independent clinical experience. Nearly 30% hold positions of associate chief physician or higher at Grade 3A hospitals, while 60% are attending physicians or higher from similar institutions.</li> <li>All doctors must undergo real-name authentication to ensure their credentials are valid, with a view to providing safe, trustworthy medical services.</li> </ul>
Disqualification of underperforming online institutions, doctors, and pharmacists	<ul style="list-style-type: none"> <li>A strict assessment mechanism is in place to ensure professional competence and service quality across the team.</li> </ul>
Systematic training	<ul style="list-style-type: none"> <li>Multi-dimensional, specialized training is provided to doctors and pharmacists, covering topics such as consultation protocols, medication safety, and patient communication, to enhance their expertise and service capabilities.</li> </ul>
Optimization of consultation process	<ul style="list-style-type: none"> <li>It is mandatory for doctors to gain a thorough understanding of patients’ medical history and medication needs before issuing prescriptions, reducing the risk of inappropriate medication use.</li> </ul>
Upgraded safe medication engine	<ul style="list-style-type: none"> <li>The system’s risk-identification capabilities are strengthened with a tiered management mechanism in place. This enables personalized medication guidance and ensures the safety and appropriateness of issued prescriptions.</li> </ul>

As of the end of the Reporting Period, 1,527 licensed physicians had contracted with Alibaba Health to provide online health consultation services, with the platform recording an average of 45,406 effective consultations per day.

### Consultation Services Experience

Leveraging its professional expertise while taking into consideration its business expansion needs, Alibaba Health has built an integrated online-offline medical consultation platform that offers services such as appointment booking, waiting room management, remote follow-up consultations, and home medication delivery. By harnessing big data and artificial intelligence technologies, we are able to gain deep insights into user needs and provide patients with convenient, comprehensive chronic disease management services. These efforts continue to enhance our healthcare efficiency, delivering full-fledged, one-stop consultation experiences to our users.

## 2 STANDARD DEVELOPMENT & QUALITY ASSURANCE

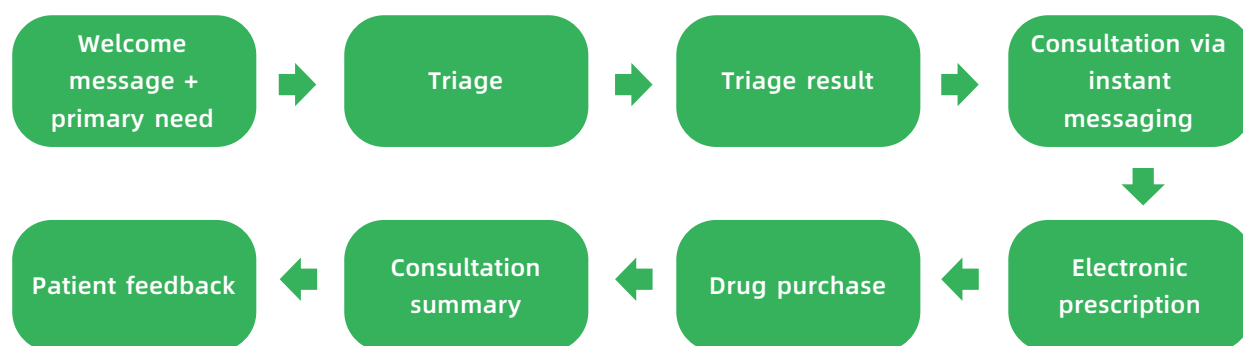


Diagram: End-to-End Consultation-to-Medication Service Chain

We have built a brand-new service channel for chronic disease patients, physicians, and pharmaceutical companies, offering a full suite of services including online consultations, follow-up prescriptions, access to quality medications, targeted health education, personalized follow-ups, patient support communities, and comprehensive after-sales support. Meanwhile, our optional disease selection feature allows users to describe and choose the condition for which they intend to purchase medication before the doctor consultation, helping to reduce the diagnostic workload for physicians.

Alibaba Health is proactively developing a new retail model for pharmaceuticals by closely collaborating with offline pharmacies to offer 24/7 urgent medication and delivery services that meet diverse consumer needs. We have optimized our consultation service offerings, now providing a wide range of services, such as rapid consultations, expert consultations, and “Doctor Xiaomi”<sup>^</sup> (小蜜醫生). Additionally, aiming at an outstanding service experience for our customers, we offer 24-hour post-consultation call backs to proactively monitor changes in patient conditions, provide health tracking, and send reminders for follow-up consultations.

**Table: Online Consultation Service Matrix at Alibaba Health**

Rapid Consultation	Available 24/7; initial response within 60 seconds; written inquiries answered within 2 hours; phone consultations responded to within 15 minutes.
Expert Consultation	Both written and phone consultations are available; unlimited interactions within 48 hours; average response time is 30 minutes.
“Doctor Xiaomi”	Available 24/7; platform-mandatory supervision; services are customizable.

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### Medication Safety

Alibaba Health places user medication safety as a top priority, adopting a layered risk management strategy centered around the three key functions of reasonable diagnosis, consultation, and medication. We actively encourage more users to engage in reasonable drug use. In addition, we have successfully developed an accurate administration feature, which generates personalized medication suggestions based on individual patient information to support doctors in making informed prescribing decisions.

### Responsible Marketing

Alibaba Health strictly upholds legal and regulatory standards, adhering to the *Advertising Law of the People's Republic of China* (《中華人民共和國廣告法》), the *Provisions for Drug Insert Sheets and Labels* (《藥品說明書和標籤管理規定》) and the *Administrative Provisions on Food Labelling* (《食品標識管理規定》), among other relevant laws and regulations. It implements precise management for marketing activities to ensure the legality and authenticity of promotional content. The Company continuously enhances its marketing material review and supervision mechanisms, maintaining full-chain risk control over product marketing strategies.

- Prior to product launch: We would undertake a compliance review for promotional materials concerning healthcare products, medical devices and non-prescription drugs against our *Advertising Checklist*<sup>^</sup> (《廣告審查表》), explicitly prohibiting merchants from advertising on the platform for prescription drugs or FSMPs;
- Subsequent to product launch: We would utilize leading system tools for real-time monitoring over promotional texts of products to ensure the accuracy and correctness of information related to medicines, treatments, and services.

At the same time, we conduct comprehensive and strict compliance reviews of labeling for all types of products sold by our direct pharmacy business, including pharmaceuticals, medical devices, foods, health supplements, and cosmetics. The review focuses on ensuring that product labels clearly and accurately disclose the raw materials and nutritional ingredients used, providing consumers with detailed and transparent product information to effectively safeguard their right to know and choose. Additionally, the Company regularly organizes specialized training for relevant employees on applicable laws such as the *Advertising Law* (《廣告法》) and the *Drug Administration Law* (《藥品管理法》). We have also established a rigorous testing mechanism, which has effectively fostered a stronger sense of marketing compliance among our workforce.

## 2.4 MANAGEMENT OF INFORMATION SECURITY

Information security management is the cornerstone of maintaining stable business operations and user trust. Alibaba Health places great emphasis on information security management, it takes a comprehensive approach to safeguarding users' data security by building a comprehensive security management system, continuously optimizing security technologies and processes, conducting company-wide information security training, and implementing strict privacy protection measures.

## 2 STANDARD DEVELOPMENT & QUALITY ASSURANCE

### Information Security Governance

Alibaba Health has established a robust information security governance structure where responsibilities are clearly defined at all levels, with a view to ensuring the efficient advancement of its information security efforts.

**Table: Data Security Governance Structure at Alibaba Health**

Management Level	Responsibilities
Board	Overall coordination of information security efforts; acts as the highest authority to oversee and review information security matters.
Data Decision-Making Committee	Reviews major data security issues; manages and supervises the corporate information and data security.
Data Security Decision-Making Taskforce	Develops data security strategies and principles; ensures alignment of data security policies with corporate strategies.
Data Security Management Taskforce	Formulates data security policies; oversees the implementation of data security and privacy measures to ensure effective execution.
Data Security Enforcement Taskforce	Executes data security tasks; conducts reviews and daily communications to safeguard corporate data, business data, individual privacy data, as well as upstream and downstream data security.

We strictly comply with applicable laws and regulations, including the *Cybersecurity Law of the People's Republic of China* (《中華人民共和國網絡安全法》), the *Regulations on Technical Measures for Internet Security Protection* (《互聯網安全保護技術措施規定》), and the *General Data Protection Regulation (GDPR)* (《通用數據保護條例》). In accordance with the group-wide *Data Security Specifications (General) of Alibaba Group*<sup>^</sup> (《阿里巴巴集團數據安全規範(總綱)》), the *Information Disclosure Rules of Alibaba Group*<sup>^</sup> (《阿里巴巴集團-對外數據披露細則》) and the *Financial Information Security Management Rules of Alibaba*<sup>^</sup> (《阿里巴巴財務數據安全管理制度》), we have formulated various information security management rules, such as the *Data Security Specifications (General) of Alibaba Health*<sup>^</sup> (《阿里健康數據安全規範(總綱)》), the *Management Specifications for Classification and Grading of Data Assets of Alibaba Health*<sup>^</sup> (《阿里健康數據資產分類分級管理規範》), and the *Operation Standards for Classification and Grading of Personal Information of Alibaba Health*<sup>^</sup> (《阿里健康個人信息分類分級操作規範》). These rules comprehensively cover Alibaba Health and companies under its management to ensure compliance in data processing.

## 2 STANDARD DEVELOPMENT & QUALITY ASSURANCE

Alibaba Health upholds a zero-tolerance policy toward employee violations of data security regulations. It has established the *Employee Discipline System (Alibaba Health Edition)*<sup>6</sup> (《員工紀律制度(阿里健康版)》), which explicitly links data security breaches to year-end performance bonuses for employees. Based on data classification levels, we implement graduated disciplinary measures ranging from written warnings and demerits to termination. In cases of grave violations, the Board or any of its authorized committees is entitled to cancel or recover related equity incentives/long-term incentives and their gains, thereby reinforcing data security awareness and safeguarding the Company's data assets.

Alibaba Health continuously advances its information security management system certification efforts to build a solid foundation for information security service management. Alibaba Health, Alibaba Cloud, the "Ma Shang Fang Xin" Platform, and the Alibaba Health Consultation System have all obtained multiple authoritative accreditations both domestically and internationally.

**Table: Information Security Certification of Alibaba Health**

Certified institution	Certification system
Alibaba Health	ISO 27001 information security management system certification <sup>6</sup>
Alibaba Cloud	Registration certification of level-3 information security protection of information system, Ministry of Public Security
"Ma Shang Fang Xin" Platform	Registration certification of level-3 information security protection of information system, Ministry of Public Security
Alibaba Health Consultation System	Registration certification of level-3 information security protection of information system, Ministry of Public Security

### Cyber Security Management

Alibaba Health leverages its self-developed pharmaceutical Supply Chain Management (SCM) system, Warehouse Management System (WMS), and store management system ("Yu Nuo"<sup>6</sup> (兩諾)) to achieve efficient business operations and centralized control of its chain system, thereby ensuring data security and smooth business operations. The Company has built a comprehensive data security strategy and driven key breakthroughs in safety protection technologies to effectively reduce the risk of data breaches. At the same time, we have established a model for effective information system management and a mechanism for maintaining business continuity. In addition to adopting a range of encryption measures such as data masking and de-identification, we have also developed a full-process management system that covers everything from data collection to destruction.

<sup>6</sup> The ISO 27001 information security management system certification applies to software research and development, operation and maintenance services on the "Ma Shang Fang Xin" drug tracking platform, covering over 80% of the Company's lines of business.

## 2 STANDARD DEVELOPMENT & QUALITY ASSURANCE

The Company integrates feedback from external parties, internal monitoring, and data subject complaints to establish a comprehensive data security incident reporting mechanism. In terms of vulnerability management, employees may report identified vulnerabilities through the Security Service Center or the Alibaba Security Response Center (ASRC). When vulnerabilities go beyond an employee's job scope, ASRC is in charge of the evaluation and may offer corresponding rewards, ensuring security issues are addressed promptly and effectively. At the same time, we have developed detailed contingency plans that categorize incidents into three levels based on factors such as the nature, severity, and social impact of the data security event. To ensure swift and effective management of data breaches, these plans cover the full response cycle, including assessment, handling, review, and improvement. Additionally, we regularly execute data recovery plans and drills to enhance our defense capabilities against information security attacks. We also undertake an annual data security audit, in which we engage third parties for information security assessment, for greater information protection capacity across the board.

**Table: Security Assessment Tests of Alibaba Health**

Internal tests:	External tests:
<ul style="list-style-type: none"><li>Establishment of procedures and system: Before any applet goes live, we implement a strict privacy compliance review process to ensure all launched products meet privacy protection requirements.</li><li>Tools related to research and development: We have independently developed privacy compliance inspection tools and penetration testing tools for mobile Apps, which are used to regularly assess the security and privacy compliance of our Apps.</li></ul>	<ul style="list-style-type: none"><li>Shared expert network: We share access to Alibaba Group's global pool of over 10,000 security experts via <a href="https://security.alibaba.com/">https://security.alibaba.com/</a>, enabling real-time testing and feedback from over 10,000 security professionals worldwide.</li><li>Third-party assessments and audits: Our mobile applications undergo annual third-party compliance evaluations and audits to ensure the highest industry standards in privacy protection and data security are met.</li></ul>

## 2 STANDARD DEVELOPMENT & QUALITY ASSURANCE

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### Information Security Training

Alibaba Health continuously refines its tiered and targeted training system for all employees to comprehensively enhance their awareness and capabilities in information security. Tailored to different levels and roles, the Company conducts a series of information security awareness and skills development initiatives for the workforce. These trainings cover key areas such as data security laws and regulations, policy requirements, operational standards, management methods, compliance assessments, emergency response drills, as well as other essential knowledge and skills. This systematic approach has effectively improved employees' ability to identify information security risks and provided a strong talent foundation for building a robust defense line for data protection. In FY2025, Alibaba Health achieved 100% training coverage in information security for all employees, including both full-time and outsourced staff.

#### Training on Data Security at Alibaba Health for FY2025

- New employees: Conducted data security awareness training as part of our commitment to making Alibaba Health a century-lasting enterprise;
- Specialized training: Delivered annual data security training specifically tailored for major promotional events and outsourced personnel;
- Personnel involved in data security incidents: Organized data security incidents recap and relevant training;
- Technical staff: Conducted red-line certification training for technical personnel in critical security roles;
- All staff (including interns and outsourced employees): Organized campaigns on data security and information confidentiality, with security training and examinations organized for all staff.

## 2 STANDARD DEVELOPMENT & QUALITY ASSURANCE

### Privacy Protection

Alibaba Health remains firmly committed to safeguarding security boundaries and providing users with a safe and transparent privacy protection environment, ensuring the secure and compliant use of personal data. We strictly abide by national laws and regulations, such as the *Personal Information Protection Law of the People's Republic of China* (《中華人民共和國個人信息保護法》), the *Data Security Law of the People's Republic of China* (《中華人民共和國數據安全法》), and the *Provisions on the Protection of Personal Information of Telecommunication and Internet Users* (《電信和互聯網用戶個人信息保護規定》), while following relevant internal rules such as the *Data Security Specifications (General) of Alibaba Group*<sup>^</sup> (《阿里巴巴集團數據安全規範(總綱)》), the *Information Disclosure Rules of Alibaba Group*<sup>^</sup> (《阿里巴巴集團-對外數據披露細則》), the *Financial Information Security Management Rules of Alibaba*<sup>^</sup> (《阿里巴巴財務數據安全管理制度》) and the *Management Requirements of Alibaba Health for Processing and Protecting Personal Information*<sup>^</sup> (《阿里健康個人信息處理及保護管理要求》). To ensure compliance in data processing and personal information protection, we have developed a series of privacy protection regulations, including the *Alibaba Health Privacy Policy*<sup>^</sup> (《阿里健康隱私政策》), the *Alibaba Health's Management Requirements for and Operational Practices on Personal Information Security Incidents and Emergency Response (Trial)*<sup>^</sup> (《阿里健康個人信息安全事件與應急響應的管理要求與操作規範(試行)》), the *Alibaba Health's Management Requirements and Operational Practices for Personal Information Protection Compliance Audits (Trial)*<sup>^</sup> (《阿里健康個人信息保護合規審計的管理要求與操作規範(試行)》), the *Operational Practices of Alibaba Health on Recording and Archiving Personal Information Processing Activities (Trial)*<sup>^</sup> (《阿里健康個人信息處理活動記錄與存檔的操作規範(試行)》), the *Operational Practices of Alibaba Health on Security Assessment for Cross-Border Transfer of Personal Information (Trial)*<sup>^</sup> (《阿里健康個人信息出境安全評估的操作規範(試行)》), the *Operational Practices of Alibaba Health on Personal Information Protection Impact Assessment (Trial)*<sup>^</sup> (《阿里健康個人信息保護影響評估的操作規範(試行)》), and the *Operational Practices of Alibaba Health on Storage and Removal of Personal Information (Trial)*<sup>^</sup> (《阿里健康個人信息存儲與刪除操作規範(試行)》).

Alibaba Health is committed to protecting user privacy and has integrated data security-related privacy policies and features across its official website and various products.

## 2 STANDARD DEVELOPMENT & QUALITY ASSURANCE

**Chart: Privacy Policies for Alibaba Health's Platforms**

Platform	Policy
"Alibaba Health Pharmacy" applet	the <i>Privacy Policy</i> <sup>^</sup> (《隱私權政策》) the <i>User Service Agreement</i> <sup>^</sup> (《用戶服務協議》)
Alipay's healthcare channel	the <i>Legal Statement and Privacy Policy</i> <sup>^</sup> (《法律聲明及隱私權政策》)
"Yi Die Gu" <sup>^</sup> (醫蝶谷) App	the <i>Privacy Protection Policy</i> <sup>^</sup> (《隱私保護政策》)
"Hydron" <sup>^</sup> (氫離子) App	the <i>Privacy Protection Policy</i> <sup>^</sup> (《隱私保護政策》)
"Ma Shang Fang Xin" <sup>^</sup> App	the <i>Privacy Protection Policy</i> <sup>^</sup> (《隱私保護政策》)

Alibaba Health adheres to the principle of data minimization, implementing meticulous classification, hierarchical management, and precise access control for customer data. The Company applies robust encryption to all collected user data and continues to enhance its privacy risk identification and mitigation mechanisms, significantly improving the efficiency of privacy risk management. As of the end of the Reporting Period, Alibaba Health did not record any incidents of customer privacy leakage.

## 2 STANDARD DEVELOPMENT & QUALITY ASSURANCE

### Management measures for customer privacy protection at Alibaba Health

- Data protection plan: A comprehensive data protection plan is in place for all suppliers and partners involved in information security. Regular compliance assessments and hierarchical risk classification are conducted to ensure that partners' data processing activities align with privacy protection requirements;
- Privacy policy notification: When users first access relevant products, pop-up notifications prompt them to read the *Privacy Policy*<sup>^</sup> (《隱私權政策》) and the *User Service Agreement*<sup>^</sup> (《用戶服務協議》), making sure they are fully informed of their privacy rights and the Company's data handling policies;
- Personal information collection standards: In accordance with the *Operational Practices of Alibaba Health on Personal Information Collection*<sup>^</sup> (《阿里健康個人信息收集操作規範》), we specify the scope of customer information to be collected and used, undertake to properly secure relevant privacy data, not to divulge or use personal information without authorization, and not to collect personal data from third parties. All collection activities adhere strictly to the data minimization principle, with tight controls over both data collection and retention;
- Access management: Access to customer information is subject to strict management, with access to necessary information only granted to those authorized to manage relevant data, whose access operations are kept on database records. To prevent leakage of customer information, it is expressly stipulated that all accounts with data security implications shall not be privately assigned to others;
- Data disclosure standards: We undertake not to lease, sell or provide any personal information to third parties, and to specify details about data collection and scenarios in which such data will be used in the compliance agreement; we only disclose necessary customer information to a third party that the customer has been informed of and authorized, on condition that a written disclosure review has been confirmed, all the while following the principle of "only disclosing the minimum needed";
- Personal information storage and removal standards: In accordance with the *Operational Practices of Alibaba Health on Storage and Removal of Personal Information*<sup>^</sup> (《阿里健康個人信息存儲與刪除操作規範》), we provide customers the right to search, supplement, update and remove their personal information, ensuring they maintain full control over their data;
- Emergency response management standards: In the event of personal privacy breaches or data leaks, we comply with the *Alibaba Health's Management Requirements for and Operational Practices on Personal Information Security Incidents and Emergency Response*<sup>^</sup> (《阿里健康個人信息安全事件與應急響應的管理要求與操作規範》), the *Practices on Emergency Response to Data Security Incident*<sup>^</sup> (《數據安全事件應急響應規範》), and the *Practices on External Reporting of Personal Information Leakage*<sup>^</sup> (《個人信息泄露事件對外報告規範》) in promptly implementing countermeasures to minimize the impact of such incidents;
- Privacy compliance training: In a bid to raise staff awareness of and capacity for privacy protection, we conduct regular privacy compliance training for employees. The training covers key areas such as personnel management, process management, and information technology.

## 2 STANDARD DEVELOPMENT & QUALITY ASSURANCE

### 2.5 MANAGEMENT OF INTELLECTUAL PROPERTY

Having established a comprehensive intellectual property management system, Alibaba Health implements stringent protection measures, and actively carries out training and education programs. These efforts are aimed at effectively safeguarding the IP rights of both the Company and its partners, while also contributing positively to the healthy and compliant development of the industry.

Alibaba Health adheres strictly to applicable laws and regulations, such as the *Patent Law of the People's Republic of China* (《中華人民共和國專利法》), the *Trademark Law of the People's Republic of China* (《中華人民共和國商標法》), and the *Copyright Law of the People's Republic of China* (《中華人民共和國著作權法》). In FY2025, the Company released an updated version of the *Brand Management Rules of Alibaba Health*<sup>^</sup> (《阿里健康品牌管理規範》) to align with its evolving business needs. This update clarifies the Company's brand management responsibilities, refines the brand tree, further streamlines brand-related processes, and strengthens the oversight of its official accounts. Meanwhile, we carry out intellectual property management efforts across the board in accordance with various internal policies, including the *Guidelines on Intellectual Properties for Foreign Cooperation Projects (2021 Revision)*<sup>^</sup> (《對外合作項目知識產權指引(2021年修訂版)》), the *Brand Management Rules of Alibaba Health (v1.0)*<sup>^</sup> (《阿里健康品牌管理規範v1.0》), the *Brand Asset Management Rules of Tmall*<sup>^</sup> (《天貓品牌資產管理規範》), the *Rewarding System for Innovative Proposals and Patents of Alibaba Health*<sup>^</sup> (《阿里健康創新提案及專利獎酬制度》), and the *Rules of IP Legal Affairs Management*<sup>^</sup> (《IP法務管理規則》).

In FY2025, Alibaba Health further strengthened its internal intellectual property protection measures, focusing on creating a civilized and compliant business environment for both merchants and consumers.

**Table: Intellectual Property Protection Measures Taken by Alibaba Health in FY2025**

Action against infringement	<ul style="list-style-type: none"><li>During the Reporting Period, Alibaba Health identified 323 suspected infringement cases, covering 13 categories such as product-related violations, account impersonation, offline merchant infringement, keyword hijacking, and misuse of corporate information.</li></ul>
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## 2 STANDARD DEVELOPMENT & QUALITY ASSURANCE

<p>Training on intellectual property</p>	<ul style="list-style-type: none"> <li>• Ongoing training: Alibaba Health provided continuous training support to employees, covering a multitude of areas such as technical skill advancement, sharing of internal innovations, regular technical reviews, and brand management. These efforts were also aligned with our strategic goals, offering targeted guidance to each department to clarify the directions and priorities for IP generation and ensured the efficient transformation of innovations into competitive advantages;</li> <li>• Case-specific training: Employees facing specific IP issues, such as patent application processes, trademark registration strategies, or trade secret protection during project implementation or business development, were offered one-on-one expert consulting services. These were delivered in collaboration with external experts to promptly address needs, provide specific guidance, help employees mitigate potential risks, and optimize IP planning.</li> </ul>
<p>Trademark Registration</p>	<ul style="list-style-type: none"> <li>• Accelerated trademark registration efforts: As of the end of the Reporting Period, Alibaba Health owned 708 registered trademarks across 8 countries and regions.</li> </ul>
<p>Cross-platform monitoring &amp; complaint mechanism</p>	<ul style="list-style-type: none"> <li>• We continued combating counterfeit accounts on platforms such as Douyin, WeChat, and Little Red Book through proactive monitoring; a fast-track complaint mechanism was established to effectively safeguard brand rights.</li> </ul>
<p>Platform governance cooperation</p>	<ul style="list-style-type: none"> <li>• Partnered with Taobao and Tmall to jointly combat the misuse of the “Alibaba Health” brand on e-commerce platforms; a regular productized governance program was established.</li> </ul>
<p>Supporting merchants</p>	<ul style="list-style-type: none"> <li>• Established a rapid response mechanism through which merchants received active assistance in resolving real-world IP issues through coordinated communication among platforms, merchants, and Alibaba Health. These efforts effectively helped alleviate financial pressures faced by merchants in their operations.</li> </ul>

## 2 STANDARD DEVELOPMENT & QUALITY ASSURANCE

We have established a specialized evaluation committee to efficiently evaluate innovation proposals, continuously promoting the systematization and standardization of our patent application processes. The Company has implemented a tiered patent management strategy, categorizing patents into strategic, routine, and capacity levels. Priority resources are allocated to key patents with strict quality control, while collaboration is undertaken to enhance the overall efficiency and quality of patent examinations. Additionally, the Company actively encourages all employees to engage in inventive activities, providing rewards and remuneration according to regulations, with a focus on identifying innovative achievements with patent protection value, thereby building a solid competitive advantage for its products and services. During the Reporting Period, the Company saw a 56% year-on-year increase in patents granted, which amounted to an aggregate of 103 patents, 35% of which under medical e-commerce, 23% under Internet healthcare, 22% under medical AI technology and 14% under tracking code technology.

**Table: Intellectual Property Innovations Delivered by Alibaba Health in FY2025**

Indicator	Unit	Number for FY2025
Patents applied in the year	set	40
Patents granted in the year	set	39
Aggregate number of patents applied	set	288
Aggregate number of patents granted	set	103

## 3 CULTURAL DIVERSITY & DEVELOPMENT

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At Alibaba Health, talents are regarded as the core driving force for sustainable development. The Company adheres to the principle of equal employment, aiming to foster a diverse and inclusive team environment. We have established a comprehensive career development system, providing systematic training to empower employee growth. We prioritize occupational safety and health, as well as mental well-being, offering a supportive work environment that promotes work-life balance. At the same time, we encourage collaboration and innovation among employees from diverse backgrounds, creating a safe, equitable, caring culture where every individual can realize their value.

### 3.1 COMPLIANCE EMPLOYMENT

Alibaba Health complies with applicable national laws and regulations, such as the *Labor Law of the People's Republic of China* (《中華人民共和國勞動法》), the *Labor Contract Law of the People's Republic of China* (《中華人民共和國勞動合同法》) and the *Social Insurance Law of the People's Republic of China* (《中華人民共和國社會保險法》). We fully implement internal policies including the *Governance Standards for In-the-Loop Organizations of Alibaba Group*<sup>^</sup> (《阿里巴巴集團環路組織治理規範》) and the *Reemployment Management Policy of Alibaba Group*<sup>^</sup> (《阿里巴巴集團二次僱傭管理政策》) to effectively regulate employment management. We have established an internal transfer platform to provide employees with open and transparent transfer opportunities, promoting active internal talent mobility. In FY2025, we further improved the *Internal Referral Policy of Alibaba Group*<sup>^</sup> (《阿里巴巴集團內部推薦政策》) by enhancing referral bonuses across different job levels, thereby attracting more outstanding talent.

The Company has always adhered to the principles of fairness and impartiality in employment. It strictly prohibits any form of discrimination based on gender, age, race, religion, or other factors during recruitment, evaluation, and other processes, ensuring that all employees enjoy open, fair, and just work opportunities. We strictly comply with labor employment regulations and conduct thorough background checks and reviews for all hires. We explicitly forbid the employment of child labor and forced labor. The recruitment team continuously conducts position inspections and audits. Any violation will result in immediate termination of employment, and we actively assist underage employees in returning to school for further education.

The Company upholds the principle of equal compensation and strictly implements a standardized compensation management system, thereby building a market-competitive incentive mechanism. Through annual salary adjustments, performance bonuses, and equity incentive schemes covering directors, executives, and all employees, we combine short-term incentives with long-term development to fully motivate our workforce and foster shared growth with the Company.

Alibaba Health fully respects employees' legal rights and safeguards employees' freedom to voluntarily join labor unions in accordance with local legislation. We are committed to maintaining an open attitude, keeping good communication with unions and employee representatives, and working together through equal dialogue and collective negotiation mechanisms to build harmonious labor relations.

### 3 CULTURAL DIVERSITY & DEVELOPMENT

**Table: Employee Composition of Alibaba Health in FY2025**

Indicator		Unit	FY2023	FY2024	FY2025
Total number of employees		person	1,560	1,435	1,364
Number of employees by gender	Male	person	866	781	720
	Female	person	694	654	644
Number of employees by employment type	Full-time	person	1,551	1,430	1,347
	Part-time	person	9	5	17
Number of employees by management level	Senior management	person	42	31	22
	Middle management	person	481	415	363
	Junior Management	person	/	/	357
	Entry-level employees	person	1,037	989	622
Number of employees by age	29 years of age or under	person	527	445	385
	30 to 50 years of age	person	1,027	987	970
	51 years of age or above	person	6	3	9
Number of employees by geographic location	Mainland China	person	1,559	1,430	1,359
	Hong Kong SAR, Macau SAR and Taiwan of PRC	person	1	3	4
	Overseas	person	0	2	1

### 3 CULTURAL DIVERSITY & DEVELOPMENT

**Table: New Hires & Vacancies Filled by Internal Staff at Alibaba Health in FY2025**

Indicator		Unit	FY2025
Number of new hires		person	523
Total number of new hires from social recruitment		person	496
Total number of new hires from campus recruitment		person	27
Number of hiring positions filled by internal staff		person	0
Number of new hires/vacancies filled by internal staff by age	New hires aged under 29	person	301
	New hires aged 30 to 50	person	222
	New hires aged above 51	person	0
Number of new hires/vacancies filled by internal staff by management level	Newly hired senior management	person	2
	Newly hired middle management	person	23
	Newly hired entry-level employees	person	498
Number of new hires/vacancies filled by internal staff by gender	Male new hires	person	264
	Female new hires	person	259
Number of new hires/vacancies filled by internal staff by geographic location	New hires in Mainland China	person	523
	New hires in Hong Kong SAR, Macau SAR and Taiwan of PRC	person	0
	New hires overseas	person	0

### 3 CULTURAL DIVERSITY & DEVELOPMENT

**Table: Employee Turnover Rate of Alibaba Health in FY2025**

	Indicator		Unit	FY2023	FY2024	FY2025
Employee turnover rate	Total employee turnover rate <sup>7</sup>		%	32.56	24.18	38.05
	Employee turnover rate by gender	Male	%	33.72	24.07	50.97
		Female	%	31.12	24.31	45.34
	Employee turnover rate by age	29 years of age or under	%	48.20	20.22	70.65
		30 to 50 years of age	%	24.63	25.84	39.69
		51 years of age or above	%	16.67	66.67	22.22
	Employee turnover rate by geographic location	Mainland China	%	32.52	24.13	48.31
		Hong Kong SAR, Macau SAR and Taiwan of PRC	%	100	66.67	0
		Overseas	%	0	0	0

<sup>7</sup> The data disclosed for FY2023 and FY2025 is the voluntary employee turnover rate, and the data disclosed for FY2024 is the total employee turnover rate (including both voluntary and passive employee turnover).

## 3 CULTURAL DIVERSITY & DEVELOPMENT

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### 3.2 TALENT DEVELOPMENT & TRAINING

In consistently upholding the philosophy of “shared growth between an enterprise and its people,” Alibaba Health further upgraded its development system and growth mechanisms covering the entire employee career cycle in FY2025. We strengthened capability building for the workforce across multiple dimensions, including onboarding, professional skill advancement, and managerial capability enhancement, with the aim of meeting employees’ development needs while driving improvements in organizational capabilities. Throughout the financial year, Alibaba Health achieved full training coverage, with a 100% participation rate among both full-time employees and ecosystem-based workers.

In terms of our talent development system, we have established platforms such as peer mentorship sessions to help new hires with onboarding and career building, promoting dialogue between experienced and new employees through themed sharing and Q&A sessions to promptly resolve issues encountered during onboarding. Meanwhile, we remain focused on business needs, building a closed-loop training system encompassing “summarization of best practices – implementation of themed training camps – tracking of learning outcomes” to achieve greater results. For leadership development, we use a combination of internal and external resources, balancing the sharing of practical internal experience with hands-on practice in management tools, thereby effectively enhancing the managerial capabilities of our management.

In terms of management mechanism, the Company has created a fast-track promotion pathway for outstanding young graduates, implementing a biannual promotion mechanism for campus recruits in the e-commerce business to accelerate their development into core talent. In parallel, we ensure effective communication and execution of our strategic goals by further implementing an OKR-based management mechanism. Additionally, we have adopted a comprehensive evaluation mechanism spanning front, middle, and back-office functions to strengthen the “customer first” mindset among employees, and to effectively enhance organizational collaboration and efficiency.

### 3 CULTURAL DIVERSITY & DEVELOPMENT

**Table: Employee Training System of Alibaba Health for FY2025**

Applicable categories	Training contents
New hires	<ul style="list-style-type: none"> <li>• Providing induction training manual to help new hires quickly adapt and integrate.</li> <li>• Assigning experienced employees as mentors to offer one-on-one guidance.</li> <li>• Organizing comprehensive induction training to introduce corporate business and culture, impart professional industry expertise, and facilitate communication between new and existing employees.</li> </ul>
Middle management	<ul style="list-style-type: none"> <li>• Organizing the “Xia Ke Xing”^ (俠客行) training program for managers to enhance their managerial skills.</li> <li>• Consolidating key knowledge and competencies for managers, strengthening on-the-job practice by providing them with relevant materials based on real work scenarios, such as OKR-based target setting, performance evaluation, and coaching consultation.</li> <li>• Sharing best practices through the “Kung Fu Hall”^ (功夫堂) platform to promote cross-team learning and peer exchange.</li> <li>• Leveraging “Health Academy”^ (健康學院) livestreams to invite industry experts to share insights while broadening managers’ perspectives and deepening engagement with both internal and external experts.</li> </ul>
Senior management	<ul style="list-style-type: none"> <li>• Organizing senior managers to visit leading domestic and international companies, enabling them to exchange views and gain insights into global industry trends, explore future directions for industry development, and share management experience, thereby supporting the Company’s long-term growth.</li> </ul>

### 3 CULTURAL DIVERSITY & DEVELOPMENT

Table: Training Highlights at Alibaba Health in FY2025

#### Alibaba “Health Academy”

During the Reporting Period, we hosted seven online “Health Academy” livestream sessions, each drawing an average of 300 participants, as well as three offline events with around 40 participants per session. Covering topics such as wellness talks, business sharing, and AI, these activities aimed to promote employee wellbeing while enhancing their understanding of emerging industry trends.



Picture : Alibaba “Health Academy” Online Seminar

## 3 CULTURAL DIVERSITY & DEVELOPMENT

### “Baijian” Induction Program for new hires

Inspired by the vision of building Alibaba Health into a century-lasting business, we launched the “Baijian” Induction Program for new hires. 60 participants joined the 3-day event, which was structured around three key themes. Designed to foster deeper connections among new employees as well as between employees and senior management, thereby laying a solid foundation for future communication and collaboration, this program offers a comprehensive introduction to our corporate culture and employee benefits, our commitment to health and public welfare, essential professional skills, as well as policies related to our business development, integrity, and data security.



Picture: “Baijian” Training Session

## 3 CULTURAL DIVERSITY & DEVELOPMENT

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### Campus Recruitment Alumni Open Talk

We hosted two offline sessions of the Campus Recruitment Alumni Open Talk, each attended by 21 participants. Alumni who had joined through previous campus recruitment cycles were invited to share their personal experiences themed “navigating the ‘Landing’ phase.” Business leaders provided insights into marketing strategies and major promotional campaigns, while addressing concerns about the “Landing” phase faced by campus recruits to help them better understand Alibaba Health’s operations.



Picture: Alumni Sharing Session

## 3 CULTURAL DIVERSITY & DEVELOPMENT

### “Xia Ke Xing” – front-line manager training

We organized a three-day “Xia Ke Xing” training program for frontline managers, with 36 participants in attendance. Internal and external instructors were invited to deliver focused sessions on four key modules: delivering results, recruitment and dismissal, team building, and the roles and responsibilities of leaders. By designing activities in forms such as game-based experience and on-the-spot exercise, the training aims to help frontline managers understand Alibaba Health’s management philosophy and master management skills, tools, and methodologies for different scenarios.



Picture: “Xia Ke Xing” Manager Training Sessions

### Executive study tour to Japan

In April 2024, eight senior executives visited Tokyo and Osaka to engage with Japanese pharmaceutical companies. Through on-site visits, they gained insights into the operational models of Japan’s pharmaceutical industry and explored the country’s health and beauty retail market, taking the opportunity to exchange views with and learn from outstanding peers overseas.

## 3 CULTURAL DIVERSITY & DEVELOPMENT

**Table: Employee Training at Alibaba Health in FY2025**

Indicator		Unit	FY2023	FY2024	FY2025
Total number of employees trained		person	5,577	6,644	9,385
Percentage of employees trained by gender and level (e.g. senior management, middle management)	Total percentage of employees trained		%	100	100
	Percentage of employees trained by gender	Male	%	100	100
		Female	%	100	100
	Percentage of employees trained by level	Senior management	%	100	100
		Middle management	%	100	100
		Entry-level employees	%	100	100
Average training hours of employees		hour(s)	33.27	32.71	30.60
Average training hours completed per employee by gender and level	Average training hours of employees by gender	Male	hour(s)	34.15	31.20
		Female	hour(s)	32.18	35.98
	Average training hours of employees by level	Senior management	hour(s)	75.25	72.38
		Middle management	hour(s)	30.14	33.67
		Entry-level employees	hour(s)	33.03	30.25

### 3.3 EMPLOYEE HEALTH & SAFETY

Alibaba Health always places employee health and safety as a top priority. In strict compliance with the *Occupational Disease Prevention and Control Law of the PRC* (《中華人民共和國職業病防治法》), the *Safety Production Law of the PRC* (《中華人民共和國安全生產法》), as well as other laws and regulations, the Company has established an internal emergency incident management system. We promote holistic employee well-being through regular health seminars, maternity and childcare courses, and other wellness initiatives. The Company has launched a special “Carnation” parental health check-up package, offering personalized health management services for employees and their parents. This program has also been recognized as an outstanding case by the Internet Society of China. At the same time, we place emphasis on employees’ physical and mental health by providing them with free access to psychological counselling hotlines, helping them cope with pressure and anxiety resulting from personal challenges, difficulties at work, emotional stress, and interpersonal issues.

### 3 CULTURAL DIVERSITY & DEVELOPMENT

**Table: Work-related Injuries and Fatalities of Alibaba Health in FY2025**

Indicator	Unit	FY2023	FY2024	FY2025
Number of work-related fatalities occurred in each of the past three years	person	0	0	0
Rate of work-related fatalities occurred in each of the past three years	%	0	0	0
Lost days due to work injury	day	0	22	0

The Company has established a comprehensive emergency management system supported by a multi-level interactive mechanism and an efficient command-cum-coordination system to ensure swift and appropriate responses to emergencies. To safeguard employee safety, we equip ourselves with professional first-aid supplies and have developed specific contingency plans for various scenarios, such as sudden illness, injury, and equipment failure. To further enhance emergency response capabilities, we have launched “First Aider”^ (急救侠), a special volunteer scheme that offers professional first-aid training and certification to participating employees. This initiative aims to equip staff with practical emergency response skills, raise overall safety awareness, and foster a network of mutual support and protection across the workplace.

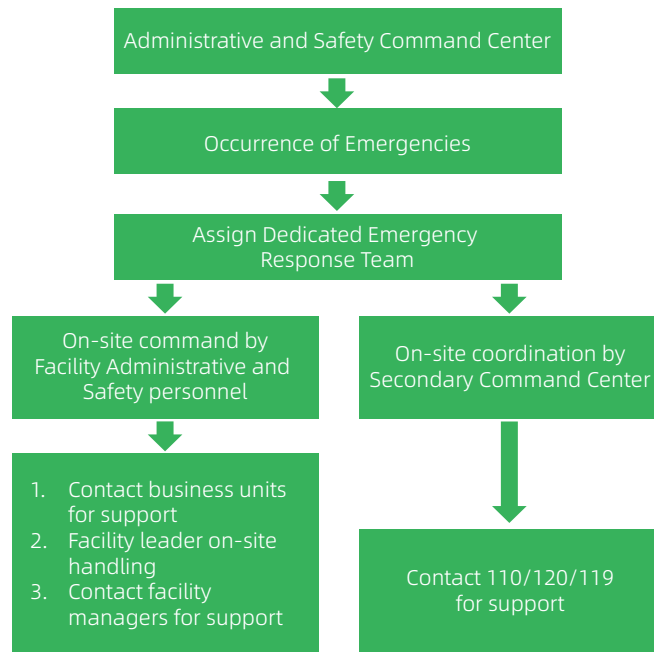


Chart: Emergency Response Mechanism of Alibaba Health

## 3 CULTURAL DIVERSITY & DEVELOPMENT

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### 3.4 EMPLOYEE CARE

To inspire a stronger sense of joy and belonging and continuously strengthen team cohesion, Alibaba Health has established a comprehensive employee benefits system, aiming to make sure every employee feels being cared and warmed. In full compliance with relevant laws, the Company makes full social insurance and housing provident fund contributions for all employees, while also offering additional commercial insurance protection, such as supplementary medical insurance, and generous pension schemes. Leave benefits include annual leave, seven days of family companionship leave, ten days of parental leave, fully-paid sick leave, and travel leave, thereby ensuring employees have ample time to rest and spend with their loved ones outside of work. We offer “Happy Friday”, allowing all employees to leave early every Friday after finishing work, so they can enjoy more quality time with family and friends.

While supporting career development of employees, the Company also places strong emphasis on human-centric care. Through a variety of engaging cultural and recreational activities, we foster a relaxed and pleasant work atmosphere that truly enhances employees’ happiness and sense of belonging at Alibaba Health.

# 3 CULTURAL DIVERSITY & DEVELOPMENT

*Table: Alibaba Health Cultural & Recreational Activities in FY2025*

## Alibaba Health Happiness Festival

In June 2024, we organized the Alibaba Health Happiness Festival, inviting all employees to participate in both team-based Monopoly-style challenges and individual competition games. Participants competed for RMB 180,000 in team-building funds. The event not only boosted employee engagement across the workforce but also enhanced departmental cohesion.



Picture: On-site Moments from the Happiness Festival

## Alibaba “Health Academy” – training on mindfulness & positive thinking

In September 2024, we invited a mindfulness and positive thinking instructor to deliver in-person training at our facilities. 80 employees joined the offline session, where the instructor provided guided exercises and demonstrations to help participants decompress and boost vitality.

## 3 CULTURAL DIVERSITY & DEVELOPMENT

### Alibaba Health sports season

We launched a sports season initiative, attracting over 700 participants to undergo physical fitness assessments. The campaign recorded a total weight change of 770 kilograms, with approximately 10% of participants successfully moving out of the obesity range. The initiative not only proved a success in igniting fitness enthusiasm but also raised awareness about personal health among employees.



Picture: Body Assessment during Sports Season

### Ring-presenting ceremony for employees completing five years of service

We held two ring-presenting ceremonies to honor over 100 employees who reached their five-year service milestone, creating a dedicated platform for five-year employees to connect and share their journeys. As a token of our gratitude for their contributions over the past five years, each honoree was presented with a customized 999-pure gold commemorative ring for the occasion.



Picture: Employees are Presented with the Commemorative Rings

## 3 CULTURAL DIVERSITY & DEVELOPMENT

### “Xiao Lu Radio”^ (小鹿电台)

Every Friday at the assigned time slot, “Xiao Lu Radio” is heard across our workspaces, delivering music dedications and heartfelt messages that foster emotional connection and keep spirits high. As of now, “Xiao Lu Radio” has received 947 song requests and blessings, while the “Little Tree Hollow”^ (小樹洞) platform has recorded 431 interactive messages.



Picture: “Xiao Lu Radio”

In FY2025, the Company conducted a satisfaction survey among all full-time employees and collected 120 valid responses. The survey covered areas such as employee benefits, compensation services, and equity services. The overall satisfaction score remained high at 4.87 (out of 5).

### 3.5 DIVERSITY & INCLUSION

Alibaba Health is committed to fostering a diverse and inclusive work environment that promotes equal opportunities and mutual respect, empowering every employee to reach their full potential and realize their value.

For female employees, we have implemented special workplace protection policies, including comprehensive maternity leave, breastfeeding support, and support for career development. At the same time, we uphold the principle of equal pay for equal work, empowering female employees with equal compensation and professional growth opportunities.

### 3 CULTURAL DIVERSITY & DEVELOPMENT

**Table: Alibaba Health's Female Employee Support Initiatives**

We provide prenatal check-up leave to help expectant employees avoid peak hours when attending appointments. Each facility is equipped with dedicated maternity lounges to ensure proper rest during pregnancy and breastfeeding periods;
Our commercial insurance plans for female employees include maternity benefits, helping to reduce their expenses related to childbirth;
Every year on March 8, we host a special event in celebration of International Women's Day to show warmth to our female employees.

**Table: Female Employment at Alibaba Health in FY2025**

Percentage of female employees by position and role	Unit	FY2025
Percentage of female employees in management	%	10.78
Percentage of female employees in senior management	%	31.82
Percentage of female employees in middle management	%	16.25
Percentage of female employees in junior management	%	3.92
Percentage of female employees <sup>8</sup> in revenue-generating departments	%	48.29
Percentage of female employees <sup>9</sup> in STEM-related roles	%	22.22

In addition, the Company respects cultural differences by providing appropriate support for employees from ethnic minority groups. In terms of employing people with disabilities, we actively promote an accessible workplace environment, tailor job positions to individual needs, and offer corresponding vocational training programs.

<sup>8</sup> Female employees holding positions in business departments.

<sup>9</sup> Female employees holding positions in departments such as R&D Center, Testing, UED, IT, and product-related departments.

### 3 CULTURAL DIVERSITY & DEVELOPMENT

**Table: Alibaba Health FY2025 Employment Overview of Ethnic Minorities and Employees with Disabilities**

Total number of employees from minority groups	Unit	FY2025
Total number of employees with disabilities	person	3
Male employees with disabilities	person	2
Female employees with disabilities	person	1
Total number of employees from ethnic minority groups	person	84
Total number of Han ethnic employees in management	person	698
Percentage of Han ethnic employees in management	%	54.53
Total number of employees from ethnic minority groups in management	person	44
Percentage of employees from ethnic minority groups in management	%	52.38

## 4 GREEN VALUE CHAIN

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Alibaba Health consistently upholds the concept of sustainable development and actively contributes to our nation's "Dual Carbon" goals. To play its role in shaping a green future, the Company advances low-carbon operations through various initiatives, including climate change mitigation, green operations, green logistics, and waste management.

### 4.1 TACKLING CLIMATE CHANGE

Alibaba Health closely monitors global climate change trends while regularly identifies and analyses the impact of climate change on its business development. The Company formulates action plans to strengthen its ability to respond to climate-related risks and seize opportunities for further growth. In strict compliance with Alibaba Group's carbon reduction strategic plan, Alibaba Health continuously optimizes its energy management strategies, takes concrete actions to reduce greenhouse gas emissions, doing its part to help China achieve the strategic objectives of "carbon neutrality" and "carbon peaking."

#### Identifying Climate Change Risks

Alibaba Health continuously adjusts its operational strategies and optimizes resource allocation through climate-related risk analysis, with a view to effectively addressing various risks posed by climate change. With reference to IFRS S2—Climate-related Disclosures issued by the International Sustainability Standards Board (ISSB), we identify various risks of climate change and formulates targeted responses, thereby minimizing the negative impacts of climate change on its operations.

## 4 GREEN VALUE CHAIN

**Table: Measures taken by Alibaba Health to Identify and Respond to Climate Change Risks**

	Risk type	Risk description	Risk responses
Transformation risks	Policy & regulatory risks	Potential implications on compliance operation due to increasingly stringent carbon emission disclosure and emission requirements	<ul style="list-style-type: none"> <li>Continuously monitor policy changes and optimize the carbon emission monitoring system</li> <li>Establish smart energy management systems to improve efficiency in office areas</li> <li>Encourage stores to adopt green operation and reduce carbon emissions in daily operations</li> </ul>
	Technology risk	Potential rise in operating costs caused by belated transition to low carbon technology	<ul style="list-style-type: none"> <li>Optimize circular logistics system and increase the proportion of green logistics</li> <li>Enhance research and development of green packaging materials, promote the use of sustainable packaging</li> </ul>
	Market risk	Potential change in consumption preferences among customers as a result of greater environmental awareness	<ul style="list-style-type: none"> <li>Regularly conduct market survey and increase the use of environmentally friendly packaging</li> <li>Gradually decrease plastic and paper usage, promote the use of biodegradable materials</li> </ul>
	Reputational risk	Public doubts about the performance of climate-risk responses	<ul style="list-style-type: none"> <li>Enhance education of corporate environmental values and increase transparency of low-carbon activities</li> <li>Improve management of the sustainable supply chain, strictly verify suppliers' environmental performance</li> </ul>

## 4 GREEN VALUE CHAIN

Risk type		Risk description	Risk responses
Physical risk	Acute risk	Equipment damage, business interruption, and impact on employee safety caused by extreme weather events, such as high temperature, extreme cold and typhoons	<ul style="list-style-type: none"> <li>• Formulate contingency plan for natural disasters</li> <li>• Formulate contingency plans for drug storage</li> <li>• Set up a remote office mechanism to ensure business continuity</li> </ul>
	Chronic risk	Potential of transport disruption and energy shortage caused by rising sea levels and lack of natural resources	<ul style="list-style-type: none"> <li>• Factor in climate risks when selecting and assessing locations</li> <li>• Increase proportion of recycled water used to lower water resource dependence</li> </ul>

### Climate Change Goals & Progress

In FY2025, Alibaba Health actively pursued energy conservation and carbon reduction initiatives, strictly adhering to Alibaba Group's annual carbon targets. By implementing carbon offset projects, the Company also contributed effectively to the Group's interim decarbonization goals.

#### Alibaba Group's carbon neutrality commitments<sup>10</sup>:

- To achieve carbon neutrality for its own operations no later than 2030 (Scope 1 and 2);
- To reduce carbon emissions intensity across its upstream and downstream value chain by 50% compared to 2020 levels no later than 2030 (Scope 3);
- To drive cumulative ecosystem decarbonization of 1.5 billion tons over 15 years by 2035 through empowering consumers and enterprises while promoting broader societal participation (Scope 3+).

<sup>10</sup> Source: Alibaba Group Carbon Neutrality Action Report\_20211217\_SC\_Final.pdf

### 4.2 GREEN OPERATION

Alibaba Health deeply integrates the concept of sustainable development into its operations and management, advancing green practices across multiple dimensions. We continuously optimize data center efficiency through technological innovation, aiming to build smart facilities of low-carbon emission. At the same time, we promote green office initiatives to reduce the environmental footprint of our daily operations.

#### Green Data Centers

Alibaba Health collaborates with Alibaba Cloud Data Center to fully leverage their technological strengths. By optimizing hardware performance, improving resource utilization, and enhancing cooling efficiency, we strive to achieve the dual goals of high energy efficiency and low emissions.

Through product R&D and operational efficiency, Alibaba Cloud continues to enhance data center energy performance and reduce PUE<sup>11</sup>. On the hardware front, Alibaba Cloud deploys high-performance power supply systems to shorten power transmission paths and increase conversion efficiency; while the adoption of liquid-cooled servers enables it to deliver energy savings well above the industry average. In terms of smart operation maintenance, Alibaba Cloud has developed a digitalized operations and maintenance strategy platform. By applying AI algorithms to optimize thermal control, it has successfully reduced cooling energy consumption. In terms of clean energy transition, Alibaba Cloud's self-built data centers are increasing the proportion of clean electricity in their energy mix, while also adopting waste heat recovery technology for heating. In FY2025, the average PUE of its self-built data centers dropped to 1.190, maintaining a leading level across Asia.

When designing and operating data centers, Alibaba Cloud balances WUE<sup>12</sup> and PUE based on local water resource conditions to offer the most suitable solutions. In water-scarce areas, air-cooling is prioritized, at times at the cost of a slightly higher PUE, to significantly reduce WUE. In water-rich areas, data center will opt for water-cooling systems to achieve better PUE performance. In FY2025, the average WUE of Alibaba Cloud's self-built data centers decreased to 1.144, a significant improvement from 1.205 in FY2024. While ensuring equipment safety, Alibaba Cloud reduced humidifier water consumption by adjusting the minimum humidity setting; it also retrofitted cooling tower systems to reduce cooling water waste. Furthermore, we increased the set point for ion concentration in cooling water to reduce wastewater discharge and improve recycling efficiency, thereby establishing a highly efficient water reuse system.

<sup>11</sup> Power Usage Effectiveness, a metric used to measure the energy efficiency of data centers. It is calculated by comparing the total energy consumption of a data center to the energy used specifically by computing equipment (such as servers and storage devices). The closer the PUE value is to 1, the more efficiently energy is being used, indicating that nearly all the energy consumed is used to power core IT equipment.

<sup>12</sup> Water Usage Effectiveness, a metric used to measure the water efficiency of data centers. It is calculated by dividing the amount of water used by a data center for humidification or cooling (in liters) by the total annual energy consumption of the core IT equipment in that data center.

## 4 GREEN VALUE CHAIN

### Green Facility

We are committed to building green and smart facilities by actively promoting the use of clean energy and implementing electrification upgrades to increase the proportion of clean electricity consumption. Meanwhile, through the intelligent upgrade of facility electrical systems, we have integrated our proprietary “Device Brain”^ (設備大腦) platform with AI-powered dynamic optimization algorithms to establish an efficient and smart energy management system. This enables precise energy management and optimized resource allocation. At facilities where conditions permit, we have actively deployed distributed photovoltaic systems while leveraging clean electricity trading mechanisms to further optimize energy mix and reduce carbon emissions.

In addition, we have taken an innovative approach by adopting a circular economy approach, with a view to systematically enhancing water resource efficiency and developing eco-friendly model facilities.

**Table: Highlights of Facility Water Resource Utilization**

Design & construction stage
<ul style="list-style-type: none"><li>• Using permeable paving materials to allow rainwater infiltration into the ground</li><li>• Installing rainwater harvesting systems to collect rooftop and surface runoff for reuse</li></ul>
Operational stage
<ul style="list-style-type: none"><li>• Developing a smart water resource management system based on “monitoring – conservation – reuse” to enable refined, end-to-end control</li><li>• Reusing of wastewater from drinking water systems and air-conditioning condensate</li><li>• Deploying smart water metering systems and upgrading to first-tier water-efficient equipment</li></ul>

We actively incorporate the concept of biodiversity into the design and operation of our facilities, striving to reduce negative impacts on natural resources and biodiversity. During the site selection and design stage, all newly built facilities undergo environmental impact assessments to ensure harmony and coexistence with the natural environment. During operations, we adopt measures such as using native species, enriching vegetation layers, introducing natural habitats, creating ecological corridors, and reducing light and noise pollution to create more suitable living environments for flora and fauna, and to protect biodiversity.

## 4 GREEN VALUE CHAIN

We build green facilities to high standards and actively promote green building and system certifications. As of the end of the Reporting Period, Xixi Facilities A and C, and Yungu Facility in Hangzhou have obtained the LEED Platinum certification for existing buildings. Wangjing Tower B in Beijing and the Alibaba Center Guangzhou Facility have obtained the LEED Gold certification. In addition, Xixi Facilities A and C, and Yungu Facility in Hangzhou have obtained ISO 14001 Environmental Management System certification, and the Alibaba Center in Guangzhou has been certified as a “carbon-neutral facility.”

### Green Office

Alibaba Health strictly complies with the *Environmental Protection Law of the People’s Republic of China* (《中華人民共和國環境保護法》), the *Energy Conservation Law of the People’s Republic of China* (《中華人民共和國節約能源法》), as well as other relevant laws and regulations. It sets targets for carbon emissions and water usage control based on the *Management System for Green Office and Energy Saving and Consumption Reduction of Alibaba Health*<sup>^</sup> (《阿里健康綠色辦公、節能降耗管理制度》), and actual operational conditions.

The Company has established a professional administrative engineering operation center to achieve refined control over equipment such as lighting and air conditioning through a smart building management system. Supply is adjusted on demand in accordance with factors such as occupancy levels and weather conditions, thereby effectively reducing nighttime energy consumption. At the same time, we promote paperless operations via an Office Automation (OA) system, standardize the management of utility and office supplies usage, while also advocating green practices through multiple channels. These initiatives aim to continuously raise environmental awareness across the workforce, in a concerted effort to foster a sustainable green office environment.

**Table: Highlights of Alibaba Health’s Green Office Measures in FY2025**

Office management	<ul style="list-style-type: none"><li>• Stored low-power items, such as pens, notebooks, glue sticks, paper clips, in self-service cabinets to be accessed on demand; energy-draining items could be used upon offline registration</li><li>• Adopted a scan-and-register approach for bulk use of items during situations of single large demand, such as onboarding or training of new hires</li><li>• Established a points system for “Good Behavior In Good Faith”<sup>^</sup> (有心好行為) to encourage employees to reduce paper usage</li><li>• Equipped conference rooms with infrared sensors to monitor their usage through a back-office system and timely release those not in use</li><li>• Substituted handwritten signatures with electronic forms to promote paperless practices in the office area</li></ul>
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## 4 GREEN VALUE CHAIN

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Energy management	<ul style="list-style-type: none"><li>• Leveraged IoT sensing systems and big data-based energy efficiency analysis platforms to achieve smart energy-saving management and control of our infrastructure</li><li>• Utilized energy-efficient beverage equipment and scheduling automatic shut down</li><li>• Installed sunshade curtains to reduce energy consumption of air conditioning</li></ul>
Employees' commuting management	<ul style="list-style-type: none"><li>• Encouraged employees to adopt low-carbon commuting, such as taking trains instead of flights, carpooling, using employee buses, and taking the subway</li><li>• Upgraded campus shuttle buses to new-energy vehicles and installing supporting facilities such as electric vehicle charging stations</li><li>• Provided shared bikes and parking spots</li></ul>
Plastic use management	<ul style="list-style-type: none"><li>• Promoted the use of biodegradable containers at facility restaurants to replace their non-biodegradable plastic counterparts, charging for disposable containers to reduce overuse</li></ul>

## 4 GREEN VALUE CHAIN

**Table: Resource Consumption and Greenhouse Gas Emissions of Alibaba Health in FY2025**

Indicator	Unit	FY2023	FY2024	FY2025
Purchased electricity	kWh	1,482,187.78	3,787,579.62	3,338,831.65
Electricity consumption per employee	kWh/employee	986.15	2,639.43	2,447.82
Comprehensive energy consumption	tce	182.16	456.49	410.34
Comprehensive energy consumption per employee	tce/employee	0.12	0.32	0.30
Total greenhouse gas emissions	tCO <sub>2</sub> e	845.29	2,160.06	1940.14
Greenhouse gas emissions per employee	tCO <sub>2</sub> e/employee	0.56	1.51	1.42
Water consumption	ton	11,128.26	25,146.58	23,701.05
Water consumption per employee	ton/employee	7.40	17.52	17.38
Paper consumption	ton	1.10	1.86 <sup>13</sup>	3.39 <sup>14</sup>
Paper consumption per employee	ton/employee	0.001	0.001	0.002
Total packaging material used for finished products	ton	This indicator is not applicable to Alibaba Health, as its operation does not involve directly providing packaging material for finished products		

### 4.3 GREEN LOGISTICS

Alibaba Health is committed to building a new green logistics model that enables sustainable development. It deeply integrates green logistics infrastructure with digital technologies to promote coordinated development across logistics, packaging, and related processes.

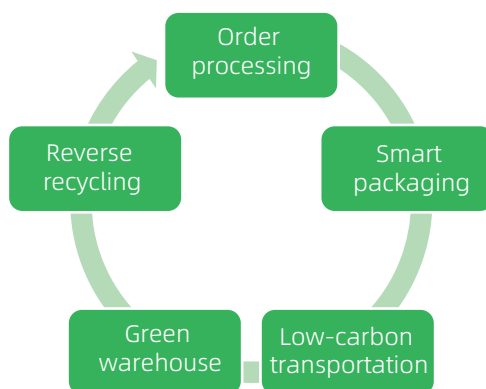
In addition to jointly developing a smart circular logistics system in partnership with Cainiao Logistics, we also play an extensive role in formulating industry-unified circular packaging standards, aiming to drive packaging reduction and efficient resource utilization across the entire value chain. Leveraging digitalized innovative technologies, refined resource management, and cross-sector ecosystem collaboration, we have built a full-chain environmental solution that spans order processing, smart packaging, low-carbon transportation, green warehousing, and reverse recycling. As of FY2025, this innovative logistics model has been fully implemented across our retail terminals and regional distribution centers.

<sup>13</sup> The scope of paper usage statistics for FY2024 covers office premises in Beijing and Guangzhou.

<sup>14</sup> The scope of paper usage statistics for FY2025 covers office premises in Beijing, Guangzhou, Hangzhou, and Shijiazhuang.

## 4 GREEN VALUE CHAIN

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Picture: Circular Logistics System

In an ongoing effort to improve its end-to-end digital management system, Alibaba Health integrates IoT devices and applies RFID smart tags to enable precise positioning and dynamic monitoring of circular packaging, thereby significantly enhancing the operational efficiency of reusable containers. This management system spans the full lifecycle process from raw material supply to end-user consumption. Through a smart forward distribution and reverse recycling network, it enables closed-loop resource circulation across both online and offline channels. Data from each stage is efficiently connected through a shared collaboration platform, building a sustainable logistics ecosystem that covers manufacturers, distributors, and consumers.

In FY2025, Alibaba Health continued to advance the construction of its green logistics system, collaborating with Cainiao to promote the green upgrade of its logistics infrastructure. Through initiatives such as the deployment of smart monitoring terminals in warehousing, optimization of smart transportation, and transformation of retail terminals, it systematically reduced carbon emissions.

## 4 GREEN VALUE CHAIN

**Table: Key Green Logistics Initiatives by Alibaba Health in FY2025**

Stage	Key initiatives
Warehousing	<ul style="list-style-type: none"> <li>• Launched smart monitoring terminals to enable refined energy consumption management</li> <li>• Deployed distributed photovoltaic systems at scale</li> <li>• Participated in clean electricity trading</li> </ul>
Transportation	<ul style="list-style-type: none"> <li>• Independently developed smart route planning algorithms to optimize delivery paths and reduce empty load rates</li> <li>• Promoted the use of new energy vehicles and unmanned delivery vehicles, achieving a breakthrough in L4-level autonomous delivery vehicle deployment from enclosed parks to open roads</li> <li>• Collaborated with leading air transport providers to promote the use of wide-body aircraft and reduce air freight emissions</li> </ul>
Retail Terminals	<ul style="list-style-type: none"> <li>• Implemented smart energy management systems to conserve electricity and cooling energy</li> <li>• Enabled precise tracking and dynamic monitoring of reusable packaging via IoT device integration and RFID smart tags</li> <li>• Built smart forward distribution and reverse recycling networks to establish a closed-loop resource circulation system across online and offline channels</li> </ul>

**Table: Intelligent Route Planning System Performance of Alibaba Health in FY2025**

Stage	Algorithm optimization
Vehicle distribution	Achieved simultaneous reduction in the number of transport vehicles and total driving distance
Warehouse handling	Significantly shortened pickers' walking distance, enhancing operational efficiency
User-end delivery	Optimized delivery routes for greater efficiency through smart technologies

### Green Packaging

Alibaba Health is extremely mindful of the environmental impact caused by packaging materials. From the three dimensions of source reduction, circular reuse, and environmentally friendly alternatives, we are systematically advancing packaging transformation to reduce plastic pollution. We collaborate with value chain and platform ecosystem partners to drive innovation, promoting initiatives such as the use of electronic shipping labels, optimized packaging design, and smart boxing algorithms. At the same time, we actively encourage brand partners to adopt reusable boxes and electronic packing slips, advocate for original-box shipping, and gradually replace traditional virgin plastic bags with those made from recycled materials. We continue to explore sustainable solutions to reduce packaging consumption and enhance reuse rates.

## 4 GREEN VALUE CHAIN

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### 4.4 WASTE MANAGEMENT

Alibaba Health strictly complies with the *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste* (《中華人民共和國固體廢物污染環境防治法》), the *Beijing Municipal Regulations on the Management of Municipal Solid Waste* (《北京市生活垃圾管理條例》), as well as other environmental protection laws and regulations. In accordance with internal policies such as the *Management System for Green Office and Energy Saving and Consumption Reduction of Alibaba Health*<sup>^</sup> (《阿里健康綠色辦公、節能降耗管理制度》), we systematically promote waste reduction and harmless disposal. We enforce a strict waste-sorting system to ensure specialized, non-hazardous treatment of specific waste items such as used office supplies and pharmaceuticals.

We adopt prefabricated construction techniques to reduce construction waste through standardized construction processes. At the same time, we set waste reduction targets and implement refined management across the entire process. Upholding the principle of “100% compliant waste disposal”, we cooperate with qualified suppliers to ensure compliance by tracking and recording the final waste treatment outcomes. In addition, we also apply the concept of waste recycling in our office facilities and leverage a digital management platform to monitor waste trajectories, integrating waste management into daily operations. In FY2025, our self-operated facility in Beijing achieved 100% kitchen waste recycling, with the waste processed through biological fermentation and converted into organic fertilizer.

**Table: Highlights of Alibaba Health's Waste Management Measures in FY2025**

- Each office floor was equipped with classification waste containers, which were cleared at least twice daily by a professional cleaning team;
- A secondary sorting system was implemented to ensure accurate separation of recyclables and non-recyclables for storage;
- Two designated hazardous waste collection points were set up to handle expired medicines, hazardous waste like mercury-containing products, while IT equipment and consumables were directly recovered by specialized departments;
- An innovative “Facilities – Street – Recycling suppliers” tri-party coordination model was established, supported by a digital waste tracking system to enable full-process traceability of domestic waste.

## 4 GREEN VALUE CHAIN

*Table: Waste Emission of Alibaba Health in FY2025*

Type of waste	Unit	FY2023	FY2024	FY2025
Hazardous waste	ton	0	0	0
Hazardous waste generated per employee	ton/ employee	0	0	0
Non-hazardous waste	ton	251.36	172.81	226.27
Non-hazardous waste generated per employee	ton/ employee	0.17	0.12	0.17
Disposal/recycle of expired drugs	ton	46.73	120.4	79.07

## 5 RESPONSIBLE TECHNOLOGY

Leveraging its technological strengths, Alibaba Health has established long-term strategic partnerships with supply chain partners based on mutual trust, working together to promote collaborative industry development. Meanwhile, the Company is deeply involved in integrating its professional capabilities in internet healthcare with social resources, thereby continuously organizing industry-specific public welfare initiatives to fulfill its corporate social responsibilities and create shared value.

### 5.1 SUPPLY CHAIN MANAGEMENT

Alibaba Health continuously advances the construction of a responsible supply chain by strengthening the supply chain management system and optimizing supplier management processes. The Company strictly complies with the *Government Procurement Law of the People's Republic of China* (《中華人民共和國政府採購法》), the *Tendering and Bidding Law of the People's Republic of China* (《中華人民共和國招投標法》), the *Good Supply Practice for Pharmaceutical Products* (《藥品經營質量管理規範》), as well as other relevant laws and regulations. It adheres to the *Supplier Management Rules and Regulations of Procurement Guidelines of Alibaba Group*<sup>^</sup> (《阿里巴巴集團採購指引之供應商管理細則規範》), and continuously improves internal supplier management policies, such as the *Supply Management System of Alibaba Health*<sup>^</sup> (《阿里健康供貨管理制度》) and the *Alibaba Health – Settlement Acceptance Management Regulations for Off-site Media Channel Placement*<sup>^</sup> (《阿里健康 – 站外媒體渠道投放的結算驗收管理規範》), covering all process stages including supplier onboarding, management, and elimination.

Alibaba Health continuously strengthens supplier quality control through standardized screening, classification, supervision, and evaluation mechanisms, systematically improving supplier product quality, building long-term, trust-based strategic partnerships. We have built a clear supplier management responsibility system, focusing on the audit and evaluation during the supplier onboarding stage, including certification qualifications, records of violations and penalties, and anti-bribery risks. At the same time, we have implemented a graded and categorized management strategy for suppliers based on the characteristics of suppliers of different business categories, continuously optimizing the supplier onboarding mechanism and enhancing management efficiency.

**Table: Supplier Types of Alibaba Health in FY2025**

Supplier types for non-operational business procurement: Outsourcing procurement, marketing services, professional services, HR services, physical goods, IT equipment accessories and software, logistics services, administrative comprehensive services, engineering, event and program production, IT services, etc;

Supplier types for operational business procurement: Pharmaceutical and health products, medical services, digitalization and technical support services, GSP warehousing and logistics services, pharmaceutical traceability technology services, etc.

## 5 RESPONSIBLE TECHNOLOGY

The Company continuously optimizes its supplier onboarding mechanism, strictly implementing a standardized qualification review process. All newly engaged suppliers are required to undergo an initial qualification review, which comprehensively verifies essential documents such as business licenses and annual reports. Suppliers failing to meet the legal qualification standards are categorically excluded from cooperation. For suppliers operating under the direct shipment model, the Company engages third-party agencies to conduct comprehensive warehouse audits, where warehouses that fail to meet standards are subject to rectification followed by re-inspection or termination of cooperation. As of the end of the Reporting Period, Alibaba Health achieved 100% coverage of supplier onboarding reviews. Meanwhile, the Company strengthened behavioral code constraints, requiring all inbound suppliers to sign integrity commitment letters and other agreements, thereby continuously enhancing compliance levels across the supply chain.

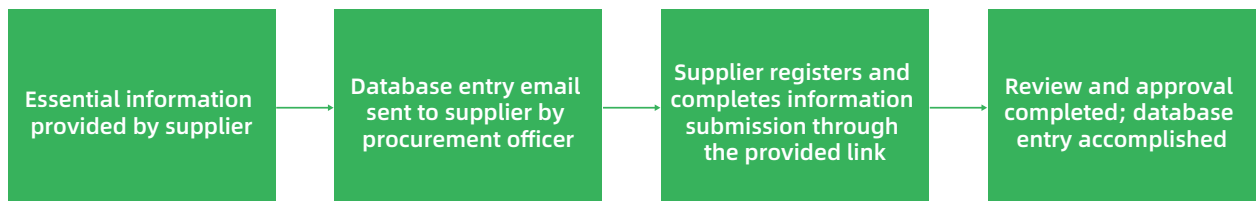


Chart: Supplier Admission Process of Alibaba Health

Alibaba Health has established a strict supplier audit and evaluation system for suppliers, who are managed according to different procurement categories. We ensure suppliers meet various qualification requirements through a multi-dimensional assessment system covering creative evaluation, execution quality, and service capability, combined with on-site visits and post-inspection scoring. In addition to operating in strict compliance with the standard operating procedures related to medical devices, food, and health products, Alibaba Health has also formulated and implemented the *Alibaba Health Direct Shipment Warehouse Checklist*<sup>^</sup> (《阿里健康直發倉檢查表》) as the audit basis for spot inspections. In FY2025, we implemented comprehensive quality control for non-pharmaceutical direct shipment suppliers, newly onboarded 285 suppliers, added 88 warehouses, and re-assessed over 40 warehouses among existing suppliers. Throughout the year, a total of more than 420 warehouse acceptance inspections and spot audits were completed.

## 5 RESPONSIBLE TECHNOLOGY

**Table: Supplier Audit and Evaluation Management Measures of Alibaba Health in FY2025**

Procurement type	Management measures
Commercial procurement	<ul style="list-style-type: none"> <li>• Implemented closed-loop quality control for OEM<sup>15</sup> products in self-operated warehouses, covering the entire process from raw material warehousing to end delivery, and conduct regular full-chain audits of suppliers' production bases;</li> <li>• Established a tiered emergency response mechanism: for Tier 1 and Tier 2 suppliers, recalls were executed in accordance with laws and regulations; for Tier 3 suppliers acting as distributors, recalls were coordinated based on upstream suppliers' recall instructions. Meanwhile, the Quality Control Department monitored government announcements in real time, synchronized recall information, and implemented control measures such as product delisting and sales bans.</li> </ul>
Non-commercial procurement	<ul style="list-style-type: none"> <li>• Used MBR<sup>16</sup> to quantitatively score suppliers and publicly rank them; settlement coefficients were directly linked to rankings;</li> <li>• Conducted key assessments on multiple dimensions such as delivery quality and site health status through QBR<sup>17</sup> service data, and formulated targeted improvement plans;</li> <li>• Adjusted cooperation terms and allocated shares for new demands based on the annual evaluation results.</li> </ul>

Alibaba Health remains committed to building a sustainable supply chain, consistently focusing on environmental and social risks throughout the entire supplier management process and deeply embedding ESG principles into its supplier management system. We require our suppliers to comply with both national and local environmental protection laws and regulations, give preference to suppliers with strong environmental performance and sound environmental management systems and policies, and encourage them to adopt energy-saving and environmentally friendly practices. At the same time, we conduct risk assessments on supplier safety management and business ethics, aiming to continuously enhance suppliers' ESG management standards.

<sup>15</sup> OEM, Original Equipment Manufacturer

<sup>16</sup> MBR, Monthly Business Review

<sup>17</sup> QBR, Quarterly Business Review

## 5 RESPONSIBLE TECHNOLOGY

### Case study: “Digital Compliance in Pharmaceutical Distribution” Project

Through its “Digital Compliance in Pharmaceutical Distribution” project, Alibaba Health launched an industry initiative to promote the digitalization of pharmaceutical distribution documentation. In doing so, it established an electronic data exchange standard for first-time business transactions in the industry, encouraging pharmaceutical companies to transmit compliance documents electronically, and therefore significantly reduced the use of traditional paper documents. As of the end of the Reporting Period, the project served over 1,500 manufacturing enterprises and nearly 7,100 distribution enterprises, with more than 8.5 million electronic drug inspection reports issued in aggregate. The project has not only effectively reduced carbon emissions, but also contributed to a more efficient pharmaceutical supply chain system.

Relying on the Alibaba Health “FireEye System”, we conduct dynamic monitoring of medium- and high-risk suppliers, issuing real-time alerts for potential risks and providing professional advice in areas such as finance and legal affairs to help suppliers optimize their management practices. In response to supplier misconduct, we have established a four-tier classification and evaluation mechanism. Based on contract terms and integrity commitments, we implement several grade-based control measures, including blacklisting, termination of cooperation, business suspension, written warnings, and order suspension, aiming to strengthen conduct compliance among suppliers.

### Alibaba Health supplier communication system:

- Written communication: Communication via email and official correspondence
- Regular remote meetings: Maintain day-to-day contact through phone/video conferences, with mechanisms established for monthly and quarterly scheduled communication
- On-site interaction: Organize on-site supplier visits and participation in face-to-face exchange activities, such as industry exhibitions and seminars

Alibaba Health places great importance on collaborative development with suppliers, it supports their capability building through a variety of training programs and supplier conferences. We design dedicated training plans tailored to different business scenarios. During the supplier onboarding stage, we provide systematic training covering areas such as quality control responsibilities, operating standards, and penalty rules. In daily operations, we organize timely training on newly issued regulations, while strengthening training on quality risk awareness at major promotional events and other key occasions. Through these capacity-building initiatives, we continuously improve suppliers’ management standards and compliance awareness, enhancing the efficiency of supply chain collaboration.

## 5 RESPONSIBLE TECHNOLOGY

*Table: Number of Suppliers by Geographical Region of Alibaba Health in FY2025*

By geographical region	Direct business	Non-operating business	Total
Mainland China	1,528	353	1,881
Hong Kong SAR, Macau SAR, Taiwan and overseas	243	3	246

Meanwhile, Alibaba Health consistently maintains an open and collaborative approach to build a transparent communication platform for suppliers. By utilizing multiple channels, it strengthens contact and communication with suppliers to establish stable partnerships.

### 5.2 PUBLIC SERVICE ACTIVITIES

Alibaba Health actively fulfils its corporate social responsibilities by staying attuned to social needs and leveraging its strengths in the healthcare industry to engage in a variety of charitable causes. Through concrete actions, we embody the concept of sustainable public welfare and strive to contribute to social progress. We have established a comprehensive public service management mechanism that supports public service efforts through two key dimensions: employee engagement and ecosystem empowerment. In FY2025, Alibaba Health devoted a total of 19,703.6 hours to community service projects, donating an aggregate of RMB 265,700.

Upholding the “3 Hours for Everyone”^ (人人3小時) philosophy in its public service initiatives, Alibaba Health actively encourages participation for all employees. We offer internally organized, themed volunteering opportunities, share information on external initiatives on a regular basis, and promote a culture of giving through both online and offline channels to inspire broader engagement. By adopting innovative mechanisms to encourage employee participation, we aim to transform volunteer service into long-term social value, ensuring meaningful fruit for every act of kindness.

## 5 RESPONSIBLE TECHNOLOGY

### Case study: Alibaba Health public welfare forest initiative

Alibaba Health has launched its “1-5-100” distinctive public-welfare initiative<sup>18</sup>, pledging to plant one tree for every three hours of volunteer service completed by an employee. Through this initiative, the Company continues to cultivate the “Alibaba Health Public Welfare Forest”^ (阿里健康公益林). In September 2024, the first forest under this initiative was successfully established in Aohan Banner, Inner Mongolia. A total of 2,000 robust apricot trees were planted, not only contributing to carbon sequestration and emissions reduction, but also standing as a powerful testament to the compassion and commitment of its employees.



Picture: Alibaba Health Public Welfare Forest Initiative

<sup>18</sup> “1-5-100”, represents a distinctive public-welfare initiative that involves planting 1 forest of Alibaba Health Public Welfare, establishing 5 business-related public welfare scenarios, and engaging 100 families in charitable activities.

## 5 RESPONSIBLE TECHNOLOGY

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### **Case study: Alibaba Health launches “Warm Winter Campaign”^ (暖冬行動)**

In the winter of 2024, Alibaba Health initiated the “Warm Winter Campaign” in partnership with the Disabled Persons’ Federation of Aohan Banner, aimed at helping disabled community members in Inner Mongolia’s Aohan Banner to stay warm during the cold season. The Company thoughtfully organized a donation drive, mobilizing a total of 225 employees to contribute their unused winter clothing. These heartfelt garments traveled thousands of miles to bring warmth and care to our disabled partners in Aohan Banner, helping them endure the harsh winter.

### **Case study: Alibaba Health Launches the “Medicine Guardian”^ (藥守護) public service initiative**

In January 2025, Alibaba Health, in collaboration with professional organizations including Guangzhou Baiyunshan Pharmaceutical, initiated the “Medicine Guardian” medicine recycling campaign to effectively address the issue of expired medications commonly kept by elderly individuals. Utilizing professional harmless disposal technologies, the project managed to prevent the dual hazards that expired medicines pose to both the environment and human health. As of March 2025, 404 Alibaba employees, including those from Alibaba Health, had actively participated in the initiative. This project not only raised public awareness of medication safety and protected the health of elderly population, it also set an industry benchmark for creating a safe medication environment.

## 5 RESPONSIBLE TECHNOLOGY

### Case study: Alibaba Health launches the “Island Rescue Hero”<sup>^</sup> (海島急救俠) public service initiative

Alibaba Philanthropy, Alibaba Health Public Welfare, and compassionate platform merchants joined forces with the government of Shengsi County, Zhejiang Province, to launch the “Island Rescue Hero” project. With an aim to help island residents better respond to emergencies and safeguard their lives, the project donated a total of 10 portable Automated External Defibrillators (AED), strategically installed in high-traffic areas. Concurrently, emergency rescue training sessions were conducted to cultivate local talents skilled in first aid, thereby establishing a vital life safety network in this remote island region.



Picture: Official Launch of the “Island Rescue Hero” Public Service Initiative

### 5.3 HEALTH ASSISTANCE

Alibaba Health has always regarded safeguarding public health as part of its core responsibility. The Company demonstrates its compassion through concrete actions, fully leveraging its resources and platform advantages in the pharmaceutical and healthcare industries to empower public service initiatives, address social challenges in the health space, and contribute to greater harmony in society.

Alibaba Health remains focused on the health needs of the elderly and people with disabilities. By offering professional expertise and customized services, the Company works to improve health management conditions for these groups with special needs, and meet their healthcare needs.

## 5 RESPONSIBLE TECHNOLOGY

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### Case study: “Health Checkups for the Visually Impaired” Public Service Project

In December 2024, Alibaba Philanthropy, Tmall Healthcare Platform, and Alibaba Health Philanthropy, in collaboration with the China Association of the Blind and compassionate merchants, jointly launched the “Health Checkups for the Visually Impaired” public service project. The project provided customized medical checkups with over 20 specialized screening items for 500 visually impaired individuals in cities including Beijing, Changchun, and Nanjing. The checkup packages were specifically designed to address common health issues faced by the visually impaired community. The project set up dedicated examination areas and arranged professional staff to provide guidance and support, which greatly improved experience for the visually impaired, while also raising public awareness special groups’ health needs.



Picture: “Health Checkups for the Visually Impaired” Public Service Project

## 5 RESPONSIBLE TECHNOLOGY

### Case study: Tmall Health Platform “Hearing Support 2024” provides hearing screenings for the elderly

In collaboration with the China Association of Gerontology and Geriatrics, the China Ageing Development Foundation, Alibaba Philanthropy, Alibaba Health Philanthropy, and compassionate merchants on the platform, Tmall Health Platform launched the “Hearing Support 2024” public service project to help more elderly individuals detect hearing impairments. Since its launch, the initiative has established hearing screening stations at 25 communities, where certified audiologists provide free hearing tests to seniors aged 60 and above through free consultations and home visits. In January 2025, the project was upgraded with the establishment of the “Hearing Support Public Welfare Fund”<sup>^</sup> (助聽行動公益基金), with 10 partner brands from the Alibaba Health hearing support alliance participating in the first phase to jointly safeguard hearing health for the elderly. As of the end of the Reporting Period, the project had provided free hearing tests to 5,011 seniors.



Picture: “Hearing Support 2024” Public Service Project

Alibaba Health remains committed to addressing the health needs of vulnerable groups. Through targeted assistance programs, the Company provides multi-level health protection for children with critical illnesses, pregnant and postpartum women, as well as patients with rare diseases. These efforts aim to alleviate the burden combating illness and contribute to the “Healthy China” initiative.

## 5 RESPONSIBLE TECHNOLOGY

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### Case study: “Xiao Lu Lantern” children’s serious disease relief public service project

Alibaba Health and Alibaba Philanthropy remain committed to pediatric medical assistance. In collaboration with various levels of government, leading medical institutions, healthcare experts, and reputable charitable organizations, they jointly launched the “Xiao Lu Lantern” public service project to support children with critical illnesses. Backed by Alibaba Philanthropy and compassionate platform merchants, the initiative provides aid to critically ill children in underdeveloped regions. In FY2025, Alibaba Health launched the third phase of the “Xiao Lu Lantern” project, proactively extending support across 58 underserved counties in 16 Chinese provinces, as well as in Zhejiang’s mountainous and island regions including Shengsi County. A specialized, tiered support plan for children with leukemia was also introduced.

As of the end of the Reporting Period, the “Xiao Lu Lantern” initiative had in aggregate provided aid to 2,300 children, with a charitable contribution of over RMB 48.59 million, significantly easing the financial burden on affected families.

### Case study: “Xiao Lu Mama” maternal health protection initiative

Alibaba Philanthropy and Alibaba Health Philanthropy, in collaboration with the “China Birth Defects Intervention and Relief Foundation”<sup>^</sup> (中國出生缺陷干預救助基金會), launched the “Xiao Lu Mama” maternal health protection initiative. This public service project aims to safeguard the health of pregnant and postpartum women through a service mode that combines public interest insurance, regular prenatal check-ups, and health education. As of the end of the Reporting Period, the initiative had provided insurance coverage to 86,000 women of childbearing age in areas such as Kangding in Sichuan and Leishan in Guizhou. It has also managed over 4,500 registered pregnant women through dedicated teams and identified more than 210 individuals with various pregnancy-related risk factors. In the target counties, the project achieved full promotional coverage across towns and villages, with 284 offline awareness events conducted in over 149 villages, directly reaching over 3,855 individuals.

## 5 RESPONSIBLE TECHNOLOGY

### Case study: “Care Campaign for Lemon Babies<sup>19</sup>”

The “Care campaign for Lemon Babies” has seen steady advancement since it was first launched in September 2023 by Alibaba Philanthropy, Alibaba Health Philanthropy, and the Illness Challenge Foundation. In February 2025, the initiative expanded with the introduction of the “Lemon Babies: Boundless Love for Newborns”<sup>^</sup> (檸檬寶寶新生無限) advocacy campaign, aimed at promoting a scientific prevention and management system for inherited metabolic rare diseases, covering newborn screening, precise treatment, and lifelong disease management. Leveraging its platform advantages, Alibaba Health developed a demand-driven supply model to engage compassionate enterprises in ensuring a stable supply of special medical purpose products for infants (referred to as “SMPPi”) for Lemon Babies. This includes supporting the launch of dedicated production lines tailored to the unique nutritional needs of children with these rare diseases living in the PRC. As of the end of the Reporting Period, the project had facilitated SMPPi access for children with rare diseases across 31 provinces, municipalities, and autonomous regions across the country. Over 700 families of rare disease patients registered their SMPPi needs, with demand exceeding 30,000 cans per year. More than 15,000 cans of SMPPi have been made available via the Alibaba Health Rare Disease Care Platform, backed by over RMB 7.43 million in philanthropic funding. The initiative has provided SMPPi subsidies, medical financial assistance, and multidisciplinary consultation (MDT) services to children with a wide range of inherited metabolic rare diseases. It also led the development of the first “Rare Disease Dietary Calculator”<sup>^</sup> (罕見病飲食計算器) in the PRC. The “Care campaign for Lemon Babies” has received several prestigious accolades, including the 2024 Health China Innovation Case Award from people.cn, the 5th “CHIP Award” for Health Philanthropy, and ESG Innovation.



Picture: Launch of the “Lemon Babies: Boundless Love for Newborns” Advocacy Initiative

<sup>^</sup> For identification purpose only

<sup>19</sup> Lemon Babies is an affectionate nickname that refers to children suffering from the two rare disorders of Methylmalonic Acidemia and Propionic Acidemia.

# ESG INDEX

Scope of Environmental, Social and Governance, General Disclosures and Key Performance Indicators (KPI)			Page(s)
<b>Environmental</b>			
A1: Emissions	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.  Note: Air emissions include nitrogen oxides, sulfur oxides, and other pollutants regulated by national laws and regulations. Hazardous waste refers to those defined by national regulations.	74
	A1.1	The types of emissions and respective emissions data.	75
	A1.2	Direct (Scope 1) and energy indirect (Scope 2) total greenhouse gas emissions (in tons) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	71
	A1.3	Total hazardous waste produced (in tons) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	75
	A1.4	Total non-hazardous waste produced (in tons) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	75
	A1.5	Description of emission target(s) set and steps taken to achieve them.	66
	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.	74

Scope of Environmental, Social and Governance, General Disclosures and Key Performance Indicators (KPI)			Page(s)
A2: Use of Resources	General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials. Note: Resources may be used in production, storage, transportation, buildings, electronic equipment, and other purposes.	69
	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).	71
	A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	71
	A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	66-70
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	A2.5	Total packaging material used for finished products (in tons) and, if applicable, with reference to per unit produced.	73
A3: Environmental and Natural Resources	General Disclosure	Policies on minimizing the issuer's significant impact on the environment and natural resources.	74
	A3.1	Description of the significant impact of activities on the environment and natural resources and the actions taken to manage them.	64-75

# ESG INDEX

Scope of Environmental, Social and Governance, General Disclosures and Key Performance Indicators (KPI)			Page(s)
<b>Social</b>			
B1: Employment	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	46
	B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	47
	B1.2	Employee turnover rate by gender, age group and geographical region.	49
B2: Health and Safety	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	56
	B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	57
	B2.2	Lost days due to work injury.	57
	B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	56-57
B3: Development and Training	General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. Note: Training refers to vocational training and may include both internal and external courses funded by the employer.	50-55
	B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	56
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Scope of Environmental, Social and Governance, General Disclosures and Key Performance Indicators (KPI)			Page(s)
B4: Labor Standards	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labor.	46
	B4.1	Description of measures to review employment practices to avoid child and forced labor.	46
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B5: Supply Chain Management	General Disclosure	Policies on managing environmental and social risks of the supply chain.	76
	B5.1	Number of suppliers by geographical region.	80
	B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	76-78
	B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	78-79
	B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	78

# ESG INDEX

Scope of Environmental, Social and Governance, General Disclosures and Key Performance Indicators (KPI)			Page(s)
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.	21, 36, 40
	B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	26
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	B6.3	Description of practices relating to observing and protecting intellectual property rights.	43-45
	B6.4	Description of quality assurance process and recall procedures.	22-25
	B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	39-42
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.	15
	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.	17
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Scope of Environmental, Social and Governance, General Disclosures and Key Performance Indicators (KPI)			Page(s)
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.	80, 83
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# FEEDBACK FORM

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Dear Reader,

Greetings!

Thank you for reading this report. We sincerely welcome any opinions and suggestions you may offer on the report, so that we can keep improving our abilities and standards for ESG practices!

Please answer the questions as follows by marking “√”

1. In relation to Alibaba Health, which of the following applies to you?

- Government    Investor    Employee    Customer    Supplier/Contractor    Partner  
 Peer    Community & Public    Media    NGO    Others (please specify)

2. How would you rate the overall ESG performance of Alibaba Health?

- Excellent    Good    Average    Poor

3. What's your overall rating for the report?

- Excellent    Good    Average    Poor

4. How would you rate the quality of ESG information disclosed in the report?

- Excellent    Good    Average    Poor

5. How would you rate the structure of the report?

- Highly reasonable    Relatively reasonable    Average    Less than reasonable

6. How would you rate the layout and presentation of the report?

- Excellent    Good    Average    Poor

7. What are your expectations regarding Alibaba Health's ESG effort?



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