



# 2023

## 环境、社会及治理报告

Environmental, Social and  
Governance Report

**JDL** 京东物流

JD Logistics, Inc.

京东物流股份有限公司

(于开曼群岛注册成立的有限公司)

Stock Code: 2618

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# Report Profile

## Reporting Scope

**Organizational Scope:** This report covers JD Logistics, Inc., its subsidiaries and consolidated affiliated entities (including Deppon and Kuayue Express), except where expressly stated otherwise.  
**Reporting Period:** From January 1st, 2023 to December 31st, 2023 (the "Reporting Period").  
**Release Cycle:** JD Logistics, Inc. reports its Environmental, Social and Governance (hereinafter referred to as ESG) progress on an annual basis. This report is the third ESG report of the Company.

## Appellation Explanation

For the sake of expression and convenience, this report uses the following abbreviations:  
"JDL", "JD Logistics", "the Company" or "We" refers to "JD Logistics, Inc.";  
"JD", "JD.com" and "JD Group" all refer to "JD.com, Inc." and its subsidiaries, including JD Logistics, Inc.;  
"JD Technology" refers to "Jingdong Technology Holding Co., Ltd";  
"JD Property" refers to "JINGDONG Property, Inc";  
"JD Health" refers to "JD Health International Inc";  
"Kuayue Express" refers to "Kuayue Express Group Co., Ltd";  
"Deppon" refers to "Deppon Logistics Co., Ltd".

## Reference and Principles

This report is prepared in compliance with the ESG Reporting Guide from The Stock Exchange of Hong Kong Limited ("HKEX") or Hong Kong Stock Exchange and adheres to the four reporting principles of materiality, quantitative, balance and consistency stipulated in the guide.

**Materiality:** We attach great importance to the impact of ESG issues on stakeholders. In 2023, JD Logistics conducted materiality assessment to evaluate the impact of ESG issues on internal and external stakeholders, and received confirmation from the board (the "Board") of the directors (the "Directors") of JD Logistics. This report also fully responded to the material issues by disclosing relevant contents.

**Quantitative:** To demonstrate the environmental and social performance of JD Logistics in 2023, we have presented key performance indicators in a measurable way.

**Balance:** In the process of preparing this report, we focus on presenting the Company's performance in an unbiased manner and avoiding any reporting format that may inappropriately influence readers' decisions or judgments.

**Consistency:** Unless otherwise stated, this report adopts the same statistical methods as in previous years to ensure that ESG data can be meaningfully compared in the future.

At the same time, this report also refers to the UN Sustainable Development Goals (SDGs), the GRI Sustainability Reporting Standards (GRI Standards) issued by the Global Sustainability Standards Board (GSSB), the Guidance on Climate Disclosures issued by HKEX, and the recommendations of the Task Force on Climate related Financial Disclosures (TCFD).

## Source of Information

The information and data in this report mainly come from the Company's internal data collection system, work reports, and public information materials. Unless otherwise stated, the currency unit in this report is Renminbi (RMB).

## Release Form of the Report

This report is published in Simplified Chinese, Traditional Chinese, and English. In case of ambiguity or conflict among the three versions, the Simplified Chinese version shall take precedence. This report is released in both environmentally-friendly printed paper and PDF file format. The PDF file supports online reading and can also be downloaded from the HKEX information disclosure web page (<https://www.hkexnews.hk>), the official website of JD Logistics, Inc. (<https://www.jdl.com>), and investor relations website (<https://ir.jdl.com>).

## Contact Us

We greatly appreciate suggestions and feedback from all stakeholders. If you have any comments regarding this ESG report, please feel free to contact us through the following channels:  
Email: [jdlir@jdl.com](mailto:jdlir@jdl.com)  
Address: 8th Floor, Building B, No. 20 Kechuang 11th Street, Yizhuang Economic and Technological Development Zone, People's Republic of China  
Postal Code: 101111



## Message from CEO



### Digital and Industrial Integration for Inclusive Development

Dear friends:

Thank you for reading our 2023 Environmental, Social, and Governance (ESG) Report. On behalf of JD Logistics, I want to express our gratitude for your care and support!



Wei Hu

Executive Director and CEO of JD Logistics

In 2023, with the stabilization and recovery of economic growth, the logistics industry is stepping into a new phase of growth under the backing of various government/state policies. Serving as the lifeline of the real economy, the logistics industry not only facilitates the connection between production and consumption, domestic and international trade but also shoulders the crucial responsibilities of ensuring the resilience of industrial and supply chains, driving down overall logistics costs, and spearheading green initiatives. For JD Logistics, anchoring ourselves firmly in the expansive real economy, deeply integrating into the national development framework, embracing the momentum of green initiatives, and aligning with people's aspirations for a better quality of life are not only our obligations but also strategic imperatives to seize opportunities and generate sustainable value.

Over the past year, JD Logistics has remained steadfast in its corporate mission of "technology-driven to lead global efficient circulation and sustainable development". By continuously harnessing our supply chain infrastructure advantages, insightful capabilities, and technological prowess, JD Logistics has actively fostered a "responsible supply chain", supporting enterprises, industries, and society in achieving high-quality development. **Our service innovations, such as "Next Morning Delivery" and nighttime pick-ups,** have not only enhanced customer satisfaction but also significantly boosted logistics efficiency. **Our cutting-edge logistics technology ecosystem,** epitomized by Asia No. 1 smart industrial parks, has set a new standard for intelligent logistics, catering to the needs of over 1,000 industrial belts nationwide with specialized logistics services. Through **our global network plan,** we leverage a global supply chain network to facilitate exchange between overseas

companies and Chinese brands, and comprehensive supply chain solutions for Chinese brands expanding globally. Moreover, **our end-to-end green supply chain system** assesses logistics carbon footprint through a supply chain carbon management platform, collaborates with upstream and downstream partners to construct a green supply chain, and collectively supports global climate action. These efforts not only demonstrate the pragmatism, responsibility, and resilience of JD Logistics but also underscore our commitment and reflection on achieving high-quality development.

**We are deeply committed to nurturing intelligent supply chain networks that generate value for the real economy.** JD Logistics has constructed a warehousing network that spans nearly all counties in China, making it one of the largest warehousing and logistics networks nationwide. Additionally, we have established an international logistics network encompassing countries and regions such as the United States, Germany, France, the Netherlands, the United Kingdom, Vietnam, Australia, Malaysia, and the United Arab Emirates. This intelligent logistics network serves as a vital support system for enterprises and industries, enabling them to reduce costs, enhance efficiency, and elevate quality standards. In 2023, we opened or upgraded Asia No. 1 smart industrial parks in cities like Qingdao, Kunshan, and Lanzhou. We operate 41 Asia No. 1 smart industrial parks in 30 cities nationwide and nearly 90 bonded warehouses, international direct distribution warehouses, and overseas warehouses around the world. Technological innovation remains a top priority for us, and we have achieved significant breakthroughs in key areas such as intelligent warehousing and logistics parks. Leveraging technologies such as "foundation model+digital twin" and artificial intelligence, we independently developed hardware products such as intelligent storage equipment, unmanned aerial vehicles, and end distribution robots, forming a technical service capability covering every situation of the supply chain. This ensures seamless access to essential resources, maximizes resource allocation efficiency, and expedites goods delivery to their destinations. Through tangible initiatives, we actively propel industrial development, foster brand globalization, contribute to rural revitalization, and play a pivotal role in driving down overall logistics costs.

**We are committed to fostering a green supply chain that embodies a decarbonization model, driving sustainable development.** JD Logistics remains at the forefront of carbon reduction efforts across various facets including warehousing, transportation, and packaging. Through the implementation of artificial intelligence algorithms for efficiency enhancements, the adoption of green energy and transport equipment, and the recycling of packaging materials, we have established an industry-leading model for green development within logistics supply chains. As we progressively implement carbon reduction measures and promote self-circulation, we harness the strengths of innovative new-type real economy in carbon reduction, collaborating with both upstream and downstream partners to continuously fortify our green supply chain. As of the end of 2023, we have successfully completed rooftop photovoltaic installations at 17 JD Logistics Asia No. 1 smart industrial parks, 2 sorting centers, 2 bulky item warehouses, and 1 logistics park, having a total installed capacity of 114.48 megawatts. Furthermore, we have deployed a total of 8,290 self-owned new energy vehicles for trunk and terminal transportation. Through collaboration with our partners, we actively advocate for original packaging, resulting in a reduction of over 800 million units of secondary packaging in 2023 alone. Underpinning our commitment to sustainability, we are progressively introducing 1 million reusable express packages as part of our "Green Stream Initiative".

**We are expanding the horizons of responsible supply chain services to foster a better society and create value for all stakeholders.** Beginning with our commitment to a "responsible supply chain", we strive to achieve mutual benefits and foster win-win outcomes, thus contributing to the advancement of society as a whole. We prioritize the well-being of our frontline employees by providing competitive salaries and enhancing welfare programs, such as the over RMB10 billions "Housing Fund Project" and the expanding "Employee Children's Relief Fund". In 2023, JD Logistics allocated RMB 82.1 billion towards human resources, marking a 23.9% increase in frontline employee salaries and benefits compared to the previous year. Continuing our efforts, we actively optimize county-level logistics networks, supporting the development of rural circulation. Express delivery orders for agricultural products and local specialties reflected a notable 30.2% increase from the previous year. Furthermore, we are committed to enhancing our "Dual-use for Normal and Emergency" logistics service, ensuring swift responses to disasters and emergencies nationwide. In 2023, during various crises such as the floods in the Beijing-Tianjin-Hebei region and the earthquake in Linxia, Gansu, JD Logistics immediately launched the emergency response mechanism, and promptly mobilized emergency supplies from nearby warehouses to support affected areas, effectively maintaining the flow of goods. For several years, we have proudly provided high-quality logistics services for over 100 marathons in cities across the country, empowering hundreds of thousands of runners to pursue their aspirations for a brighter future.

Honoring responsibility while coexisting with value, we firmly believe that the economic success of enterprises should harmonize with environmental and social responsibility. Through ongoing exploration and practical application, JD Logistics is dedicated to integrating and aligning economic, environmental, and social performance. In the future, JD Logistics will uphold core principles of cost reduction, efficiency enhancement, and exceptional service, while continuously innovating to optimize our global supply chain network. We will actively pursue cutting-edge technologies within the industry, with the aim of reducing overall societal logistics costs and contributing to economic and social progress. As we step into the new year, JD Logistics remains committed to standing shoulder to shoulder with you, collaborating towards a brighter future for all!

# About JD Logistics

JD Logistics was established in 2007 as the logistics department of JD.com, and began to provide services to external customers in 2017, formally establishing the JD Logistics business group. In May 2021, JD Logistics was listed on the Main Board of the Hong Kong Stock Exchange, entering a new phase of development. As a leading technology-driven supply chain solution and logistics service provider in China, JD Logistics focuses on six major industries including fast-moving consumer goods, apparel, home appliances and home furniture, 3C, automotive, and fresh produce. With integrated supply chain logistics services as our core competence, JD Logistics provides consumers with technology-driven integrated supply chain solutions and logistics services to help enterprises, industries, and the whole society reduce costs and boost efficiency.

JD Logistics has established six highly synergized logistics networks covering all regions in China, including warehouse network, line-haul transportation network, last-mile delivery network, bulky item logistics network, cold chain logistics network, and cross-border logistics network. Our service covers almost all regions, towns and populations in China. By the end of 2023, JD Logistics operated more than 1,600 warehouses, with an aggregate gross floor area (GFA) over 32 million square meters, including warehouse space managed under the Open Warehouse Platform.

JD Logistics has nearly 90 bonded warehouses, international direct distribution warehouses, and overseas warehouses, with a total management area of close to 900,000 square meters. These facilities cover countries and regions such as the United States, Germany, France, the Netherlands, the United Kingdom, Vietnam, Australia, Malaysia, and Saudi Arabia.

JD Logistics has always attached great importance to the significant role of technological innovation in optimizing the overall supply chain. Leveraging core technologies such as 5G, artificial intelligence, big data, cloud computing, and the Internet of Things (IoT), its business covers the main processes and key elements of the supply chain, including areas such as parks, warehousing, sorting, transportation, and distribution. Our independently developed warehouse automation solutions are at the forefront of the industry. In the end of 2023, JD Logistics has applied for 1,286 patents and software licenses, including 1,101 patents, and 185 software licenses.

As a new type of entity enterprise that combines physical business with digital technology and capabilities, JD Logistics has always fulfilled its mission and responsibility to build a "responsible supply chain". Rooted in the vast real economy, we continue to create social value. By the end of 2023, JD Logistics' total expenditure on human resources reached RMB 82.1 billion, with a year-on-year increase of 23.9% in frontline staff salaries and benefits expenditure. The nationwide supply chain logistics network has become an important driver for employment opportunities.

JD Logistics is actively implementing a strategic project called "Green Stream Initiative", focusing on green and sustainable development from three aspects: "Planet", "People", and "Profits", coordinating industry and social forces to promote environmental sustainability. Furthermore, we promote the use of renewable energy sources and environmentally friendly materials to practice the concept of green and sustainable development.

JD Logistics adheres to the core development strategy of "Customer Experience First, Technology-Driven, Efficiency Wins". We continuously use our experience in developing new types of entity enterprises and the data intelligence capabilities resulting from long-term technological investments to serve the real economy, creating value consistently.



**6** Networks

Warehouse, line-haul transportation, last-mile delivery, bulky item logistics, cold chain logistics and cross-border networks

JD Logistics operates more than

**1,600** Warehouses

**32** Million Square Meters

With an aggregate gross floor area (GFA), including warehouse space managed under the Open Warehouse Platform

**2,000**

By the end of 2023, the number of cooperative cloud warehouses under the Open Warehouse Platform has exceeded

# Highlights of ESG Performance of JD Logistics in 2023

## Economic performance

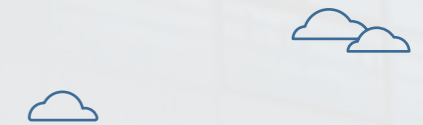
- ◆ In 2023, JD Logistics achieved a total revenue of RMB **166.6** billion, representing a year-on-year growth of **21.3%**<sup>1</sup>
- ◆ JD Logistics' profitability continued to improve, with an adjusted Non-IFRS net profit of nearly RMB **2.76** billion, a year-on-year growth of **218.8%**<sup>1</sup>
- ◆ Revenue from external customers reached RMB **116.6** billion in 2023, a year-on-year growth of **30.8%**, with external customer revenue accounting for 70% of total revenue<sup>1</sup>
- ◆ In 2023, revenue from integrated supply chain customers reached RMB **81.5** billion<sup>1</sup>
- ◆ Revenue from the express industry and other customers reached RMB **85.2** billion in 2023, a year-on-year growth of **42%**<sup>1</sup>
- ◆ Self-operating over **1,600** warehouses nationwide, with a total GFA of over **32** million square meters, covering almost all counties (cities, districts) in China by the end of 2023<sup>1</sup>
- ◆ The last-mile delivery network operated more than **19,000** delivery stations and outlets, covering more than **300** prefectural-level municipalities in China's **33** provincial-level administrative regions<sup>1</sup>
- ◆ Nearly **90** bonded warehouses, international direct distribution warehouses, and overseas warehouses around the world, with a total managing scale of nearly **900,000** square meters, covering countries and regions like the US, Germany, France, Netherlands, the UK, Vietnam, Australia, Malaysia, United Arab Emirates
- ◆ Operating **41** Asia No. 1 smart industrial parks across the country by the end of 2023
- ◆ Building **7** reverse logistics centres, **18** reverse forward disposal warehouses and **7** testing centres, **7** repair centres, with thousands of professional testing and repair engineers by the end of 2023
- ◆ In 2023, R&D expenditure amounted to RMB**3.6** billion, an increase of **14.4%** from the previous year<sup>1</sup>
- ◆ By the end of 2023, over **4,000** patents and softwares were authorized<sup>1</sup>. In 2023, JD Logistics has applied for **1,101** patents and **185** software licenses.

- ◆ In 2023, JD Logistics had **10** technological innovations selected in Annual Scientific and Technological Progress Award of China Federation of Logistics & Purchasing



## Social performance

- ◆ By the end of 2023, JDL expanded its high-quality employment scale with over **450,000** employees, and **350,000** in-house delivery personnel<sup>1</sup>
- ◆ In 2023, JD Logistics' human resources expenditures (including its own employees and external personnel) reached RMB **82.1** billion, the frontline employee compensation and benefit expenditures reached RMB **55.3** billion, a year-on-year growth of **23.9%**<sup>1</sup>
- ◆ JDL has served more than **1,000** regions and industrial zones across the country, with nearly **70** origin warehouses, more than **1,000** air routes<sup>1</sup>, and more than **600** railroad routes<sup>1</sup>, and has greatly helped revitalize the countryside by the end of 2023
- ◆ In the third quarter of 2023, JD Express maintained best-in-class according to customer satisfaction ratings results published by the State Post Bureau of the People's Republic of China, continuously leading the industry
- ◆ JD Logistics had **3** call centres and **8** complaint handling centres in China, with approximately **260,000** business volumes per day manually processed by nearly 10,000 customer service agents and **210,000** per day self-processed day by the end of 2023
- ◆ In 2023, more than **4,000** employees acquired the vocational skills upgrading certification
- ◆ In 2023, more than RMB **20** million from the relief funds were distributed throughout the year, helping more than **250** employees and their families through difficult times
- ◆ In 2023, JD Logistics employees volunteered for a total of **11,233** hours
- ◆ In 2023, JD Express courier Luan Yushuai was honoured the "National May 1 Labor Medals", and JD Logistics Shanghai Anti-Pandemic Supply Guarantee Team was awarded the "Pioneer of National Workers"
- ◆ In 2023, the Company led the establishment of the first industry-education integration community for the intelligent supply chain industry



## Environmental performance

- ◆ By the end of 2023, JDL had **17** Asia No. 1 smart industrial parks, **2** sorting centers, **2** bulky warehouses, and **1** logistics park that were equipped with rooftop photovoltaic systems, with a total installed capacity of **114.48** MW
- ◆ Carbon Neutral logistics parks were constructed in Beiliu, Guangxi Province, Yibin, Sichuan Province and many other places, which helped local governments accelerate the completion of Dual Carbon goals
- ◆ Promote the use of new energy vehicles. By the end of 2023, a total of **8,290** self-operated new energy vehicles were used in trunk and terminal transportation
- ◆ Expanded the use of hydrogen-fuelled vehicles. We put into use the first batch of hydrogen-fuelled electric heavy-duty trucks. Since these trucks were put into use on October 11, 2023, they transported on **60** routes per day, and saved a total of **74,000** liters of diesel by the end of 2023
- ◆ By the end of 2023, according to the industry standard Green Warehouse Requirements and Evaluation (SB/T 11164-2016), **14** parks were awarded the "Green Warehouse" through on-site evaluation organized by the China Warehousing and Distribution Association, of which there were **9** Class I (three-star) green warehouses and **5** Class II (two-star) green warehouses
- ◆ In 2023, the annual procurement of photovoltaic green power was **47,344.4** MWh, reducing carbon emissions by **27,000** tonnes
- ◆ By the end of 2023, approximately **69,515** tonnes of carbon emissions were reduced through green packaging. In 2023, **1 million** recycled packages were put into the market. It is expected that by the end of 2024, this initiative alone will reduce over **100** million disposable packages such as cardboard boxes, foam boxes and plastic bags
- ◆ In 2023, the case of "Promoting Upstream and Downstream Decarbonization to Build a Climate-Resilient Supply Chain" was included in the report *Start from Action: Observation Report on Low-Carbon Transition of Enterprises in China 2023* and presented at The United Nations Climate Change Conference (COP28), and was published during this conference
- ◆ In 2023, for the first time, JD Logistics provided detailed information on its climate strategy and performance to the Carbon Disclosure Project (CDP) and received a B- grade in the annual climate disclosure rating



<sup>1</sup> The data covers the full year of 2023 and includes statistics for JD Logistics and its subsidiaries and consolidated affiliated entities, including Deppon and Kuayue Express.

## Awards and Accreditations

Awards	Awarding Body
Ranking first on the 2023 List (the 30th batch) of National-recognized Enterprise Technology Center	National Development and Reform Commission, Ministry of Finance of the People's Republic of China, General Administration of Customs of the People's Republic of China, State Taxation Administration
2022 Typical Applications of Blockchain	Ministry of Industry and Information Technology of the People's Republic of China
2023 Exemplary Enterprises in the Big Data Industry Development	Ministry of Industry and Information Technology of the People's Republic of China
2023 Intelligent Manufacturing System Solutions Flagship Projects	Ministry of Industry and Information Technology of the People's Republic of China, State Administration for Market Regulation
2023 Integrated Transportation Chinese New Year Outstanding Achievement Collective	Ministry of Transport, All-China Federation of Trade Unions, National Railway Administration of the People's Republic of China, State Post Bureau of the People's Republic of China
2023 National Youth Work Safety Demonstration Post in the Postal Express Industry	State Post Bureau of the People's Republic of China
Selected as one of the first batch of typical projects for in-depth integration between the express delivery industry and manufacturing industry under the "5312 Project"	State Post Bureau of the People's Republic of China, Ministry of Industry and Information Technology of the People's Republic of China
"Pioneer of National Workers"	All-China Federation of Trade Unions
The Most Beautiful Posthouse in China	All-China Federation of Trade Unions
Frontline employees were awarded the "National May 1 Labor Medals", the Most Beautiful Courier, the Labor Day Award of Guizhou Province, 2023 Science and Technology Talent Award for the Express Industry, 2023 Technical Expert for the Express Industry, and the First-Class Individual Medal of Safety for Logistics and Express Delivery Enterprises in Liaoning Province.	All-China Federation of Trade Unions, State Post Bureau of the People's Republic of China, the Federation of Trade Unions in Guizhou Province, Ministry of Public Security of the People's Republic of China
The First Batch of Enterprise-leading Companies for the Integration of Advanced Manufacturing and Modern Service Industries	Beijing Municipal Office for the Integrated Development of Advanced Manufacturing and Modern Service
Recognition as a High-Tech Enterprise	Beijing Municipal Science and Technology Commission, Beijing Municipal Finance Bureau, Beijing Municipal Tax Service
2023 Second Batch (19th in total) List of New Technologies, Products, and Services in Beijing	Beijing Municipal Science and Technology Commission, Beijing Municipal Development and Reform Commission, Beijing Municipal Bureau of Economy and Information Technology, etc
Second Prize for 2023 Science and Technology Award in Shaanxi Province	Department of Science and Technology of Shaanxi Province
2023 Advanced Enterprise in Promoting Employment in Guangxi Province	Governance of Guangxi Zhuang Autonomous Region
COP28: Start from Action: Observation Report on Low-carbon Transition on Enterprises in China 2023; Published during this conference	Ministry of Commerce: Sustainable Development Economy Magazine

Awards	Awarding Body
The 2023 ESG Governance Award	The Hong Kong Institute of Certified Public Accountants
Ranked 4th in the Top 50 logistics Enterprises in 2023 (up two places from 2022)	China Federation of Logistics & Purchasing
Ranked 2nd in the Top 50 Private Logistics Enterprises in 2023	China Federation of Logistics & Purchasing
One of the Top 100 Cold Chain Logistics Enterprises in China in 2022	China Federation of Logistics & Purchasing
2022 National Model Logistics Enterprise	China Communications and Transportation Association
2022 National Model Logistics Enterprise for Social Responsibility	China Communications and Transportation Association
2022 Innovation and Growth Award National Advanced Logistics Enterprises	China Communications and Transportation Association
One of the Top 10 Data Management Brands in 2022	China Electronic Information Industry Federation
2023 Express Contribution Award, 2023 Express Social Responsibility Award, 2023 Express Technological Progress Award, 2023 Best Technology Award for Intelligent Driving	China Post News
The 2023 World IoT Enterprise	World Internet of Things Convention
The 2023 World IoT Project	World Internet of Things Convention
Dual Carbon Actors Conference - 2023 Dual Carbon Innovators	Southern Weekend
2023 Annual Charity Gala - ESG Pioneer of the Year	China Philanthropist, Weibo
Favorite Talent Employer Award	Boss Recruitment
2023 Best Employer Award	Maimai Recruitment
Shortlisted in 2023 Top 25 Global Logistics Brand Values by Brand Finance, a globally recognized brand value assessment agency	Brand Finance (A globally recognized brand value assessment agency)
Shortlisted in 2023 Top 10 Strongest Global Logistics Brands by Brand Finance, a globally recognized brand value assessment agency	Brand Finance (A globally recognized brand value assessment agency)
With a S&P CSA rating of 52 points, ranking among the top in the global transportation and logistics industry	S&P Global
Rated a B- level for Climate Change of the Carbon Disclosure Project (CDP) in 2023	Carbon Disclosure Project (CDP)
Rated a BB level by Morgan Stanley Capital International (MSCI) ESG evaluation	Morgan Stanley Capital International (MSCI)

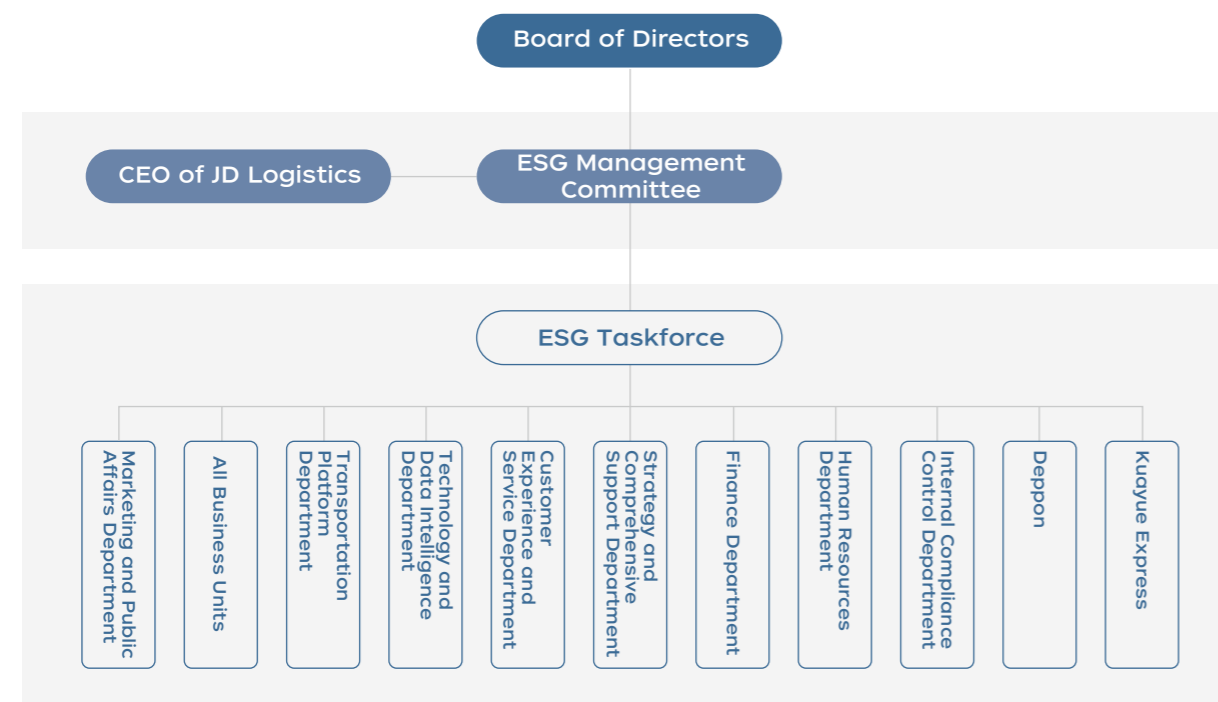
# Strategy and Management

## Corporate Culture



## ESG Governance Structure

JD Logistics closely integrates ESG governance with its own development strategies and business activities. We firmly believe that a good ESG governance structure can help promote the Company's full implementation of ESG-related strategies, continuously optimize the ESG governance structure, gradually improve the working system of the sustainable development strategy, and put the concept of sustainable development and commitments to stakeholders into practical actions.



## ESG Statement of the Board of Directors

The Board of Directors of JD Logistics has continued to drive improvements in the Company's management systems for environmental, social and governance and strengthen its supervision of, and its participation in, the Company's ESG matters, in accordance with the requirements of the Environmental, Social and Governance Reporting Guide issued by HKEX. The Board of Directors confirms that this ESG Report includes detailed disclosures of the Company's key progress and achievements in ESG during the reporting period. The Board of Directors makes the following statement in relation to its supervision and management of ESG matters:

- ◆ The Board of Directors of JD Logistics assumes full responsibility for the development of ESG strategies and information disclosure of the Company.
- ◆ The Board of Directors and its ESG Management Committee implement ESG regulatory responsibilities through regular review of ESG management policies and strategies, ESG progress reports and board resolutions. The Board of Directors and its ESG Management Committee also take responsibility of evaluating, prioritizing, and managing substantive ESG issues (including risks), and conducting normalized supervision and management of key ESG performance targets and achievements.
- ◆ The Company analyses the materiality of ESG issues that are of interests to stakeholders annually in order to provide reference for the company to develop and update ESG strategies and objectives, so as to continuously respond to stakeholders' expectations.
- ◆ The Company takes safety production, green operation and compliance operation as the basic items of ESG assessment to promote the orderly achievement of the company's ESG goals.
- ◆ In order to ensure the reliability of the company's ESG information and data, the company hired Bureau Veritas to conduct a reasonable level of independent verification of this report.

<b>Board of Directors</b>	The Board of Directors of JD Logistics is responsible for the effective management and oversight of environmental, social and governance matters, as well as the assessment and management of significant environmental and social risks. The Board of Directors has overall responsibility for the corporate sustainability strategy, objectives, and environmental, social and governance, and climate-related risks and opportunities. The Executive Director and CEO of JD Logistics is responsible for initiating, driving and overseeing the sustainable development of JD Logistics, and the Board reviews reports from the ESG Management Committee and the management at least four times a year, including the JD Logistics Annual Report 2022 and ESG Report 2022, covering ESG issues such as corporate governance, business ethics, green logistics, employee development, rural revitalization, etc.
<b>ESG Management Committee</b>	The ESG Management Committee of JD Logistics is headed by CEO, with leaders from the business/functional departments, Deppon and Kuoyue Express serving as members of the committee, reporting to the ESG Management Committee head and jointly responsible for supervising and making decisions on ESG issues, improving the company's ESG risk management, supporting ESG trend analysis, and contributing to business decision-making and development. The ESG Management Committee reports on the progress of ESG management to the Board of Directors quarterly, which helps enhance the transparency and collaborative efficiency of internal ESG management.
<b>ESG Taskforce</b>	JD Logistics has set up the ESG taskforce was se tup under the ESG Management Committee, and is responsible for the implementation of the company's ESG decisions in its daily work, and ensures that the various sustainable development plans are effectively promoted and smoothly carried out in various business and functional departments.



## Stakeholder Communication

JD Logistics thinks highly values communications with stakeholders, actively expanding communication channels with stakeholders in all aspects of its daily operation and services. We build a sound and stable stakeholder relationship by establishing a regular communication mechanism, fully understand the expectations and demands of stakeholders through multi-channel and multi-form communication activities, and actively respond to stakeholder concerns.

### Stakeholders' Main Concerns and Communication Channels

Stakeholders	Main Concerns	Communication Channels
Customers and consumers	Customer relationship management Product and service optimization Digital and intelligent supply chain Data security and privacy protection Emergency support and people's livelihood supply guarantee Green packaging	Service satisfaction survey Customer communication and complaint channels Daily media communication Social media communication
Government institutions and social organizations	Compliance and risk management Data security and privacy protection Respect for and protect of human rights Employees' benefit Employees' safety and health Emergency support and people's livelihood supply guarantee Rural revitalization and philanthropy Social communication and participation	Daily reporting and communication, and proposing policy recommendation Industrial forums and conferences On-site investigations and inspections Signing cooperation agreements and establishing strategic partnerships Responding to inquiries and concerns from regulatory agencies
Shareholders	Optimize corporate governance Compliance and risk management Integrity and business ethics Data security and privacy protection Low-carbon management of warehousing logistics Customer relationship management Product and service optimization Digital and intelligent supply chain	Telephone, face-to-face meetings, and company visits Corporate annual reports, quarterly reports, and announcements Roadshows Daily reporting and communication on sustainable development and ESG - related issues

Stakeholders	Main Concerns	Communication Channels
Suppliers and other business partners	Integrity and business ethics Compliance and risk management Data security and privacy protection Customer relationship management Product and service optimization Sustainable supply chain Digital and intelligent supply chain Low-carbon management of warehousing logistics Green packaging	Supplier procurement, training, and evaluation Industrial forums Supplier conferences
Communities and the public	Emergency support and people's livelihood supply guarantee Rural revitalization and philanthropy Social communication and participation Addressing climate change Greenhouse gas emission Green packaging Resources management Water resource management	Official platforms such as websites and WeChat official accounts External publicity materials Public welfare projects Public welfare industrial forums and activities Volunteer activities
Directors and executives	Optimizing corporate management Compliance and risk management Integrity and business ethics Customer relationship management Product and service optimization Data security and privacy protection Diversified, equal and inclusive enterprise culture	Reporting to the Board of Directors Communication across all levels Daily communication with the ESG Management Committee
Employees	Respect for and protect of human rights Employees' benefit Talent cultivation and development Safety and health Diversified, equal and inclusive enterprise culture	Whole staff emails, communication meetings, employee forums, and workers' congresses Training activities and appeal mechanisms Online and offline employee surveys Employee complaint mailbox Employee Voice platform

# Materiality Analysis

Based on the materiality analysis model, JD Logistics has been conducting materiality issue identification and materiality analysis since 2021 to identify and screen strategic issues that are of concern to internal and external stakeholders and are important to the Company. Additionally, we formed an analysis matrix of material issues and disclosed annual progress in the ESG report.

In 2023, we continued to identify, evaluate and screen sustainability issues based on the results from the previous years, and set issues that are important to both the Company and our stakeholders. The results of our materiality analysis has been reviewed and approved by the Board of Directors on March 6, 2024.

## 2023 Materiality Issues Matrix

JD Logistics 2023 ESG Materiality Issues Matrix



◆ Governance Issues    ◆ Environmental Issues    ◆ Social Issues

Governance Issues	Environmental Issues	Social Issues
1. Optimize corporate governance	7. Low-carbon management of warehousing logistics	15. Customer relationship management
2. Diversified, equal and inclusive enterprise culture	8. Environmental Policy and Management System	16. Product and service optimization
3. Integrity and business ethics	9. Greenhouse gas emission	17. Digital and intelligent supply chain
4. Compliance and risk management	10. Green packaging	18. Employees' benefit
5. Sustainable supply chain	11. Resources management	19. Talent cultivation and development
6. Data security and privacy protection	12. Addressing climate change	20. Respect for and protect of human rights
	13. Water resource management	21. Employees' safety and health
	14. Biodiversity conservation	22. Emergency support and people's livelihood supply guarantee
		23. Rural revitalization and philanthropy
		24. Social communication and participation

**Identification**

In 2023, we analyzed and interpreted macro policies and industry hotspots, tracked the focus of the capital market and institutional investors on ESG, outlined the policy guidance and development opportunities for the industry to fulfil our responsibilities. Also, we combined the relevant research results with the sustainability model in light of the business development strategy and our own characteristics. During the year, we identified a total of 24 ESG issues, including new issues such as respect for and protection of human rights, environmental policy and management system, and community communication and participation, and optimized and updated some of the issues.

**Evaluation**

We forwarded a questionnaire to internal and external stakeholders to assess the importance of sustainability issues, which covered seven categories of stakeholders, including customers and consumers, government agencies and social organizations, shareholders, suppliers and other business partners, the community and the public, directors and executives, and employees. 1,557 valid questionnaires were collected, and based on the results of the questionnaires and the opinions of experts in the field of sustainability, a two-dimensional evaluation of the importance of the issue was concluded.

**Confirmation and Report**

The 24 material issues were ranked by the research scoring results and equal weighting method, the materiality issues matrix for JD Logistics in 2023 was formed from two dimensions: "the importance to stakeholders" and "the importance to Operation and Governance".

Governance Issues	Response Indicators	Environmental Issues	Response Indicators	Social Issues	Response Indicators
Optimize corporate governance	HKEX ESG B7 GRI 2	Low-carbon management of warehousing logistics	HKEX ESG A1 GRI 305	Customer relationship management	HKEX ESG B6
Diversified, equal and inclusive enterprise culture	HKEX ESG B1 GRI 404;GRI 405	Policy and Management System	HKEX ESG A	Product and service optimization	HKEX ESG B6 GRI 416;GRI 417
Integrity and business ethics	HKEX ESG B7 GRI 205	Greenhouse gas emission	HKEX ESG A1 GRI 305	Digital and intelligent supply chain	HKEX ESG B5 GRI 201;GRI 202;GRI 203
Compliance and risk management	HKEX ESG B7 GRI 206;GRI 207	Green packaging	HKEX ESG A3 GRI 301;GRI 306	Employees' benefit	HKEX ESG B1 GRI 401;GRI 402
Sustainable supply chain	HKEX ESG B5 GRI 204;GRI 308;GRI 414	Resources management	HKEX ESG A1 HKEX ESG A2 GRI 302;GRI 306	Talent cultivation and development	HKEX ESG B3 GRI 404
Data security and privacy protection	HKEX ESG B6 GRI 418	Addressing climate change	HKEX ESG A4	Respect for and protect of human rights	HKEX ESG B4 GRI 401;GRI 402;GRI 406;GRI 407;GRI 408;GRI 409
		Water resource management	HKEX ESG A2 GRI 303	Employees' safety and health	HKEX ESG B2 GRI 403;GRI 410
		Biodiversity conservation	GRI 304	Emergency support and people's livelihood supply guarantee	HKEX ESG B8
				Rural revitalization and philanthropy	HKEX ESG B8 GRI 411;GRI 413;GRI 415
				Social communication and participation	HKEX ESG B8 GRI 411;GRI 413



# 01

## Integrating Digital Technology and Reality, Rooted in High-Quality Development

At present, in response to the evolving developments and changes of globalization, economic and social development is transitioning from a phase of rapid expansion to one of high-quality advancement. This new phase of development, coupled with the evolving environment, demands greater and more immediate emphasis on achieving effective qualitative enhancements and reasonable quantitative growth in the economy. As a "leading technology-driven supply chain solution and logistics service provider", JD Logistics leverages digital capabilities to seamlessly connect various supply chain components, including social production, distribution, consumption, and services. We are consistently exploring avenues to expedite the integration of offline entities and online platforms, thereby contributing to the establishment of a modern logistics ecosystem. The Company provides integrated logistics solutions across multiple industries, assisting real enterprises in cost reduction and efficiency enhancement through reliable and efficient supply chain services. We actively facilitate the development of industrial clusters in key urban and rural areas by collaborating in the construction of regional logistics centers. Additionally, we endeavor to establish a global logistics service network, facilitating the internationalization efforts of both Chinese and overseas enterprises. Furthermore, we play a vital role in the crucial nodes of urban and rural logistics services, empowering rural economic revitalization initiatives. At the same time, the Company remains committed to exploring cutting-edge technologies. Through digital transformations, intellectual advancements, and system enhancements, we continually enhance the consumer experience in terms of product quality and service. Moreover, we actively participate in emergency supply provisions. As of the end of 2023, JD Logistics had delivered high-quality services to nearly all regions, cities, towns, and population across China. We have fostered a well-developed industrial and social ecosystem, thereby fostering the high-quality development of the real economy.

Sustainable Development Goals, SDGs



Integrating Digital Technology and Reality, Rooted in High-Quality Development

Integrating Green Chains and Building a Community with a Shared Future for Mankind

Integrating Shared Values and Building a Responsible Supply Chain

Pursuing Sound Business Ethics and Creating Sustainable Social Values

# Delivering Full-Chain Services to All Sectors

As a leading technology-driven supply chain solution and logistics service provider in China, JD Logistics adheres to its mission of "technology-driven to lead global efficient circulation and sustainable development". The Company is dedicated to promoting sustainable development alongside all stakeholders in different industries and society as a whole, while continuously leveraging the integrated supply chain's driving force to "empower businesses in the real economy". In addition, the Company promotes the digital transformation, green development, cost reduction, and efficiency enhancement of both upstream and downstream components of the supply chain, thereby fostering the high-quality development of the real economy.



**Fast-Moving Consumer Goods**



**Apparel**



**3C**

# Integrated Supply Chain Supports Industrial Innovation and Upgrading

JD Logistics has extensive market insight and service experience across various industries, including fast-moving consumer goods, apparel, 3C products, home appliances and home furniture, automotive, and fresh produce. Leveraging digitalization, intelligence, and ecology, the Company streamlines supply-demand collaboration and offers enterprises end-to-end solutions spanning supply chain strategy to execution. Furthermore, JD Logistics bridges the digital economy with the real economy through technology and openness, thereby facilitating the digital transformation and high-quality development of supply chains for entity enterprises.



**Home Appliances and Home Furniture**



**Automotive**



**Fresh Produce**

JD Logistics provides integrated supply chain service solutions for businesses in the consumer goods industry, comprising "standardized products + customized services". From crafting supply chain blueprints to executing logistics service projects, we engage in comprehensive collaboration, encompassing online multi-channel integrated warehousing and distribution services, offline multi-scenario distribution services, the capacity to fulfill both B2B and B2C orders within the same warehouse, and other fundamental logistics solutions. Additionally, we provide warehouse network planning, inventory planning, and supply chain digitalization to optimize logistics efficiency. Our efforts aim to assist businesses in cost reduction and efficiency enhancement during supply chain and channel transitions while enhancing the overall consumer experience.

Drawing from typical scenarios within the apparel industry, JD Logistics implements pre-integration and pre-combination across facilities, systems, ecosystems, and models, offering solutions to alleviate businesses' pain points throughout the entire supply chain. Addressing issues such as incorrect or missing deliveries and product returns and exchanges, JD Logistics leverages its forward and reverse integrated logistics network to facilitate digital upgrades within the footwear and clothing industry. The Company's self-developed automatic distribution wall system utilizes advanced scanning technology to swiftly identify a vast array of SKUs, sorting various types and specifications of products such as shoeboxes, apparel, and accessories with an exceptional accuracy rate of up to 99.99%. Furthermore, the system can process up to 1,500 returned items per hour, resulting in comprehensive cost savings across sorting, shelving, and picking operations.

JD Logistics harnesses intelligent supply chain capabilities to deliver merchants comprehensive end-to-end services encompassing the entire chain, integrating warehouses, transportation, distribution, and return services seamlessly from factories, warehouses, and stores to consumers. This includes online and offline inventory sharing services. Through meticulous system management utilizing unique codes / serial codes, we enable precise inventory control, aiding merchants in enhancing supply chain efficiency while reducing capital consumption and operating costs.

Through strategic nationwide inventory distribution, meticulous warehouse operations, guaranteed peak and off-peak performance, and a commitment to 24-hour rapid delivery and order fulfillment, JD Logistics offers comprehensive, one-stop, and professional supply chain services. With a workforce of over 10,000 delivery and loading personnel trained in professional skills nationwide, JD Logistics ensures not only the delivery of large appliances but also offers installation services for TVs, washing machines, refrigerators, and other home appliances. We support enterprises to achieve consistent and efficient shipping and delivery processes, along with convenient and secure pickup and return services, surpassing industry standards for stability and service provision as outlined in contracts.

Leveraging big data, intelligent prediction, inventory planning, and other digital capabilities, JD Logistics is committed to strengthening its collaboration with leading automotive enterprises, offering comprehensive supply chain management solutions for auto spare parts. Our efforts aim to optimize overall inventory levels, enhance service satisfaction rates, improve distribution efficiency, and reduce operating costs for our automotive partners. By doing so, we assist them in the automatic and digital transformation of supply chains, jointly delivering flexible, efficient, and refined logistics services.

We provide customers with comprehensive one-stop supply chain services spanning from origin and production sources to end consumers. Utilizing our nationwide cold chain warehouses, transport, and distribution network, we deliver high-quality basic logistics services to customers. Fueled by big data and empowered by science and technology, we have developed a fully traceable and visualized system for the food supply chain. Leveraging automation equipment, warehouse network planning, and intelligent forecasting, we assist customers in enhancing their digital capabilities and collaboratively building a traceable, intelligent, and refined supply chain ecosystem.

Integrating Digital Technology and Resilience, Rooted in High-Quality Development

Integrating Green Chains and Building a Community with a Shared Future for Mankind

Integrating Shared Values, Building a Responsible Supply Chain

Pursuing Sound Business Ethics and Creating Sustainable Social Values

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Development

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Integrating Shared Values,  
Building a Responsible Supply  
Chain

Pursuing Sound Business  
Practices and Creating Sustainable  
Values

Case

**JD Logistics Builds an Agile Supply Chain With a Dairy Company**

Over the years, JD Logistics and a dairy company's Milk Powder Division have developed multi-dimensional cooperation in areas such as supply chain blueprint planning, digital system construction, and basic logistics services, and have worked together to create an agile supply chain that takes into account both cost and efficiency. With the trend of diversification of online and offline channels and fragmentation of orders in the FMCG industry, it has been increasingly difficult for the enterprise to manage its supply chain. Through its self-developed "JD Wisdom" system, JD Logistics builds the overall application architecture, considers the actual needs of the enterprise, and innovatively solves the problems of multi-channel inventory fragmentation and unbalanced inventory distribution by means of intelligent forecasting, multi-channel inventory and other supply chain plans. At the same time, it relies on supply chain management capabilities to reasonably plan warehouse network and inventory distribution. Through the integration of multi-channel inventory, it easily realizes the flexible allocation of channel inventory, significantly reduces the inventory turnover days of products and improves the e-commerce cross-bin fulfillment rate.

Case

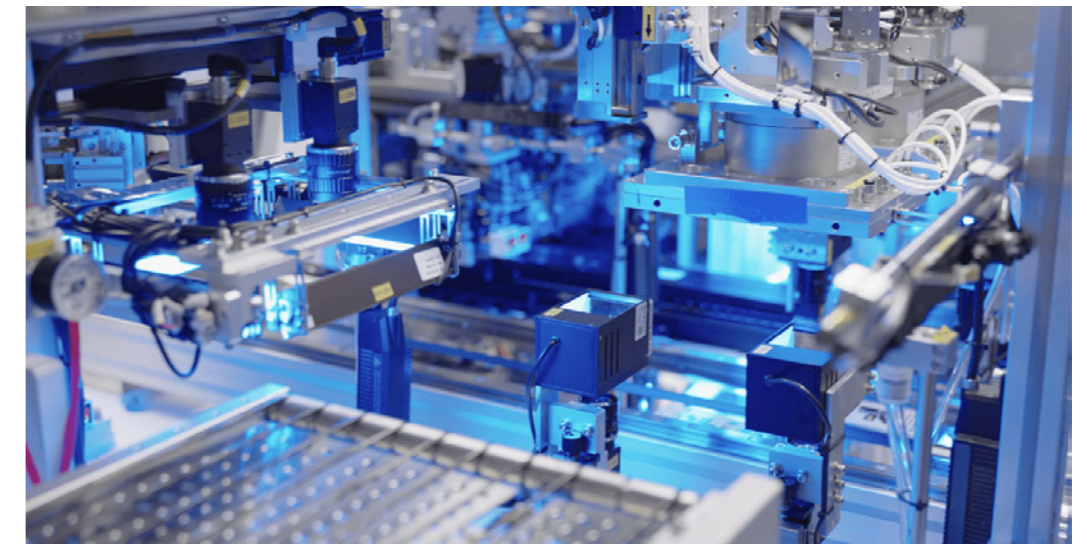
**Four Warehouses Nationwide to Help Leapmotor Improve Supply Chain Efficiency**

Leapmotor is an innovation-driven intelligent electric vehicle brand, which has carried out continuous R&D and innovation around three core technologies: intelligent power, intelligent driving and intelligent cockpit, forming a modal of all self-research and vertical integration. With the rapid growth of Leapmotor's business, the supply chain of after-sales spare parts from the central warehouse in Jinhua under the "disturbing orders nationwide from a single warehouse" model is not enough to meet the customer's time requirements. JD Logistics, leveraging its nationwide warehousing and distribution network, end-to-end network planning capabilities, supply chain planning and operational capabilities, has developed a warehouse network plan for Leapmotor in four places across the country. Compared to the "disturbing orders nationwide from a single warehouse" model, now the distance from the warehouse to the shop is closer, the distribution efficiency is higher, and customers are more satisfied. At the same time, JD Logistics also depends on the "JD Wisdom system" to provide Leapmotor with well-improved RDC (regional distribution center) supply chain planning services. This can effectively improve the dealer's order fulfillment rate, improve inventory turnover efficiency and reduce the cost of holding spare parts.

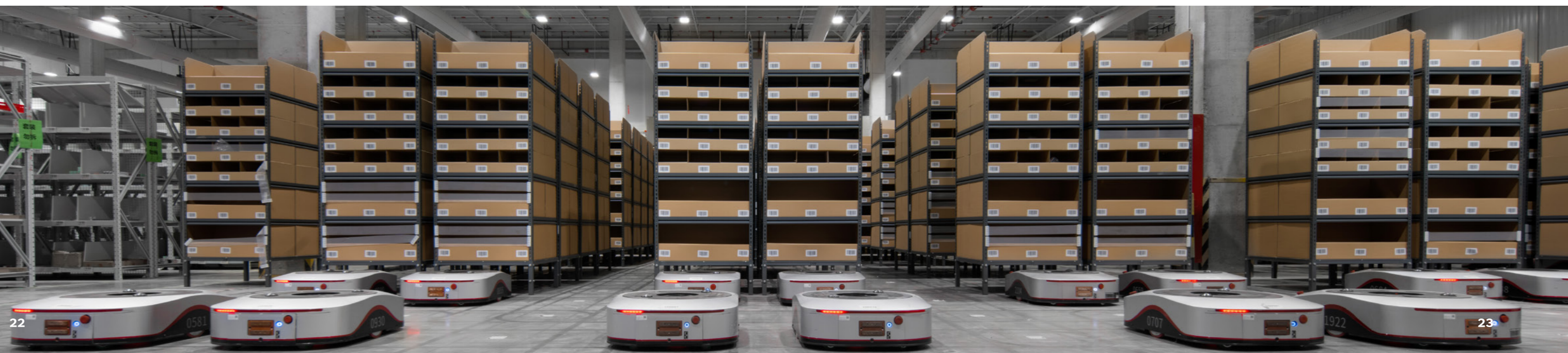
Case

**Starting the "Accelerator" for EVE'S New Energy Development**

EVE Energy Co., Ltd. (hereinafter referred to as "EVE") is a leading new lithium battery company with independent intellectual property rights and internationally advanced technologies. With the rise of the new energy industry, the upgrading of the supply chain and logistics system has become a new issue facing the development of the industry. JD Logistics has developed an efficient supply chain service system for EVE relying on its end-to-end supply chain planning capability, supply chain planning and operation system, warehouse and logistics network across the country, and excellent operation and management capability. More than 200 exclusive routes have been planned in detail to help the enterprise effectively improve the order fulfillment rate, enhance the inventory turnover efficiency, and reduce the cost of holding spare parts. It also continues to improve supply chain resilience, responds to customers' urgent needs in a timely manner, and achieves flexible resource allocation and flexible and efficient contract performance. With the help of JD Logistics' integrated supply chain services, EVE's logistics efficiency continues to improve: in terms of timeliness, the timely pickup rate has reached 99.9%; in terms of safety, with its highly professional and strict supervision system, JD Logistics efficiently ensures the security of power batteries and other hazardous chemicals, with 0% of orders showing abnormal.



JD Logistics developed an efficient supply chain service system for EVE to help it achieve cost reduction and efficiency improvement.



## Assure Reverse Logistics, Helping Enterprises Reduce Costs and Increase Efficiency

With the rapid growth of e-commerce, major online platforms have enhanced their service policies, such as "7-day unconditional return service" and "buy now, pay later". While these policies enhance consumer experience, they have also led to a significant increase in returned goods. As the pioneering enterprise in the industry to establish a reverse warehousing and distribution network, JD Logistics has set up 7 reverse disposal centers, 18 reverse forwarding warehouses, 7 testing centers, and 7 repair centers nationwide. Additionally, we boast thousands of professional inspection and maintenance engineers. By shortening the reverse chain, enhancing goods detection and disposal capabilities, and expanding channels for selling used goods, among other core competencies, we meet merchants' needs to reduce costs and losses.

Meanwhile, JD Logistics has extended its services to six major industries, including apparel, 3C products, and home appliances. Through the creation of an industry-integrated supply chain solution, we enable numerous brands to enhance the turnover efficiency of returned goods by 20%, increase the yield conversion rate of returned goods by 15%, and reduce the disposal cycle of returned goods in the warehouse by 18%.

### Full-Process Fine Services

In response to the scattered and disorganized nature of returned goods, we have established a standardized and refined management process throughout the entire return pickup, quality inspection and classification, regeneration and yield conversion, quality management, tiered shelving to intensive warehouse delivery processes. This initiative aims to achieve highly efficient turnover and maximize the sell-out rate of seasonal goods.

### Efficient Warehousing and Distribution

To minimize the costs associated with redundant tasks resulting from the independent operations of each service provider in sales returns, we proactively coordinate among e-commerce platforms, sellers, and logistics enterprises. This coordination aims to reduce redundancy and enhance efficiency. Additionally, through the disposal of nearby warehouses and the redirection of returned goods with good quality to nearby sales warehouses, we streamline the service chain and cycle, thus continually reducing the costs associated with post-sale losses.

### Professional Quality Inspections

JD Logistics implements strict quality inspections and precise classification for returned goods from consumers due to product damage, not meeting expectations, or product unsuitability. This ensures that defect-free returned goods are promptly reprocessed within the warehouse and reintroduced to the market. This process not only protects consumer rights for returns and exchanges but also helps businesses save costs, reduce losses, and achieve efficient inventory management and resource optimization.

### Case

#### Helping a Home Appliance Enterprise Reversely Regenerate

We have provided services to a leading brand of kitchen and cleaning home appliances in China. Over the years, with omni-channel layout and optimization, more than 60% of consumers have purchased its products through online channels. However, reverse return as well as disposal has also been a pain point regarding logistics for the enterprise. It is eager to shorten the reverse supply chain cycle, reduce inventory pressure and respond faster to changes in market demand through professional logistics service providers.

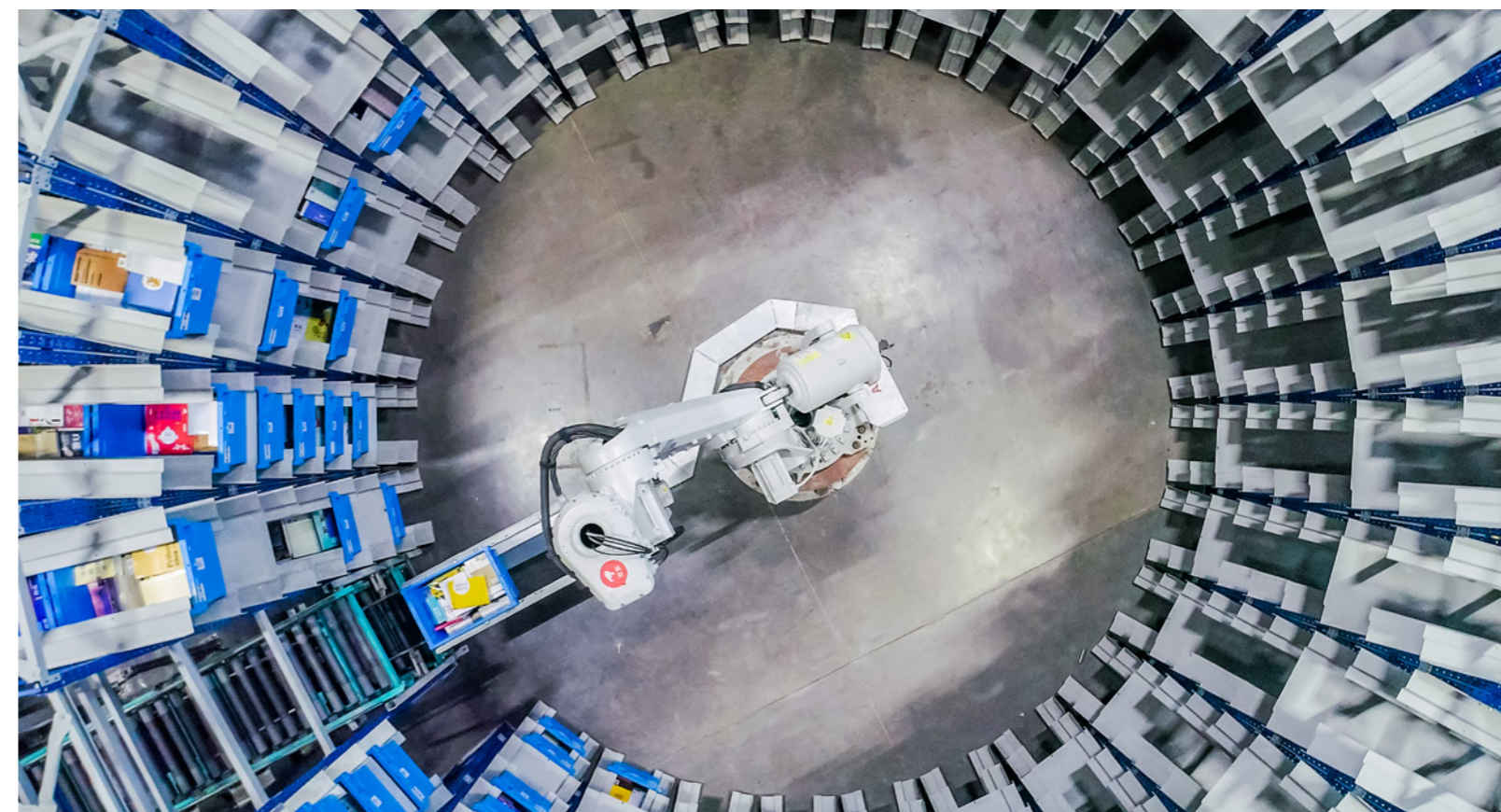
In 2023, JD Logistics collaborated with the enterprise on a reverse short-chain project in the small home appliance industry, and redesigned reverse logistics plans for it. By creating a benchmark for multi-warehouse reverse short-chain operations, returned goods are centralized into the JD spare parts warehouse by region, and disposed of in the JD Logistics out-order warehouse for quality inspection and diversion, dismantling and scrapping, and regeneration on the shelves. These efforts effectively shorten the return chain, reduce the damage to goods during transfer and optimization, and reduce transfer times.

### Case

#### Focusing on the Trade-in of Home Appliances, Facilitating Consumption Updating and Green Development

In July 2023, the National Development and Reform Commission issued the *Measures for Restoring and Expanding Consumption*, which explicitly stated the need to "enhance consumer spending on home decoration, household goods, and electronic products" and "accelerate the implementation of actions to improve after-sales service for household appliances. Moreover, it emphasized the importance of "actively promoting the trade-in of home appliances and strengthening the recycling of used household appliances".

JD Logistics actively responds to government policies, adhering to the principle of trading in old for new, and launching programs for trading in used home appliances. It continues to strengthen its support for trading in used appliances, incubate the "Internet + recycling" model, and promote consumption updating and green development of the home appliance market. During the Singles Day Festival in 2023, JD Logistics discovered that many consumers would encounter problems such as disposal of waste of used appliances, large amount of transportation and cleaning work, and time-consuming and laborious in the whole process in the actual decoration. JD Logistics' JD Services + upgraded home appliance service solutions in advance, through multi category one-stop solutions, consumers can complete the process of home appliances and home renewal by "opening the door only once", so that consumers can truly save worry and money, improve "big" happiness with "small" actions. By the end of 2023, JD Logistics had collected a total of 6.08 million recycled home appliances, contributing to the improvement of resource utilization efficiency and promoting green, low-carbon circular development through practical actions.



# Linking Regional and Local Economy

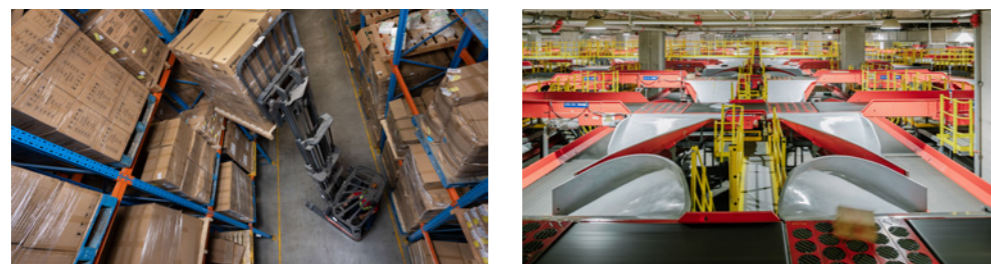
A smooth and efficient logistics supply chain serves as a vital infrastructure for fostering regional industrial development and optimizing resource allocation. JD Logistics continuously shares its supply chain infrastructure and technology, intertwining a network of goods, warehouses, and cloud services while deeply integrating and decoupling them. This comprehensive infrastructure and robust logistics capabilities ensure the stability and reliability of its supply chain. By leveraging logistics hubs, JD Logistics facilitates the aggregation and integration of regional industrial elements and resources, thereby fostering the creation of industrial clusters with regional agglomeration and radiation capabilities. Together, these efforts inject new vitality into regional economic growth through the incremental benefits of synergistic economics.

JD Logistics actively collaborates with local governments, ecological partners, and other stakeholders to establish numerous benchmark intelligent logistics hubs nationwide. These initiatives further enhance the next-generation warehousing backbone network, catering to both domestic and international needs. Consequently, they improve the commercial logistics system within regions and foster closer integration between logistics and industries.

## Dengzhou, Henan province

### JD Logistics (Dengzhou) Intelligent Logistics Hub Project

In 2023, JD Logistics signed a strategic cooperation agreement with the Dengzhou Government to promote integrated and innovative development. With the aim of developing commercial circulation, both parties jointly constructed the JD Logistics (Dengzhou) Intelligent Logistics Hub Project. Covering an area of 186 mu (about 30.64 acres) with a total building area of 153,000 square meters, the project includes "four central areas and one supporting area". It has automated sorting warehouses, intelligent high-standard cold chain warehouses, and intelligent three-dimensional high-standard warehouses. Once completed, this project will continue to strengthen its core capabilities in multimodal transport, cross-border e-commerce, and cold chain logistics, building itself as a leading logistics hub by intelligence in the region. It will facilitate the clustering of the tertiary industry, drive the development of secondary industries, and promote growth in primary industries.

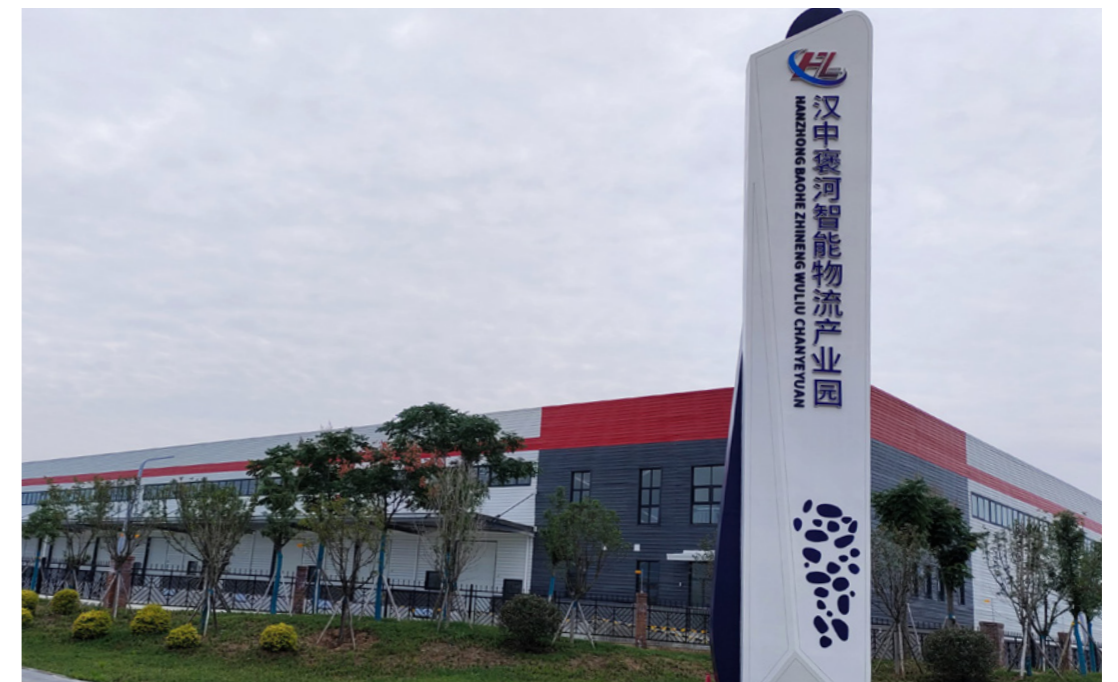


JD Logistics (Dengzhou) Intelligent Logistics Hub Project

## Hanzhong, Shanxi province

### JD Logistics (Hanzhong) Intelligent Logistics Hub Project

The JD Logistics (Hanzhong) Intelligent Logistics Hub Project is constructed and operated. The project covers a total area of 610.40 mu (about 406.9 thousands m<sup>2</sup>) with a total building area of 180,000 square meters. The project integrates three major elements — "5G, carbon neutrality, and intelligence". Through the deep integration of Internet, big data, artificial intelligence, and the industry, it is developed into a intelligent modern logistics complex with functions of warehousing, sorting, processing, packaging, distribution, and enterprise incubation services. This project will greatly change the scattered, small, and irregular logistics industry in Hanzhong, forming a scale aggregation. In August 2023, the 5G carbon neutrality intelligent logistics technology won the First Prize of the China Federation of Logistics & Purchasing Technological Progress.



JD Logistics (Hanzhong) Intelligent Logistics Hub Project

At the same time, JD Logistics is advancing the construction of logistics industry parks and comprehensive infrastructure nationwide. This includes the development of comprehensive logistics parks and regional distribution centers, with the overarching goal of creating a "responsible supply chain" and facilitating the integration and optimization of county economies through industrial collaboration.

## Lianyungang, Jiangsu Province

In April 2023, the Gunnan E-commerce Logistics Industrial Park, a joint venture between JD Logistics and Jinguan Group, was officially inaugurated. The park marks the first county-level intelligent logistics hub established by JD Logistics in Jiangsu Province. It features intelligent park systems, warehousing management systems, supply chain trading platforms, four-way shuttles, and other advanced software and hardware equipment. The park encompasses six core functions, including e-commerce incubation, intelligent warehouses, financial services, cold-chain logistics, unified warehousing and distribution, and emergency supplies, catering to the comprehensive needs of the local logistics industry. The establishment of this industrial park is poised to drive the transformation and upgrading of the industrial supply chain in Gunnan County and Lianyungang City as a whole.

### Qingdao, Shandong Province

JD Logistics has entered into a cooperation agreement with Qingdao Sparkcloud Culture and Technology Co., Ltd., offering comprehensive services encompassing warehousing logistics, supply chain management, cross-border e-commerce, agricultural product sales, and logistics retail talent training. This collaboration aims to provide four major drivers—systems, talents, finance, and logistics warehousing—for the industrial revitalization in the region. Through five key initiatives, including specialty stores, supply chain selection platforms, B2B sales platforms, talent training bases, and JD Cloud Warehousing, logistics infrastructure is enhanced to facilitate the revitalization of special industries in the region.

### Shangqiu, Henan Province

We have entered into a strategic cooperation agreement with Xiayi County, Henan Province. Leveraging JD Logistics' strengths in modern logistics, information technology, and digital transformation capabilities, we are collaborating with Shangqiu City on various initiatives. These include constructing a modern intelligent logistics system, establishing a regional public brand for agricultural products, and promoting the integration of industry and education. This multi-dimensional, innovative, and pragmatic cooperation aims to jointly create an intelligent logistics base in eastern Henan Province.

### Cangzhou, Hebei Province

We have signed a strategic cooperation agreement with Cangzhou, Hebei Province, with the shared objective of facilitating the establishment of the JD Logistics (Cangzhou) Sorting Center in Cangzhou. Together, we will establish a centralized warehousing and distribution center alongside an intelligent cloud warehousing base. Through the implementation of intelligent warehousing management systems, intelligent hardware and software, and other cutting-edge supply chain technological products, we are committed to empowering the digital transformation of logistics infrastructure, including in-warehouse planning and operational support. This collaboration is poised to foster the development of new regional businesses, the creation of new intelligent industrial parks, and the strategic advancement of industrial digitization.

### Nyingchi, Xizang

With the guidance and support from the Department of Commerce of the Xizang Autonomous Region and the People's Government of Nyingchi City, the first intelligent forward warehouse for agricultural products in Xizang was officially put into operation in the Nyingchi Economic Development Zone. Products from over 30 local high-quality agricultural enterprises, including matsutake mushrooms, pork products, white lingzhi mushrooms, and Jersey milk. Subsequently, these products are distributed to various parts of the country. This is another important achievement in the comprehensive demonstration project of e-commerce into rural areas in Xizang, following the autonomous region-level public logistics warehousing and distribution center in Lhasa.

### Kashgar, Xinjiang

We have signed a strategic cooperation agreement with Payzawat County in Xinjiang, outlining a "four-step" plan to deepen cooperation. Both parties will utilize the operational Payzawat Intelligent Supply Chain Center to enhance the "online + offline" sales network. Leveraging JD's robust online sales platform and nationwide logistics system, we aim to support the development of local intelligent agriculture. This collaboration is intended to reinforce Payzawat's status as a national demonstration area for agricultural modernization, a national modern agricultural industrial park, and a national backbone cold chain logistics base.

### Lanzhou, Gansu

On the eve of JD " Singles Day " promotion in 2023, JD Logistics' Asia No. 1 smart industrial parks was officially inaugurated in Lanzhou. Spanning over 200,000 square meters, this park houses a diverse array of products including 3C items, daily necessities, personal care and beauty products, home appliances and home furniture. Integrated with hundreds of central warehouses, satellite warehouses, and sorting centers across the surrounding five provinces, it establishes a comprehensive and multifaceted logistics warehousing and distribution network. This initiative not only enhances the accessibility of logistics services such as "half-day delivery" but also catalyzes the high-quality development of the regional economy by facilitating the upgrade of local industrial supply chains. Furthermore, numerous industries and businesses, including Lanzhou beef noodles, Zhangye wine, Minqin melons, and Tianshui cherries, are poised to thrive under the support of an integrated supply chain, injecting new vitality into the region.

As of the end of 2023, JD Logistics had established 41 Asia No. 1 smart industrial parks in 30 cities nationwide. These parks represent not only the largest intelligent warehouse cluster in the Asian e-commerce logistics industry but also serve as landmark buildings and exemplary models of logistics coverage capabilities across diverse regions. In conjunction with JD Logistics' multi-level and multi-layered infrastructure, including origin warehouses, cloud warehouses, sorting centers, and delivery stations, these parks form a stable system that further promotes local employment and drives the collective development of regional economies.

## Empower Companies for Mutual Growth

As global economics and trade cooperation deepens, the importance of establishing a global supply chain logistics system becomes increasingly apparent. JD Logistics is dedicated to a globally integrated supply chain strategy and continuously explores overseas integrated supply chain logistics services. We offer integrated supply chain solutions for Chinese brands seeking to enter international markets. This approach fosters two-way collaboration, enabling Chinese and foreign brands to expand their global presence.

## Optimizing Global Logistics Service Networks

JD Logistics continues to make significant investments in cross-border networks with the aim of establishing a supply chain logistics network covering the major countries worldwide within the next three years. This global supply chain network will encompass overseas warehouse networks, international transfer hubs, local distribution networks in foreign countries, and cross-border transportation networks. By the end of 2023, we had operated nearly 90 bonded warehouses, international direct distribution warehouses, and overseas warehouses around the world, covering an aggregate GFA of nearly 900,000 square meters. These warehouses cover countries and regions such as the United States, Germany, France, the Netherlands, the United Kingdom, Vietnam, Australia, Malaysia, United Arab Emirates.

### Expanding Overseas Logistics Cooperation

- ◇ We have established strategic cooperation with outstanding local landing matching companies overseas, including Geopost, a subsidiary of La Poste Group in France, and Evri, the largest parcel delivery company in the UK, to further strengthen the logistics service network in China, Europe and the UK, and to continuously improve its overseas service capability.
- ◇ We leverage resources from all three parties to expand cooperation in the full-chain logistics business on overseas platforms. Over the past year, we have collaborated with multiple e-commerce platforms, providing services such as bonded inventory preparation and cross-border direct mail. These services cover various international direct distribution routes, including Italy, the East Coast, and the West Coast of the United States.



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## Hong Kong and Macao

In October 2023, JD Logistics launched several express delivery operation centers in Hong Kong SAR and Macao SAR of PRC, marking a comprehensive upgrade of express services in the regions. Through full-process self-operation and optimization of picking and delivery processes, JD Logistics has achieved the shortest delivery time of 4 hours for intra-city express delivery in Hong Kong, with night-time delivery extended until 10:00 PM. This initiative will not only greatly improve the delivery efficiency of local express delivery in Hong Kong and Macao, but also further strengthen the connectivity between Hong Kong and Macao, and between Hong Kong/Macao, and the mainland. It will effectively support the integrated development of logistics in the Guangdong-Hong Kong-Macao Greater Bay Area.

A well-known health product manufacturer in Hong Kong has branches spread across various commercial districts in Hong Kong and a customer base consisting mostly of elderly individuals. In 2023, JD Logistics has partnered with them to meet their demands for home delivery and faster delivery speed, resulting in increased orders. Furthermore, we have helped the brand directly dispatch its various health products from bonded warehouses, enabling nationwide next-day delivery at the fastest speed.



JD Logistics opened several express delivery operation centers in Hong Kong SAR and Macao SAR of PRC

## Europe

We have reached a strategic cooperation agreement with the international express delivery company Geopost, a subsidiary of La Poste Group in France, further augmenting the coverage and service capabilities of express delivery services in Europe. For products originating from JD Logistics' self-operated overseas warehouses, next-day delivery is now available in local parcel distribution across European countries, including Germany, the Netherlands, France, the United Kingdom, Spain, and Poland. Additionally, JD Logistics is intensifying its investment in logistics technology. In addition to leveraging domestically mature equipment such as AS/RS, AGVs (automated ground vehicles), and autonomous vehicles, we are also implementing various innovative models tailored to the unique characteristics of overseas warehouses. Today, JD Logistics' intelligent and automated equipment and solutions have been implemented in a number of countries and regions.

## North America

In 2023, "Los Angeles Warehouse No. 3" commenced operations, expanding JD Logistics' self-operated warehouse management area in the United States to over 1.3 million square feet, equivalent to 17 standard football fields. With multiple warehouses serving distinct functions, JD Logistics' supply chain service capabilities in the United States have been further strengthened. "Los Angeles Warehouse No.3" operates in tandem with "Los Angeles Warehouse No.1" and "Los Angeles Warehouse No.2", enabling customers to fulfill both B2B and B2C orders simultaneously within the same inventory management timeframe. This integrated approach reduces customers' costs and enhances efficiency.



JD Logistics' "Los Angeles Warehouse No. 3"

## The Middle East

JD Logistics has begun to operate in the Middle East since 2020, establishing its first free trade zone warehouse in the largest free zone in the region. Presently, our operations span across six Gulf countries and are gradually expanding into the Middle East and North Africa, thereby continuously enhancing the performance timeliness of local supply chain logistics.

In September 2023, JD Logistics was invited to participate in the 17th China (Shenzhen) International Logistics and Supply Chain Fair. Leveraging its extensive experience and expertise in constructing and managing overseas supply chains, JD Logistics was honored with the Outstanding Logistics and Supply Chain Service Provider Award.



The Outstanding Logistics and Supply Chain Service Provider Award

## Case

### JD Logistics Delivered the UN Commemorative Gifts, Ensuring Safe and Efficient Cross-Border Delivery

On November 1, 2023, China officially assumed the rotating presidency of the United Nations Security Council in November. At a press conference to introduce the key tasks for the rotating presidency, Ambassador Zhang Jun, China's Permanent Representative to the United Nations, showcased a Luban lock engraved with the words "Keep Good Faith and Pursuing Harmony" as the commemorative gift for the presidency month. It was hoped that member states would unite as closely as the interlocking parts of the Luban lock. These commemorative gifts were transported to New York by JD Logistics and delivered to the permanent mission of China to the United Nations.

JD Logistics has made an exclusive cross-border service plan for this delivery, employing dedicated personnel and vehicles. The commemorative gifts were specially packaged based on their characteristics. Subsequently, they were transported via international air routes between China and the United States to JD Logistics' self-operated warehouse in New Jersey, the US. Local employees then handled the delivery to the permanent mission of China to the United Nations, ensuring that the commemorative gifts reached New York safely and efficiently.



JD Logistics' vehicle in front of the United Nations Headquarters



JD Logistics delivered the commemorative gifts to the permanent mission of China to the United Nations



The JD delivery man organized and loaded the commemorative gifts bound for the United Nations

# Facilitating Chinese Companies Going Global

Capitalizing on the advantages of high-quality manufacturing and a well-established supply chain, the Chinese manufacturing industry has spearheaded the global trend. JD Logistics, in alignment with this trajectory, prioritizes industry automation solutions and algorithm applications, delivering comprehensive services to a diverse range of overseas industries including home appliances, furniture, apparel and accessories, new energy, and intelligent mobility. Harnessing its digital capabilities, JD Logistics assists customers in cost reduction and efficiency enhancement, providing support to enterprises across all business forms, channels, and stages of global expansion.

## Home Appliances

We prioritize our overseas integrated supply chain and focus on meeting our customers' needs, particularly in enhancing the layout of our home appliance warehouse network. By expanding the scope of goods, we implement standardized operational solutions for home appliances, incorporating shared warehousing and distribution within the region.

## 3C

We provide integrated online and offline inventory sharing services, employing meticulous and systematic management with unique codes/serial numbers to oversee inventory control. Furthermore, we provide overseas testing and repair services for specific products.

## New Energy

In the new energy industry, we capitalize on opportunities and continuously refine integrated supply chain solutions tailored to the sector. This involves achieving integrated management of warehousing and distribution throughout the entire supply chain. Leveraging various models such as domestic direct delivery and overseas inventory preparation, we maximize our capacity to fulfill the diverse needs of fragmented and rapidly evolving new energy enterprises for international supply chain logistics.

## Platform Business

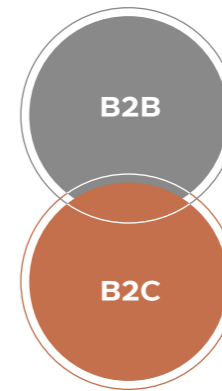
We integrate logistics services with major social e-commerce platforms, ensuring seamless cross-border and overseas business operations. We facilitate settlement with platforms and develop Key Account (KA) cooperation models tailored to platform requirements for new business scenarios

Due to different legal regulations, customs procedures, and cultural norms across different countries, challenges such as damage, loss, and insufficient real-time monitoring may arise during the delivery of goods. These issues can significantly impact the stability and timeliness of cross-border transportation, thereby hindering the growth of domestic cross-border businesses in global markets. JD Logistics addresses these challenges by offering businesses comprehensive logistics solutions, including cross-border end-to-end and cross-border parcel services. Through these offerings, we fully cater to the diverse cross-border transportation needs of merchants.

We offer comprehensive logistics solutions that encompass the entire process from shipping warehouses to receiving warehouses, fully leveraging our strengths in compliance, safety, and assurance.

Our services include not only ensuring full compliance declaration but also providing stable cabin resources, comprehensive cargo insurance, and shelf insurance services for merchants during peak seasons. Additionally, merchants can track their orders in real-time.

Furthermore, our in-house last-mile (LM) accounts ensure stable timeliness and hassle-free cross-border Service.



Our cross-border parcel service provides a complete export logistics solution, covering collection, trunk line transportation, import and export declarations, local delivery, and logistics tracking. Additionally, we have introduced three types of time-efficient products tailored to the varied pricing and timeliness preferences among different merchants.

## Case

### JD Logistics Assisted Chinese New Energy Brands in Going Global

A new energy enterprise is a global leader in solar technology, and has long been dedicated to the photovoltaic industry. It has been the world's largest supplier of monocrystalline silicon chips for nine consecutive years, with its shipment and market share ranking first globally for three consecutive years. Currently, the enterprise has established a lot of manufacturing bases in countries and regions including China, Vietnam, and Malaysia, with business operations spanning across more than 150 countries and regions. Leveraging years of overseas warehouse deployment, JD Logistics has quickly seized this opportunity in the industry. We continuously improve integrated supply chain solutions for the new energy industry, achieving integrated management of warehousing and distribution across the entire chain. Through various models such as domestic direct delivery and overseas inventory preparation, we maximize our ability to meet the diverse needs of fragmented and rapidly changing new energy enterprises for international supply chain logistics.

Today, JD Logistics has operated warehouses equipped with new energy storage qualifications in many European countries including the Netherlands, Belgium, Spain, and Slovenia. We also provide overseas "door-to-door" warehousing and logistics services for multiple new energy brands such as the enterprise. Following the provision of integrated warehousing and distribution services in Europe, the Middle East, and Australia, JD Logistics continues to provide logistics distribution and warehousing services for the enterprise in North America, marking another breakthrough in our global cooperation. Supported by overseas warehouses, JD Logistics' integrated supply chain logistics services continue to help customers in the domestic and international new energy industry achieve cost reduction, efficiency improvement, and high-quality development.



Warehouse 1, Birmingham, UK



Warehouse 1, Frankfurt, Germany



Warehouse 1, Fenlo, Netherlands



Warehouse 2, Sydney, Australia

# Unblocking Rural Logistics Networks

Rural areas are not only vast consumer markets but also significant factor markets, serving as an important part of domestic circulation. JD Logistics has continuously upgraded and expanded its supply chain infrastructure, actively contributing to the construction of rural circulation systems and promoting rural revitalization and the high-quality development of regional economies. In 2023, JD Logistics' delivery order volume for agricultural products reflected a year-on-year increase of 30.2%.

## Optimizing the Logistics Networks in Counties, Towns and Villages

We strategically deploy new logistics infrastructure in key cities, counties, and towns, prioritizing the placement of digital and intelligent logistics technologies and warehousing models closest to production areas. This approach significantly enhances the accessibility and service efficiency of logistics at the county, town, and village levels. Concurrently, we strive to minimize transfer points and delivery time, ensuring the swift delivery of agricultural products and creating an efficient channel for the transportation of agricultural products in the "first-mile".

## Empowering Integrated Development of Production and Sales

We have established several intelligent supply chain centers in various production areas, employing methods such as direct delivery from the origin and comprehensive temperature control throughout the process to ensure the nationwide delivery of the freshest agricultural products. Concurrently, we collaborate with multiple stakeholders to integrate resources and facilitate the industrialization of regional agricultural products. Since 2021, JD Logistics has served over 1,000 industrial belts across the country, operating nearly 70 production area warehouses, over 1,000 air routes, and more than 600 railway routes, thereby providing robust support for rural revitalization efforts.

## Providing Special Services in Rural Areas

We establish collection points in the fields to enable farmers to promptly package and deliver their produce, thereby effectively reducing delivery times. During the harvest season, JD Logistics sets up collection points in the majority of production areas and industrial zones. In April 2023, JD Logistics established nearly 2,000 collection points in Guangdong province alone. Moreover, during the harvest season, over 40,000 JD Logistics delivery personnel are stationed in lychee gardens to facilitate the delivery of fresh lychees from the fields to destinations across the country.



Work at JD Logistics collection points

With the deep implementation of rural revitalization, agricultural e-commerce, particularly through livestreaming platforms, is experiencing rapid growth. To facilitate the promotion of more agricultural products and transform them into a "golden signboard" driving local development, JD Logistics launched the "JD Selection Plan" 1.0 in September 2023. This initiative connects farmers with Internet influencers, enabling them to collaborate seamlessly. Through the "JD Selection Plan" 1.0, we offer integrated solutions for product selection, quality control, marketing, and logistics. This not only assists top Internet influencers with sales capabilities in discovering high-quality products but also helps rural farmers access additional sales channels.



Announcement of "JD Selection Plan" 1.0

## Case

### Integrating Warehousing and Distribution, Empowering Navel Oranges From Southern Jiangxi to Reach Thousands of Households

Navel oranges from southern Jiangxi are not only a "agro-products geographical indications" but also an industrial symbol for Ganzhou City, Jiangxi Province. In 2023, the planting area of navel oranges in Ganzhou City reached 1.94 million mu, with an estimated output of 1.8 million tonnes. How to efficiently complete various processes such as delivery inspection, fruit selection and grading, packaging and storage, and fresh delivery for large quantities of navel oranges, and deliver them to more consumers, has become a matter of great concern for local fruit farmers and businesses.

To improve the efficiency of the selection, warehousing and distribution of navel oranges, JD Logistics has established multiple e-commerce origin warehouses and distribution centers in core production areas. Equipped with modern automatic sorting equipment such as sorting machines and spectrometers, each freshly picked navel orange undergoes cleaning, drying, and infrared imaging, and is automatically sorted by weight, size, sugar content, etc. within seconds. Then after manual inspection and automatic packaging, it is sent to highly automatic sorting equipment. Additionally, JD Logistics provides integrated warehousing and distribution services for navel orange farmers and businesses in southern Jiangxi. Through the JD Logistics transportation network, products are directly dispatched to 21 cities across the country, shortening the delivery cycle by 0.5 to 1.0 days, and ensuring the freshness and consumer experience.



Navel oranges sorted by spectrometers in the origin warehouse

## Case

### Public and Private Sectors Collaborate to Empower the Lychee Industry, Ushering in a New Chapter of Enhancing Agricultural Industry

Beiliu is renowned as the "Hometown of Lychee in China", known far and wide for its lychees with large fruit, thin peel, thick flesh, small seeds, and a sweet and fragrant taste. However, despite their deliciousness, lychees are difficult to preserve, due to common issues such as storage and transportation challenges. In June 2023, Beiliu City and JD Logistics jointly held the "Beiliu Lychee, Delivered by JD" brand promotion event. JD Logistics unveiled an integrated supply chain solution for Beiliu lychees, offering comprehensive support for lychees' promoting, sales and transportation channels. Addressing the delivery and after-sales problems, JD Logistics has organized special teams to monitor the order operation system. They have also released the "all-order insurance" product, doing real-time monitoring with data collected at various stages to providing insurance in aspects such as logistics tracking, exception feedback and claims, ensuring worry-free delivery for both businesses and consumers.

# Digital and Intelligent Transformation Driven by Technology

Technological innovation play pivotal roles in reducing costs and enhancing efficiency within the logistics industry. Currently, emerging technologies such as big data, artificial intelligence, cloud computing, and blockchain are leading the logistics sector towards automated and intelligent operations. At JD Logistics, we embrace the mission of "driving superior efficiency and sustainability for the global supply chain through technology". This drives our commitment to explore and develop cutting-edge technology. We continuously strive to integrate innovative technology services into various logistics scenarios, leveraging our digital capabilities. Additionally, we expand our portfolio of logistics technology products and solutions, focusing on automation, digitalization, and intelligent decision-making. Through these efforts, we simplify complex processes, foster ecological empowerment through efficient synergy, and integrate diverse values to drive sustainable growth.

## JD Logistics Technology-Related Awards in 2023

Honor	Institution
DQMIS 2022 The 4th China "Data Quality Management" Benchmark Award in 2022 Award Data Quality Excellence Award	DQPro The 6 <sup>th</sup> Data Quality Management International Summit
2022 Top 10 Chinese Leading Enterprises in Data Management	China Information Technology Industry Federation, CITIF
2023 German Design Award: Special Mention Guyu-Intelligent Management System and Autonomous Delivery—Community Delivery Service System during COVID-19	German Design Council
First prize of the 3rd Chinese Post Industry Science and Technology Award for Supporting Pandemic Prevention and Supply Guarantee: JD Logistics Super Brain System for Emergency Decision-Making	China Express Association
Second prize of the 3rd Chinese Post Industry Science and Technology Award for Middle Platform Design and Application of JD Logistics' Digital and Intelligent Supply Chain Algorithm Service	China Express Association
USDA American New concept Design Art Award: First Prize in the Global Finals Intelligent Logistics Solutions in Emergency	American Society of Design Arts
2023 iF Design Awards: Honorable Award Guyu-Intelligent Management System and Autonomous Delivery—Community Delivery Service System during COVID-19	iF Industrie Forum Design
ICAD: Honourable Award Intelligent Logistics Solutions in Emergency	International Youth Art and Design Association
Red Dot Design Award: Design Concept JING-X: Intelligent Truck Driving System	German Design Council

Honor	Institution
HKDADC: Second Prize Intelligent Logistics Solutions in Emergency	Hong Kong Arts Development Society
Red Dot Design Award: Interface & User Experience Design Guyu-Intelligent Management System and Autonomous Delivery-Community Delivery Service System during COVID-19	German Design Council
First Prize of the 2023 CFLP Science and Technology Progress Award Construction and Application of Supply Chain Digital Twin Intelligent Decision-Making Platform	China Federation of Logistics & Purchasing, CFLP
Second Prize of the 2023 CFLP Science and Technology Progress Award Construction and Application of Integrated Supply Chain Intelligent Fulfilment Decision-Making System	China Federation of Logistics & Purchasing, CFLP
Second Prize of the 2023 CFLP Science and Technology Progress Award Digital Management and Control Platform Based on Grid Management	China Federation of Logistics & Purchasing, CFLP
Second Prize of the 2023 CFLP Science and Technology Progress Award JD Logistics Intelligent Map Planning and Decision-Making Platform	China Federation of Logistics & Purchasing, CFLP
Third Prize of the 2023 CFLP Science and Technology Progress Award Integrated Supply Chain Growth Platform Based on Sustaining Experiment Technology	China Federation of Logistics & Purchasing, CFLP
Third Prize of the 2023 CFLP Science and Technology Progress Award JD International Digital and Intelligent Supply Chain Fulfilment Solution	China Federation of Logistics & Purchasing, CFLP
Data Security Management Capability Certification	TL Certification Center Co., Ltd.
2023 Galaxy Case: Excellent Cases of Industry Data Applications	China Academy of Information and Communications Technology
2023 Development Demonstration Project in the Big Data Industry - Demonstration Application of Integrated Supply Chain and Intelligent Logistics Driven by Big Data	Ministry of Industry and Information Technology
2023 Flagship Project of the Intelligent Manufacturing System Solutions - Multi-source Heterogeneous Data Integration Solution Based on Data Lake and Data Weaving Technology	Ministry of Industry and Information Technology

Within the year, JD Logistics also published 13 internationally acclaimed academic papers and participated in prestigious international conferences such as AAAI, KDD, and ICDE, focusing on artificial intelligence and data mining. These research findings encompass various scenarios related to JD Logistics' transportation and distribution operations, further amplifying JD Logistics' technological influence within the global industry.

# Leading the Intelligent Upgrade of Logistics Empowered by Technology

JD Logistics continues to innovate in the field of technology, always prioritizing technological innovation. The Company consistently integrates innovative technologies with key scenarios such as intelligent warehousing and logistics parks. Through technologies such as 5G, Beidou Navigation Satellite System, mobile internet, big data, digital twin, and artificial intelligence, JD Logistics has developed comprehensive technological service capabilities covering the entire supply chain. In addition, the approach gradually strengthens the underlying technological capabilities of the integrated supply chain driven by technology.

Intelligent Industrial Park	Flexible Scheduling of Personnel, Vehicles, Goods, and Facilities through Various Cutting-Edge Technologies	In 2023, JD Logistics upgraded the Asia No. 1 smart industrial parks in cities including Wuhan, Zhengzhou, Qingdao, Lanzhou, Guiyang, and Harbin. The Asia No. 1 smart industrial parks in Lanzhou and Beichen, Tianjin commenced operations, featuring digital and intelligent technologies. These advancements continue to improve our service efficiency, and cater to a wide range of needs from businesses and consumers alike.
Intelligent System	More Efficiently and Intelligently Delivering Parcels	We continuously update and iterate the enterprise supply chain management system to achieve cost optimization, efficiency improvement, and enhanced user experience. Through the development of a systematically integrated platform for logistics technology products and services, we offer enterprises comprehensive solutions, including integrated warehouse management systems, planning capabilities, operational standards, and industry expertise. Furthermore, we support enterprises with intelligent scheduling, routing optimization, path planning, and other intelligent fulfillment services.
Intelligent Warehousing	Outbound and Inbound Logistics through Intelligent Technology	We have upgraded the AIoT platform to version 2.0, significantly enhancing its capabilities in 3D digital space construction and AI analysis. This upgrade enables the creation of digital twins and intelligent monitoring of various elements within logistics warehouses, including personnel, goods, equipment, and facilities. By offering a suite of intelligent operational management functions, this advancement contributes to the enhancement of warehouses' operational efficiency. At the same time, independently developed intelligent equipment such as the hidden roof-lifted AGV (Tianlang) and the pallet four-way shuttle (Dilang) have been widely applied in the automated system.
Intelligent Transportation	Connecting Transportation to the Internet to Achieve Full Visibility and Traceability of Products	We integrate AIoT and GIS technologies to develop a digital fleet management platform, facilitating full traceability across the entire supply chain. By leveraging AI and GIS technologies, we meticulously monitor vehicle routes and safety concerns, thereby establishing a digitized logistics fleet.
Intelligent Delivering	Efficient Delivery Through Drones, Autonomous Vehicles, Human-Machine Collaboration, and Other Models	JD Logistics has independently developed the 5th-generation intelligent delivery vehicles, which integrate 10 core technologies including high-precision positioning, fusion perception, behavior prediction, simulation, intelligent networking. These vehicles are capable of achieving Level 4 autonomous driving. In the first half of 2023, JD Logistics' self-developed algorithm "MVS-Fusion" achieved a high mAP (mean average precision) of 55.54% through pure visual 3D object detection. Without using future frame data, it topped the international authoritative autonomous driving visual algorithm ranking list nuScenes.

## Case JD Logistics' Intelligent Technology Showcased at the Second Global Digital Trade Expo

In November 2023, JD Logistics showcased new logistics technology products such as the auto rebin wall system and the triple-journey Tianlang AGV shuttle at the second Global Digital Trade Expo, attracting the attention of many attendees and becoming a highlight of the expo.



JD Logistics Self-developed Triple-journey Tianlang AGV shuttle

### Automatic Distribution Wall System

As an automatic equipment suitable for the distribution of small and medium-sized items in scenarios with multiple SKUs and multiple flows, it has been widely used in industries such as apparel, industrial products, and pharmaceuticals.

### Triple-Journey Tianlang AGV Shuttle

It mainly targets scenarios such as manual-picking small items as well as zone picking and convergence, and assists in reaching bins or items placed in deeper locations, significantly increasing work efficiency.

## Case

### The Intelligent Warehousing Software Solution Has Been Shortlisted in the 2023 TOP 30 AGV/AMR

As the demand for enterprise warehousing transformation gradually shifts from informatization and digitization to intelligence, JD Logistics keeps abreast of the changes in market demand. Based on this, it has launched the Intelligent Warehousing Software Solution driven by three types of core software developed independently by JD Logistics: the WES Warehouse Management System, WCS Warehouse Control System, and 3D SCADA Three-dimensional Visualization Monitoring System. We help enterprises achieve efficient warehousing operations, reduce costs, and increase efficiency, fully supporting the digital transformation and intelligent upgrade of enterprises. In June 2023, the Intelligent Warehousing Software Solution has been shortlisted in the 2023 TOP 30 AGV/AMR.



## Case

### Deppon Continues to Advance the Application of Automated Equipment, Enhancing Work Efficiency

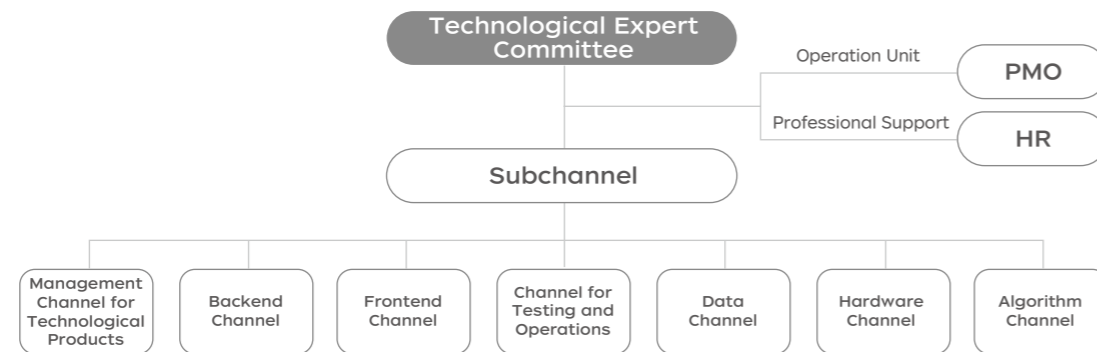
Deppon has gradually advanced the application of automated equipment. By introducing automated equipment and systems, Deppon can handle and transport goods more quickly and efficiently, reducing the time and error rate of manual sorting. Through the upgrading of storage devices and the application of new technologies, Deppon optimized warehouse space utilization, and improved the effectiveness of transportation routes. The efforts further enhance the efficiency and accuracy of work, achieving faster and higher-quality deliveries.

In July 2023, an industry benchmark client served by Deppon needed to improve efficiency and reduce inventory holding costs through the integration of warehousing and distribution of online and offline channels. Combining the customer's commodity characteristics, sales channels, order structure, customer requirements and platform assessment and other multi-dimensional requirements, Deppon carried out the overall planning of the project's B/C fusion, the refined design of storage layout, the implementation of automation equipment programs, the upgrading of the operation mode, etc. Around the characteristics of the goods and orders in the whole production process, the introduction of automatic transmission equipment, automated picking equipment, customized storage equipment, intelligent weighing and weighing and a series of other equipment, significantly improving the efficiency and reducing inventory holding costs. Focusing on the characteristics of goods and orders, we have introduced a series of equipments such as automatic transmission equipment, automated sorting equipment, customized storage equipment and intelligent weighing party in the whole production process, which has significantly improved the operational efficiency of the storage side, and increased the manual efficiency of the whole storage operation by 77% and the B/C processing capacity by 43%.

At the same time, Deppon has continuously improved its R&D ability, applied intelligent equipment products in food, e-commerce, beverages, new tea drinks and other industries, and achieved a significant improvement in the efficiency of industrial warehouse operation and won full recognition from industrial customers.

## Enhancing Innovation, Delving in the S&T Talent System

We have established the Technology Committee with a focus on technological awareness. From the aspects of developing technological talents, improving capabilities, and cultivating a conducive culture, we have established nine core channels for the Technology Committee. This comprehensive approach aims to enhance the value and influence of technology, providing strong support for the sustained and long-term development of technology. Additionally, we actively engage in diverse cultural activities to foster a culture of technological innovation. This includes initiatives such as launching the Technology Committee monthly journal, regularly publicizing progress and key achievements of core projects, and organizing hackathon competitions.



The Structure of JD Logistics Technological Expert Committee

With its long-term commitment to technological investment and innovation, JD Logistics continues to strengthen the construction of its technological talent team. We have attracted and cultivated thousands of technological experts and backbones, collaborating to drive continuous enhancements in core competitiveness within supply chain logistics technology. This empowers digital transformation across various industries, thereby promoting the high-quality development of the real economy. In 2023, JD Logistics' total R&D investment reached RMB 3.57 billion, marking a 14.4% year-on-year increase. We have nearly 4,600 professional R&D personnel who strive to translate cutting-edge scientific breakthroughs into pragmatic applications. Through automated and digital operations, and intelligent decision-making, we continuously seek to balance cost and efficiency while optimizing user experience.



### Pave the Path for Talent Development

We refine talent development management to drive talent contributions.

- ◆ Develop talent standards and profiles for various positions and sequences
- ◆ Match professional evaluation mechanisms and coordinate talent selection and review
- ◆ Establish talent development systems for all channels

### Empower Technological Advancement

Empowering technological advancement from macro to micro, from idea to execution.

- ◆ Identify common areas or pain points for efficiency improvement in various fields and processes, and provide advice from experts to address them
- ◆ Lead the learning and application of advanced technologies or methods, providing new ideas for cost reduction and efficiency improvement

### Activate Technological Culture Innovation

Guided by technological awareness, we create a confident and open cultural atmosphere.

- ◆ Increase the frequency and depth of technological exchanges, and maintain the vitality of the technological atmosphere
- ◆ Promote continuous learning, deep reflection, and experience accumulation
- ◆ Expand horizons by engaging in two-way exchanges to enhance both internal and external influence

Case

**JD Logistics Gained 10 Science and Technology Progress Awards and 2 Advanced Individual Awards From the China Federation of Logistics and Purchasing (CFLP) in 2023**

Among the list of winners of the 2023 Science and Technology Awards announced by the China Federation of Logistics and Purchasing (CFLP), JD Logistics' 10 technological innovation and application results have won the Science and Technology Progress Award, ranking first in the industry. This marks the 7th consecutive year that JD Logistics has received this award. Specifically, JD Logistics' projects "Key Technological Research and Application of 5G Carbon-neutrality Intelligent Logistics System for Modern Logistics Hub (Hanzhong) " and "Construction and Application of Supply Chain Digital Twin Intelligent Decision-making Platform" won the first prize for Science and Technology progress. Additionally, eight projects, including "Logistics Industry Road Transport Greenhouse Gas MRV Digital Management System: SCEMP", received second and third prizes. Furthermore, JD Logistics' experts Wang Zi and Wang Zhongshuai received the 2023 Logistics Technology Innovation Talent Award and the Logistics Technology Outstanding Youth Award respectively.

- ◆ The Supply Chain Digital Twin Intelligent Decision-making Platform: based on digital twin and digital companion technologies, it has the ability to simulate twin models of hundreds of millions of orders in minutes and process millions of data in minutes. It serves tens of thousands of businesses and reduces over 10% of customers' logistics costs on average.

- ◆ The 5G Carbon-neutrality Intelligent Logistics System: relying on a 5G network and carbon energy network woven from extensive practices and digital technologies. This system integrates "5G, carbon neutrality, and intelligence", connects 100% of the devices to Internet, reduces device computing energy consumption through edge computing. It collaborates with digital application platforms to achieve efficient digital twin interactions. Additionally, it utilizes the SCEMP supply chain carbon management platform to establish energy consumption models and carbon neutrality models, building a comprehensive carbon energy monitoring, reporting, and verification (MRV) management system for the entire lifecycle of industrial parks.



First Prize of the 2023 Science and Technology Progress Award by the China Federation of Logistics and Purchasing



JD Logistics' experts Wang Zi and Wang Zhongshuai were respectively awarded the 2023 Logistics Technology Innovation Talent Award and the Logistics Technology Outstanding Youth Award

Case

**Winning the First Prize of the Chinese Post Industry Science and Technology Award for Consecutive Years**

The "2023 China Express Green Technology Development Conference" was jointly hosted by the Development and Research Center of the State Post Bureau and the China Express Association in Beijing. JD Logistics won the First Prize of the Chinese Post Industry Science and Technology Award and the Second Prize with two projects, "Supporting Pandemic Prevention and Supply Guarantee: JD Logistics Super Brain System for Emergency Decision-Making" and "Middle Platform Design and Application of JD Logistics' Digital and Intelligent Supply Chain Algorithm Service". The digital-intelligent achievements of JD Logistics were not only recognized by the industry but also played a practical role in business scenarios, helping to reduce costs and improve efficiency across the entire logistics chain.

At the same time, three cases from JD Logistics-"Shuttle Automated Converging System", "E-commerce Packaging Size Design Model Based on Big Data Algorithms", and "Large-scale Application of B2C Circular Packaging"-were also selected as "Annual Green Express Delivery Demonstration Projects". Leveraging its digital-intelligent technology, JD Logistics continues to explore green packaging, advancing carbon and emission reduction in the packaging process, and has gained many fruits.

JD Logistics has won the first prize of the Chinese Post Industry Science and Technology Award for three consecutive years. As an important professional award in the post and express delivery industry, the award is organized by the China Express Association and approved by the National Office of Science and Technology Awards, honoring scientific achievements such as technological research and development, major engineering projects, and policy studies in the industry.



2023 China Express Green Technology Development Conference

# Enhancing Resilience in All Business

In light of emerging risks such as climate change and digital transformations, JD Logistics remains steadfast in upholding its core values of cost-effectiveness, efficiency, and exceptional customer experience. We understand the need to adapt to unpredictable threats and changes in the business landscape. Therefore, we are committed to continuously investing in our supply chain infrastructure and advancing digital and intelligent technologies. Through our digital capabilities, we facilitate seamless information and resource coordination across the supply chain, fostering agile responses to uncertainties. By leveraging the resilience and flexibility of our integrated supply chain logistics system, we aim to mitigate risks effectively. While prioritizing our own high-quality development, we also extend our support to customers, empowering them to navigate risks, enhance cost efficiencies, and unlock new growth opportunities.

## Overall Planning and Risk Warning

JD Logistics remains dedicated to enhancing its capacity planning and emergency support capabilities, aiming for optimal overall planning through algorithmic models. We utilize platforms to integrate and allocate logistics resources, addressing challenges like logistics information asymmetry and inconsistent interface standards. This approach ensures precision and visualization in logistics management. Through comprehensive resource coordination, transportation task management, full-process nodes, exception warning, and operational monitoring visualization, we establish a robust three-tier coordination system for long-distance transportation. This systematic approach drives structural changes in capacity planning, leading to an increased proportion of coordinated transportation capacity. As of the end of 2023, JD Logistics has raised its coordinated vehicles within the entire business system to 19.2%, resulting in nearly RMB 100 million in cost reduction.

Additionally, JD Logistics has achieved online visualization of transportation nodes through mapping, facilitating real-time alerts and responses for transportation nodes, ADAS, and hub thermometers. By aiding in the construction of the display screen in the transportation center, logistics operation data within the system is instantly visible, offering risk warnings during business peaks and emergency events.

### Case

#### Intelligent Location, Efficient Fulfilment—JD Logistics Intelligent Map Planning and Decision-Making Platform Won the Science and Technology Progress Award By CFLP

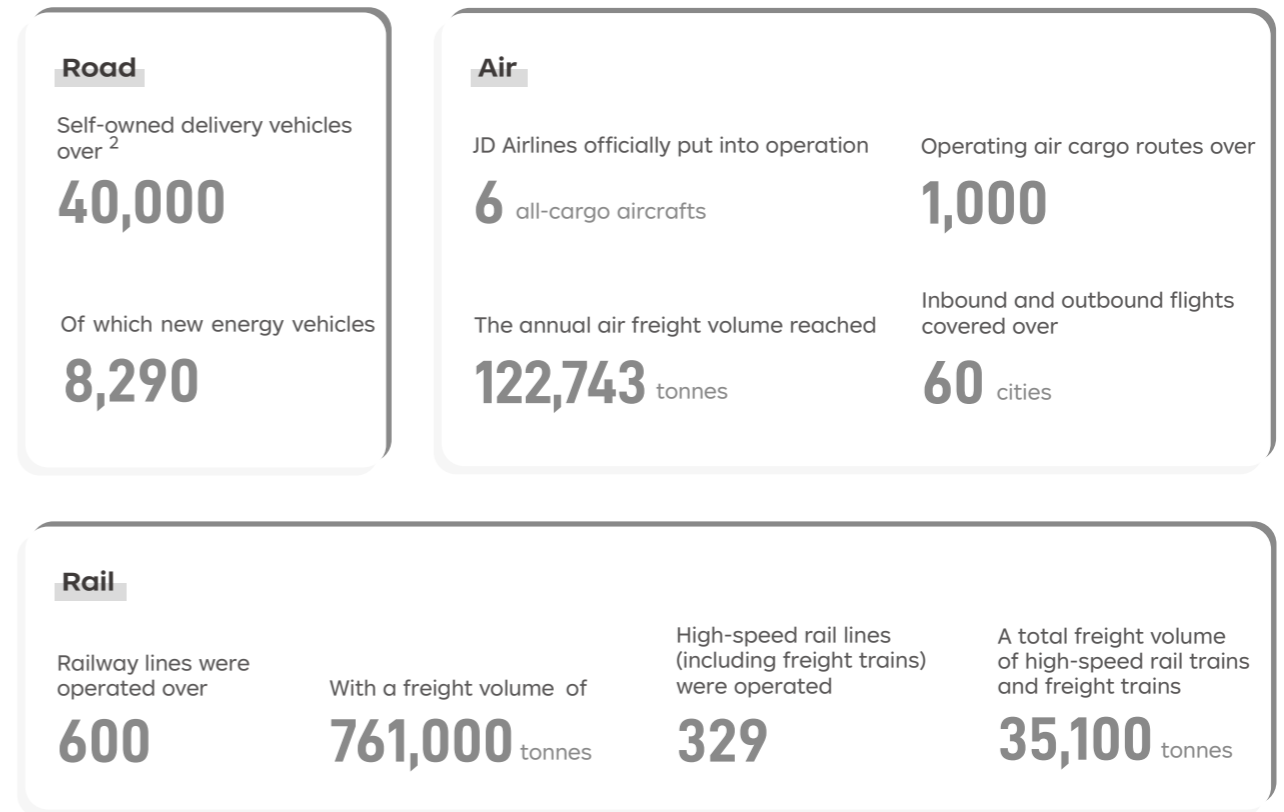
With the continuous advancement of digital and intelligent technology, the supply chain has evolved into a new stage of intelligent supply chain deeply integrated with the Internet and the IoT. In other logistics scenarios such as express delivery, special logistics, and timely delivery, phenomena such as order sorting, trunk and branch line scheduling transportation, end-to-end on-route control of personnel and vehicles, and fine operation of network layout will occur. However, if these transportation scenarios are lacking in mature mapping capabilities, there will be an inability to effectively ensure optimal driving routes and fine on-route control.

In this context, JD Logistics relies on its massive address database, front-line delivery man trajectory data, and accumulated autonomous vehicles data and other data collected in various logistics scenarios. Based on theories and technologies such as artificial intelligence, big data, operations research, and natural language processing (NLP), JD Logistics has built an intelligent map planning and decision-making platform. This platform includes modules for map data production, map general capabilities, and map intelligent decision-making, which are applied to various logistics scenarios. It ensures the accurate distribution, while improving the efficiency of all links in the supply chain, reducing operating costs, and helping JD Logistics complete its delivery on time.

In 2023, JD Logistics' Intelligent Map Planning and Decision-making Platform won the second prize of the 2023 CFLP Science and Technology Progress Award.

# Multi-Dimensional Optimization of Transport Capacity

JD Logistics has established a highly collaborative multi-tiered logistics infrastructure and distribution network. We continually plan capacity resources across various transportation modes, including road, rail, and air, complementing the system with precise business forecasting and intelligent dynamic resource scheduling. Through flexible combinations of distribution and local short-chain distribution, we ensure robust service capabilities with guaranteed timeliness and end-to-end visibility. As of the end of 2023, the last-mile delivery network operates more than 19,000 delivery stations and outlets, covering more than 300 prefectural-level municipalities in China's 33 provincial-level administrative regions.



<sup>2</sup> The data covers the full year of 2023 and includes statistics for JD Logistics and its subsidiaries and consolidated affiliated entities, including Deppon and Kuayue Express.





# Ensuring the Supply of Emergency Supplies

In the Company, there is a regulation in place: in the event of a disaster anywhere in the country, managers of nearby JD warehouses are not required seek approval, and they have the authority to donate necessary supplies from the warehouse to the disaster-stricken area. Additionally, JD promptly establishes an emergency support team to ensure that relief supplies are transported promptly and exclusively via dedicated vehicles. Furthermore, JD Logistics continually improves its integrated supply chain logistics service system of "daily services during regular time, emergency response during disasters", enhancing prediction, decision-making, and intelligent execution across key aspects of warehousing, transportation, and distribution. This facilitates information and data sharing, as well as centralized allocation of goods during emergencies.

## Support the Earthquake Relief in Gansu

On the night of December 18th to the early morning of December 19th, 2023, earthquakes occurred in Jishishan County, Linxia Hui Autonomous Prefecture, Gansu Province. Within 24 hours of the earthquakes, JD Logistics dispatched special trucks loaded with donated supplies to Linxia, providing emergency support for local earthquake relief efforts. At the same time, JD Logistics urgently mobilized personnel from nearby areas to support the Jishishan Express Delivery Branch. We assisted in contacting customers and ensuring smooth distribution work. Meanwhile, we maintained close communication with relevant authorities to make arrangements for subsequent rescue supplies and transportation capacity, contributing our utmost efforts to the earthquake relief work in Jishishan County.



JD Logistics supported the Earthquake Relief in Gansu

## Provide Assistance to Flood Relief Efforts in the Beijing-Tianjin-Hebei Region

Affected by Typhoon Doksuri, many areas including Beijing, Tianjin, and Hebei suffered from severe rainfall, leading to floods and geological disasters, causing significant losses. On August 2, 2023, JD Foundation announced a donation of RMB 30 million worth of supplies. JD Logistics immediately formed a special team to urgently mobilize supplies from the warehouses closest to Beijing. Dedicated personnel and vehicles were arranged to ensure the rapid delivery of the materials. From the afternoon to the night of August 2, JD Logistics vehicles loaded with bread, drinking water, and other essential supplies continuously arrived in areas such as Fangshan in Beijing and Zhuozhou in Hebei. Meanwhile, JD Logistics delivery personnel actively participated in post-disaster recovery efforts in various regions, assisting in tasks such as road clearance. In addition, JD Logistics continued to monitor weather conditions nationwide, prepared emergency plans in advance, provided special flood prevention materials, and timely adjusted transportation capacities and route plans to fully ensure the safety of employees, parcels, and transportation.



JD Logistics provided assistance to flood relief efforts in the Beijing-Tianjin-Hebei region

Deppon opened a green channel for the transportation of relief supplies to Zhuozhou City, providing free services for public welfare organizations, medical institutions, enterprises, and institutions to deliver relief supplies. They also opened their business outlets in Zhuozhou as emergency shelters for the public. In addition, Kuayue Express communicated with local government departments about the shortage of supplies, immediately purchased large quantities of instant foods and drinking water, and transported them to the reception point at the Zhuozhou Vocational Education Center through special vehicles on the afternoon of August 4th.

## Opening up Warehouse Resources, Providing Targeted Support for Book Sellers Affected By the Disaster in Zhuozhou

Since July 27, 2023, the Beijing-Tianjin-Hebei region has experienced unprecedented and prolonged heavy rainfall, with Matou Town in Zhuozhou City, Hebei Province, located at the confluence of rivers, becoming a severely affected area. Due to the impact of heavy rain, many publishing institutions and book companies' warehouses in Zhuozhou were flooded, resulting in significant losses. To assist the affected book businesses in Zhuozhou in quickly resuming operations and reducing losses, JD Logistics launched special logistics support measures tailored to the needs of the affected book businesses in Zhuozhou. JD Logistics opened up more than 10 warehouses covering an area of over 50,000 square meters in surrounding areas such as Langfang, Shijiazhuang, and Beijing, facilitating quick and convenient warehousing and distribution for businesses. Additionally, we waived related fees such as pickup and storage fees for the affected businesses to help them mitigate losses. Furthermore, to cope with the peak demand for books in August, JD Logistics provided warehouse pickup services and offered a diverse and flexible combination of warehouse resources and logistics services, assisting businesses in stabilizing their inventory and facilitating rapid delivery.



JD Logistics provides special support to book businesses affected by the disaster in Zhuozhou

## Case Delivery Through High-Speed Railways, Utilizing Multiple Transportation Modes to Optimize Combination Delivery Strategies

JD Logistics earnestly implements the relevant guidelines from the nation on strengthening the freight transportation capabilities of high-speed railways, deeply participates in the pilot work of whole-train high-speed express trains for bulk transportation, and helps the industry explore new modes of HSR freight transportation.

On July 12, 2023, two HSR freight trains, loaded with goods, departed from Kunming Luoyangzhen Station and Chengdu Shuangliu West Station respectively. The railway route primarily serves high value-added goods with high timeliness requirements, such as fresh food, urgent business items, and biopharmaceuticals. JD Logistics deeply participate in this initiative and continues to transport goods with a fixed frequency of two trains per day. With stable next-day delivery and increased delivery capacity in several core cities in Sichuan and Yunnan provinces, the initiative better meets the demand of the two regions.



The first HSR freight trial train with JD Logistics participating in started operation

## Case Connecting Southeast Asia, JD Airlines Opened up New International Freight Routes

On September 19, 2023, a JD Airlines B737-800BCF all-cargo aircraft smoothly landed at Tan Son Nhat International Airport in Ho Chi Minh City, Vietnam, and flew back to Shenzhen after completing unloading and loading. This marks the official opening of the "Shenzhen ⇌ Ho Chi Minh City" international freight route by JD Airlines. The route is operated regularly by JD Airlines all-cargo aircraft and will mainly handle cross-border e-commerce parcels from Southern China, helping small and medium-sized cross-border e-commerce businesses achieve efficient logistics fulfillment.

In March 2023, JD Logistics also launched the "Kunming-Wanxiang" China-Laos Railway, using multimodal transportation such as "Thailand-Laos-China" public rail and road transportation, to transport high-quality agricultural products such as durians and passion fruits from Southeast Asia to China. At the same time, agricultural machineries and steel from China are transported outbound, achieving the connectivity of specialty products between China and Southeast Asia.



The official opening of the "Shenzhen ⇌ Ho Chi Minh City" international freight route by JD Airlines

# Feature | Conveying Passion, Supporting Marathoners



Integrating Digital Technology and Reality, Rooted in High-Quality Development

Integrating Green Chains and Building a Community with a Shared Future for Mankind

Integrating Shared Values, Building a Responsible Supply Chain

Pursuing Sound Business Ethics and Creating Sustainable Social Values

For any large-scale sports event, logistical support is one of the key determinants of the event's smooth operation, especially for marathons. Marathons present unique challenges due to their longer distances, extended durations, numerous checkpoints, intricate environments, and larger participant numbers. These factors necessitate a wide range of materials and pose considerable challenges for logistics services.

Leveraging its professional integrated supply chain capabilities and extensive experience in event services, JD Logistics offers comprehensive and efficient logistics solutions for marathon events. These services encompass route planning, material storage, and transportation services. Shanghai Marathon, Wuhan Marathon, Chengdu Marathon, Chongqing Marathon, Shijiazhuang Marathon, Suqian Marathon, Beijing Half Marathon, JD Logistics consistently delivered high-quality professional logistics support for hundreds of marathon events across numerous cities, aiding hundreds of thousands of marathon runners in advancing toward a brighter future.

Going forward, JD Logistics will continue to embody the marathon spirit and uphold the philosophy of "warmth more than speed". Through efficient logistics and express delivery services, JD Logistics aims to provide perfect services for marathon events, ensuring that participants can run without worries and contributing more to marathon events.



JD Logistics provided service support for the Suqian Marathon

## The Wuhan Marathon

From the storage and transportation of event materials to the provision of supplies along the route, we have been providing professional services for the Wuhan Marathon for four consecutive years. In 2023, JD Logistics introduced a distinctive service of on-site clothing storage and environmentally friendly recycling. Before the race, participants could store their clothing and personal items on JD Logistics vehicles at the starting point and retrieve them at the finish line by number tag. During the Wuhan Marathon, JD Logistics dispatched a total of 50 vehicles, allowing participants to enjoy the race. Additionally, JD Logistics offered discounted delivery services for participants to send back items such as finisher packs and medals, enabling participants to return home without burdens.



JD Logistics supporting the Wuhan Marathon

## The Chengdu Marathon

The logistical supplies for the Chengdu Marathon come from multiple suppliers and sponsors, including race apparel, office supplies, promotional items, fresh food, trophies, and medals, totaling nearly two million items. Tailored storage services are needed for different types of supplies. JD Logistics has built a "Specialized Support Warehouse" covering nearly 3,000 square meters for the Chengdu Marathon, ensuring accurate supply replenishment for the full 42-kilometer course, 18 aid stations, and 35,000 race supply packs on the event day. The storage areas in the specialized warehouse are planned according to the race track, with pre-sorting to ensure efficient delivery.



JD Logistics supporting the Chengdu Marathon

## The Beijing Half Marathon

We have provided 1,800 square meters of warehousing space, over 100 new energy logistics vehicles, intelligent autonomous delivery vehicles, and a logistics support team of several hundred workers for the Beijing Half Marathon. From the storage and distribution of pre-race materials to on-course energy replenishment services, and from the distribution of finisher packs to on-site finisher commemorative mailing services, we have provided meticulous and green support for the Beijing Half Marathon.



JD Logistics provided service support for the Shanghai Marathon



JD Logistics provided service support for the Shijiazhuang Marathon



JD Logistics provided service support for the Guangguo Marathon

# 02

## Integrating Green Chains and Building a Shared Future for All Life on Earth

The logistics industry is a fundamental, strategic, and pioneering industry that supports the development of the national economy. It plays an important role in building a modern distribution system and shaping a new development pattern. Given the significant energy consumption associated with this sector, achieving carbon reduction across all facets of the logistics supply chain is imperative for the high-quality development of enterprises, industries, and society at large. JD Logistics has been steadfastly advancing carbon reduction initiatives across various domains, including warehousing, logistics, transportation, and packaging materials. Through the utilization of AI algorithms to enhance efficiency, the adoption of green energy sources and transportation equipment, and the implementation of packaging material recycling programs, we have pioneered a leading model of green development within the logistics supply chain. This proactive approach promotes the integration of sustainability practices throughout the entire supply chain, fostering collaboration, and carbon reduction initiatives that support sustainable consumption and production. By facilitating symbiotic relationships, chain collaboration, and mutually beneficial outcomes among supply chain stakeholders, we strive to create a bridge toward a more sustainable future.

### UN Sustainable Development Goals, SDGs



Integrating Digital Technology and  
Resilience, Rooted in High-Quality  
Development

Integrating Green Chains and  
Building a Community with a  
Shared Future for Mankind

Integrating Shared Values  
Building a Responsible Supply  
Chain

Pursuing Sound Business Ethics  
and Creating Sustainable Social  
Values

## Improving Environmental Management System

JD rigorously adheres to environmental protection laws and regulations, prioritizing the enforcement of environmental policies and management systems across all operational facets. We have integrated environmental management practices into our daily operations to ensure comprehensive compliance. Concurrently, we remain dedicated to reducing carbon emissions through enhanced measurement and tracking methodologies, allowing us to effectively mitigate our operational impact on the environment. These concerted efforts aim to systematically enhance our environmental performance, fostering a harmonious coexistence with the natural environment.

## Ensuring Environmental Compliance

The Company actively responds to the national requirements of green development, and strictly complies with relevant laws and regulations that have a significant impact on us, such as the *Environmental Protection Law of the People's Republic of China*, the *Atmospheric Pollution Prevention and Control Law of the People's Republic of China*, the *Water Pollution Prevention and Control Law of the People's Republic of China*, the *Soil Pollution Prevention and Control Law of the People's Republic of China*, the *Law of the People's Republic of China on the Prevention and Control of Environment Pollution Caused by Solid Waste* and the *Energy Conservation Law of the People's Republic of China*. As of the end of 2023, the Company had obtained ISO 14001 and many other leading environmental management system certifications at home and abroad. The Company did not have any incident that caused a significant impact on the environment during the year.

For the production of warehousing hardware products, the Company has implemented a stringent environmental policy emphasizing compliance with laws and regulations, environmental protection, pollution prevention, energy conservation, and sustainable development. It identified 111 environmental factors across various business processes, such as exhaust gas emissions from packaging, disposal of waste disinfectants, etc. We established the *Environmental Factor Identification and Evaluation Form*, and identified 3 Important Environmental Factors for strict control on issues such as power consumption, fire, and solid waste discharge. As of the end of 2023, the warehousing hardware product base had been registered with the Environmental Protection Bureau of Tongzhou District, Beijing, and underwent an environmental impact assessment. Throughout the reporting period, there were no recorded violations of environmental regulations, and the Company did not receive any complaints related to environmental pollution.



## Promoting Carbon Reduction

JD Logistics remains committed to adopting emission reduction actions and solutions to actively address climate change. We have integrated low-carbon development into one of our key development strategies, conducting in-depth analyses of existing emission sources to inform our approach. We are gradually implementing the first phase of our 2023-2030 medium- and long-term emission reduction plan, which is based on the emission reduction plan we have already formulated. Additionally, we are promoting the "Carbon Neutral" experience within our Asia No. 1 smart industrial parks, increasing the usage of new energy vehicles, and introducing hydrogen-fuelled heavy trucks to optimize transportation. We are also advancing the application of the Supply Chain Emission Management Platform (SCEMP), integrating supply chain processes into our carbon reduction efforts. Through these various initiatives, we are committed to fulfilling our emission reduction commitments and contributing to the global goal outlined in the *Paris Agreement* of limiting the temperature rise to 1.5 degrees Celsius.

### Phase 1

2023  
-  
2030

- ◆ Phasing out R22 refrigerant
- ◆ Implementing smart energy efficiency management for warehouse
- ◆ Piloting/promoting the use of photovoltaic power, biodiesel, hydrogen energy, and other renewable energy sources
- ◆ Recycling heat of data center
- ◆ Promoting the "carbon-neutral" experience of Xi'an Asia No. 1 smart industrial parks
- ◆ Piloting/adopting hydrogen fuel heavy trucks, battery swapping, intermodal transportation, and optimizing transportation methods
- ◆ Promoting the "Green Stream Initiative", researching and developing new recyclable packaging materials, and promoting packaging recycling
- ◆ Advancing smart lighting, shared office spaces, glass curtain wall renovations, and paperless office initiatives
- ◆ Promoting digital platforms such as SCEMP and working with integrated supply chains to reduce carbon emissions.

### Phase 2

2030  
-  
2050

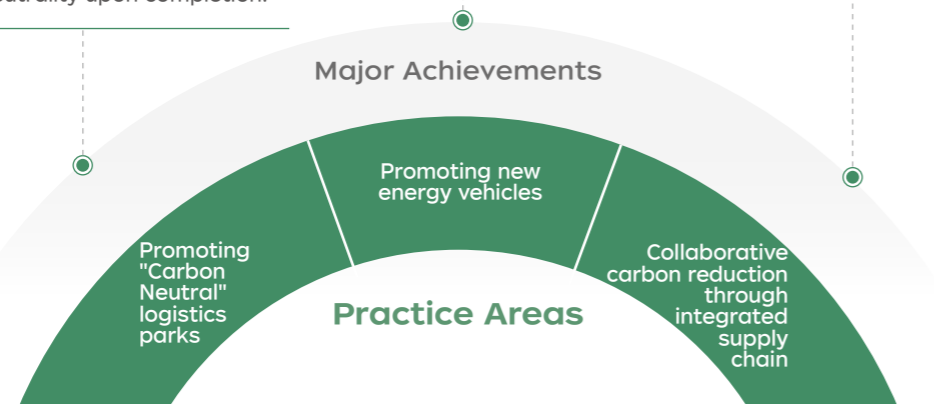
- ◆ Promoting "carbon-neutral" logistics parks
- ◆ Researching, piloting, and promoting park-based battery swap stations and energy storage technologies
- ◆ Piloting, applying, and promoting hydrogen fuel heavy trucks, ammonia trucks, and biodiesel trucks
- ◆ Purchasing carbon sink, carbon credits and verified carbon offsets
- ◆ Using smart and shared pallet
- ◆ Alliance with integrated supply chain partners to reduce carbon emission

In 2023, JD Logistics focused on its core operations, including warehousing, transportation, and distribution, and expedited efforts to meet carbon reduction targets. This entailed advancing the adoption of green energy, advocating for the use of new energy vehicles, and fostering collaboration across the supply chain to minimize emissions.

The Company integrates the concept of carbon neutrality into the planning, construction, management, and operation of its parks. Leveraging a zero-carbon operating system, these parks meticulously calculate and strategize carbon neutrality goals and implementation paths, integrating measures such as energy conservation, emission reduction, carbon sequestration, and carbon sinks through digital means. The objective is to achieve low-carbon industrial development, transition to green energy sources, facility clustering and sharing, and resource recycling through intelligent management, thereby attaining a self-balancing of carbon emissions and integrating production, ecology, and lifestyle in these new industrial parks. In 2023, we established carbon-neutral logistics parks/logistics ports in Beiliu, Guangxi Province, Yibin, Sichuan Province and other places. These initiatives are expected to accelerate local governments' progress toward carbon neutrality upon completion.

As of the end of 2023, a total of 8,290 self-operated new energy vehicles were deployed in road transportation across mainlines and terminal transport segments, marking an increase of 2,872 compared to 2022, contributing to an average reduction of 35,200 tonnes of CO<sub>2</sub> equivalent per year. Furthermore, in 2023, 20 hydrogen-powered vehicles were operated on more than 60 routes. Additionally, our green power purchases amounted to 47,344.4MWh.

Through the Supply Chain Emission Management Platform (SCEMP), we have developed a carbon emission-focused energy management network and implemented a comprehensive carbon monitoring, reporting, and verification (MRV) system throughout the park's entire lifecycle. By creating energy consumption and carbon-neutral models, we are encouraging our upstream and downstream partners to actively participate in carbon reduction efforts.



Case

Collaboratively Reduce Carbon Emissions and Build the First Carbon Neutral Logistics Port

Drawing on our extensive expertise in carbon-neutral parks and low-carbon supply chain logistics, JD Logistics has tailored the SCEMP carbon management platform for our logistics port in Beiliu, pioneering one of China's first cold-chain logistics parks. This platform offers a suite of features including energy prediction and early warning, clean energy resource allocation, IoT equipment management, energy efficiency optimization, digital system implementation, intelligent energy management, carbon emission tracking, and a dual carbon path model. Moreover, it effectively monitors carbon emissions throughout the logistics park's cargo storage and circulation processes. Integrated with a carbon-neutral design system, the platform enables managers to not only calculate the park's carbon emissions but also implement carbon reduction strategies digitally, thereby achieving a closed-loop management approach encompassing carbon management, control, and reduction.

Case

JD Logistics Participated in COP28 and Our Green Chain Achievements Were Widely Recognized

In December 2023, during the 28th Conference of the Parties (COP28) to the United Nations Framework Convention on Climate Change (UNFCCC) held in Dubai, UAE, a significant side event titled "Accelerating Low-Carbon Actions and Gathering Social Strength to Combat Climate Change" took place at the "China Corner" of COP28 within the Dubai World Expo organized by the China Environmental Protection Foundation (CEPF) and Sustainable Development Economy Magazine (SDEM), the event featured the publication of the report-*Start from Action 2023 Observation Report on Low-carbon Transition on Enterprises in China*. Among the showcased cases in the report was JD Logistics' exemplary initiative titled "Promoting Upstream and Downstream Coordination to Decarbonize and Build a Climate Resilient Supply Chain". This selection highlighted JD Logistics' commendable efforts in green supply chain capacity development, demonstrating to the global community the company's proactive stance and impactful practices in addressing climate change.



COP28: "Promoting Upstream and Downstream Coordination to Decarbonize and Build a Climate Resilient Supply Chain" of JD Logistics

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# Leading Green Logistics

The Company is committed to deeply integrating green infrastructure and digital technology, advocating for the collaborative establishment of a green supply chain across various segments such as warehousing, transportation, distribution, packaging, and office operations. These efforts are shared with the public. Since 2017, we have embarked on a strategic-level green project called the "Green Stream Initiative". Through cooperation with partners both upstream and downstream in the supply chain, we collectively promote comprehensive greening and environmental protection measures, fulfilling our own green commitments while consistently expanding the network of environmentally conscious stakeholders.

## Green Transportation

JD Logistics actively promotes various green transportation methods by selecting low-carbon emission modes of transportation guided by carbon reduction targets. We have scaled up the deployment and usage of new energy vehicles nationwide, while also promotes the practical application of hydrogen-powered heavy trucks, autonomous vehicles, and expands intermodal transportation. We prioritize transportation modes with lower carbon emissions, strengthen fuel usage and emission management, and continuously build a greener transportation network.

New energy vehicles are widely used in urban road scenarios. However, challenges such as insufficient range and lower transportation efficiency persist in heavy-duty, high-speed, long-range, and long-distance operation scenarios. To address these challenges and explore new avenues for green logistics, the Company has collaborated with leading hydrogen equipment enterprises and hydrogen refueling stations. We spearheaded the deployment of the first batch of 20 hydrogen-fuelled heavy trucks for medium- and long-distance transportation in the Beijing-Tianjin-Hebei region, becoming the first logistics company to deploy hydrogen-powered trucks on a large scale. Since their deployment on October 11, 2023, these trucks have been operating on over 60 routes daily, resulting in a total diesel fuel savings of 74,000 liters by the end of 2023. Moreover, we have developed integrated management capabilities encompassing scheduling, hydrogen-fuelled electric vehicles, driving capabilities, and after-sales service. This endeavor has allowed us to accumulate valuable experience for the broader promotion and utilization of various new energy sources, including fuel cells.

### Case

#### Initiating the Project of "Hydrogen-Fuelled Urban Mainline Container Transportation" With IKEA

In July 2023, the Company officially became one of the suppliers of IKEA officially became one of IKEA's suppliers operating with new energy logistics vehicles in China. Immediately after that, we collaborated with IKEA on the "Hydrogen-fuelled Urban Mainline Container Green Transportation Project". Through months of real logistics scenario experimentation, the efficacy of hydrogen transportation has been validated under container trailers and other transportation scenarios. This project stands as a significant innovation for IKEA and simultaneously enables the Company to commence commercial operations in the domain of hydrogen-fuelled heavy trucks.



Initiating the Project of "Hydrogen-fuelled Urban Mainline Container Transportation" with IKEA

## Green Warehousing

JD Logistics is actively building green and low-carbon warehousing and logistics parks, focusing on green infrastructure construction and carbon reduction innovations. We are proactively advancing green construction and operation based on these initiatives. As of the end of 2023, after the inauguration of the inaugural "carbon-neutral" logistics park, we have installed rooftop photovoltaic in 17 Asia No. 1 smart industrial parks, 2 sorting centers, 2 bulky warehouses, and 1 logistics park, with a total installed capacity of 114.48 megawatts. In 2023, the annual procurement of photovoltaic green power of 47,344.4 MWh, reducing carbon emissions by 27,000 tonnes.

According to the *Green Building Evaluation Standards* of the Ministry of Housing and Urban-Rural Development of the People's Republic of China, 18 logistics parks of the Company have green buildings, 18 logistics parks adopted sponge city designs, and 13 parks have assembled buildings. Among them, Beijing Daxing International Airport is located in the non-bonded logistics area of Block 0107, Lixian Cluster, LinKong Economic Zone. The building area covers 125,768 square meters, with an annual water use of 20,472.24 m<sup>3</sup>, an annual rainwater use of 7,952.40 m<sup>3</sup>, and a non-traditional water resource utilization rate of 66.78%. Domestic water appliances need to meet the requirements of the current standard Water-Saving Domestic Water Appliances CJ164 and General Technical Conditions for Water-Saving Products GB/T 18870. In addition, all sanitary appliances adopt water-saving appliances with water efficiency level 2. Adopting LED lamps saves 68 tons of coal per year compared with fluorescent lamps and 38 tons of coal per year compared with metal halide lamps.

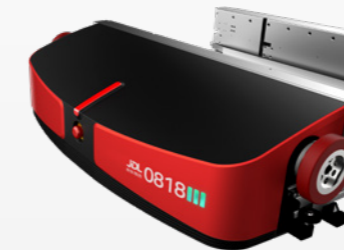
According to the industry standard *Green Warehouse Requirements and Evaluation* (SB/T 11164-2016), 14 parks were awarded the "Green Warehouse Label" after the on-site evaluation organized by China Warehousing and Distribution Association, among which 9 are Level 1 (three-star) green warehouses and 5 Level 2 (two-star) green warehouses.

## Green Technology

As a technology-driven supply chain solutions and logistics service provider, JD Logistics has consistently invested in technology. Leveraging foundational technologies such as 5G, artificial intelligence, big data, cloud computing, and the Internet of Things (IoT), JD Logistics continuously expands its integrated supply chain technology advantages in software, hardware, and system integration. This includes intelligent products like automated handling robots, sorting robots, intelligent delivery vehicles, as well as self-developed systems for warehousing, transportation, and order management. These intelligent software and hardware products cover key processes and critical elements of the supply chain, including parks, warehousing, sorting, transportation, and distribution. We incorporate green and energy-efficient design principles throughout our development.

### Tianlang AGV

During the product development process, we explore energy recovery technologies to reduce energy consumption and extend the lifespan of our products. As part of this effort, we have replaced the Tianlang shuttle battery capacitor with a supercapacitor. Supercapacitors offer higher power density, longer lifespans, and greater energy recovery efficiency compared to conventional batteries. This transition significantly improves the environmental performance of our products and extends their overall lifecycle.



### Autonomous Vehicles, Indoor Delivery Vehicles/robots

Given the impact of product design on the environment, we have chosen to utilize lithium-ion phosphate batteries in our products. These batteries are distinguished by their heavy metal-free, non-toxic, and non-polluting composition, along with their long cycle life, enhanced safety, and stability. Additionally, we employ a low-power consumption strategy, incorporating various operating modes tailored to different conditions to minimize power consumption. Moreover, we focus on reducing vehicle weight, raw material usage and energy consumption.



### Logistics UAV

It is mainly used in urban, rural and other residential areas, and is equipped with a full range of pure lithium energy in power energy to effectively reduce the harm of waste emissions and noise pollution to air quality and ground personnel, and reduce the potential safety hazards of combustion. At the same time, the use of electric clean energy can significantly improve energy utilization efficiency, reduce flight operation costs, and help the sustainable development of the application of unmanned logistics technology.



In 2023, at the "2023 China Express Green Technology Development Conference", three cases of the Company were selected as "2022 Annual Green Express Demonstration Projects". These included the "Shuttle Automated Merging System", the "E-commerce Packaging Size Design Model Based on Big Data Algorithm" and the "B2C Recycling Packaging Scale Application".



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## Green Packaging

The Company follows the development trend of green packaging, enhancing technological innovation, and the adoption and application of eco-friendly packaging materials. It continuously refines operations related to recycled packaging to drive the advancement of green packaging practices. By incorporating the concept of sustainable development into all processes, we establish packaging carbon emission plans and promote green packaging initiatives across four main avenues: reduction, reuse, recycling, and degradation. Through these efforts, we aim to achieve a reduction in carbon emissions of approximately 69,515 tonnes by the end of 2023 through packaging carbon reduction measures.

Since the proposal of the industry's first Delivered with Original Package certification, the Company has collaborated with upstream and downstream partners to implement this standard. In 2023, the certification contributed to a reduction in the use of secondary packaging by over 800 million units.

### Case

#### Contributing to World Earth Day With a Pilot Project to Scale up Recyclable Packaging

Since April 2023, the number of green packages at the JD Express site on the Minhang Campus of Shanghai Jiao Tong University has gradually increased. These packages are JD Logistics' "Green Stream Box". On the 54th World Earth Day, based on the "Green Stream Initiative", the Company successfully introduced 1 million recycled express packages to promote shared recycling of reusable packaging. By the end of 2024, this initiative alone is expected to reduce disposable packaging, such as cardboard boxes, foam boxes, and plastic bags, by over 100 million units.

The Company is implementing a "recyclable packaging pilot project" in more than 30 cities across China. Consumers can utilize recycled packaging for personal deliveries and business collections at JD Express locations, prioritizing same-city deliveries. Additionally, we are collaborating with numerous brands to employ recycled boxes for packaging during factory production and processing, facilitating the efficient circulation of recycled packaging between brand factories and consumers.



A pilot project to scale up recyclable packaging---  
Recyclable Green Stream Box line

## Green Office Operation

The Company prioritizes resource conservation and environmental awareness in workplace management and daily management. Our focus lies in constructing a sustainable green office, leveraging standardized, intelligent, and efficient office models to optimize workplace environments, office operations, and commuting modes. We implement energy-saving initiatives across offline offices, e-offices, and green travel, aiming to reduce energy consumption in our operations while actively embracing green office practices.

In 2023, the overall electricity consumption at the HQ workplace and southwest workplace decreased by

**3** % year-on-year

Measures	Optimized Appliances	Energy Consumption Types	Optimizing Measures
Office optimization	Air conditioner	Water, electricity and gas	<ul style="list-style-type: none"> <li>Adjusting rules for cooling equipment operation, such as determining the number of cooling mainframes to activate, setting water outlet and return temperatures, activating water pumps, and operating cooling towers based on business needs for each floor, including daily, weekend, and holiday cooling schedules</li> <li>Maximizing the use of air supply and exhaust systems to regulate workplace temperatures, particularly during seasonal transitions</li> <li>Setting rules for the operation of air conditioners in computer rooms, especially during the winter and transitional seasons to reduce energy consumption</li> </ul>
	Lighting	Electricity	<ul style="list-style-type: none"> <li>Developing optimized lighting facility operation program and retrofitting independent area lighting, landscape, common area lighting, etc</li> </ul>
	Elevator		<ul style="list-style-type: none"> <li>Ceasing the use of conversion stairs from the underground garage to the first floor, which is only for regular maintenance</li> <li>Adjusting air conditioners and information screens to operate at regular intervals, switching them on and off accordingly</li> <li>During off-peak hours, maintaining the operation of two escalators for use</li> </ul>
Equipment renovation	Lighting and meeting screens	Electricity	<ul style="list-style-type: none"> <li>Transforming manual switches in conference rooms, training rooms, negotiation rooms, pantries and other independent functional areas into an automatic sensor switch to realize the automatic on when someone is there and off when no one is there</li> <li>Modifying the building facade wall washer lights, platform floodlights, dome lights, etc. to automatically turn on and off according to the illumination level, shortening the ineffective lighting time and reducing energy consumption</li> <li>Installing time controllers for conference screens and splicing screens in conference rooms, training rooms, teaching rooms, etc., so that the power supply is cut off and turned on at regular intervals every day, and is turned on independently by the user when needed</li> </ul>
	Information disclosure screens	Electricity	<ul style="list-style-type: none"> <li>Installing time controllers for information screens, cultural light boxes, etc., which are timed to turn on and off on a daily basis</li> </ul>
Promoting environmental protection	Environment Festival	Electricity	<ul style="list-style-type: none"> <li>Carrying out energy-saving activities during Earth Hour and World Earth Day, and turning off part of the lighting while publicizing energy-saving and consumption reduction</li> </ul>
	Promoting energy conservation and consumption reduction	Water, electricity	<ul style="list-style-type: none"> <li>Regularly promoting energy-saving and consumption reduction</li> <li>Increasing reminder signs of air conditioning temperature, lighting switches, water conservation, etc</li> </ul>

- Approximately **160,000** personnel documents, including e-contracts and e-files, were signed online
- Electronic archiving reduces the number of paper vouchers by **2.6** million
- 6.85** million e-invoices were issued
- Through Joymeeting, the number of online meetings exceeded **1.47** million, with a total of **27.23** million person-times and a total of **1.13** billion minutes of meeting time, covering supplier conferences and remote interviews
- The number of employees commuting by new energy vehicles reached **94,025**, covering **13,050** employees and **1.26** million kilometers





# Reducing Business Impacts on Environment

JD Logistics focuses on the implementation of the strategic-level program "Green Stream Initiative", which focuses on the three pillars of "Planet", "People", and "Profits" in collaboration with the industry and social forces. In 2023, we vigorously promoted the use of renewable energy and recyclable resources, improved resource utilization efficiency, increased the adoption of renewable energy and environmentally friendly materials, and implemented various environmental protection measures. By creating a greener and more sustainable business system, JD Logistics is fully committed to advancing carbon reduction initiatives. Furthermore, in 2023, we provided comprehensive information on JDL's climate strategy and performance to the Carbon Disclosure Project (CDP) for the first time, receiving a B-grade in the annual Climate Disclosure Rating.

## Greenhouse Gas Emission

In response to the challenges posed by climate change, we remain committed to scientific and technological innovation to enhance the efficiency of our resources and energy utilization, thereby reducing carbon emissions across various business processes. Our greenhouse gas emissions have been audited by Bureau Veritas, an international inspection group, and a greenhouse gas emissions audit report has been issued.

Indicator	Units	2022	2023
Direct GHG emissions (Scope 1) <sup>3</sup>	10,000 tonnes of CO <sub>2</sub> equivalence	148.6	180.7
Indirect GHG emissions (Scope 2) <sup>4</sup>	10,000 tonnes of CO <sub>2</sub> equivalence	79.2	83.9
Other indirect GHG emissions (Scope 3) <sup>5</sup>	10,000 tonnes of CO <sub>2</sub> equivalence	348.4	653.4
Total amount of GHG emissions	10,000 tonnes of CO <sub>2</sub> equivalence	576.2	918.1
GHG emissions intensity <sup>6</sup>	Tonnes of CO <sub>2</sub> equivalence/ million revenue	16.6	15.9

<sup>3</sup> Scope 1 emissions include the Scope 1 emissions data of Deppon and Kuayue Express, and the calculation path of Scope 1 emissions mainly refers to the Hong Kong Stock Exchange's *Guidelines on Reporting of Environmental Key Performance Indicators* and the National Development and Reform Commission's *Methodology and Reporting Guidelines for Greenhouse Gas Emissions from Land-based Transportation Enterprises*.

<sup>4</sup> Scope 2 emissions include the Scope 2 emissions data of Deppon and Kuayue Express, and the calculation path of Scope 2 emissions mainly refers to the *Environmental Key Performance Indicators Reporting Guidelines* of the Hong Kong Stock Exchange, in which the electricity emission factor is 0.5703 tCO<sub>2</sub>/MWh, which is taken from the *Notice on the Management of Greenhouse Gas Emissions Reporting by Enterprises in the Power Generation Industry for 2023-2025* issued by the Ministry of Ecology and Environment of China in February 2023.

<sup>5</sup> Scope 3 emissions include the Scope 3 emissions data of Deppon and Kuayue Express, and the Calculation path of Scope 3 emissions mainly refers to the Hong Kong Stock Exchange's *Guidelines on Reporting of Environmental Key Performance Indicators*. The specific emission categories for Scope 3 in 2023 can be found in the attached report's Appendix - Greenhouse Gas Verification Statement. In 2022, the scope of Scope 3 emissions was limited to JD Logistics and did not include Deppon and Kuayue Express. In 2023, the scope of Scope 3 emissions includes JD Logistics, Deppon and Kuayue Express.

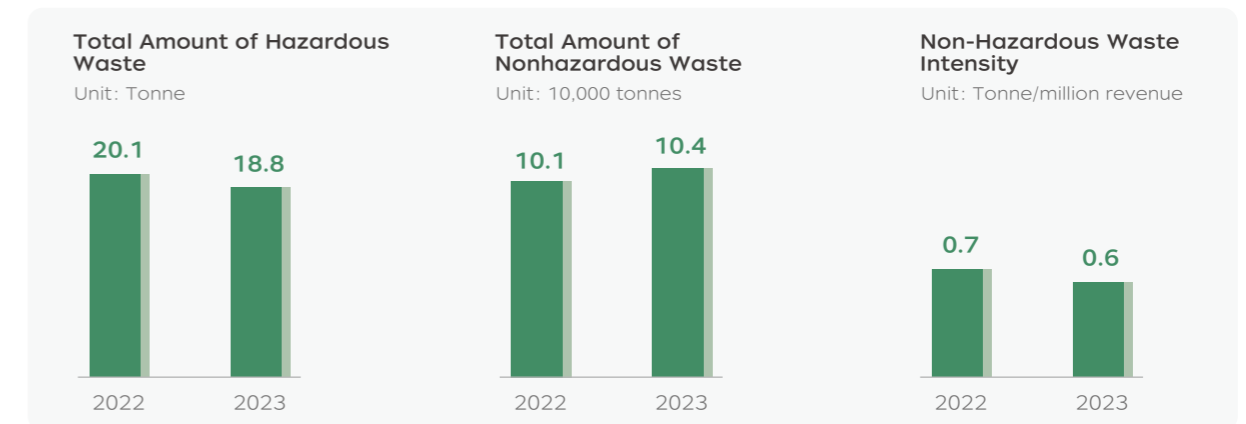
<sup>6</sup> The formula for greenhouse gas emission intensity is: (Scope 1 emissions + Scope 2 emissions) / Annual revenue

## Waste Management

We recognize the critical importance of waste management to both the environment and public safety. Therefore, we adhere to the principles of "minimization, resource utilization, and harmlessness" in handling solid waste while actively promoting the circular economy concept.

To address waste generated during the production process, the Company has established the *Solid Waste Control Procedures* and waste disposal processes. General waste undergoes classification and disposal, with recyclable and non-recyclable waste separated accordingly. Recyclable and non-recyclable garbage cans are provided for temporary storage within the factory premises. Subsequently, park property management facilitates daily waste disposal. For hazardous waste (e.g., WD40 rust remover, aerosol spray paint, thread locker, etc.), we engage qualified third-party organizations through contractual agreements for regular transportation and disposal. All disposal activities are meticulously recorded in the national hazardous waste disposal system.

In our daily operations, the primary non-hazardous waste generated includes domestic garbage, packaging waste, and food waste, among others. This waste is collected and handed over to municipal sanitation authorities for centralized treatment. Hazardous waste, on the other hand, primarily consists of items such as waste lamps, ink cartridges, toner cartridges, and lead batteries. For hazardous waste, we engage qualified third-party entities to carry out closed-loop treatment processes, ensuring that they are handled in a manner that prevents any adverse effects on the ecological environment.



## Water Resource Management

JD Logistics places significant emphasis on conserving and comprehensively utilizing water resources, adhering closely to environmental protection requirements. We strictly adhere to relevant regulations and select water-saving appliances that comply with the Standard for *Water-saving Domestic Water Appliances (CJ164-2002)* for our offices. In addition, we carry out water-saving renovation projects to enhance the efficiency of water resources utilization. At present, the water resources used by the Company mainly come from municipal tap water. During this Reporting Period, JD Logistics did not involve in the use of water resources from areas with water stress. We have always practiced the plan of the International Decade for Action on Water for Sustainable Development (2018-2028) initiated by the UN Water Mechanism, with a steadfast commitment to water conservation and improving water use efficiency.

At the Yayi Intelligent Park in Beichen, Tianjin, JD Logistics actively practices water conservation by utilizing non-traditional water resources. We employ advanced water-saving facilities and equipment within the park, requiring a water efficiency grade not lower than level 2. The water-saving technology meets the requirements of the *Water-Saving Sanitary Appliances (CJ/T164-2014)* and the *General Technical Conditions for Water-Saving Products (GB18870)*. Annually, reclaimed water usage at the park amounts to 55,988 cubic meters, while rainwater reuse for landscaping purposes reaches 10,842 cubic meters.

## Packaging Material Management

In 2023, the Company revised the Circular Transit Bag Management Regulations, aiming to standardize the application, usage, and circulation processes of bulk bags, and scrapping. These revisions ensure that the management of bulk bags is conducted in a systematic and orderly fashion, enabling accurate and effective monitoring of their circulation. As a result, we minimize retention and loss and enhance the efficiency of bulk bag turnover by establishing a reasonable system of rewards and penalties, ensuring the effective implementation of management processes.



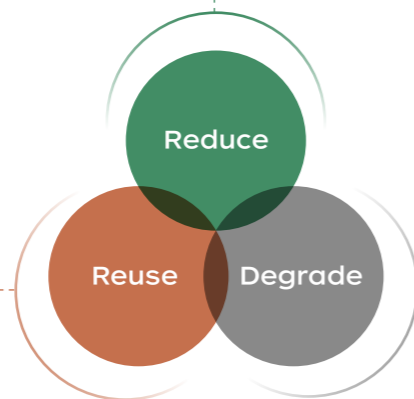
### Cardboard Boxes

In 2023, JD Logistics developed the X series cardboard boxes. By optimizing the structure of conventional cardboard boxes, ensuring that the internal volume, material, and user experience remain unchanged, the opening of the box was shifted from the long side to the short side. This transition allowed for the use of fewer materials with shorter flaps, achieving a reduction in the amount of cardboard used. By the end of 2023, the annual usage of X series cardboard boxes reached **110 million**, resulting in a total carbon reduction of approximately **1,719 tonnes**.



### Cooler Boxes

Additionally, JD Logistics continuously optimizes its reusable cooler boxes by using ice packs instead of disposable ice bags and dry ice. This substitution saves approximately **100,000 tonnes** of disposable ice bags and dry ice. By the end of 2023, the total carbon reduction achieved through the replacement with ice packs amounts to around **27,170 tonnes**.



In 2023, the reuse project is circular cooler boxes, saving the number of foam boxes **71.65 million** per year and reducing carbon by about **40,627 tonnes**;

Some provinces and cities use biodegradable bags, with an annual use of **22.19 million**.



## Promoting Green and Low-carbon Concept

Over the years, the Company has remained steadfast in advocating for green production and promoting a low-carbon lifestyle. We have harnessed collective wisdom, resources, and responsibility, leveraging the innovative capacities of new entities to drive carbon reduction efforts. Through collaborative partnerships with both upstream and downstream enterprises, we are actively constructing a green supply chain ecosystem, generating environmental and social value, and contributing to the broader transition towards a low-carbon economy. We invite everyone to join us in building a sustainable, green, and beautiful home for all.

## Supporting Ecological Protection

The Company upholds the concept of "Harmony between human beings and nature", strictly abides by the ecological red line, actively protect biodiversity, so as to build an ecological and environmental community, and protect lucid water and lush mountains. We strictly follow the *Law of the People's Republic of China on the Protection of Wildlife*, *Regulations of the People's Republic of China on the Protection of Terrestrial Wildlife*, *Fisheries Law of the People's Republic of China* and other relevant laws and regulations, as well as the United Nations Sustainable Development Goals (UNSDGs), the Convention on Biological Diversity (CBD), "Kunming - Montreal Framework for Global Biodiversity", etc. We are greatly committed to the harmonious coexistence of human beings and natural resources.

### Case

#### Promoting the "Green Stream Initiative" for a Summer With Biodiversity

- On August 10, 2023, JD Logistics, together with JD Foundation, the Amity Foundation and Qingye Ecology, launched the "Panda Backyard Project". The project aims to raise funds and supplies for the environmental renovation of the wild pandas in the Qinling Giant Panda Rescue and Breeding Research Base in Foping. The supplies donated for the pandas were delivered to the research base by the Company, and the related supplies were donated through the JD Foundation "JD Giving Platform" platform. In order to let more people to participate, we also carried out exclusive activities on a Wechat mini program, through which consumers could send couriers, making pandas' living environment more comfortable. At the same time, consumers could also measure their parcel carbon reduction value through the small program "parcel travel", through which they could exchange green energy for ice, providing a cooling summer for pandas.
- On August 19, 2023, JD Logistics held the "One-Hour Green Stream Exchange" event in the atrium of Niaowu Bookstore at Taikoo Li on the Bund in Shanghai. Customers who brought old newspapers, paper bags, plastic bottles and other recyclable items to the event were able to receive seeds that can grow panda-favored tomatoes, bamboo fiber paper tissues and more. The "Green Stream Initiative" was launched in 2017, aiming to promote the end-to-end environmental protection of the supply chain, and to contribute to ecological symbiosis, biodiversity protection, environmental protection advocacy and human compassion.



JD Logistics delivering suppliers for pandas



JD Logistics initiating "One-Hour Green Stream Exchange" project

## Practicing Green Public Welfare

JD Logistics integrates the principles of sustainable environmental protection and public welfare into its everyday business practices. Collaborating with our partners both upstream and downstream, we have spearheaded a range of environmental public welfare initiatives, including "Your Name", "Box for Love", "Carbon Reduction Pioneer", "Plogging-Clean up Earth", and "Box for Home". Through these endeavors, we aim to promote environmental conservation and encourage a green lifestyle among our communities.

Integrating Digital Technology and Reality, Rooted in High-Quality Development

Integrating Green Chains and Building a Community with a Shared Future for Mankind

Integrating Shared Values, Building a Responsible Supply Chain

Pursuing Sound Business Ethics and Creating Sustainable Social Values

### Case

#### "Plogging · Cleaning up Earth" Environmental Activity

In April 2023, JD Logistics held its "Plogging-Clean up Earth" environmental public welfare activity. The first run ceremony was held in Guangzhou Ersha Island, with nearly 100 sports, environmental protection enthusiasts gathering in Ersha Island soccer field and completing a three-kilometer contest for environmental protection. Participants cleaned up the dead leaves, debris and other garbage in roadside green belts. The entire event lasted until May 22nd. Picking up garbage while running is a new environmental protection trend, which is popular in major cities across the country in recent years. In this activity, nearly 100,000 runners participated together, covering a total distance of 270,000 kilometers, cleaning up approximately 60,000 kilograms of trash, and donated a total of RMB 54,000 in cash, 7,000 sets of environmental protection equipment to help environmental enthusiasts to successfully complete the activity. The "Plogging · Clean up Earth" project is a vivid practice to practice the green concept and advocate a low-carbon life, and it is also an active promotion and response to the construction of waste-free cities.



The first running ceremony of the "Plogging-Clean up Earth"

### Case

#### Cleaning up Beaches to Jointly Protect Hong Kong's Marine Environment

On October 20 and 22, 2023, JD Express and the Inclusive Future Foundation launched a beach cleaning and environmental protection charity event at Dong Wan Beach, Chang Zhou, Hong Kong. Several Hong Kong celebrities attended the event, including Chen Kailin and Miss Hong Kong Yang Peilin, along with dozens of volunteers and JD Express delivery workers. They cleaned up beach litter together. The volunteers exchanged recyclable marine waste with the JD Express delivery workers for eco-friendly gifts, safeguarding the marine environment in Hong Kong together.



Public Charity Activity-Cleaning up Beaches

### Case

#### "Guardians of the National Parks" and Biodiversity

Under the guidance of the Cyberspace Administration of China and the National Forestry and Grassland Administration, JD Logistics and Guangming.com, as the organizers, carried out a large-scale documentary series of integrated media reports on the "Guardians of National Parks", and went into the Three-River Source National Park, the Giant Panda National Park, the Northeast China Tiger and Leopard National Park, the National Park of Hainan Tropical Rainforest and the WUYISHAN National Park to learn about the stories of the guardians of environment and biodiversity. The series takes environmental protection and the natural vitality of the national parks as the starting point, breaking the boundary with natural environment and transmitting the ecological value to the public desiring for nature and living creatures.



"Guardians of the National Parks"

# Feature | Delivering Green and Keeping Track of Every Order



Integrating Digital Technology and Reality, Rooted in High-Quality Development

Integrating Green Chains and Building a Community with a Shared Future for Mankind

Integrating Shared Values, Building a Responsible Supply Chain

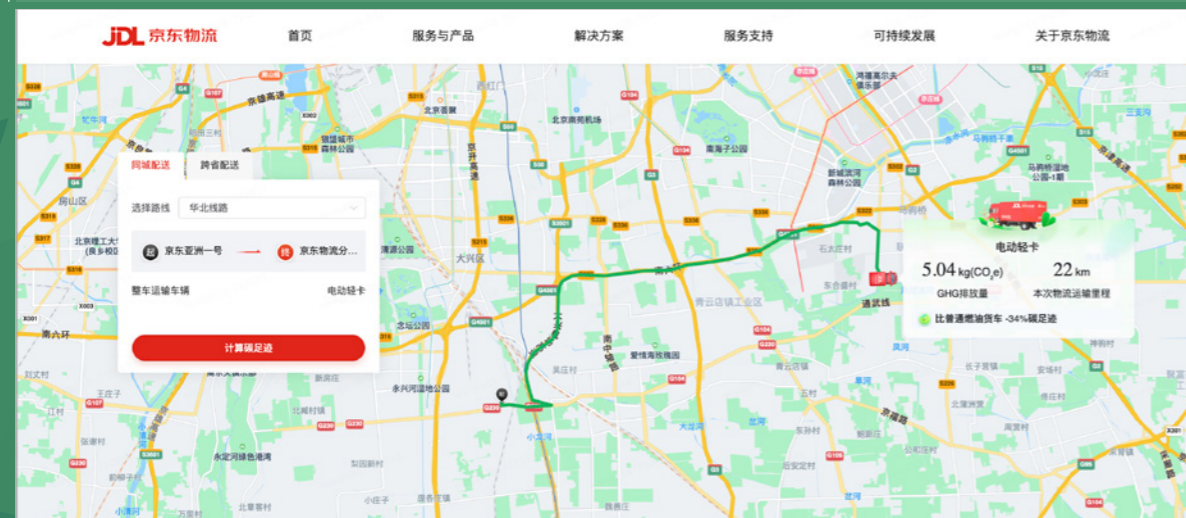
Pursuing Sound Business Ethics and Creating Sustainable Social Values

As green and sustainable consumption practices become increasingly widespread, consumers are placing greater emphasis on the environmental impact and carbon footprint of businesses. To make informed "green choices", consumers seek easy access to information detailing the actual climate change impact of products and services. For companies, the logistics and transportation processes within the upstream and downstream supply chain constitute a significant portion of the carbon emissions within the corporate value chain (Scope 3). Addressing these concerns necessitates the accurate measurement of product carbon footprints, integrating essential data on logistics and transportation.

The Company has incorporated the low-carbon concept into its development strategy, proposing a reduction path centered on "supply chain shares carbon footprint". We are actively promoting the establishment of a green and sustainable supply chain. Drawing on years of practical experience, we have introduced the SCEMP, a supply chain emission management platform designed for various scenarios. This platform caters to enterprises, industrial park management, and operators, aiming to monitor greenhouse gas emissions digitally, implement intelligent energy scheduling, and conduct scientific and standardized analyses of carbon emissions. Through these efforts, we assist our customers in reducing costs, improving efficiency, and achieving energy savings and consumption reduction.

## Supply Chain Emission Management Platform (SCEMP)

- ◆ The world's first certified carbon footprint management platform for logistics and transportation that incorporates China's carbon emission factor pool with the smallest granularity and real trajectory;
- ◆ SCEMP Visual Board is fed calculation models and customized trip maps for supply chain logistics and transportation panoramas;
- ◆ Seeking Carbon footprint visualization, planning, optimization, risk assessment and multi-dimensional transportation optimization in a "Supply Chain Carbon Emission Platform";
- ◆ The results comply with ISO 14064/14067, PAS 2050/2060 and the carbon disclosure requirements of the China Development and Reform Commission and the Ministry of Ecology and Environment;
- ◆ Carbon emission databases support the authenticity and validity of primary data collection;
- ◆ The trade-off between emissions, costs, and timeliness of the full category of GHGs (CO<sub>2</sub>, CH<sub>4</sub>, NxO, urea, etc.) from mobile sources is realized.



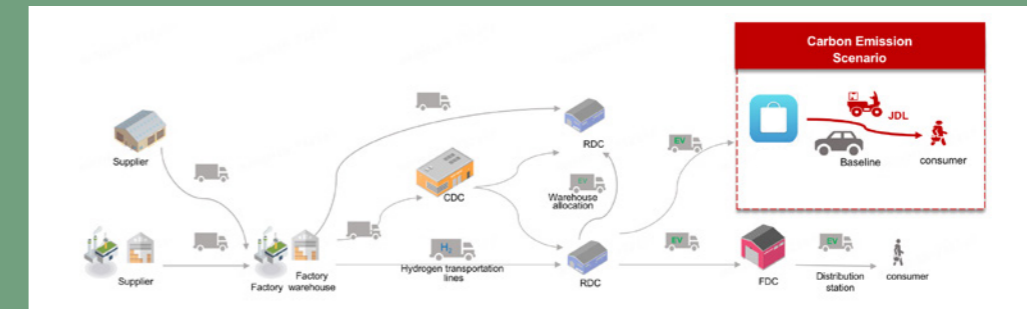
Supply Chain Emission Management Platform

## Case

### Intelligent Management of Logistics Carbon Footprint Helping One 3C Company Realize the Net-Zero Target

As a leader in advancing green development in the technology industry, a certain 3C company set its climate goals in 2020 and committed to achieving 100% carbon neutrality in its supply chain and products by 2030. On top of already achieving carbon neutrality for its own operations, the way to achieve carbon footprint calculations for logistics and transportation within China and reduce the carbon footprint of Scope 3 consumers purchasing products offline has become the key to the company's goal of realizing the net-zero target.

In 2023, relying on the supply chain carbon emission platform SCEMP, JD Logistics provided the 3C company with logistics carbon footprint calculation services, realizing the monitoring, measurement and reporting of greenhouse gas emissions under the consumer's offline purchasing scenario, thus realizing order-level and product-level carbon footprint calculation, and compared to the baseline year, the carbon reduction rate exceeds 90%. Combined with the carbon emission analysis results of the platform, the 3C company has achieved a refined energy management oriented to carbon emissions, and combined with the introduction of new energy vehicle in city deliveries. The cumulative reduction in greenhouse gas emissions exceeds 200 tonnes compared to the baseline year, which is conducive to supporting the enterprise to achieve its "net-zero emission" goal.



The Supply Chain Carbon Emission Platform (SCEMP) helping one 3C company calculate logistics carbon footprints



# 03

## Integrating Shared Values, Building a Responsible Supply Chain

JD Logistics firmly believes that an enterprise's impact on society and the environment extends beyond mere donations. It encompasses fostering harmonious coexistence, fulfilling responsibilities and creating value throughout all stages of commercial activities. We extend our commitment to the "responsible supply chain", striving for mutual benefit and win-win cooperation with all stakeholders, and contributing to a better society. For customers, we closely monitor public habits and preferences, continuously optimizing service experience. For partners, we strengthen cooperation, share resources and advantages, and collectively enhance our services. For employees, we prioritize the principle of "putting people first", providing comprehensive welfare care and talent development mechanisms. For the society, we believe that everyone can contribute to its betterment. Therefore, we actively engage in public welfare, assist those in need, and give back to society according to our capabilities.

### Sustainable Development Goals, SDGs



Integrating Digital Technology and  
Resilience, Rooted in High-Quality  
Development

Integrating Green Chains and  
Building a Community with a  
Shared Future for Mankind

Integrating Shared Values,  
Building a Responsible Supply  
Chain

Practicing Sound Business Ethics  
and Creating Shared Social  
Values

## Bringing More Convenience to Daily Life

JD Logistics actively expands its range of services to cater to the diverse needs of customers. For instance, in the fresh produce sector, JD Cold Chain offers comprehensive cold chain solutions, guaranteeing freshness and safety throughout the supply chain.

## Deepening Services in Multiple Scenarios, Making Life More Convenient

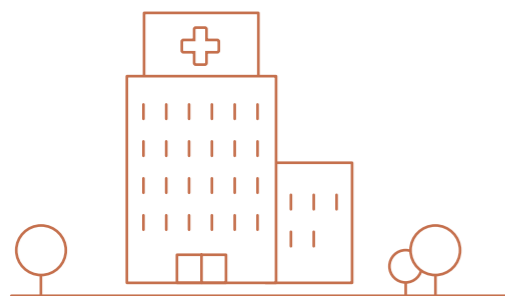
Since establishing our logistics network in 2007, JD Logistics has made home delivery a cornerstone of its service standards. We offer premium logistics services that span nearly all regions, cities, towns, and populations across China. Beyond home delivery, JD Logistics caters to the increasingly diverse and dynamic lifestyles and consumption patterns of the public. We are continuously expanding our services to various scenarios such as travel, shopping, hospitals, colleges, production areas, and industrial zones, enhancing the efficiency and convenience of delivery services.

### Hospital

JD Logistics has created a new delivery model that is integrated into hospitals, providing services such as home delivery of medications to nearly a thousand hospitals nationwide. Each day 1,000 to 2,000 parcels are collected at these sites on average. At Beijing Guang'anmen Hospital, over 50% of patients who collect medications choose JD Logistics for delivery. Providing services to over 200,000 patients annually, JD Logistics has created a new convenient medical experience for patients.

### College

To help graduating students send their belongings when leaving campus, JD Logistics upgraded its "Graduation Delivery" service in 2023, expanding its reach to regions such as Xinjiang, Xizang and other central and western regions of China. We introduced a "free doorstep delivery for parcels weighing under 200 kilograms" service and offered luggage carrying services for graduates. During peak periods where parcel volumes surged by over tenfold, we tackled the challenges of delivering belongings from colleges.



## Delivering in 15 Minutes, Making Communities Cohesive, Closer, Vibrant

JD Logistics fully responds to the "Three-Year Action Plan for Comprehensive Promotion of Urban 15-Minute Radius Livelihood Service Circles (2023-2025)". Through community commercial activities featuring standardization, order, high-quality services, convenience, intelligence, and efficiency, we spark people's enthusiasm for life and enrich the vibrancy of cities. Looking ahead, building upon our commitment to convenient services, JD Logistics will further enhance its service capabilities in alignment with the "15-minute radius livelihood service circles" concept. Through ongoing innovation and expansion of service scenarios, we aim to seamlessly integrate our services into community life.

### Case

#### JD Logistics Upgrades Community Services, Co-Building 15-Minute Radius Livelihood Service Circles

In August 2023, JD Logistics participated in the "Happy Neighborhood Market" event jointly organized by the Beijing Municipal Commerce Bureau and the Fengtai District Peoples Government of Beijing Municipality. The event focused on meeting the daily consumption needs of community residents, aiming to provide one-stop shopping solutions right at their doorsteps and further enhance the quality of community services. JD Logistics and JD Services+ provided services tailored to the common needs in daily lives, such as express delivery, appliance cleaning, laundry services, and maintenance and inspections. During the event, a series of promotional measures were introduced, making JD Logistics one of the most popular services among community residents.



JD Logistics Held the "Happy Neighborhood Market" event

## Creating High-Quality Service Experience

Since its inception, JD Logistics has been dedicated to enhancing customer experiences. Leveraging over a decade of expertise and technological advancements in self-operated logistics, JD Logistics has curated a suite of service systems for last-mile delivery. These include "211 program (same- and next-day delivery)", Scheduled Delivery, Night Delivery, JD Luxury Delivery, and Flash Delivery, offering users a wide array of personalized delivery services. These services cater to the diverse needs of consumers across various scenarios, delivery timeframes, service standards, delivery methods, and additional features. According to the latest survey results released by the State Post Bureau, JD Logistics ranks among the top tier in industry satisfaction.

## Efficient Performance and Delivery Services

JD Logistics prioritizes customer needs and experiences, continually innovating user services centered around "doorstep delivery, timely response, and on-demand collection and delivery". We strive for operational refinement and delivery service standardization, ensuring comprehensive satisfaction for diverse customer requirements. Addressing concerns such as express insurance claims, we introduced pioneering insurance services with "full protection". In case of loss or damage, JD Logistics offers full compensation based on the insured amount and actual loss, along with services such as dedicated personnel, priority processing, and 24-hour fast payment services.

<p><b>Accessibility</b></p>	<p>the last-mile delivery network operates more than <b>19,000</b> delivery stations and outlets, covering more than <b>300</b> prefectural-level municipalities in China's <b>33</b> provincial-level administrative regions.</p>
<p><b>Service Efficiency</b></p>	<p>We have optimized transportation and delivery efficiency around the core policy of "improving basic efficiency internally and enhancing customer experience externally":</p> <ul style="list-style-type: none"> <li>◆ A <b>7.4%</b> improvement in static efficiency.</li> <li>◆ A year-on-year reduction of <b>4.1</b> hours in the delivery duration per order.</li> </ul>
<p><b>Value-Added Services</b></p>	<p>In 2023, we added <b>6</b> value-added functions, such as notification delivery, special surcharges, verification services, and photo services. Additionally, we optimized <b>52</b> services such as pre-checking the delivery warehouse address database, introducing value-added service in the mini-program, and implementing on-chain signatures.</p>

## Continuously Upgrading Service Commitments

In October 2023, JD Logistics underwent another comprehensive service upgrade, introducing three major service commitments: "compensation for uncollected parcels within 1 hour", "compensation for any delays throughout the entire delivery process", and "compensation for failed doorstep delivery". Concurrently, in response to users' demand for flexible delivery services, JD Logistics enhanced the "Preference Settings" function in the mini-program. This enhancement allows users to customize their collection and delivery preferences, specifying different contact information for weekdays, weekends, and holidays, as well as designating locations, times, service points, or self-service lockers. Delivery personnel will then adhere to these user preferences accordingly.



### Case

#### Making Every Effort to Ensure Smooth Delivery to Warehouses and More Accessibility Punctual Shelving of Goods

On the evening of October 23, 2023, shortly after 8 p.m., as the first wave of sales for "JD Double Eleven" began, consumers in China's northernmost city Mohe, the millennium-old porcelain capital Jingdezhen, and in Lutterworth, the United Kingdom, received the first batch of "JD Double Eleven" orders. The delivery, accomplished within minutes to hours, greatly surprised the consumers.

Efficient delivery during the "JD Double Eleven" period is attributed to JD Logistics' continuous pre-sale preparations. Throughout the event, JD pre-positions products with millions of SKUs in warehouses closest to consumers, enabling consumers in over 200 cities nationwide to receive their orders within minutes. Several months ago, JD Logistics utilized the scale effects of its delivery network with trunk and branch lines, establishing collection warehouses in 30 cities. Employing a direct-to-destination warehouse delivery model with multi-point shared vehicles at the origin, JD Logistics reduced operational steps by 1 to 2 in crucial transfer points, enabling merchants to enjoy one-stop delivery services directly to platform warehouses close to their premises. Goods are uniformly pre-positioned at collection warehouses after leaving the factory and then delivered to destination warehouses in an orderly manner based on downstream platform replenishment plans. Additionally, JD Logistics provided merchants with convenient and cost-effective services, offering basic operational guarantees such as "24-hour site operation", "green channel access to JD warehouses", "no delay in services during promotions", and "1-hour rapid response to exceptions" during the "JD Double Eleven" period. JD Logistics ensured performance efficiency through the entire chain, from collection experience and charge models to delivery timeliness and shelf efficiency.

## Enhancing Customer Service Experience

JD Logistics consistently upholds the service philosophy of "customer first, professionalism, warmth, and creating surprises" in its customer service, actively charting a comprehensive customer service blueprint. Continuously aligning with market dynamics and customer demands, we refine our service strategies, elevate the quality of customer service, and deliver professional, efficient, warm, and high-quality services to consumers. As of the end of 2023, JD Logistics operated three call centers and eight complaint handling centers across China, staffed by nearly 10,000 customer service representatives who manage an average of approximately 260,000 cases daily, while customers self-handle around 210,000 cases.

JD Logistics operated

**3** call centers

**8** complaint handling centers

JD Logistics always prioritizes customer needs in designing customer service products and services, adhering to the fundamental principle of "never forgetting the customer when making decisions". Upon resolving customers' issues, we actively solicit comprehensive feedback on the service. By gathering customer evaluations and suggestions, we identify opportunities for enhancement, driving structural optimization and facilitating service iteration and upgrades.



## Heeding Customers' Voices

JD Logistics continuously upgrades its complaint handling process and conducts Net Promoter Score (NPS) surveys on aspects such as brand reputation, delivery services, and after-sales services. This approach enables us to promptly listen to consumers' most genuine feedback.

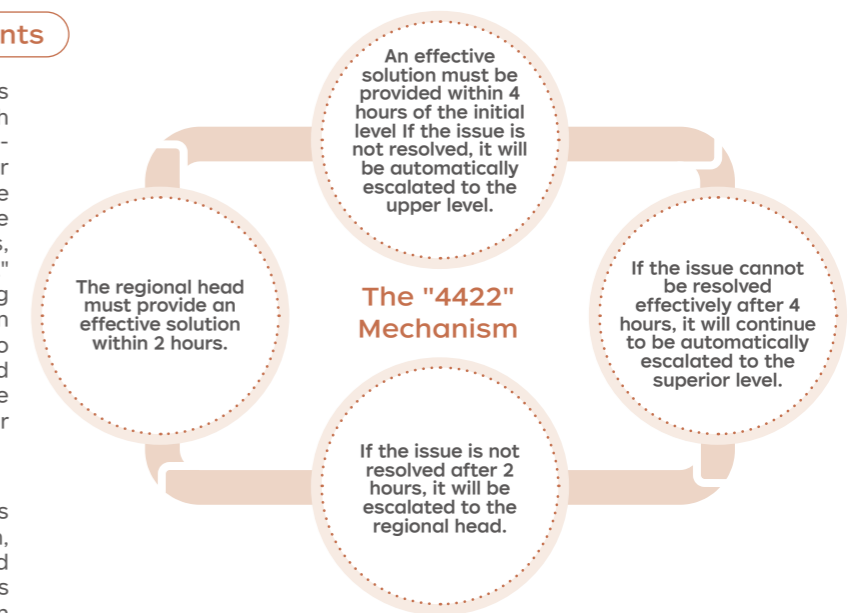
### Customer Satisfaction

JD Logistics highly values customer feedback and suggestions, actively expanding channels to gather insights into customers' issues and needs. Through methods such as big data analysis, backend feedback via platform tools, social media monitoring, and satisfaction surveys, we meticulously monitor the entire customer interaction process with our products. We conduct online surveys and offline interviews on logistics services at 9 major touchpoints: sales, acceptance, delivery to the warehouse, warehousing, collection, delivery, installation, settlement, and after-sales, aiming to thoroughly grasp customer demands and heed their suggestions. Subsequently, we devise tailored improvement strategies and pathways, driving the optimization and enhancement of the customer experience.

<b>Sample Coverage</b>	In 2023, the customer satisfaction survey covered monthly and scattered customers across all provinces and regions nationwide. Throughout the year, we collected over 82,000 valid questionnaires, representing an increase of over 50% compared to the previous year.
<b>Satisfaction Performance</b>	Annual customer satisfaction increased to 82.9 points, representing a year-on-year improvement of about 1%. Satisfaction among scattered customers increased to 90.5 points, showing a year-on-year improvement of about 2%. Customer satisfaction at all 9 major touchpoints showed improvement, with significant improvement in 8 of them.
<b>External Recognition</b>	In the third quarter of 2023, according to the express service satisfaction ratings released by the State Post Bureau, JD Logistics ranked among the top tier of the industry, maintaining a high level of public satisfaction.

### Valuing Customer Complaints

At present, JD Logistics receives customer complaints mainly through phone calls, online feedback, and mini-programs, making it convenient for customers to report issues and provide suggestions. To ensure timely response and resolution of customer problems, JD Logistics has established the "4422" mechanism. We focus on ensuring efficient collaboration between customer services and operations to address complaints promptly, and "problem solved in front of me", where everyone is a guardian of the customer experience.



JD Logistics promotes continuous improvement in customer satisfaction, response rates, resolution rates, and other key metrics through meticulous control and process optimization throughout the entire chain. In managing complaints, JD Logistics institutes a mechanism for early detection of high-risk public opinion events to address customer concerns in a pragmatic manner. Collaborating with operational teams across provinces and regions nationwide, JD Logistics ensures prompt responses to complaints. By bolstering rapid closed-loop and accountability mechanisms, JD Logistics aims to elevate both customer experience and complaint resolution rates, collectively fostering customer satisfaction.

Indicator	2022	2023	Unit
The number of complaint handling centers	7	8	unit
Compliant response rate	100	100	%
Complaint resolution rate	98.0	98.4	%
Complaint handling satisfaction rate	96.0	98.1	%



# Safeguarding the Health and Safety of Frontline Staff

JD Logistics rigorously complies with relevant laws, regulations, and industry standards that have a significant impact on us relating to providing a safe working environment and protecting employees from occupational hazards, actively enforcing a policy of "safety first, prevention-oriented, comprehensive governance" throughout its operations. Beginning with the safety of employees, JD Logistics meticulously implements a range of safety measures. Tailored regulations and systems are devised for various business scenarios and lines. Moreover, we embrace a four-in-one principle encompassing 'individual defense, physical defense, technical defense, and intelligent defense.' Through targeted safety management efforts and specialized safety training, we ensure the health and safety of all employees. In 2023, the number of accidents per million orders decreased from 0.71 in 2022 to 0.40, marking a year-on-year 44% reduction in the rate of accidents per million orders.



JD Logistics provides all employees with an annual health check-up, offering different health check-up packages based on employee age and job position, to help employees identify potential health problems and receive timely medical reminders. JD Logistics also attach great importance to our employees' mental health. We have established an internal online professional psychological counselling platform and opened an offline counselling room simultaneously. We have engaged third-party professional psychological counselling institutions to provide psychological counselling to JD Logistics employees.

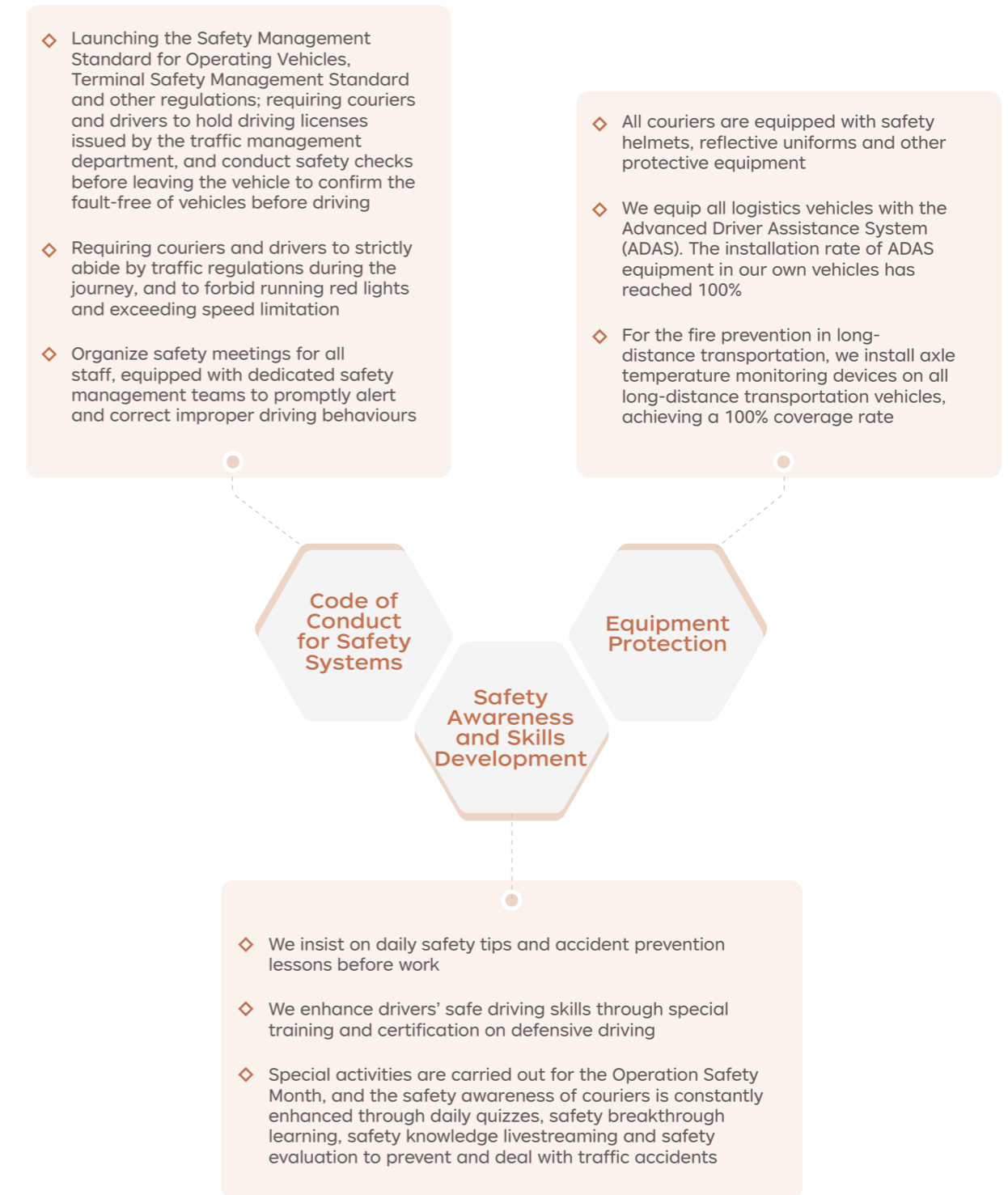
## Identification and Governance of Potential Hazards

In 2023, JD Logistics focused on identifying and addressing potential hazards in delivery services, conducting concentrated inspections and rectifications at over 8,600 delivery sites nationwide, effectively eliminating electrical hazards at these locations. Furthermore, through the utilization of driving data and driver assistance systems, we closely monitored road traffic safety, aiming to proactively prevent and eliminate safety accidents.

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|---|---|
| <p><b>Comprehensive Inspection of Terminal Hazards</b></p> <ul style="list-style-type: none"> <li>◇ In April 2023, we conducted a comprehensive inspection of fire hazards related to electrical wiring at all terminal sites nationwide. We provided fire safety training to all personnel and issued inspection reports for each site.</li> </ul> | <p><b>Supervision of Traffic Safety</b></p> <ul style="list-style-type: none"> <li>◇ Based on the map platform, we collect daily data on speeding and wrong-way driving for delivery personnel, including driving trajectories, speeds, and instances of speeding and wrong-way driving. Incidents of speeding and wrong-way driving have decreased by 14.3% and 33% respectively over the year.</li> <li>◇ We prioritize monitoring high-risk alerts within the ADAS (Advanced Driver Assistance Systems) in transmission stations, offering real-time reminders for risky driving behaviours to mitigate accidents. Consequently, we have accomplished a year-on-year decrease of 33% in traffic accident rates throughout the year.</li> </ul> |
| <p><b>Comprehensive Rectification of Sites with Hazards</b></p> <ul style="list-style-type: none"> <li>◇ In June 2023, we conducted fire safety rectification for all sites with hazards, eliminating potential hazards of electrical wiring. Rectification and maintenance were conducted by a professional team on-site.</li> </ul>               |   |

# The Safety of Couriers and Drivers

JD Logistics always prioritizes the safety of couriers and drivers, establishing a mechanism to identify and prevent transportation risks. By analyzing safety risk factors such as drivers, vehicles, roads, environments, and weather conditions, we effectively safeguard their safety through safety regulations, equipment protection, and enhancing safety awareness.



Integrating Digital Technology and Reality, Rooted in High-Quality Development  
 Integrating Green Chains and Building a Community with a Shared Future for Mankind  
 Integrating Shared Values, Building a Responsible Supply Chain  
 Pursuing Sound Business Ethics and Creating Sustainable Social Values

## Warehousing Safety

To mitigate potential fire hazards and operational risks in warehouses, JD Logistics has implemented comprehensive safety management regulations. These regulations outline specific protocols for various operational scenarios, including electrical operations, working at heights, and vehicle operations within the facility. By doing so, we enhance our employees' ability to respond effectively to emergencies.

### Personal Safety Protection

- ◆ We provide high-visibility and reflective workwear to our employees and equip operational staff in various job positions with corresponding personal protective equipment. For examples, JD Logistics provides employees working in cold storage areas with thermal clothing; Picking staff receive protective gloves and work uniforms; forklift drivers are given reflective vests, safety shoes, and helmets.

### Safety Awareness and Skills Development

- ◆ Each operation unit holds daily safety morning meetings to promote safety precautions and conducts monthly safety special training, including basic knowledge of fire safety, cautionary examples of safety incidents, and safety operating procedures.
- ◆ We conduct emergency drills for all staff every quarter, including evacuation procedures for fires/earthquakes, response to incipient fires, and self-rescue and mutual assistance skills.
- ◆ We regularly organize various forms of safety education activities, such as safety knowledge quizzes and firefighting skill competitions.

### Production Equipment Protection

- ◆ We implement a dual prevention mechanism for safety production, risk identification of work sites, formulation of countermeasures and management measures, and posting safety warning signs at prominent locations to remind employees of dangers.
- ◆ We use pedestrian and vehicle segregation system, speed limiters and collision avoidance device to prevent collisions between forklifts and personnel. Additionally, we add protective covers to gaps and rotating parts of conveyors and install baffles at connection points to reduce conveyor belt entanglement accidents.
- ◆ We require parks to implement measures such as guardrails, ground markings, and traffic lights to segregate vehicles and pedestrians, ensuring the safety of employees within the park.
- ◆ We provide employees with protective equipment such as seat belts, safety helmets, and gloves during loading and unloading operations. Additionally, we install anti-skid devices on vehicles. We also minimize the risks associated with loading and unloading operations through a parking key management mechanism.

## Supporting Employees for a Happy Life

JD Logistics places great emphasis on nurturing talent, recognizing it as crucial to the Company's growth. We operate under the guiding principle of being "people-oriented" and prioritizing employee well-being. This commitment is reflected in our efforts to provide competitive salaries, accelerated career advancement, and a wide range of development opportunities. Furthermore, we have established a performance-driven compensation system and provide comprehensive benefits packages. By offering diverse career paths, we aim to foster the holistic development of our employees, empowering them to lead fulfilling lives.

## Rights and Protection

JD Logistics strictly complies with laws and regulations that have a significant impact on us relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination and other benefits and welfare, and the prevention of child labor and forced labor, such as *the Labor Law of the People's Republic of China, Labor Contract Law of the People's Republic of China, Employment Promotion Law of the People's Republic of China, Law of the People's Republic of China on the Protection of Women's Rights and Interests, Special Rules on the Labor Protection of Female Employee, Law of the People's Republic of China on the Protection of Disabled Persons, Regulation on Paid Annual Leave for Employee and Trade Union Law of the People's Republic of China*. We abide by the spirit of relevant international human rights instruments, including the Universal Declaration of Human Rights and the international labor conventions ratified by the national government of the People's Republic of China, actively respond to the normative requirements of the Guiding Opinions on Protecting the Labor Rights and Interests of Workers Employed in New Forms. We have formulated internal regulations such as the JD Logistics Employee Handbook and the JD Logistics Collective Contract to manage employment in accordance with laws and regulations. In addition, we have established labor employment management systems encompassing areas of labor contract management, employee recruitment, promotion, vacation, and education and training.

JD Logistics adheres to the principles of openness, fairness, impartiality and equal recruitment, and enters into labor contracts in accordance with the applicable laws and regulations. We standardize the recruitment and induction process, ensure that resume screening, interview invitations, interview receptions, and induction procedures are standardized both online and offline, and guarantee fairness and transparency throughout the recruitment process. At the same time, we forbid any forms of discrimination, treats employees of different countries, nationalities, genders, religious beliefs and cultural backgrounds equally, actively provides employment opportunities for the disabled groups, guarantees the rights of female employees, ensures female and male employees to enjoy the equal pay for equal work, and prohibits the use of child labor and forced labor. The company has zero tolerance for any form of child labor and forced labor, and if we find any illegal employment, we will immediately report to the relevant authorities and terminate the employment of such personnel, while reviewing and modifying our internal management processes.

### JD Logistics Collective Contract

This contract, tailored to the characteristics of professions such as couriers, warehouse sorting staff, and freight drivers, covers labor contract management, remuneration, labor safety, insurance benefits, vocational skills training, and employment protection, and other labor rights and benefits. It applies to all employees.

- ◆ Sign electronic labor contracts and pay social insurance and housing fund for all employees, including couriers, warehouse sorting staff, freight drivers, and other positions.
- ◆ Provide labor safety equipment and supplemental accidental injury insurance for all workers.
- ◆ Provide employees with opportunities for continuing education, vocational skills training, and training subsidies.

### Employee Handbook

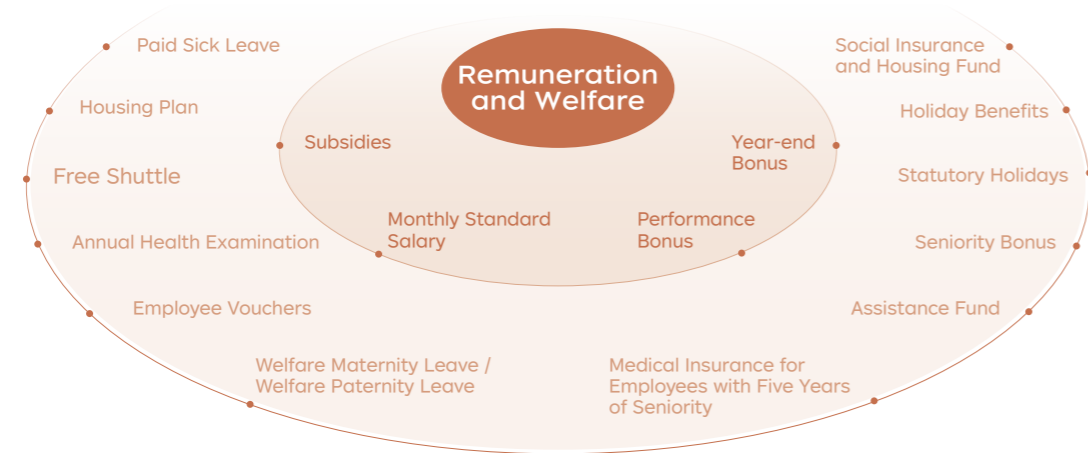
It clearly stipulated the employment conditions for employees, the application process for employee leave, and the treatment during holidays.

- ◆ Strictly prohibit the employment of workers under the age of 16 and strictly prohibit forced labor.
- ◆ Add clauses for the protection of female employees, implement labor protection for female employees, and provide legal protection for female workers during menstruation, pregnancy, childbirth, and lactation periods.

JD Logistics is committed to fostering an inclusive workplace environment by eradicating discrimination and biases, and advocating for employee diversity. As part of this commitment, we actively create opportunities for individuals with disabilities. As of the end of 2023, JD Logistics has provided employment opportunities for 3,416 people with disabilities. At the same time, JD Logistics actively responds to the call of the state to continue to promote the employment of veterans, regularly participates in the veterans' special employment meeting organized by the Ministry of Veterans Affairs in various places, disseminates employment information through multiple channels, recruits veterans directly, provides multiple types of jobs, actively expands the employment channels of veterans, and builds an employment platform with veterans.

## Remuneration and Welfare

JD Logistics is committed to providing its employees with a comprehensive and competitive compensation and benefits package. We continuously refine policies regarding compensation standards, welfare subsidies, and specialized incentives tailored to different positions. We implement the relevant requirements of the nation to improve workers' income and safeguard their rights and interests, ensuring the effective provision of remuneration and benefits for all our employees. The main holidays provided by JD Logistics for employees include statutory holidays, sick leave, annual leave, marriage leave, prenatal examination leave, maternity leave, paternity leave, breastfeeding leave, bereavement leave, work-related injury leave, personal leave, childcare leave, and other welfare holidays as stipulated in the Company's regulations.



## Performance Management

JD Logistics is committed to driving the achievement of organizational goals and individual growth through performance management, thereby fostering mutual growth between employees and the Company. Throughout the year, we have intensified efforts to standardize remuneration processes, consolidate remuneration incentives, and enhance the transparency of employee incentives. These endeavors ensure the competitiveness and equity of both internal and external remuneration systems.

Position	Remuneration Orientation	Assessment Method
Frontline staff (couriers, warehouse sorters, freight drivers, etc.)	The orientation is "equal pay for equal work", aligning with salary standards. Remuneration is calculated based on actual labor output, ensuring that the harder they work, the more they earn, and ensuring fairness and reasonableness.	Performance evaluations are conducted monthly based on actual performance, typically using quantitative metrics.
Middle and backend management and professional staff	Adhering to the contributor-oriented principle, salaries for employees in the same position and rank remain consistent. Additionally, performance incentives are provided in accordance with the level of contribution.	Performance is evaluated based on achievements, with periodic assessments conducted on a quarterly or monthly basis, considering both quantitative and qualitative indicators.

For management talents, JD Logistics has comprehensively upgraded and implemented the "Big Boss" mechanism throughout the year. This mechanism incentivizes teams to prioritize crucial business indicators, emphasizing year-on-year performance enhancement and fostering both organizational and individual self-motivation. In terms of short-term incentives for management talents, we primarily offer "Boss incentives", quarterly evaluations, and year-end bonuses, while long-term incentives mainly comprise stock incentives, with partial holdings. As of the end of 2023, year-end bonuses have increased to four times the monthly salary. Additionally, JD Logistics provides opportunities for pay raises and establishes stock grant windows, extending stock incentives to employees meeting the granting conditions and contributing long-term value to the Company. This allows exceptional employees to partake in the fruits of the Company's development.

## Welfare and Subsidies

JD Logistics adheres to the principle of "putting people first, then the enterprise", and has established a multi-dimensional mechanism for welfare and talent development. We have invested hundreds of billions of RMB to enhance benefits and security for all employees. JD Logistics strictly adheres to the relevant provisions of the Labor Law of the People's Republic of China, providing full-time employees with basic old-age insurance, basic medical insurance, unemployment insurance, work-related injury insurance, maternity insurance, and housing accumulation fund. Moreover, based on employees' positions and length of service, we offer seniority subsidies, meal subsidies, communication subsidies, transportation subsidies, cold and heat subsidies, night shift subsidies, and more.

For frontline workers engaged in delivery, warehousing, transportation, and related tasks, the Company offers supplementary accident insurance, serious illness insurance, and establishes an employee assistance fund to aid families facing difficulties. Additionally, eligible families receive interest-free loans to gain economic support when purchasing houses. During traditional Chinese festivals and Internet shopping events, we increase investment in subsidies to provide exclusive benefits for employees working on the frontline.

### Alleviating Housing Concerns for Young Employees

JD Logistics has tailored solutions based on each employee's unique housing needs. For instance, for employees feeling pressure to purchase their first houses, we offer a "Housing Fund" totalling RMB 10 billion, covering all frontline employees. Simultaneously, we provide welfare housing in many regions nationwide, helping employees save on rental expenses. We offer well-equipped employee dormitories, allowing employees to reside there for free. Additionally, JD Logistics continues to contribute to the housing accumulation fund for all employees, maximizing support for their future housing plans.

- ◆ In May 2023, JD initiated the construction of the "JD Youth City" project, planning to build nearly 4,000 self-owned employee rental apartments, including over 4,000 apartments specifically allocated for interns. Additionally, the project will include public spaces such as kindergartens, swimming pools, and leisure and fitness areas, enabling employees to enjoy a high-quality life.



JD initiated the "JD Youth City" project

## Helping Frontline Employees Enjoy a Warm Chinese New Year

To ensure that frontline employees who remain at their positions during the Chinese New Year have a pleasant holiday, we allocated RMB 500 million in January 2023. Through initiatives such as the "Celebrating the Chinese New Year at JD" event, we provided benefits and subsidies to frontline employees that exceeded the national standards, allowing them to experience the warmth of home even when working away from their families.

- ◇ JD Logistics meticulously created a festival atmosphere at warehouses, sorting centers, and express branches nationwide. We organized a series of cultural activities such as distributing "fuzi" (a Chinese character that means happiness), making dumplings together, and providing warm winter gifts.
- ◇ For employees whose children are not with them, we continued to provide reunion subsidies. We encouraged them to bring their children to the workplace to spend the Chinese New Year together, ensuring both the safety of all involved and the celebration of the holiday while remaining committed to their duties.
- ◇ We prepared "on-duty red packets" for employees working during the Chinese New Year and offer flexible scheduling options. Employees on duty during the Chinese New Year can arrange for advance leave or post-holiday leave.



JD Logistics cared for frontline employees who remain on duty during the Chinese New Year

## Allowing Outstanding Employees to Travel Abroad

For many years, JD Logistics has been organizing the "Overseas Travel for Outstanding Frontline Employees" event annually to stimulate employees with good performance. Participants can independently choose their travel destinations according to their preferences, with the Company handling visa application, transportation, and accommodation.

- ◇ In September 2023, over 100 frontline employees and their family members from across the country participated in this event. Departing from Beijing, Shanghai, and Guangzhou, they traveled to Singapore and Thailand, marking the largest-scale one in the program's history.



"Overseas Travel for Outstanding Frontline Employees" event

## Training and Promotion

JD Logistics adheres to the talent philosophy of "Growth and Achievements for the JD People", striving to provide employees with abundant opportunities for career advancement. We define the management talent profile meticulously, continuously refine career development paths, and optimize talent rotation and transfer mechanisms. Through talent training programs spanning various ranks and categories of employees, our goal is to empower more individuals to demonstrate their talents and experience professional growth.

## Optimizing Promotion Pathways

JD Logistics actively promotes talent openness and mobility to unleash organizational vitality. We accelerate talent development and ensure rational allocation to continuously supply talents for the Company's long-term development and rapid organizational advancement.



### Building a Reserve of Excellent Management Talent

We have formulated and implemented a management training strategy, coordinating dynamic training mechanisms based on the profiles of managers at all levels. Through stages such as assessment, reserve, training, mobility, and appointment, talents are periodically selected and appointed. At the end of 2023, we had 4,453 basic-level managers in the talent pool, among which 23% have got promoted within the year.

### Facilitating Pathways for Talent Promotion

We introduce the "Rising Star" program for young talents, covering the path from campus recruitment to promotion to junior management positions. Through rotations, practical experiences, and reserves, we clarify the development cycles for talents in different positions and standardize the training criteria and quality. For managers, we continue to advance programs like "Jingchi", "Jingyue", and "Jingyang", refining the standards for entry into and exit from talent pools, and providing empowerment training for outstanding managers.

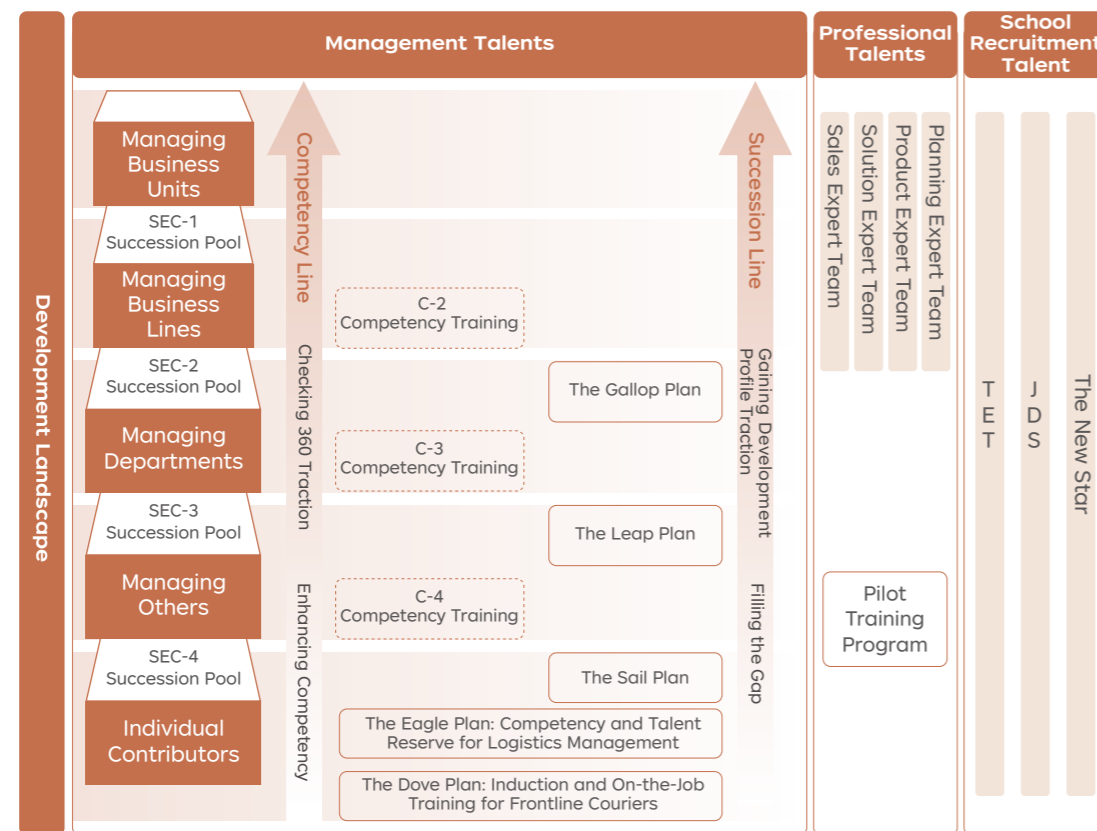
### Case

#### The "Jingchi" Plan Empowers Talents to Accelerate Their Growth

The "Jingchi" Plan is a specialized talent development program designed by JD Logistics to reserve level-2 managers. It is aimed at creating leading talents with business acumen, strategic vision, innovative spirit, and significant influence. Through modules such as selecting participants, specialized coaching, job rotations, student exchanges, skill advancement, and key capabilities enhancement, we have established a solid talent development system that integrates talent inventory, assessment and expert teams with experiential learning and course resources. The system matches the learning maps and promotes employees' self-driven growth. In 2023, the Plan covered a total of 56 employees, among whom 64% achieved promotions within the year.

## Comprehensive Talent Development for All Staff

Based on talent profiles and career development pathways, JD Logistics has formulated a comprehensive map for logistics talent development, outlining development goals for key talents and tailoring leadership and management training plans for different employees.



A comprehensive map for logistics talent development

JD Logistics always attaches importance to talent development for high-tech groups and upgrades vocational skills for groups in new forms of employment. In 2023, JD Logistics had over 4,000 employees in Beijing certified through vocational skill enhancement programs and. In November 2023, the Company was honored with the "Beijing Economic-Technological Development Area Joint Talent Training Base" certification by the Beijing Economic-Technological Development Area Management Committee. JD Logistics also values the growth of female employees, with 86.7% of female employees receiving professional empowerment and leadership training in 2023.

## Communication and Engagement

JD Logistics establishes communication mechanisms for employees, instilling a blue-collar culture and ensuring the protection of employees' demands and rights. Aligning with the actual operational situations of frontline staff, JD Logistics utilizes a blend of online and offline communication channels to promptly gather employee feedback, address concerns, and uphold their lawful rights and interests. Through platforms like the Voice of Employee (VOE), employee forums, suggestion boxes, and the 400 employee service hotline, JD Logistics offers avenues for employees to seek guidance, raise grievances, report irregularities, and provide suggestions. In 2023, the annual employee satisfaction score of JD Logistics was 4.51/5.

In 2023, the annual employee satisfaction score of JD Logistics was

**4.51** / 5

JD Logistics encourages employees to report any instances of corruption or violations of information security that breach the Company's policies. We have established various reporting channels, including supervision service hotlines, email addresses for information security services, and physical mailboxes. We encourage employees to report violations with their real identities, and reward those whose reports are verified. JD Logistics is committed to protecting employees who report violations or assist in investigations, ensuring they do not face unfair treatment or retaliation.



JD Logistics established the Women Committee of this year

## Care and Assistance

JD Logistics is dedicated to providing frontline employees with dignified, fulfilling, and happy work and life experiences. In addition to offering competitive salary incentives and comprehensive welfare benefits, JD Logistics closely attends to the needs and desires of its employees. We actively allocate employee assistance funds and arrange special caring activities. These initiatives not only foster a pragmatic and enthusiastic work culture among employees but also serve as a reminder to society to extend more respect and support to frontline workers.

### Giving Full Respect to Frontline Employees

<p><b>"4.28 Frontline Employee Day"</b></p> <p>Since 2016, we have been creating exclusive celebrations for all frontline employees, including delivery personnel, sorting staff, packers, drivers, customer service staff, and maintenance personnel.</p>	<p><b>"5.19 Employee Appreciation Day"</b></p> <p>"Five years of silver, ten years of gold", "519 Employee Appreciation Day" carries a double meaning with "I stay long". Through this, we pay tribute to senior employees and express the Company's appreciation for their everlasting contributions. The event covered a total of 46,201 employees who have been with JD Logistics for five years or more, and 6,143 employees who have been with us for ten years or more.</p>	<p><b>Local distinctive caring activities</b></p> <p>We organize caring activities for employees during traditional festivals (such as the Chinese New Year, Mid-Autumn Festival, Dragon Boat Festival, etc.) and major promotional events. These activities include food festivals, sports competitions, and more.</p>	<p><b>Improving the Working Environment</b></p> <p>In 2023, we completed a total of 111 environmental improvement projects in industrial parks, covering dormitories, canteens, restrooms, and other facilities. At the same time, we further improved mechanisms for maintaining, preserving, and collecting feedback on public facilities in the parks, integrating 6S management into daily management practices to enhance the sense of happiness among frontline employees.</p>
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Case

JD Logistics Ensures a Happy After-Retirement Life for Its Employees

In recent years, many frontline employees of JD Logistics, including deliverymen, warehouse managers, and loss prevention personnel, have retired from their positions, thus expanding our "Big Brother Family".

- ◆ In July 2020, Chengdu deliveryman He Guangquan retired from JD Logistics on his 60th birthday. Over his ten years with JD Logistics, he has delivered nearly 300,000 packages, covering a total distance equivalent to circumnavigating the Earth six times.
- ◆ In September 2022, 60-year-old Shanghai deliveryman Guo Hongkun retired from JD Logistics' Shanghai Tongle Branch. Over 12 years, he has seen "apprentices of his apprentices" emerge. Customers went from calling him "Little Guo" to "Mr. Guo" and eventually "Old Guo", while neighbors in his delivery area have long considered him as part of their own family.
- ◆ In October 2023, Li Yan, a loss prevention worker in a Beijing warehouse, retired from the sorting area where she had worked for 10 years. Known as the "older sister" in the team, she was reluctant to leave her apprentices. Even after retirement, she continued to receive frequent phone calls from her apprentices. Some sought her advice on work matters, while others simply wanted to chat with her.
- ◆ At the end of December 2023, Beijing deliveryman Lu Xuezhu and his wife celebrated his retirement ceremony at his station. Over 10 years, he has witnessed the transformation of JD Logistics in Pinggu District from a station with just five people to over a hundred people across four stations. He expressed that the sense of accomplishment and happiness he felt were beyond words.



Retired JD Logistics courier



Case

JD Logistics Ensures a Happy After-Retirement Life for Its Employees

In 2009, Jin Yicai joined JD Logistics as the first deliveryman in Wuxi. By the end of 2023, he retired with honor. To Jin Yicai, the rapid development of JD Logistics in Wuxi over the past decade was inseparable from the high standard of service. "For more than a decade, I have delivered every package to the doorstep, keeping to it". Working on the frontline for 15 years, Jin Yicai used to feel like a wanderer in his previous jobs, but at JD Logistics, it felt like "having a home". At the station, he was the respected elder brother among his peers, while outside, he was the trusted friend "Old Jin" of customers. Over the 15 years, besides trust and friendship, Jin Yicai has also gained significant changes. He started with a monthly income of RMB 3,000 at JD Logistics, which has now multiplied several times, and he has also enjoyed the Company's social insurance and housing fund. Four years after joining JD Logistics, he bought his first apartment in Wuxi and brought his family there. Over the years, both of Jin Yicai's sons have grown up and got married, and bought apartments in Nanjing and Wuxi. "Having an apartment and a car, settling down in the city, I feel very satisfied as someone who came from the countryside".



Jin Yicai, a retired deliveryman of JD Logistics in Wuxi

Assisting Employees in Overcoming Difficulties

JD Logistics adheres to its original aspiration of caring for employees and their families, fulfilling corporate social responsibility with unwavering dedication. In 2023, JD Logistics increased its investment in the Employee Relief Fund, disbursing over RMB 20 million throughout the year to assist more than 250 employees and their families in overcoming difficulties. Deppon introduced mutual aid and safety funds, established special funds for acts of heroism, and organized "collective weddings", effectively safeguarding the rights and interests of delivery personnel.

In 2010, JD Group formally established the "Employee Relief Fund", specifically aimed at addressing the urgent needs of employees in cases of accidents or illnesses. To date, the fund has received over RMB 110 million in investment, providing assistance to thousands of JD (including JD Logistics) employees in times of adversity. Over the past decade, this compassionate welfare program has continually evolved and improved. For employees facing unfortunate events resulting in complete loss of labor capacity or death during their tenure, JD Logistics assumes the basic expenses for their children's education and living until they graduate from college. Furthermore, for JD Logistics employees with over five years of service who encounter life-threatening illnesses, the Company covers unlimited medical expenses in public hospitals. In situations where an employee's home is unavoidably destroyed, immediate financial support is also provided by the Company.

In November 2022, JD announced an additional RMB 100 million investment into the "Employee Relief Fund", reinforcing a stronger support system for employees, ensuring they do not fall into poverty due to illness under any circumstances. Additionally, JD offers free medical examinations and personal accident insurance to all employees, embodying a proactive and supportive stance during times of need.

# Building a Mutually Beneficial and Better Society Together

JD Logistics firmly believes that embracing corporate social responsibility is essential for achieving the harmonious integration of business value and social value. The Company actively engages in philanthropic initiatives, spearheading various social welfare projects and volunteer service activities. Through collaborative efforts with stakeholders, we are dedicated to co-creating a sustainable and improved society.

## Innovative Public Welfare Practices

### City Warmth Guardians

Before the 2023 Chinese New Year, JD Logistics partnered with the China Guanghua Foundation under the Communist Youth League of China Central Committee, the Chinese Young Volunteers Association, as well as enterprises such as JD Health, Today Convenience Stores, and Lolo, to launch the "Guardians of Warm Cities" public welfare donation campaign. Across six cities including Beijing, Guangzhou, Shenzhen, Wuhan, Xi'an, and Lanzhou, we collectively donated approximately RMB 2 million worth of daily necessities to frontline workers such as sanitation workers, bus drivers, medical workers, and Chinese New Year volunteers.



JD Logistics launched "guardians of warm cities" public welfare donation campaign

### JD for You, Send Love Home

In Guangdong, JD Logistics held the "JD for You, Send Love Home" public welfare campaign before the 2023 Chinese New Year, delivering heartfelt care to out-of-hometown workers in Guangdong. Centered around core themes such as "public welfare delivery, voicing love, caring packages", we collaborated with 20 partners to create five major modules of activities, "Warm Road to Home", "Public Welfare Delivery", "Respect to Guardians", "Giving Love to Children", and "Reunion in Guangzhou". We distributed 85,000 caring parcels, with a total value exceeding RMB 760,000, creating a sense of happiness and belonging for the city's guardians during the Chinese New Year.



JD Logistics held the "JD for You, Send Love Home" public welfare campaign



# Promoting Science Popularization Education

## Case

### Intelligent Delivery Vehicles Entering Campuses to Support Science Popularization

In May 2023, JD Logistics' intelligent delivery vehicle science popularization activity came to Beijing Yizhuang Experimental Primary School. Through science popularization and allowing children to experience the pickup process themselves, the children built a basic understanding of intelligent driving and experienced the unique charm of technology. "Where are the eyes of the intelligent delivery vehicle?" "How does it know whether the traffic light is red or green when crossing the road?" "How does it deliver goods?" Faced with the intelligent delivery vehicle, the children were exalted and raised their own questions about it.



JD Logistics conducted science popularization activities on intelligent delivery vehicles

The operator of JD Logistics' intelligent delivery vehicle, provided detailed explanations to the children about the high-tech features on the intelligent delivery vehicle, including its operating principles, functions, advantages, and related knowledge. It allowed the children to personally experience how the intelligent delivery vehicle achieves perception, decision-making, and execution.

## Case

### Participating in the First Global Sustainable Transport Forum, Hosting a Science Popularization Tour on "Intelligent Transport"

On September 25, 2023, the first Global Sustainable Transport Forum opened in Beijing. Under the theme of "Sustainable Transport: Working Together to Promote Global Development", transport professionals from around the world gathered for the forum. During the forum, the 15th World International Transport Technology and Equipment Expo was also held, where JD Logistics, as a global company, participated alongside dozens of other companies to share development experiences.

At this expo, JD Logistics themed its presentation around "Innovation-Driven, Sustainable Development." Through three main sections on intelligent logistics, resilient logistics, and green logistics, it comprehensively showcased its technological equipment and the latest innovation results in the field of modern logistics.

The Ministry of Transport attaches great importance to promoting the concept of "Intelligent Transport" among primary school students. During the expo, many groups of primary school students, including those from Beijing Qingnianhu Primary School, were organized to visit for science popularization. JD Logistics' booth, as a model for sustainable transport enterprises in China, received many groups of science popularization visitors.



JD Logistics hosted a science popularization tour on "Intelligent Transportation"

# Feature | Passing Warmth, Creating Extraordinariness in Ordinary Positions



Integrating Digital Technology and Reality, Rooted in High-Quality Development

Integrating Green Chains and Building a Community with a Shared Future for Mankind

Integrating Shared Values, Building a Responsible Supply Chain

Pursuing Sound Business Ethics and Creating Sustainable Social Values

From Luqu, Gannan, to Naozhou Island in Zhanjiang, and all the way to Beiji Village in Mohe, JD Logistics' high-quality services span almost every corner and population in China. With over 300,000 frontline employees tirelessly delivering packages, our couriers exhibit perseverance, resilience, and dedication. Despite harsh weather conditions, they steadfastly fulfill their duties. Through industry-leading services like "doorstep delivery" and "211 program (same- or next- day delivery)", JD Logistics couriers ensure timely delivery through their hard work, earning the reputation of reliable and friendly "community members" in both urban and rural areas through their meticulous services.


At the same time, JD Logistics is committed to uniting employees through a strong corporate culture, providing them with a continuous sense of value and honor in their work and lives. Under the guidance of JD Logistics' corporate culture, employees have received numerous honors, becoming the best representatives of the Company's corporate responsibility image.

**Case** **JD Logistics Deliverymen Attended the ACFTU**

On October 9, 2023, the 18th National Congress of the All-China Federation of Trade Unions (ACFTU) opened at the Great Hall of the People. Two deliverymen from JD Logistics, Luo Ming and Guan Xiaolei, attended the congress.

**Case** **At the Southern Edge of the Taklamakan Desert, Entrusted Deliveries Cover the "Last Mile"**

Yutian County is located at the southern edge of the world's second-largest mobile desert, the Taklamakan Desert. There are large temperature differences between day and night, and long hours of sunlight. Due to its proximity to the desert, especially in spring and summer, there is often strong winds and sandstorms. After a delivery trip by the couriers from the Yutian branch, the vehicle are often covered in a layer of fine sand and gravel. According to the responsible person for JD Logistics in Yutian, the location of the Yutian station is remote. And there are frequent sandstorms, making life and work conditions more difficult for the couriers.



The Yutian branch located at the southern edge of the Taklamakan Desert

After graduating from university, Usman Jep, the operation supervisor of the Yutian branch, chose to return to his hometown of Yutian to become a JD courier. Over the past two years, Usman, born in 1997, has maintained a serious and responsible attitude towards his work. He diligently delivered every package to his fellow villagers, gaining widespread recognition and closeness from customers. At the same time, he has grown from a courier to an operation supervisor. In April 2022, Usman volunteered to support Shanghai and traveled more than 5,000 kilometers from the foot of the Kunlun Mountains to the banks of the Huangpu River, carrying "nang" (a traditional bread) with him.

**Case** **Luan Yushuai, "the Fastest Courier," Was Honored With the "National May 1 Labor Medals"**

Luan Yushuai, born in Ji'an Village, Jilin Province, after 1985, joined JD Logistics as a courier in 2015. He is diligent and unafraid of hardships, often delivering dozens of orders more than others every day. He is known for his genuine kindness, and clients he has served consider him a reliable friend. In 2021, he achieved an outstanding result in the Beijing Half Marathon, earning him the affectionate title of "the Fastest Courier".



JD Logistics courier Luan Yushuai was awarded the "National May 1 Labor Medals"

On April 27, 2023, the 2023 Grand Ceremony for Labor Day and "National May 1 Labor Medals" and "Pioneer of National Workers" Award were held at the Great Hall of the People. Luan Yushuai was honored with the "National May 1 Labor Medals" and received the award at the Great Hall of the People, becoming the third frontline employee of JD Logistics to receive this honor.

**Case** **16 Years of Companionship, Delivering Every Single Package to the Doorstep**

In August 2007, Xu Wenyi joined JD as one of the first 10 couriers. Starting from riding an old-fashioned bicycle to deliver one order per hour, he now uses an electric tricycle and delivers dozens of orders in half a day. In the past, he only delivered goods, but now he is proficient in both delivery and collection. Over the past 16 years, Xu Wenyi's biggest feeling is that more and more colleagues have joined him, and the number of orders has increased exponentially, while customers' trust in JD has also soared. Working as a courier, Xu has always felt stable and satisfied in both work and life. Seeing him perform well, his brothers, friends, and some fellow villagers have also joined JD one after another.

Over the years, Xu Wenyi's work area has changed several times. But whenever clients who have been served by him hear his name, they all give a thumbs up. Liu Zhihui, the community manager of a community in Fengtai District where Xu served, has been Xu Wenyi's client for six years and a witness to his meticulous service. "Xu is different from others. He always serves with a smile and speaks gently." As service personnel in the same community, Liu, his colleagues, and Xu, they are close friends. Xu Wenyi is quite older, so everyone treats him like a big brother at home. When he finishes his work, they always invite him to sit down and have some tea.

Some time ago, when Xu Wenyi was delivering goods to an elderly lady in her 80s, he noticed that her voice didn't sound quite right when he knocked on the door. Knowing that the elderly lady had a history of chronic illness, he immediately called emergency services and informed her children. After being taken to the hospital, the elderly lady was diagnosed with acute cerebral infarction. Fortunately, she received timely medical treatment, and her life was out of danger. When hearing about this incident, Liu's immediate reaction was, "I'm not flabbergasted that Xu saved the old lady. He's always enthusiastic and ready to help." Because of this incident, the elderly lady's children made several visits to the station to thank Xu in person. Xu felt a little embarrassed, saying, "Anyone would lend a helping hand in such a situation." As the most senior brother at the station, Xu Wenyi's wish now is to work at JD Logistics until retirement.



# 04

## Pursuing Sound Business Ethics and Creating Sustainable Social Values

In more than ten years of development, the Company has remained steadfast in upholding sound and ethical business principles, passing on its commitment to integrity, long-term thinking, and continuous self-improvement. Our aim is to become the most reliable supply chain infrastructure provider. We have implemented a robust corporate governance framework, stringent ethical standards, and a comprehensive information security system to deliver secure and reliable logistics solutions to our customers. Moreover, we are dedicated to ensuring the sustainable, steady, and wholesome progress of the Company. We continually monitor changes in the external landscape to effectively address market dynamics and evolving customer requirements, thereby delivering sustainable societal value.

### Sustainable Development Goals, SDGs



Integrating Digital Technology and  
Readily, Rooted in High-Quality  
Development

Integrating Green Chains and  
Building a Community with a  
Shared Future for Mankind

Integrating Shared Values  
Building a Responsible Supply  
Chain

Pursuing Sound Business Ethics  
and Creating Sustainable Social  
Values

# Compliance Management

JD Logistics always adheres to principles of integrity and compliance, prioritizing the optimization of its governance structure and the implementation of comprehensive risk management practices. We have developed a robust compliance management system to ensure that all business operations adhere to relevant laws, regulations, and regulatory standards. Additionally, we place significant emphasis on fostering integrity, assuming responsibility toward customers, partners, employees, and society at large, and actively fulfilling our social obligations. In terms of comprehensive risk management, we have established a mechanism for identifying, assessing, monitoring, and responding to various types of risks, thereby effectively mitigating potential threats. Through ongoing optimization of our governance framework, we continually enhance our corporate governance standards to facilitate the Company's sustainable growth.

## Optimizing Governance Structure

As a leading provider in supply chain solutions and logistics services, the Company has consistently prioritized the optimization of its governance structure to enhance operational efficiency and meet customer demands. Through the establishment of a rational shareholding framework, a robust Board of Directors system, and an effective incentive mechanism, we've harmonized the interests of management and shareholders, thereby bolstering decision-making efficacy and execution capabilities.

The Board is responsible for leading and controlling the Company and oversees business, strategic decisions and performance of the Group. Collaboratively, the Board directs and supervises corporate affairs to facilitate successful growth. It formulates strategies, oversees their execution, provides managerial guidance, monitors operational and financial performance, and ensures the implementation of robust internal control and risk management systems. To facilitate specific oversight functions, the Board has established three committees: the Audit Committee, the Remuneration Committee, and the Nomination Committee. These committees are tasked with overseeing designated aspects of the Company's operations.

**Board Diversity:** The Nomination Committee conducts a comprehensive assessment of potential candidates for Director roles, considering various factors such as gender, age, cultural background, educational attainment, professional expertise, skills, industry experience, and regional knowledge. Presently, the Board covers a diverse composition, comprising individuals from different age brackets and industries, with both men and women represented. Members possess a wide array of knowledge and skills spanning business management, logistics, marketing, finance, law and human resources. Their educational backgrounds encompass degrees in business administration, economics, finance, accounting, law and human resources. By the end of 2023, the Board of Directors consisted of seven members, including two female members.

**Board Independence Policy:** The Board, Board Committees or individual Directors may seek independent professional advice, opinions and inputs, with all associated costs borne by the Company. This enables them to fulfill their duties effectively and exercise independent judgment in decision-making processes.

**Executive Remuneration:** disclosure of executive remuneration is linked to annual report. Directors' remuneration includes annual directors' emoluments and may share options and/or awards under the rules of the Company's share option schemes or share award schemes adopted from time to time.

**Continuous Professional Development of Directors:** The Company arranges briefings and distributes relevant reading materials to Directors internally at appropriate intervals annually. We encourage directors to engage in continuous professional development activities to enhance their knowledge and skills, with the Company covering expenses related to relevant training programs at the Company's expense.

# Integrity and Compliance Operation

All along, the Company has consistently adhered to the principles of ethical business conduct and social responsibility. We prioritize compliance with laws, regulations, and ethical standards to uphold transparency and fairness in all business operations. By maintaining integrity and compliance, we have earned the trust and support of customers and partners, fostering a conducive environment for sustainable business growth.

## Anti-Corruption and Compliance System

JD Logistics strictly complies with laws and regulations that have a significant impact on us relating to bribery, extortion, fraud and money laundering, such as *the Anti-Unfair Competition Law and Interim Provisions on Banning Commercial Bribery*, while also strictly implementing JD Group's internal management policies on anti-corruption, including the JD.com Business Conduct and Ethics Code, JD.com Anti-Corruption Regulations, *the JD.com Whistle-blower Protection and Reward System*, *the JD.com Integrity Reward Policy*, *the JD.com Active Filing Reward Policy (for Trial Implementation)*, *the JD.com Gifts Management Regulations*, *the Vendor Paid Travel and Business Dinner Regulations*, and *the JD Logistics Red Line Management Regulations*, etc. By doing so, we practice the concept of "compliance is development" and the core value of "integrity".

The Company implemented an Anti-Corruption and Whistleblowing Policy in December 2022. This policy outlines the principles and guidelines that the Company intends to apply to promote and support anti-corruption laws and regulations and establishes a whistleblowing policy and system for employees and those who deal with the Company to raise concerns, in confidence and anonymity with the related department of the Company, which will then report to the Audit Committee about any material improprieties related to the Company.

## Employees' Behaviour Compliance

The Company maintains a "zero tolerance" stance against corruption, promoting an ethos of "anti-corruption for all". We actively engage employees, suppliers, and partners in anti-corruption efforts, implementing the "Accountability Basics and Control (ABC)" system to empower managers in preventing corruption.

Meanwhile, we require all formal employees and contracted employees of JD Logistics to sign *the Employees' Commitment Letter on Compliance with the 'JD Group Employee Handbook' and Anti-corruption Commitment*, ensuring their understanding and compliance with the Company's integrity and anti-corruption standards. Meanwhile, all suppliers and other partners of JD Logistics have signed *the Anti-Commercial Bribery Agreement*.

In accordance with *the JD Group's Clean Incentive Measures*, We have established various whistleblowing channels, including telephone, email, and letter, among others, for employees, suppliers, and partners to report corruption, job-related crimes, and other violations. As per *the JD Group Whistleblower Protection and Reward System*, whistleblowers including employees, suppliers and other partners are eligible to receive a cash reward of RMB 10 million. At the same time, we have formulated a number of strict protection measures for real-name whistleblowing units or individuals, fully protecting the legitimate rights and interests of whistleblowers.

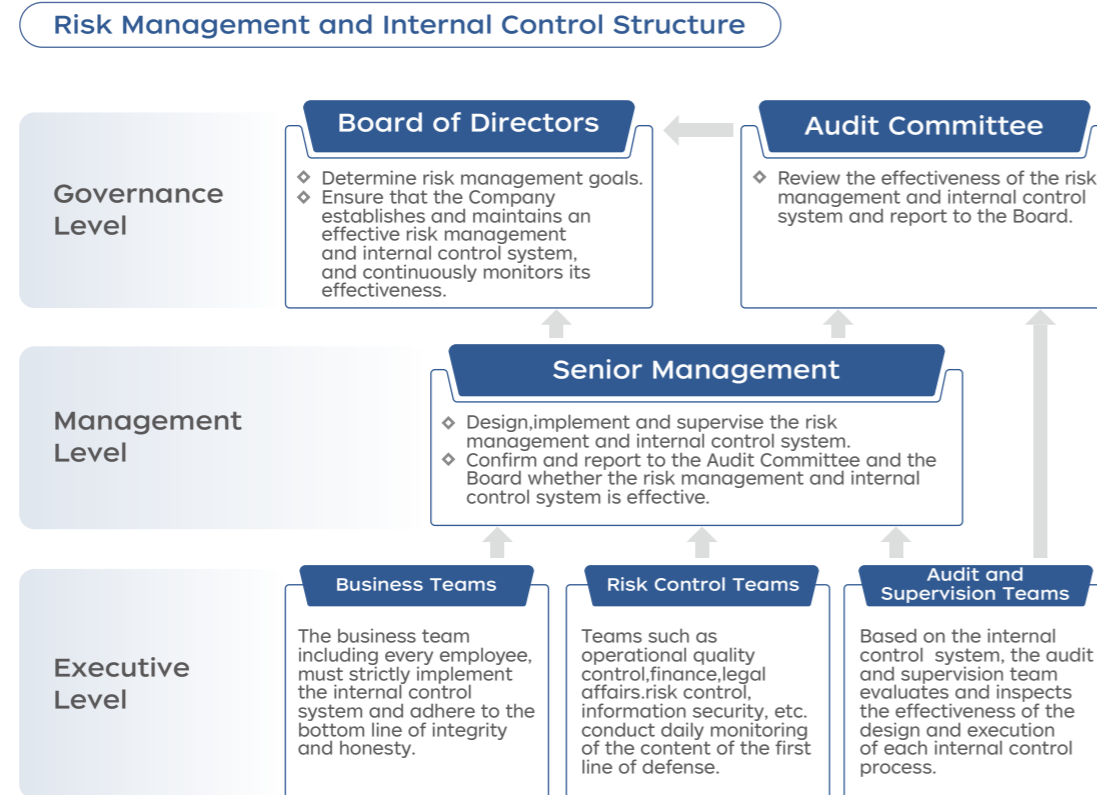
## Anti-Corruption Training

We require all employees, including managers to participate in anti-corruption training at least once a year. In 2023, the Company conducted online integrity and compliance training and exams for the entire workforce, achieving a completion rate of 100%. The training covered topics such as the anti-corruption system, reporting and supervising corruption, among others.

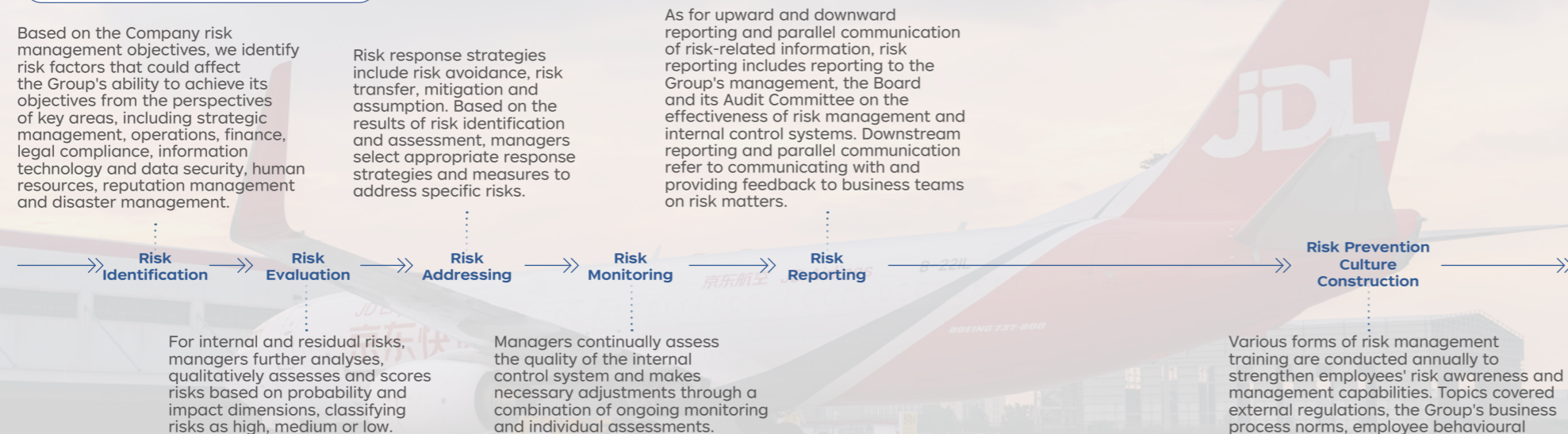
The Company conducts face-to-face training at least once a year for employees in key positions such as salesmen and managers. At the same time, the Company carries out integrity and compliance training for suppliers and other partners in a variety of forms online and offline, and requires suppliers to sign the Integrity Notice.

## Comprehensive Risk Management

We have established a comprehensive risk management system that covers all aspects of risk identification, assessment, monitoring, and response. This system enables the Company to identify and address potential risks promptly, thereby reducing operational risks and losses.



### Risk Management Process



## Information Security Management

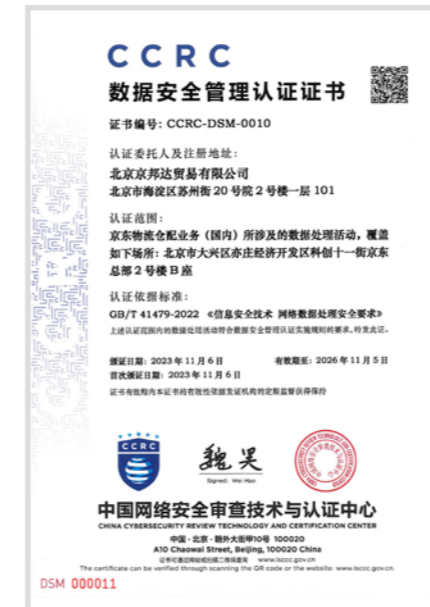
The Company assumes responsibility for protecting users' privacy and corporate information, striving to offer consumers and partners secure and dependable services. We have implemented a comprehensive defense system for data security compliance, governance, anti-leakage measures, security intelligence, etc., ensuring the thorough protection of users' personal and commercial data. Moreover, we have implemented a range of protective measures for users' personal information and sensitive data in strict accordance with relevant national laws and regulations, achieving significant progress in this regard.

### Optimizing Information Security Management System

The information security organization and system specifications are all implemented with reference to JD.com. In 2023, we comprehensively upgraded the information security management policies and systems, encompassing over 10 updates such as the Specification for Data and Privacy Security Management, the Specification for Security Monitoring and Response, the Specification for Application Development Security Lifecycle Management, the Specification for Cybersecurity Management, the Supply Chain Security Management Specification and more than 10 other updates of information security management. Information security management policies and systems are uniformly published on the JD internal security portal.

The Board of Directors and the Strategy Executive Committee of JD Group prioritize information security and privacy protection, actively engaging in strategic planning, review, and major decision-making related to these matters. JD Group has established the Security and Risk Control Committee, serving as the top management organization for information security and privacy protection. This committee is led by the Chief Compliance Officer (CCO) and includes Vice Presidents from each business technology department. The Security and Risk Control Committee provides regular reports to the Board of Directors and the Strategic Executive Committee (SEC). Additionally, under the Security and Risk Control Committee, the Data Security and Privacy Compliance Working Group and the Security Execution Working Group have been formed to create a multi-level structure for information security and privacy protection. The Information Security Department oversees the day-to-day operations of the Security and Risk Control Committee, convening quarterly meetings to address major issues and regularly reporting to the Board of Directors and the SEC. JD Logistics is responsible for implementing security and privacy initiatives.

The Company's logistics information system and the underlying cloud technology for deploying the information system have all obtained the Level-3 certification of the Ministry of Public Security's protection level, the ISO 27001 certification for information security management system, the ISO 27701 certification for privacy information management system, the CCRC certification for data security management, and the Level-3 DSMM certification for data security management capability. These certifications indicate that the Company's information security management is in line with international standards. The management mechanism and technology in information security, data security and protection of user privacy have reached the international leading level.



The Certification for JD Logistics' Data Security Management

## Information Security Culture Construction

The Information Security Department, the Legal Compliance and the Intellectual Property Department of JD Group are responsible for educating employees on information security compliance, data security, and safeguarding personal privacy. We conduct annual training and examinations on information security and privacy protection for all employees, including regular employees, interns, consultants, and other workers, as well as entities or individuals involved in business dealings with JD Group, including suppliers, contractors, and subcontractors.

All new employees must complete online training on information security and privacy protection and pass an exam before commencing their roles. Moreover, we provide specialized courses on information security compliance and anti-phishing training for key personnel such as product development specialists and outsourcing personnel. We integrate information security compliance management and personal information privacy protection into the performance assessment of core management and key positions to foster a culture of information security and privacy protection among all staff. In 2023, the Company conducted 21 information security and privacy protection trainings, with 686,000 participants achieving a 100% pass rate.

## Safeguarding Customer Privacy

We have established a data and privacy security management system such as the Data and Privacy Security Management Norms, Employees' Security Guidelines for the Use of Sensitive Data, Users' Private Data Storage Security Rules, Protection Requirements for Minors' Personal Information, etc. These systems are applicable to all departments of the JD Group, its subgroups, business units, subsidiaries, regional companies, branches, and other entities.

### Strictly Following Privacy Policies

The current privacy policy outlines to users "how we collect and use your personal information", "how we use cookies and similar technologies", "how we entrust the processing, sharing, transferring, and public disclosure of your personal information", "how we protect your personal information", and "your rights and so on". It clearly states that "We will adhere to the principles of legitimacy, legality, and necessity when collecting and utilizing the personal information voluntarily provided by you during product or service usage. Additionally, we obtain relevant personal information from third parties for purposes stated in these rules. Should we intend to utilize your personal information for purposes not outlined in these rules, or employ information collected for one specific purpose for other uses, we will notify you and seek your consent again before proceeding".

### Preventing Privacy Leaks

JD Logistics consistently adopts a stringent and accountable approach. Regarding information pertaining to individual transportation and distribution, we safeguard customer information security through advanced technologies such as Smile Waybill technology, virtual numbers, information encryption, core data desensitization, and other technical solutions, thereby ensuring the comprehensive security of personal information.

JD Logistics carries out life-cycle security management for all sensitive personal information, including encrypted storage, encrypted transmission, page display after data mask, page watermark setting, access logs recording, unified monitoring of access logs, etc.; minimizes the authority scope to control private information and regularly reviews the access authority of employees to users' personal information; promotes security protection for the Company's partner companies, encrypting or desensitizing data before circulation, and protecting personal data security in the circulation process.

#### Smile Waybill

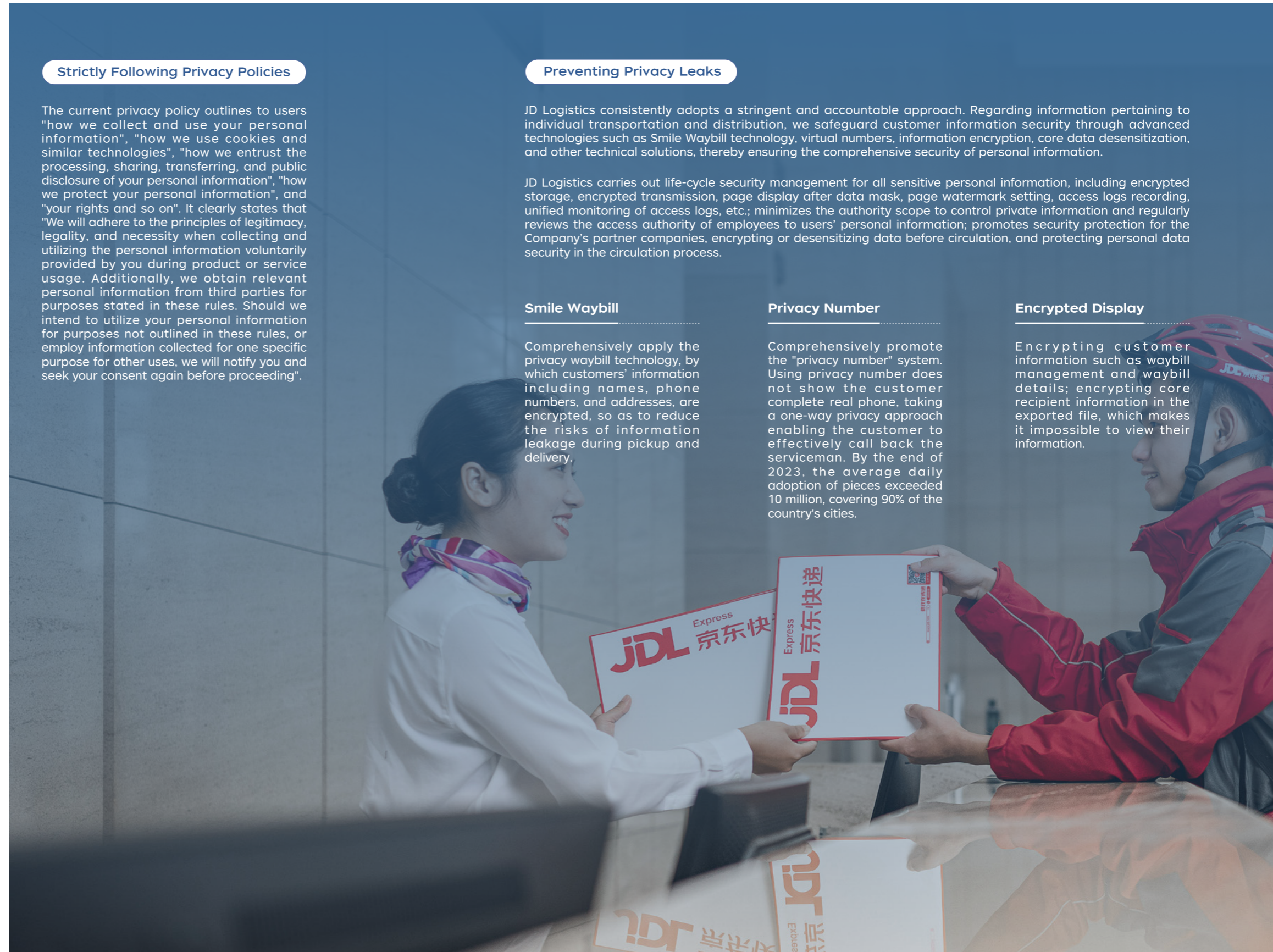
Comprehensively apply the privacy waybill technology, by which customers' information including names, phone numbers, and addresses, are encrypted, so as to reduce the risks of information leakage during pickup and delivery.

#### Privacy Number

Comprehensively promote the "privacy number" system. Using privacy number does not show the customer complete real phone, taking a one-way privacy approach enabling the customer to effectively call back the serviceman. By the end of 2023, the average daily adoption of pieces exceeded 10 million, covering 90% of the country's cities.

#### Encrypted Display

Encrypting customer information such as waybill details; encrypting core recipient information in the exported file, which makes it impossible to view their information.



## Technology Ethics Regulation

The Company upholds the principle of using technology for the betterment of society. In our deployment of artificial intelligence technology, we conscientiously consider the potential societal implications of such advancements. We adhere strictly to relevant laws and regulations like *the Basic Requirements for the Generative Artificial Intelligence Services Security*. Also, we abide by internal regulations such as *the Data and Privacy Security Management Specification*, *the Privacy Impact Assessment Process*, and other relevant institutional documents, as well as the mechanism for assessing and reviewing the social ethics of the innovative technology.

## Intellectual Property Protection

The Company remains steadfast in its dedication to safeguarding intellectual property rights, strictly complying with relevant laws and regulations that have a significant impact on us relating to privacy matters of our products and services, such as *the Patent Law of the People's Republic of China*, *Trademark Law of the People's Republic of China* and other relevant laws and regulations. Meanwhile, we strictly implement *the Patent Management Measures*, *the Trademark Management Measures*, *the Copyright Management Measures*, *the Domain Name Management Measures*, *the Trade Secrets Management Measures (for trial implementation)*, and other internal management methods. These measures comprehensively guide our intellectual property management practices, facilitating the seamless integration of our operations and business, and ensuring orderly development. Taking into account the actual situation, a new round of revisions to the management measures for patents, trademarks, copyrights, domain names, and other intellectual property rights was initiated in 2023. This process involved updating and improving the protection and management processes, employee incentives, operational applications, and other related aspects of intellectual property.

Throughout the year, the Company has undertaken 77 instances of patent exploration, encompassing various products and services within the realm of science and technology. Moreover, we have implemented tailored patent strategies for key innovations such as the automatic broadcasting wall, the Tianlang AGV cargo-to-person system, and the Dilang AGV handling system. Additionally, we have conducted specialized innovation patent exploration for JD Wisdom products and the Figure Digital Intelligent Map, among others. These efforts provide strong support for the intellectual property protection and innovation practices of JD Logistics products.

During the year, the Company actively carried out and participated in intellectual property innovation activities, strengthened external exchanges, and gained recognition from various parties.

- ◆ The Company participated in the Haidian District High-Value Patent Competition with its Dilang AGV product and won the second prize, fully demonstrating our advantages in business innovation and R&D, patent layout and protection.
- ◆ The patent "ZL201811475740.5, Control Method and Device Based on Handling Robot", which is based on the changing surfaces of the Dilang AGV, won the 24th China Excellent Patent Award.
- ◆ The Company's patent "a multi-class equipment control method and system" won the first prize of the Seventh Beijing Invention Patent Award. It is a special award program set up by the municipal government for the selection and commendation of invention patents with significant economic and social benefits within the administrative area of Beijing, and it is selected every two years. The patent declared by the Company is oriented to large-scale equipment clusters, which utilizes real-time interaction, and proposes a heterogeneous equipment cooperative control algorithm based on asynchronous messages, achieving the reliable cooperation and flexible operation of complex systems with multiple types of equipment.

In 2023, we conducted 19 sessions of patent training and 4 sessions of soft skills training to enhance our team's expertise and capabilities. On World Intellectual Property Day, we organized patent award ceremonies to recognize outstanding achievements in innovation. Winning patents selected for the 2022 Patent Award were showcased via video presentations, with hosts providing introductions to the digital audience and honoring the inventors. A number of patents of the Company won gold and silver awards, etc. Throughout the award period, we actively promoted intellectual property rights protection through various channels. JD TV released informative videos on intellectual property rights and technology as well as the interview videos with award-winning inventors., while the JD Learning Platform and other platforms were utilized to disseminate knowledge on this crucial topic.

### Case

#### "Green Supply Chain Technology Sharing Platform (Patent Pool)" Promoting the Opening up of Green Technologies in the Industry

On December 16, 2023, the Fourth International Conference on "the Future Rule of Law and Digital Law" was officially held, at which the "Green Supply Chain Technology Sharing Platform (Patent Pool)" co-sponsored by JD Group, Lenovo Group and BOE was formally released, aiming to promote the application of green supply chain technologies and patents with the help of supply chain radiance and influence, and to drive upstream and downstream enterprises to actively practice the low-carbon concept. At present, the Company has accumulated a sizable number of authorized patents on green technologies, and the number of related patent applications continues to grow.

At present, the number of authorized patents for green logistics technology has reached more than 1,000, of which green-related technologies account for 30%, and is still growing. In the future, the sharing platform (patent pool) will carry out its work in accordance with the Green Supply Chain Committee of the All-China Environment Federation.

With the operation of the platform, the Company is looking forward to more partners to enrich the green supply chain patent technology pool through the utilization of their respective technological advantages. We share useful experience through pragmatic and efficient cooperation, strengthen exchanges and cooperation among members, and jointly promote a sustainable future.



Green Supply Chain Technology Sharing Platform (Patent Pool) jointly built by JD, and Lenovo

# Together for Common Development

Strengthening the compliance management of suppliers and manufacturers is fundamental to the Company's stable growth and pivotal to achieving high-quality development across the integrated supply chain. Leveraging a robust supplier management system and an advanced digital intelligence management platform, we collaborate with our partners to cultivate a mutually beneficial supply chain ecosystem.

## Supplier Management

Driven by our vision of "technology-driven leadership in global efficient circulation and sustainable development", we are dedicated to advancing sustainable development alongside industry stakeholders and society at large. We persistently refine our integrated supply chain, bolstering the real economy through responsible supply chain practices. Additionally, we champion digital transformation, green development, and cost reduction efforts across the supply chain's upstream and downstream sectors, thereby contributing to the high-quality development of enterprises, industries, and society as a whole. In 2023, we intensified centralized procurement management, enhanced supplier inspection processes, and fortified mechanisms for access, supervision, evaluation, and exit—particularly focusing on identifying ESG risks such as environmental, social, business ethics, and anti-corruption concerns, while implementing robust oversight and assessment measures for suppliers.

### Supplier Management System

JD Logistics complies with laws and regulations such as *the Bidding Law of the People's Republic of China*, *the Regulation on the Implementation of the Bidding Law of the People's Republic of China* and *the Measures for the Administration of Government Procurement by No-Bid Procurement Methods*. At the same time, we strictly implement full-process supplier compliance management systems such as *the JD Group's Bidding and Procurement Business Process*, *the Bidding and Procurement Business Management Measures*, *the Tripartite Performance Appraisal Procedure*, *the Non-operating Procurement Acceptance Process* and *the Supplier Code of Conduct*.

### Supplier Selection and Bidding Processes

Supplier management platform	The supplier management platform digitally collects the business licenses, account opening licenses, audit reports or financial statements in the past three years, industry qualification certification, relevant management system certifications (such as environmental certification, quality certification, etc.), and other professional qualifications of suppliers.
Supplier categories and grades management	Based on supplier qualifications and delivery capabilities, combined with their own business planning, strategic goals, and past cooperation with suppliers, suppliers are classified and graded.
Negative list system	It is forbidden for suppliers to engage in illegal and irregular activities in terms of employment. Once discovered, suppliers with serious violations will be included in the blacklist of suppliers who will never cooperate. For serious cases, JD Logistics will report to the state market supervision and management department or transfer to judicial authorities for handling.
Long and short list	Based on the screening requirements and shortlisting conditions of different categories and projects, suppliers are subjected to sample testing and on-site investigations and only those who meet the requirements can be shortlisted.
Follow-up on contract performance	Continuously follow up on the supplier's contract performance, strictly assess annual suppliers and key project single-cooperation suppliers. According to the principle of "Select the Superior and Eliminate the inferior", a comprehensive evaluation is launched every year according to the performance appraisal results, with dynamical optimization based on regular performance evaluations.

### Suppliers' ESG Management

JD Logistics further improve the construction of the procurement system. As of the end of 2023, 52 suppliers were certified as green producer for express packaging.

JD Logistics collaborates with upstream and downstream enterprises to improve ESG management practices. This includes conducting questionnaire surveys and ESG ratings for key suppliers, with a focus on identifying and addressing ESG-related risks. In 2023, we distributed questionnaires to 1,588 key suppliers and assessed their ecological and environmental performance. Subsequently, ESG ratings were assigned based on the assessment outcomes. Suppliers with subpar performance are subject to corrective measures overseen by our collaborative procurement department. Moreover, we provided ESG training to key suppliers, reaching them through email communication and online live broadcasts, thereby enhancing their environmental awareness comprehensively.

## Leading the Industry to Develop

As a leader in the high-quality development of the industry, the Company prioritizes user experience and continuously enhances its delivery services, setting industry standards with top-notch service quality. Moreover, the Company has spearheaded initiatives such as the "three must compensations" and "211 program", establishing itself as a benchmark within the industry.

Since 2023, the Company has further upgraded its "three must compensations" service to ensure on-time delivery and manageable express delivery times. Additionally, it has broadened its range of value-added product services, including "special security" and "full coverage", to offer comprehensive protection for high-value items, thereby ensuring an exceptional shipping experience. In the third quarter of 2023, the State Post Bureau's courier service satisfaction survey revealed that the Company maintained its leading position in the industry, achieving high scores and ongoing customer satisfaction.

### Participating in the Formulation of Industry's Standards

The Company takes an active role in shaping industry standards and engaging in industry forums, continually boosting its technological, managerial, and brand outputs. In 2023, JD Logistics took the lead in drafting and participating in the national standards for the Express Delivery Service, the General Service Specifications for E-commerce Reverse Logistics, the Classification and Coding of Express Packaging, and the Standard for Cold Chain Logistics Services for Agricultural Products. Meanwhile, all of the Company's technological innovations were showcased at CeMAT ASIA 2023. Moreover, it contributed to the Asia-Pacific Intelligent Supply Chain and Logistics Innovation Summit 2023 (SSCL APAC 2023), sharing insights and practices regarding intelligent logistics hardware, software technology, and warehouse solutions in international markets.



Exchanges and Communications

The Company actively participates in summits, high-level forums, and other communication activities to establish more high-level cooperation platforms. Through these platforms, it exchanges and shares excellent and innovative practices within the industry, fostering mutual trust and cooperation among enterprises.

Case

Joining UN Global Compact's Sustainable Development Initiative

On October, 2023, Ms. Sanda Ojiambo, Assistant Secretary General of the United Nations and CEO and Executive Director of UN Global Compact, made her first stop on a corporate visit to China at the headquarters of JD Group, where she met with Ms. Xu Ran, Chief Executive Officer of JD Group. Ms. Sanda Ojiambo visited the Company's 20th anniversary retrospective exhibition, the Green Stream Initiative exhibition, the HQ and the sand table of the employee housing fund project, etc. She recognized that we have effectively integrated the SDGs in many of its core areas, and praised our quantifiable commitments.

During the same period, we joined the newly launched sustainability initiative "Forward Faster", which is officially launched by the UN Global Compact on September 18, 2023, and is currently the world's largest corporate sustainability initiative, calling on business leaders to commit to at least one of five actions: gender equality, climate action, living wage, water resilience, and finance & investment. This will accelerate the pace of business investment to meet the needs of the 17 Sustainable Development Goals (SDGs) and the 2030 Agenda for Sustainable Development.

In 2022, UN Global Compact launched the "Gender Equality Goal" and "Climate Ambition Goal", two projects for building enterprise capacity. At this time, the Company actively sent members to become a voluntary enterprise in the first session. Our customer service project "Sunshine Angel", with excellent initiatives to empower women with disabilities leadership, was included in the tutorial case base of the Target Gender Equality Accelerator (TGE).



Ms. Sanda Ojiambo, Assistant Secretary General of the United Nations and CEO and Executive Director of UN Global Compact, and her first stop on a corporate visit to China at the headquarters of JD Group

Case

Participating in the Drafting of the National Specification and Promoting "Reverse Logistics" Development

In recent years, along with the upgrading of service policies such as no-reason returns and pay-before-use, the "reverse logistics" derived from returners has become a common challenge in the industry. We fully combine our practical experience in the field of "reverse logistics" with Shanghai Polytechnic University, and other organizations to jointly formulate the *Specification for common service of e-commerce reverse logistics*, which sets out the basic requirements for e-commerce reverse logistics' general service, service solutions, operations and services, information services, marking and tracing, complaints and feedback. On November 27, 2023, this standard was official issued and implemented, which will help to promote the sound and orderly development of e-commerce reverse logistics-related industries and provide relevant assessment basis for the industry and enterprises.



The drafting of the Specification for common service of e-commerce reverse logistics

Cultivating Logistics Talents

JD Logistics collaborates with several colleges and universities to transfer professional supply chain capabilities and experience to campuses. Leveraging its industrial background and practical experience, it builds comprehensive online and offline education platforms using technology, platforms, and ecosystems. Furthermore, it enhances the connection between industry, academia, and research. Additionally, the Company transforms intelligent warehousing capabilities into hands-on training modes tailored for campus education, empowering students in colleges and universities.

Case

Leading the Establishment of the Nation's First Industry-Education Integration Community for the Intelligent Supply Chain Industry

On November 23, 2023, the inaugural meeting of the National Industry-Education Integration Community for the Intelligent Supply Chain Industry was successfully held. This meeting was jointly supported and guided by the Tianjin Municipal Education Commission, the CEIAEC, and the China Federation of Logistics & Purchasing.

As a representative of the industry, JD Logistics signed a contract with Tianjin University and Tianjin Transportation Technical College to deepen the cooperation of talent cultivation in industry-education integration, and signed school-enterprise cooperation agreements with representatives of 100 professional colleges and universities, which will comprehensively promote the cultivation of high-quality talents and the deep industry-education integration. Relying on the advantages in the industry, all parties will take the "supply chain network integration" as a link, build industrial colleges and technological innovation centers, serving the whole industrial supply chain. Also, we jointly deepen the reform of the talent cultivation mode, and continue to make efforts to upgrade school-enterprise cooperation entities, effectively drive technological innovation, and integrate the real tasks into the teaching, jointly building deep school-industry-teaching integration. Together, we will build an industry-education community to support the development of the industry.

Integrating Digital Technology and Reality, Rooted in High-Quality Development

Integrating Green Chains and Building a Community with a Shared Future for Mankind

Integrating Shared Values, Building a Responsible Supply Chain

Pursuing Sound Business Ethics and Creating Sustainable Social Values

Case

Participating in the Global Sustainable Transport Forum and Sharing Innovative Practices of Green and Low-Carbon Transformation

On September 25, 2023, the Global Sustainable Transport Forum (GSTF) kicked off in Beijing with the theme of "Sustainable Transport: Working Together to Promote Global Development". Chinese President Xi Jinping sent a congratulatory letter to the Forum. Chinese vice premier He Lifeng read a congratulatory letter and delivered a speech at the opening ceremony. Mr. Li Xiaopeng, Minister of the Ministry of Transport of the People's Republic of China, attended the Forum and delivered a keynote speech. In the theme session focusing on the topic of "Eco-sound Development", Hu Wei, CEO of JD Logistics, together with representatives of domestic and foreign government agencies and business leaders, shared their low-carbon practices in the field of transportation. They focused on new energy application, emission reduction strategies, and other topics, so as to overcome the climate challenges in the global transportation industry through joint efforts and accelerated actions.

The first general meeting and inaugural meeting of the Global Sustainable Transport Innovation Alliance was also held on the same day. The alliance was initiated by the China International Sustainable Transport Innovation and Knowledge Centre together with domestic and international famous enterprises. Now there are 42 globally famous leading enterprises working together as the initiator, and JD Logistics joined the alliance as a founding member, which drives the integration of global sustainable transport innovations, knowledge sharing, policy dialogues, cohesion of consensus, and concepts spreading.



Participating in the Thematic Session 4: Eco-sound Development

Case

Holding a Supply Chain Salon in Shaanxi Province and Communicating With Enterprises About E-Commerce Livestreaming

In recent years, many industries have benefited from the growth of the livestreaming industry. In the field of fresh agricultural products, more and more farmers record the original field work and rural life scenes with their phones. This brings them to consumers closer and makes the agricultural products from the field directly to the tongue. However, how to set a livestreaming system and use supply chain to improve quality and increase income is still a challenge for many enterprises.

In September 2023, a supply chain salon, guided by the Xi'an Financial Business District and hosted by JD Logistics, was held on the banks of the Ba River. Hundreds of fresh and consumer goods business managers, livestreaming academia and research scholars, e-commerce operation experts, and supply chain logistics practitioners gathered together to analyze the industry development trend and talked about industrial integration and symbiosis. During the period, our supply chain experts also shared their insights and suggestions on the overall industry changes, supply chain weakness of enterprises, providing breakthrough ideas for merchant enterprises. In the future, we also plan to build a "Merchant Growth Center" with the Shaanxi Livestreaming Industry Research Institute, a "Shaanxi Live E-commerce Warehouse" with the Xi'an Live E-commerce Association, and a "Northwest Industrial Belt Supply Chain Center" with supply chain partners. And provide better training resources, sales channels, flow resources and supply chain logistics solutions for local enterprises.



The supply chain salon in Shaanxi Province





# Feature | Building Trust and Safeguarding Values Through Cultural Construction

The concept of "sound and successful business ethics" signifies our commitment to achieving commercial success in a legal and compliant manner, while also aspiring to become a model of values in the industry. By adhering to high standards of norms and guidelines, we continuously strive for self-improvement and self-fulfillment, actively contributing to the development of the entire ecosystem and the progress of society.

In 2023, JD Logistics implemented a blue-collar culture centered on the principles of "respecting people" and "taking practical actions". This initiative aimed to address frontline employee turnover rates and enhance working conditions, emphasizing concrete actions aligned with the blue-collar culture. Guidelines were set for both positive and negative behaviors to encourage the practical adoption of high-standard behavioral norms and guidelines.

JD Logistics has infused "blue-collar culture" into every facet of the company's operations. Throughout the year, it instituted the "go to the frontline and listen to advice and complaints" system. This approach enables all employees to immerse themselves in the frontline work environment, fostering cultural continuity.



## "Go to the Frontline"

- ◆ Encourage employees to go to the front lines of operations and production, getting close to customers. Work with frontline employees, embodying "customer first" through practical actions while reflecting on whether processes and system designs truly serve customers and improve frontline work efficiency. All company managers are required to visit the front lines (warehousing, distribution, customer service, sorting, etc.) at least once a year for a minimum of 8 hours.

## "Listen to Advice and Complaints"

- ◆ Conduct in-depth visits to customers and stakeholders, including consumers, corporate clients, merchants, suppliers, partners, etc. Engage in deep customer visits alongside business personnel, conducting one-on-one in-depth interviews during the process.
- ◆ Visit the customer service booth to listen to and resolve customer issues and complaints. It is required that all managers, middle management personnel, product and technical R&D staff listen to customer feedback at least twice a year; engage in deep customer visits alongside business personnel for no less than 1 hour, listening to and resolving customer problems and complaints, with a cumulative total of at least 8 hours throughout the year.



Integrating Digital Technology and Readily, Rooted in High-Quality Development

Integrating Green Chains and Building a Community with a Shared Future for Mankind

Integrating Shared Values, Building a Responsible Supply Chain

Pursuing Sound Business Ethics and Creating Sustainable Social Values

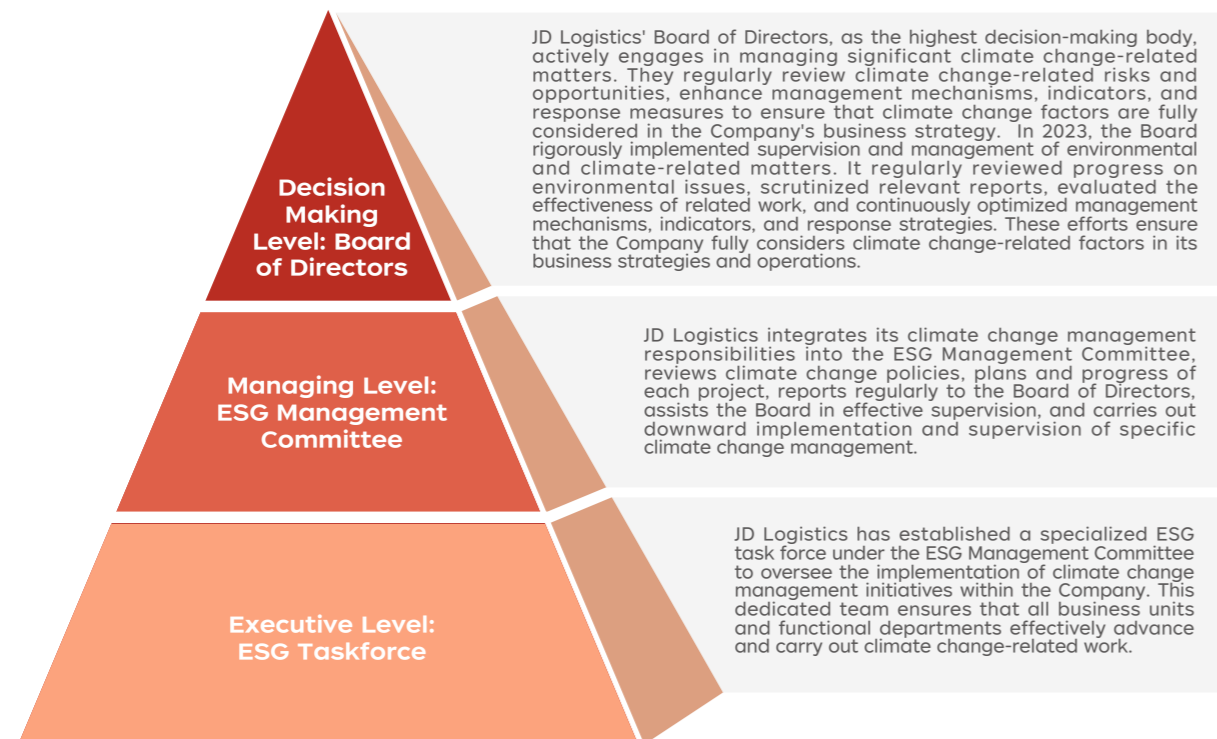
# TCFD Report on Climate-Related Financial Information Disclosure

In recent years, the frequency of extreme weather events has led to catastrophic consequences, making climate issues an unavoidable "fundamental problem" of our time. Faced with unprecedented challenges in global environmental governance, addressing climate change actively has become a basic consensus. JD Logistics fully recognizes the significant impact of climate change and proactively responds to the long-term goals and agendas for global climate change outlined in the Paris Agreement. Prioritizing green development, we leverage our influence within the value chain to enhance the level of logistics greening.

In 2023, we referenced the Recommendations of the Task Force on Climate-related Financial Disclosures and integrated climate change into our corporate governance and strategic framework. We implemented scientific measures to monitor and assess the impact of climate change risks, explored climate-related risk management tools and models, continuously enhanced our climate risk management capabilities, and ensured the sustainable development of our business. Through innovative practices such as comprehensive green transformation of the energy structure, increasing the proportion of clean equipment applications, improving energy-saving and low-carbon management mechanisms, and building digitalized and intelligent business operation models, we are continuously enhancing our potential for sustainable development and resilience against risks. Together with our upstream and downstream partners, we are moving towards a high-quality, sustainable future.

## Governance

JD Logistics has integrated climate management-related functions into our ESG governance structure. We established a climate change management system with the Board of Directors as the highest decision-making level. This system clarifies the responsibilities of the Board of Directors and management in overseeing climate-related issues, leveraging organizational and management roles in this field. Furthermore, we continuously enhance the three-tier governance structure of the board of directors, management, and professional teams, aiming to elevate the level of climate change management. These efforts lay a solid foundation for steadily advancing various aspects of climate change management work.



## Strategy

The Company actively adheres to the principles of green development, integrating sustainable development concepts into its strategic development. Leveraging industry strengths, we steadfastly promote high-quality development and support green and low-carbon transformation.

In accordance with the HKEX's Guidelines on Climate Disclosure, we have developed a rigorous scenario with strong contrast to the business-as-usual scenario. We selected the scenario model and related parameters published by the United Nations Intergovernmental Panel on Climate Change (IPCC) for analysis. This approach helps us better understand the potential impact of climate risks and opportunities on our strategy, business model, financial planning, and resilience.

Scenarios	IPCC Scenario Model Selection	Situational Applications
Low Emission Scenario: Low emission scenario under strict climate change policy interventions	<ul style="list-style-type: none"> <li>Representative concentration scenario critical path: RCP 2.6</li> <li>Shared socioeconomic scenario critical path: SSP 1</li> </ul>	This scenario has the most stringent policy regulation, and the transition risk reaches the greatest degree of impact on the company, so the transition risk analysis is conducted in this scenario
High Emission Scenario: Business-as-usual high-emission scenario without climate change policy intervention	<ul style="list-style-type: none"> <li>Representative concentration scenario high emission pathway: RCP 8.5</li> <li>Shared socioeconomic scenario high emission pathway: SSP 5</li> </ul>	The policy regulation is the most relaxed in this scenario, and the physical risk to the firm is the largest, so the physical risk analysis is performed in this scenario

The Company conducted comprehensive research and data collection based on different elemental conditions of low emission and high emission scenarios. We delved into the latest trends in the macro environment and industrial policies, along with climate change-related analysis aligned with the current business situation of each business line. In the past year, we identified 13 major climate change risks and opportunities, comprising 3 physical risks, 7 transition risks, and 3 climate change opportunities. We formulated more targeted response plans based on these findings.

Physical Risks					
Risk	Type	Impact Cycle <sup>7</sup>	Financial Impact	Analysis of Impact	Response
Floods	Acute risk	Short, medium and long term	Medium	With the Company's extensive network of self-operated warehouses and transportation systems covering a wide range of regions, as well as utilizing various transportation modes such as road, rail, air, and sea, we have built a robust logistics system. However, as the frequency or duration of flooding increases, our storage and transportation networks face significant challenges. These natural disasters can damage logistics infrastructure, disrupting normal logistics operations and supply chain provision. As a result, business volumes may decrease, equipment maintenance expenses may rise, ultimately leading to a reduction in business revenue.	Based on a thorough analysis of historical disaster data in various regions, for areas that are frequently threatened by flood disasters, it is essential to systematically establish and progressively improve flood disaster warning and emergency plans. These measures may include but are not limited to constructing efficient catchment systems and implementing effective flood prevention measures.

<sup>7</sup> This thematic report defines less than 2 years as short-term; 2-5 years is defined as medium; more than 5 years is defined as long-term.

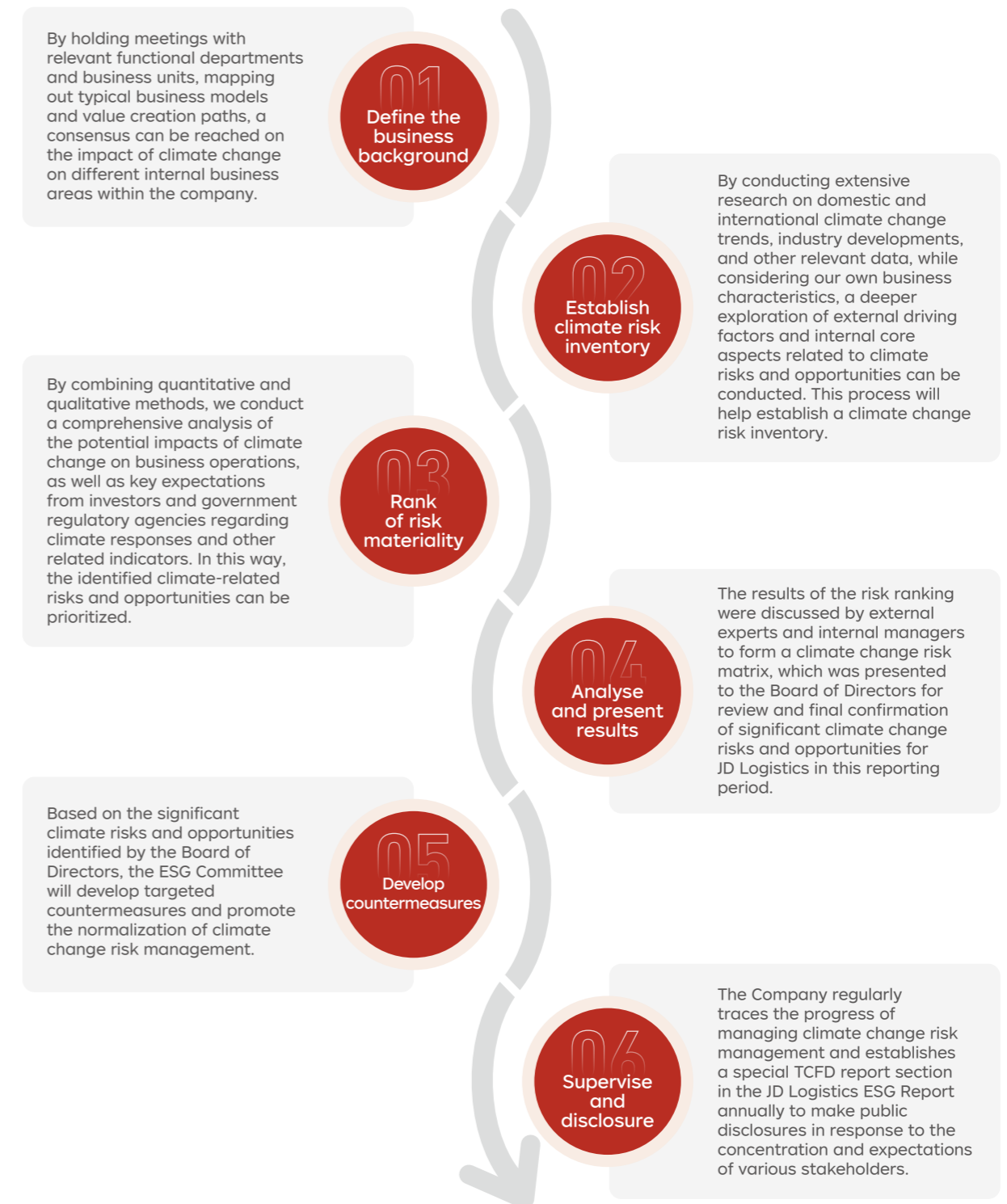
Physical Risks					
Risk	Type	Impact Cycle	Financial Impact	Analysis of Impact	Response
Extreme high temperature	Acute risk	Short, medium and long term	Medium	<p>The Company has a large number of employees working outdoors, such as sorters, transporters and delivery personnel. The increase of extreme high temperature weather will reduce the efficiency of employees, endanger their health and safety, and increase high temperature allowance, medical care and other high temperature welfare expenses.</p>	<p>JD Logistics engages professional engineering and climate impact assessors to conduct vulnerability assessments of infrastructure and fixed assets, focusing on urban areas, ports and other areas with urban heat island effects. Based on the results of research and analysis, we established a monitoring and forecasting system for extreme high temperatures, and incorporate the underlying factors affecting extreme high temperatures into the Company's health and safety management considerations to strengthen relevant preventive measures.</p>
				<p>In addition, the Company has cold chain warehouses and cold chain transport vehicles, which will increase the use of environmentally friendly refrigerants. when extreme high temperature weather occurs, and the cexpenses of cold chain business will continue to rise. Extreme high temperature weather will also increase the battery risk of transportation vehicles, cargo planes and other transportation equipment, increasing maintenance costs.</p>	
Increased average temperature and droughts	Chronic risks	Medium and long term	Medium	<p>High temperatures and droughts may worsen working conditions for outdoor staff, reducing their efficiency. Additionally, high temperatures can lead to damage or spoilage of goods, increasing the demand for environmentally friendly refrigerants and raising the operational costs of cold chain businesses.</p>	<p>The Company optimized delivery routes to reduce delivery personnel's working hours in high temperatures. By strategically scheduling delivery plans, goods are ensured to be delivered in the shortest time, minimizing exposure to high temperatures. Furthermore, to decrease energy consumption and carbon emissions, JD Logistics uses more environmentally friendly packaging materials and technologies. For instance, we employ recyclable packaging materials, optimize refrigeration technology, and other measures to reduce our environmental impact. Lastly, to address sudden events like droughts, we have established emergency mechanisms such as maintaining stable relationships with suppliers, stockpiling necessary supplies, ensuring the stability of the supply chain.</p>

Transition Risk					
Risk	Type	Impact Cycle	Financial Impact	Analysis of Impact	Response
Energy and resource efficiency regulatory requirements	Policy and regulatory risks	Short and medium term	Medium	<p>As national energy, energy efficiency, and material efficiency requirements become more stringent across various industries, this may result in the Company needing to invest more funds and technology to meet new energy efficiency standards, thereby increasing compliance costs and operational expenses.</p>	<p>JD Logistics optimized its logistics network by using more efficient transportation and storage equipment to reduce energy consumption and waste. Additionally, strengthening internal energy management and raising employee awareness of energy conservation can help reduce financial pressure caused by regulatory changes.</p>
Enhanced requirements for carbon emissions disclosures	Policy and regulatory risks	Short term	High	<p>The strengthening of carbon emission disclosure requirements will increase the Company's compliance costs, distributing more resources to monitor and report carbon emissions.</p>	<p>JD Logistics established a comprehensive carbon emission monitoring system to ensure accurate and timely reporting of carbon emission data. Additionally, strengthening cooperation with the government, industry associations, and other stakeholders can help collectively promote the establishment and improvement of carbon emission disclosure standards.</p>
Environmental standards	Policy and regulatory risks	Short term	High	<p>As environmental standards become strict, the Company needs to invest more funds to meet these requirements, thereby increasing operational costs.</p>	<p>JD Logistics introduced environmental protection technologies and equipment to improve operational efficiency and reduce environmental costs. Additionally, strengthening internal environmental management and enhancing employee awareness and responsibility for environmental protection are crucial steps in this process.</p>
Carbon pricing mechanism	Policy and regulatory risks	Medium term	Medium	<p>Fluctuations in carbon pricing directly impact the Company's carbon emission costs. An increase in carbon prices may raise operational costs, while a decrease could potentially reduce their environmental expenses.</p>	<p>JD Logistics regularly monitors carbon emission policies and assesses their impact on operations. Furthermore, increasing the use and investment in renewable energy sources to reduce reliance on fossil fuels can help lower carbon emissions and costs.</p>
Fluctuant energy prices	Market risk	Short and medium term	Medium	<p>Rising energy prices may lead to more transportation and storage costs subsequently impacting overall financial performance.</p>	<p>JD Logistics employs diversified procurement strategies to seek more cost-effective energy suppliers. Additionally, enhancing energy efficiency through measures like optimizing transportation routes and upgrading energy-efficient equipment can help reduce energy costs and alleviate financial pressure caused by price fluctuations.</p>
Low carbon technology R&D and transition costs	Technology risks	Medium and long term	Medium	<p>The research and development of and transition to low-carbon technologies require significant investments of money and time, which may increase the Company's operational and time costs.</p>	<p>JD Logistics collaborates with partners to jointly develop low-carbon technologies. Additionally, paying attention to government policies and seeking relevant financial support and tax incentives can help reduce the costs of transformation.</p>
Stakeholder attention	Reputation risk	Medium and long term	Medium	<p>JD Logistics' progress in green development is highly scrutinized externally and has been included in more ESG index ratings. Its low carbon performance has become one of the most important factors for investors to evaluate the investment value of JD Logistics. In the long run, if the ESG performance of JD Logistics is poor, it might affect investors' investment willingness.</p>	<p>JD Logistics is committed to enhancing the transparency of ESG information disclosure to propel its sustainable development governance to new heights. Additionally, we will actively respond to inquiries from ESG rating agencies and regulatory bodies, demonstrating our steadfast commitment to environmental, social, and governance responsibilities.</p>

Climate Change Opportunities					
Opportunity	Type	Impact Cycle	Financial Impact	Analysis of Impact	Response
Green and low-carbon logistics services	Product and service	Short and medium term	Medium	Green logistics can reduce waste, lower costs, and cut carbon emissions. While achieving green logistics requires upfront investment, the long-term benefits far outweigh the costs. As the idea of green and low-carbon practices spreads and the demand for green transformation and development increases, customers and the public are continuously seeking environment friendly logistics services. This includes, but is not limited to, logistics service purchasing companies evaluating their suppliers' sustainability levels and environmental impacts. Achieving sustainable supply chains and green logistics can help establish new or enhance existing partnerships. Demonstrating efforts in addressing climate change and decarbonization enhances corporate social responsibility reputation. Improving energy efficiency across the entire supply chain, maximizing packaging material utilization, and reducing operational costs related to energy and packaging materials are some of the key benefits.	JD Logistics actively practices the concept of green and low-carbon initiatives. By developing clean energy, promoting low-carbon technologies and the application of new energy equipment, optimizing resource utilization, and fostering recycling, it enhances its carbon efficiency. Through initiatives like establishing intelligent and low-carbon logistics parks and increasing the proportion of new energy vehicles in the logistics fleet, JD Logistics effectively reduces carbon emissions in road transportation and product distribution processes. Furthermore, they actively construct a green value chain to help customers monitor greenhouse gas emissions digitally, achieve cost reduction, efficiency improvement, energy savings, and enhance the overall competitiveness of green logistics services.
More climate-resilient supply chains	Product and service	Medium and long term	Medium	JD Logistics is committed to building intelligent and low-carbon logistics parks, working with partners across the supply chain to achieve carbon reduction and decarbonization goals. As of the end of 2023, after the inauguration of the inaugural "carbon-neutral" logistics park, we have installed rooftop photovoltaic in 17 Asia No. 1 smart industrial parks, 2 sorting centers, 2 bulky warehouses, and 1 logistics park, with a total installed capacity of 114.48 megawatts. In 2023, the annual procurement of photovoltaic green power of 47,344.4 MWh, reducing carbon emissions by 27,000 tonnes.  JD Logistics continues to increase investments in green development funds and resources. Through the development of clean energy, promotion of low-carbon technologies, application of new energy equipment, and utilization of resources through recycling and regeneration, we effectively enhance our carbon efficiency. This strategy enhances the Company's market share and business revenue by providing a more stable climate adaptation supply chain advantage, reducing the impact of natural disasters on operations in extreme weather or disaster conditions. In the medium to long term, these strategic initiatives will positively increase our market share and business revenue.	JD Logistics establishes early warning systems, response measures and contingency plans for climate disasters with high impact. We actively link up with upstream and downstream partners in the supply chain to jointly strengthen the creation of a climate resilient supply chain.
Shifts in consumer preferences	Market	Short and medium term	Medium	With consumers' increasing environmental awareness, they are more inclined to choose eco-friendly and low-carbon logistics services. This trend requires us to focus more on environmental protection and sustainability in our operations.	JD Logistics meets consumers' environmental needs by offering green packaging and eco-friendly transportation services. Additionally, through promotional and educational activities, we raise awareness among consumers about environmentally friendly logistics and their preferences.

## Risk Management

We continue to strengthen climate change risk management by refining our climate change risk management system. This entails bolstering processes related to identifying, assessing, and managing climate risks, consolidating climate change risk response measures, proactively seizing climate change opportunities, progressively deepening quantitative analysis of climate risks, and consistently enhancing the level of climate change risk management.



## Metrics and Targets

The Company has established a series of climate management indicators and goals aligned with the TCFD framework requirements and the assessment of climate risks and opportunities. This strengthens the measurement and tracking of these indicators, aiming to fully assess and mitigate the environmental impact of the Company's operations. Through the systematic enhancement of our environmental performance, we employ various measures to help achieve climate change management goals in an organized manner, thereby enhancing the Company's climate resilience.

We are committed to disclosing annual progress on climate change-related initiatives through ESG reports. In 2023, we submitted detailed information on JD Logistics' climate strategy and performance to the Carbon Disclosure Project (CDP) for the first time, achieving a B- rating in the annual climate disclosure assessment.

Tier 1 Indicators	Tier 2 Indicators	Description of Indicators	Goals Setting
Governance goals	Improve the climate governance structure	To strengthen the supervision responsibilities of the Board of Directors of JD Logistics on the adjustment of climate-related strategies, risk determination and follow-up of targets;  To continuously improve the functions of the ESG Management Committee on the management of climate-related risks and targets and the management of greenhouse gas emissions.	The Board of Directors will consider the achievement of significant climate-related risks and carbon emission targets annually. Also, the Board listens to reports from the ESG Management Committee and management at least four times a year.
	Build a cross-sectoral synergy mechanism of climate governance	To establish cross-sectoral synergies on climate governance with key business units for promoting carbon emissions targets based on carbon emissions goal, clearly outlining the responsibilities of each department and business unit.	No later than 2024, the performance assessment indicators will be established based on the indicator system.
Strategic goals	Deepen quantitative research on climate risk of business operations	To gradually integrate the financial strain analysis of climate risks on the business, based on the ranking of climate risks.	No later than 2024, a feasibility study on financial analysis related to climate risk will be conducted.
Risk management goals	Conduct annual assessment of climate risk	To conduct an annual assessment and analysis of climate-related physical and transition risks, and form a heat map of climate risks for the current year, and gradually integrate it into the Company's risk management system	The assessment of climate risks will be carried out annually, resulting in a climate risk assessment analysis report.

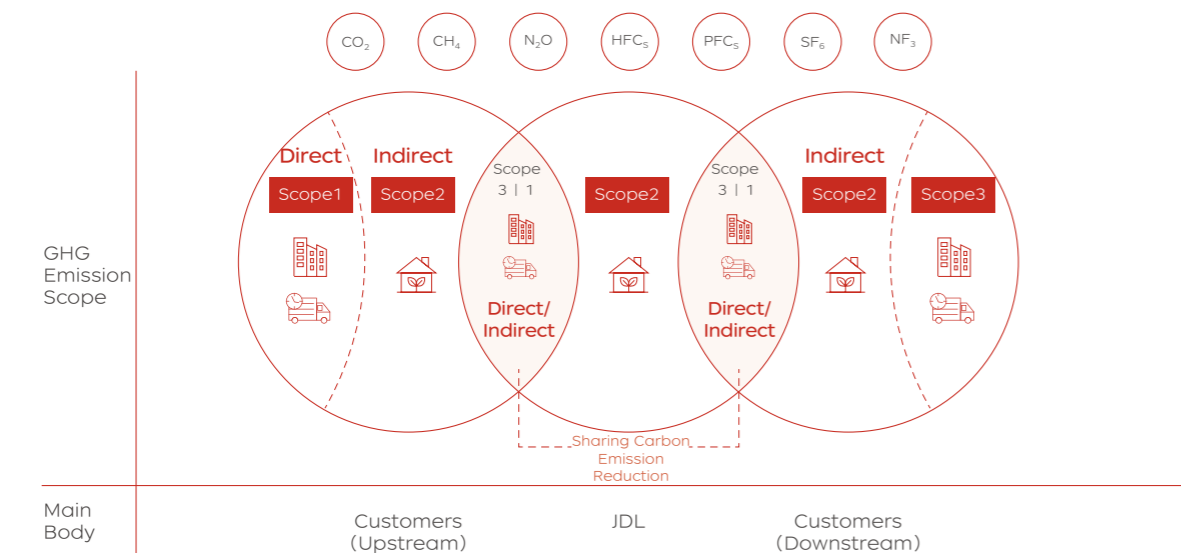
Tier 1 Indicators	Tier 2 Indicators	Description of Indicators	Goals Setting
Emission reduction goals	Implement emissions reduction practices across the entire value chain.	Scope 1:  <ul style="list-style-type: none"> <li>In transportation, to continuously increase the proportion of new energy vehicles, adopt new energy heavy trucks in the case of gradually dense highway exchange stations.</li> <li>To explore the application of hydrogen and even green hydrogen in more areas and on more routes.</li> <li>In the cold chain fugitive link, to eliminate more usage of more environmentally-friendly R22 refrigerant no later than 2025.</li> </ul>	
		Scope 2:  <ul style="list-style-type: none"> <li>In warehousing, to further improve energy efficiency through intelligent control, digital twin technology and other advanced digital means, to increase cargo turnover rate, and to optimize cargo storage and transfer path, based on the foundation of Asia No. 1 smart industrial parks.</li> <li>To improve the efficiency of electricity and heat usage in various scenarios such as offices and parks, and to gradually implement green power procurement in the provinces where each region is located, in line with the national energy transition. To increase the proportion of data centers using natural cooling sources and clean energy usage, to install distributed photovoltaic power generation systems on a large scale, to enhance energy storage and cooling capacity, and improve building layout and low energy consumption design, and to strengthen the operation and maintenance management platform.</li> <li>To fully investigate new energy electric vehicles, examine the light storage charging (swapping) integrated technology, and to promote the adoption of green power for new energy vehicles.</li> </ul>	
	Promote emission reductions in upstream and downstream of supply chains	Scope 3:  <ul style="list-style-type: none"> <li>In packaging, continuously promote the "Green Stream Initiative", and encourage the environmental certification of the original packaging of products while implementing reduced and recycled packaging materials, and to effectively promote the green and low-carbon upstream packaging process.</li> <li>To inspire suppliers' participation in setting and implementing carbon reduction targets through practical actions.</li> <li>To encourage third-party outsourced transportation suppliers to increase the percentage of use of new energy vehicles, strengthen the ledger recording of energy consumption, mileage and other data.</li> <li>To build a low-carbon logistics and transportation system adopted our self-developed logistics and transportation mobile carbon emission management platform (SCEMP), which has obtained ISO 14064-1 certification, collaborating with our suppliers and partners.</li> <li>To promote employees' awareness of green life and encourage them to choose transportation modes with lower carbon emissions to travel.</li> <li>To cultivate the concept of green consumption and recycling in society and advocate for carbon reduction actions at the consumption end.</li> </ul>	
Information disclosure goals	Enhance the management and disclosure of greenhouse gas emission data	To actively carry out a more completed carbon inventory and extend the coverage to Deppon and Kuayue Express, so as to form a unified GHG emission data management and quantification standard.	The entire scope disclosure of GHG emissions data of JD Logistics (including Deppon and Kuayue Express) should be made annually.
	Disclose TCFD reporting annually	To improve TCFD report disclosure year by year and publish TCFD report annually.	The TCFD report will be published annually, and will be perfected, enriched and deepened year by year.

# Appendix

## Sustainability Performance Table

### Greenhouse Gas Emissions<sup>1</sup>

Indicator	Data in 2022	Data in 2023	Units
Direct (Scope I) GHG emissions <sup>2</sup>	148.6	180.7	10,000 tonnes of CO <sub>2</sub> equivalent
Energy indirect (Scope II) GHG Emissions <sup>3</sup>	79.2	83.9	10,000 tonnes of CO <sub>2</sub> equivalent
Other indirect (Scope III) GHG emissions <sup>4</sup>	348.4	653.4	10,000 tonnes of CO <sub>2</sub> equivalent
Total GHG emission	576.2	918.1	10,000 tonnes of CO <sub>2</sub> equivalent
GHG intensity <sup>5</sup>	16.6	15.9	tonnes of CO <sub>2</sub> equivalent/million revenue



The Relationship between JD Logistics and Greenhouse Gas Emissions Sources of Stakeholders

### Air Pollutant Emissions<sup>1</sup>

Indicator	Data in 2022	Data in 2023	Units
Total emission of air pollution emissions <sup>6</sup>	10,288	12,043	tonnes

<sup>1</sup> The data is as at December 31, 2023 or for the year ended December 31, 2023 (as applicable) and encompasses JD Logistics and its subsidiaries and consolidated affiliated entities, including Deppon and Kuayue Express.

<sup>2</sup> The calculation path of Scope 1 emissions mainly refers to the Hong Kong Stock Exchange's Guidelines on Reporting of Environmental Key Performance Indicators and the National Development and Reform Commission's Methodology and Reporting Guidelines for Greenhouse Gas Emissions from Land-based Transportation Enterprises.

<sup>3</sup> The calculation path of Scope 2 emissions mainly refers to the Environmental Key Performance Indicators Reporting Guidelines of the Hong Kong Stock Exchange, in which the electricity emission factor is 0.5703 tCO<sub>2</sub>/MWh, which is taken from the Notice on the Management of Greenhouse Gas Emissions Reporting by Enterprises in the Power Generation Industry for 2023-2025 issued by the Ministry of Ecology and Environment of China in February 2023.

<sup>4</sup> The Calculation path of Scope 3 emissions mainly refers to the Hong Kong Stock Exchange's Guidelines on Reporting of Environmental Key Performance Indicators. The specific emission categories for Scope 3 in 2023 can be found in the attached report's Appendix - Greenhouse Gas Verification Statement. In 2022, the scope of Scope 3 emissions was limited to JD Logistics and did not include Deppon and Kuayue Express. In 2023, the scope of Scope 3 emissions includes JD Logistics, Deppon and Kuayue Express.

<sup>5</sup> The formula for greenhouse gas emission intensity is: (Scope 1 emissions + Scope 2 emissions) / Annual revenue

<sup>6</sup> The total emission of air pollution is nitrogen oxides, sulfur oxides and particulate matter, which are mainly from the use of gasoline and diesel vehicles of the Company. The pollutant emission calculation formula and emission factors refer to the Hong Kong Stock Exchange's Guidelines on Reporting of Environmental Key Performance Indicators and the National Development and Reform Commission's Greenhouse Gas Emission Accounting Methods and Reporting Guidelines for Land Transportation Enterprises (for Trial Implementation).

### Energy Consumption<sup>1</sup>

Indicator	Data in 2022	Data in 2023	Units
Gasoline consumption	8,617.2	9,849.7	10,000 liter
Diesel fuel consumption	48,486.7	57,347.9	10,000 liter
Aviation kerosene consumption <sup>7</sup>	1,116.5	15,866.8	tonnes
Natural gas consumption	238.2	153.1	10,000 m <sup>3</sup>
Total direct energy consumption	562.6	690.9	10,000 MWh
Direct energy consumption intensity	40.9	41.5	MWh/million revenue
Outsourced electricity	1,331,341	1,413,466.8	MWh
Outsourced heat	10,390	83,459.4 <sup>8</sup>	MWh
Total indirect energy consumption	134.2	149.7	10,000 MWh
Indirect energy consumption intensity	9.8	9.0	MWh/million revenue
Total energy consumption	696.7	840.6	10,000 MWh
Energy consumption intensity	50.7	50.5	MWh/million revenue

### Resource Consumption<sup>1</sup>

Indicator	Data in 2022	Data in 2023	Units
Total water consumption	315.6 <sup>9</sup>	753.11 <sup>10</sup>	10,000 tonnes
Density of water consumption	22.9	45.2	tonnes/million revenue
Total amount of packaging material used for finished products <sup>11</sup>	55.6	50.7	10,000 tonnes
Density of packaging used for finished products	93.2	73.9	grams/piece

### Waste Emissions<sup>1</sup>

Indicator	Data in 2022	Data in 2023	Units
Total hazardous waste <sup>12</sup>	20.1	18.8	tonnes
Total non-hazardous waste <sup>13</sup>	10.1	10.4	10,000 tonnes
Non-hazardous waste density	0.7	0.6	tonnes/million revenue

<sup>7</sup> The aviation kerosene data for 2022 includes operational data from October to December (3 aircraft), while the data for this year covers full-year operational data for 6 aircraft.

<sup>8</sup> In 2023, the scope and coverage of the external purchase of thermal energy data have been further expanded.

<sup>9</sup> In 2022, the water consumption calculation method is that the average daily domestic water consumption quota standard per person per shift in office buildings under the sitting shift system office is converted according to the Building Water Supply and Drainage Design Code (GB50015-2019), and the total number of employees is calculated for the official employees of JD Logistics

<sup>10</sup> In the 2023 reporting year, the total water consumption data includes operational premises.

<sup>11</sup> Finished packaging mainly contains courier envelopes, plastic film bags, plastic filling, courier boxes, transparent tape, foam boxes, winding film, woven bags.

<sup>12</sup> The hazardous waste mainly comprises waste lead-acid batteries, waste light tubes, waste toner drums and ink cartridges.

<sup>13</sup> The non-hazardous waste mainly comprises waste from daily operations.

## Employees<sup>1</sup>

Indicator		Data in 2022	Data in 2023	Units
Total number of employees		390,029	457,015	persons
By Gender	Male	319,731	377,780	persons
	Female	70,298	79,235	persons
By Age	<30	142,281	156,026	persons
	30-45	229,321	278,045	persons
	>45	18,427	22,944	persons
By employee category	Management level	/	30,622	persons
	General staff	/	426,393	persons
By Employment Type	General staff	387,854	453,599	persons
	Employees with disabilities	2,175	3,416	persons
By geographical region	Mainland China	/	456,496	persons
	Hong Kong SAR, Macao SAR, Taiwan of PRC, and Overseas regions	/	519	persons

## Proportion of Senior Management Staff<sup>1</sup>

Indicator		Data in 2022	Data in 2023	Units
Number of senior management staff	Total number of senior managers	/	545	persons
	Number of senior female managers	/	198	persons
	Number of senior male managers	/	347	persons
The percentage of senior female managers		13 <sup>14</sup>	36 <sup>15</sup>	%

<sup>14</sup> In 2022, the data scope does not include Deppon and Kuayue Express.

<sup>15</sup> In 2023, the data scope has been expanded to include Deppon and Kuayue Express.

## Employee Turnover Rate<sup>16</sup>

Indicator		Data in 2022	Data in 2023	Units
Total turnover rate		18.7	15.8	%
By gender	Male	18.0	15.7	%
	Female	22.0	16.3	%
By age	<30	25.2	20.5	%
	30-45	13.5	13.2	%
	>45	5.6	8.3	%
By geographical region	Mainland China	18.7	15.8	%
	Hong Kong SAR, Macao SAR, Taiwan of PRC, and Overseas regions	18.2	11.3	%

## Development & Training<sup>1</sup>

Indicator		Data in 2022	Data in 2023	Units
Percentage of training by gender <sup>17</sup>	Male	81	83	%
	Female	19	17	%
Percentage of training by employee category <sup>18</sup>	Management level	6	7	%
	General staff	54	48	%
	Couriers	40	45	%
Average number of hours by gender	Male	15	23	hours
	Female	19	26	hours
Average hours by employee category <sup>19</sup>	Management level	37	84	hours
	General staff	24	22	hours
	Couriers	6	22	hours

<sup>16</sup> The formula for this calculation is employee turnover ratio for each category = The number of regular workers who quit voluntarily / (total number of employees in that category who left in 2023 + total number of employees in that category at the end of 2023) \* 100.

<sup>17</sup> The calculation was optimized by following the reporting guidelines for social key performance indicators in Appendix C2 of the HKEX *How to prepare an ESG report*, where the percentage of training by gender = number of employees trained by that gender / total number of employees trained \* 100.

<sup>18</sup> This calculation was optimized by following the reporting guidelines for social key performance indicators in Appendix C2 of the HKEX *How to prepare an ESG report*, where the percentage of employees trained by employee category = the number of employees trained in that category/total number of employees trained \* 100.

<sup>19</sup> This calculation for the year is based on the average number of hours by employee category in the Social Key Performance Indicator Reporting Guidelines in Appendix C2 of the HKEX *How to prepare an ESG report*, where the average hours by employee category = total number of hours of training for that employee category / total number of employees in that employee category.

## Health & Safety<sup>1</sup>

Indicator	Data in 2021	Data in 2022	Data in 2023	Units
Number of work-related fatalities	32	35	33	persons
Work-related death rate	0.0098 <sup>20</sup>	0.0090 <sup>21</sup>	0.0072 <sup>22</sup>	/
Number of lost days due to work injury	/	51,586 <sup>23</sup>	58,196	days
Accident rate per 200,000 working hours	/	/	0.51	/

## Employee Rights and Interests<sup>24</sup>

Indicator	Data in 2022	Data in 2023	Units
Percentage of employees covered by collective bargaining agreement	100	100	%

## Health and Safety Training<sup>1</sup>

Indicator	Data in 2023	Units
Percentage of employees covered by Environmental, Health and Safety (EHS) training (EHS)	100	%
Total hours of EHS training <sup>25</sup>	5,570,061	hours
Frequency of Safety Drills	7,091	cases
Percentage of employees covered by Safety Drills <sup>26</sup>	93%	%

## Number of Suppliers<sup>1</sup>

Indicator	Data in 2022	Data in 2023	Units	
Number of suppliers	15,517	14,554	suppliers	
By geographical region	Mainland China	15,486	14,038	suppliers
	Hong Kong SAR, Macao SAR, Taiwan of PRC, and Overseas regions	31	516	suppliers
The percentage of suppliers implementing the supplier compliance management system	100	100	%	

<sup>20</sup> The rate of work-related deaths in 2021 is calculated as the number of work-related deaths in 2021 / (full-time employees + part-time employees).

<sup>21</sup> The rate of work-related deaths in 2022 is calculated as the number of work-related deaths in 2022 / the total number of employees.

<sup>22</sup> The rate of work-related deaths in 2023 is calculated as the number of work-related deaths in 2023 / the total number of employees.

<sup>23</sup> The statistical scope in 2022 included into the full-year data of Kuayue Express and the data of Deppon from July 26, 2022 to December 31, 2022.

<sup>24</sup> The statistical scope of the data does not include Deppon and Kuayue Express.

<sup>25</sup> The scope of data for this year has been further expanded to include full-year data for Deppon and Kuayue Express.

<sup>26</sup> In 2023, the data scope has been expanded to include Deppon and Kuayue Express.

## Product Responsibility<sup>27</sup>

Indicator	Data in 2022	Data in 2023	Units
Number of complaint handling centers	7	8	units
Number of complaints about products and services <sup>28</sup>	11,378 <sup>29</sup>	11,931 <sup>30</sup>	cases
Response rate of complaints	100	100	%
Complaint resolution rate	98	98.4	%
Complaint handling satisfaction	96	98.1	%

## Anti-Corruption<sup>1</sup>

Indicator	Data in 2022	Data in 2023	Units
The number and outcome of corruption cases brought and concluded against the company or its staff	15	13	cases
Number of cases in which employees were fired or disciplined for corruption	178	130	cases
The concluded corruption cases involved in the company	0	0	cases

## Anti-Corruption Training<sup>1</sup>

Indicator	Data in 2023	Units
Percentage of employees who have received anti-corruption training	100	%
Number of employees who have received anti-corruption training	661,718	Person times

## Community Investment<sup>31</sup>

Indicator	Data in 2022	Data in 2023	Units
Value of monetary donations	500,000	475,859	RMB
Value of physical donations	/	150,000	RMB
Time of employees' volunteering	6,360	11,233	hours

<sup>27</sup> The statistical scope of the data does not include Deppon and Kuayue Express.

<sup>28</sup> The data of complaints about products and services were obtained from the number of valid complaints on the complaint service platform of the State Post Bureau.

<sup>29</sup> The statistical scope in 2022 included the full-year data of Kuayue Express and the data of Deppon from July 26, 2022 to December 31, 2022.

<sup>30</sup> In 2023, the data scope has been expanded to include Deppon and Kuayue Express.

<sup>31</sup> The statistical scope of the data does not include Deppon and Kuayue Express.



## Relevant Content Index

### GRI Content Index

Number	Category	Reporting Section
GRI 1	Foundation	Report Profile
GRI 2	General Disclosures	Report Profile About JD Logistics Strategy and Management Independent Assurance Report
GRI 3	Material Topics	Strategy and Management
GRI 201	Economic Performance	About JD Logistics Delivering Full-Chain Services to All Sectors Linking Regional and Local Economy Empower Companies for Mutual Growth Unblocking Rural Logistics Networks
GRI 202	Market Presence	About JD Logistics Delivering Full-Chain Services to All Sectors Linking Regional and Local Economy Empower Companies for Mutual Growth Unblocking Rural Logistics Networks
GRI 203	Indirect Economic Impacts	About JD Logistics Delivering Full-Chain Services to All Sectors Linking Regional and Local Economy Empower Companies for Mutual Growth Unblocking Rural Logistics Networks
GRI 204	Procurement Practices	Together for Common Development Sustainability Performance Table
GRI 205	Anti-corruption	Compliance Management Sustainability Performance Table
GRI 206	Anti-competitive Behavior	Compliance Management
GRI 207	Tax	Compliance Management
GRI 301	Materials	Reducing Business Impacts on Environment Sustainability Performance Table
GRI 302	Energy	Leading Green Logistics Reducing Business Impacts on Environment Sustainability Performance Table
GRI 303	Water and Effluents	Reducing Business Impacts on Environment Sustainability Performance Table
GRI 304	Biodiversity	Promoting Green and Low-carbon Concept

Number	Category	Reporting Section
GRI 305	Emissions	Reducing Business Impacts on Environment Sustainability Performance Table
GRI 306	Waste	Reducing Business Impacts on Environment Sustainability Performance Table
GRI 308	Supplier Environmental Assessment	Together for Common Development Sustainability Performance Table
GRI 401	Employment	Supporting Employees for a Happy Life Sustainability Performance Table
GRI 402	Labor/Management Relations	Supporting Employees for a Happy Life Sustainability Performance Table
GRI 403	Occupational Health and Safety	Safeguarding the Health and Safety of Frontline Staff Sustainability Performance Table
GRI 404	Training and Education	Supporting Employees for a Happy Life Sustainability Performance Table
GRI 405	Diversity and Equal Opportunity	Supporting Employees for a Happy Life Sustainability Performance Table
GRI 406	Non-discrimination	Supporting Employees for a Happy Life
GRI 407	Freedom of Association and Collective Bargaining	Supporting Employees for a Happy Life Sustainability Performance Table
GRI 408	Child Labor	Supporting Employees for a Happy Life
GRI 409	Forced or Compulsory Labor	Supporting Employees for a Happy Life
GRI 410	Security Practices	Safeguarding the Health and Safety of Frontline Staff Sustainability Performance Table
GRI 411	Rights of Indigenous Peoples	Unblocking Rural Logistics Networks Building a Mutually Beneficial and Better Society Together Sustainability Performance Table
GRI 413	Local Communities	Unblocking Rural Logistics Networks Bringing More Convenience to Daily Life Building a Mutually Beneficial and Better Society Together Sustainability Performance Table
GRI 414	Supplier Social Assessment	Together for Common Development Sustainability Performance Table
GRI 415	Public Policy	Unblocking Rural Logistics Networks
GRI 416	Customer Health and Safety	Creating High-quality Service Experience
GRI 417	Marketing and Labelling	Creating High-quality Service Experience
GRI 418	Customer Privacy	Information Security Management

## HKEX ESG Content Index

### A. Environmental

General Disclosure and KPI	Discription		Related Chapters
<b>Aspect A1: Emissions</b>			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.		Improving Environmental Management System Reducing Business Impacts on Environment
KPI	A1.1	The types of emissions and respective emissions data.	Sustainability Performance Table
	A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Sustainability Performance Table
	A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Sustainability Performance Table
	A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Sustainability Performance Table
	A1.5	Description of emissions target(s) set and steps taken to achieve them.	Improving Environmental Management System Leading Green Logistics Reducing Business Impacts on Environment
	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.	Reducing Business Impacts on Environment
<b>Aspect A2: Use of Resources</b>			
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.		Reducing Business Impacts on Environment
KPI	A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	Sustainability Performance Table
	A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Sustainability Performance Table
	A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Leading Green Logistics Reducing Business Impacts on Environment

General Disclosure and KPI	Discription		Related Chapters
	A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Reducing Business Impacts on Environment
	A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Sustainability Performance Table
<b>Aspect A3: The Environment and Natural Resources</b>			
General Disclosure	Policies on minimising the issuer's significant impacts on the environment and natural resources.		Improving Environmental Management System Reducing Business Impacts on Environment
KPI	A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Improving Environmental Management System Reducing Business Impacts on Environment
<b>Aspect A4: Climate Change</b>			
General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.		Improving Environmental Management System Reducing Business Impacts on Environment TCFD Report on Climate-Related Financial Information Disclosure
KPI	A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	Improving Environmental Management System Reducing Business Impacts on Environment TCFD Report on Climate-Related Financial Information Disclosure

### B. Social

General Disclosure and KPI	Discription		Related Chapters
<b>Aspect B1: Employment</b>			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and egulations 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.		Supporting Employees for a Happy Life
KPI	B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	Sustainability Performance Table
	B1.2	Employee turnover rate by gender, age group and geographical region.	Sustainability Performance Table
<b>Aspect B2: Health and Safety</b>			
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.		Safeguarding the Health and Safety of Frontline Staff

General Disclosure and KPI	Discription		Related Chapters
KPI	B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Sustainability Performance Table
	B2.2	Lost days due to work injury.	Sustainability Performance Table
	B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Safeguarding the Health and Safety of Frontline Staff
<b>Aspect B3: Description of occupational health and safety measures adopted, and how they are implemented and monitored.</b>			
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.		Supporting Employees for a Happy Life
KPI	B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Sustainability Performance Table
	B3.2	The average training hours completed per employee by gender and employee category.	Sustainability Performance Table
<b>Aspect B4: Labour Standards</b>			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.		Supporting Employees for a Happy Life
KPI	B4.1	Description of measures to review employment practices to avoid child and forced labour.	Supporting Employees for a Happy Life
	B4.2	Description of steps taken to eliminate such practices when discovered.	Supporting Employees for a Happy Life
<b>Aspect B5: Supply Chain Management</b>			
General Disclosure	Policies on managing environmental and social risks of the supply chain.		Together for Common Development
KPI	B5.1	Number of suppliers by geographical region.	Sustainability Performance Table
	B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Together for Common Development Sustainability Performance Table
	B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Together for Common Development
	B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Together for Common Development

General Disclosure and KPI	Discription		Related Chapters
<b>Aspect B6: Product Responsibility</b>			
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.		Information Security Management
KPI	B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Not Applicable <sup>32</sup>
	B6.2	related complaints received and how they are dealt with.	Sustainability Performance Table Creating High-quality Service Experience
	B6.3	Description of practices relating to observing and protecting intellectual property rights.	Information Security Management
	B6.4	Description of quality assurance process and recall procedures.	Not Applicable <sup>33</sup>
	B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored	Information Security Management
<b>Aspect B7: Anti-corruption</b>			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.		Compliance Management
KPI	B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	Sustainability Performance Table
	B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and	Compliance Management
	B7.3	Description of anti-corruption training provided to directors and staff.	Compliance Management Sustainability Performance Table
<b>Aspect B8: Community Investment</b>			
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.		Building a Mutually Beneficial and Better Society Together
KPI	B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Building a Mutually Beneficial and Better Society Together
	B8.2	Resources contributed (e.g. money or time) to the focus area.	Sustainability Performance Table

<sup>32</sup> JD Logistics is a supply chain solutions and logistics services provider, so it does not pertain to issues related to products sold or shipped.

<sup>33</sup> JD Logistics is a supply chain solutions and logistics services provider, so it does not pertain to issues related to quality assurance process and recall procedures.

# Independent Assurance Report



Bureau Veritas Certification

## INDEPENDENT ASSURANCE STATEMENT

### Introduction and objectives of work

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

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

### Scope of work

JDL requested Bureau Veritas to verify the accuracy and reliability of the following:

- Data and information included in the Report for the reporting period from 2023.1.1 to 2023.12.31 regarding JDL's corporate governance activities;
- Appropriateness and robustness of underlying reporting systems and processes, used to collect, analyse and review the information reported.
- The verification site is the headquarters of JDL and Deppon, with sampling sites covering several logistics parks, transfer centers, sorting centers, and express delivery service stations of JDL, Deppon, and Kuayue Express. Bureau Veritas obtained the information related to JDL required for the verification.

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

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

### Methodology

Bureau Veritas undertook the following activities:

- Site Visit of JDL head office and sampled branches.
- Interviews with relevant personnel of JDL;
- Review of documentary evidence produced by JDL;
- Evaluation of information against GRI standard principles i.e. objectivity, materiality and completeness;
- Verify sampled performance data;
- Review of JDL systems for data and information collection, aggregation, analysis and review.

### Level of assurance:

Reasonable.

Our work was conducted against Bureau Veritas' standard procedures and guidelines for external assurance of ESG reports, based on current best practice in independent assurance. For this assignment, we have used the International Standard on Assurance Engagements AA1000&ISAE3000 (Revised), Assurance Engagements other than Audits or Reviews of Historical Financial Information of the International Auditing and Assurance Standards Board and the Global Reporting Initiative Standards (GRI Standards) issued by the Global Sustainability Standards Board.



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The work was planned and carried out to provide reasonable, rather than absolute assurance and we believe it provides a reasonable basis for our conclusion.

### Our findings

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

- The information and data included in the scope of our assurance are accurate, reliable and free from material mistake or misstatement;
- The information is presented in a clear, understandable and accessible manner;
- The Report provides a fair and balanced representation of activities during the assurance period described in the scope of work;
- JDL has established appropriate systems for the collection, aggregation and analysis of relevant information.

### Additional commentary

#### Objectivity

JDL uses information systems to collect operation, HR, safety and environmental data. Through on-site verification, the evidence provided by JDL is reliable and traceable.

#### Materiality

JDL identified and disclosed key ESG issues and relative information according to the GRI Standards, the ESG Reporting Guide 2.0 issued by NASDAQ, the Environmental, Social and Governance Reporting Guide issued by Hong Kong Exchanges and Clearing Limited, and the Task Force on Climate-Related Financial Disclosures (TCFD) recommendations issued by the TCFD.

#### Completeness

The Report covered JD Logistics, Inc. and its wholly owned and holding subsidiaries. It focuses on "Integrating Digital Technology and Reality, Rooted in High-Quality Development", "Integrating Green Chains and Building a Community with a Shared Future for Mankind", "Integrating Shared Values, Building a Responsible Supply Chain", "Pursuing Sound Business Ethics and Creating Sustainable Social Values" and disclosure corporate social responsibility management, environmental responsibility, economic responsibility, and community responsibility for issues concerned by stakeholders.

#### Statement of independence, impartiality and competence

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

General manager, Certification, I&F China  
Bureau Veritas I&F China  
2024-04-08

Pin Tian  
Assurance Team Leader  
Bureau Veritas I&F China  
2024-04-08





**JDL** 京东物流



JD Logistics ESG Official Website