



# DINGDANG HEALTH TECHNOLOGY GROUP LTD.

## 叮噹健康科技集團有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 09886



# 2024

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

# Content

|  |    |
|--|----|
| About this Report                                      | 2  |
| Board Statement  | 3  |
| 1 Corporate Governance                                 | 4  |
| 1.1 Compliance and Internal Control                    | 4  |
| 1.2 Business Ethics and Anti-Corruption                | 4  |
| 1.3 ESG Management                                     | 5  |
| 2 Health Protection                                    | 11 |
| 2.1 Product Quality and Safety                         | 11 |
| 2.2 Optimizing Customer Service Experience             | 15 |
| 2.3 Innovation, Research and Development               | 21 |
| 3 Talent Development                                   | 25 |
| 3.1 Compliance With Employment                         | 25 |
| 3.2 Remuneration and Benefits                          | 27 |
| 3.3 Health and Safety                                  | 30 |
| 3.4 Training and Development                           | 30 |
| 4 Green Development                                    | 34 |
| 4.1 Addressing Climate Change                          | 34 |
| 4.2 Emissions Management                               | 39 |
| 4.3 Resource Management                                | 40 |
| 5 Win-win Cooperation with Partners                    | 43 |
| 5.1 Supply Chain Management                            | 43 |
| 5.2 Promoting Industry Development                     | 45 |
| 5.3 Public Welfare and Charity                         | 47 |
| Appendix   | 50 |
| Appendix 1 Key Performance Table                       | 50 |
| Appendix 2 HKEX <i>ESG Reporting Guide</i> Index Table | 53 |



# ABOUT THIS REPORT

This is the third environmental, social and governance (ESG) report issued by Dingdang Health Technology Group Ltd. It focuses on the disclosure of the management measures, key practices and results of the Company and its subsidiaries in respect of ESG.

## TIME SCOPE

This report is an annual report covering the period from January 1, 2024 to December 31, 2024, and some contents are beyond the above scope.

## REPORTING BOUNDARY

The main body of this report is Dingdang Health Technology Group Ltd., which covers all the subsidiaries and consolidated affiliated entities of the Company.

## PREPARATION BASIS

This report has been prepared with reference to the United Nations Sustainable Development Goals (SDGs), the *GRI Sustainability Reporting Standards (GRI Standards)* issued by the Global Sustainability Standards Board (GSSB) and the *Environmental, Social and Governance Reporting Code* as set out in Appendix C2 to the *Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited*. The four principles of materiality, quantitative, balance and consistency are taken into account for information disclosure.

## SOURCE OF INFORMATION

The information and data in this report are mainly derived from the Company's internal official documents, internal statistics and relevant public information. Unless otherwise specified, the currency amount involved in this report is denominated in RMB.

## REPRESENTATION

For ease of reference, the designations of "Dingdang Health", "the Company" and "we" in this report all represent Dingdang Health Technology Group Ltd.

## ACCESS TO THE REPORT

This report is published in electronic version. Available for browsing and downloading through the following channels:

- Dingdang Health's official website: <https://www.ddjkt.com>
- Website of the Hong Kong Stock Exchange: [www.hkex.com.hk](http://www.hkex.com.hk)

## CONTACT US

If you have any questions or feedback on this report and its contents, please contact us through the following methods:

- Email: [ir@ddky.com](mailto:ir@ddky.com)
- Address: Unit 703, 7/F, Empire Centre, 68 Mody Road, Tsim Sha Tsui, Kowloon, Hong Kong

Dingdang Health is committed to integrating environmental, social, and governance (ESG) factors into the Company's strategy, operations, and decision-making. In compliance with the Hong Kong Stock Exchange's *Environmental, Social, and Governance (ESG) Reporting Code*, the Company strengthens the Board's supervision and involvement in ESG matters. As the highest decision-making body for ESG affairs, the Board is responsible for reviewing and establishing the Company's ESG goals, strategies, and management policies, reviewing the annual ESG materiality analysis results and the ESG report, regularly organizing relevant meetings, and overseeing the progress of achieving the Company's ESG objectives. Board members actively participate in ESG-related training to enhance their ESG management capabilities.

The Company's management places high importance on the identification and management of ESG and climate change-related risks and opportunities. In line with macro policies, regulatory requirements, and industry-specific ESG and climate change priorities, the Company's management proactively analyzes and identifies material issues and associated risks and opportunities. It evaluates the actual and potential impact of these issues on business development and strategic planning in the short, medium, and long term, and develops countermeasures. It also determines the prioritization of ESG issues, which serves as a basis for ESG disclosure and management focus.

This report thoroughly discloses Dingdang Health's progress and achievements in ESG in 2024, which has been reviewed and approved by the Board. Moving forward, we will continue to deepen our ESG efforts and promote the Company's sustainable development.

# 1 Corporate Governance

## 1.1 COMPLIANCE AND INTERNAL CONTROL

The Company strictly adheres to the *Company Law of the People's Republic of China*, the *Securities Law of the People's Republic of China*, the *Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited*, the *Corporate Governance Code*, and other relevant laws, regulations, and normative documents. We continuously improve our compliance management system to ensure comprehensive compliance with business operations. The Company continues to refine its risk management policies, and identifies and manages risks in line with industry trends and business realities. In 2024, we further updated policy documents such as the *Internal Audit Penalty Management Regulations* and the *Audit Inspection Report Application Regulations*, to establish an effective, independent, and objective supervision and evaluation mechanism, which provides solid support for the Company's steady development.

We actively cultivate a culture of compliance and continue to enhance employees' awareness of law and regulation compliance. The Company, in 2024, conducted training sessions on relevant laws and regulations, such as *Contract Risk Management*, using actual case analysis. This training further emphasized the importance of emergency response and compliance procedures, creating a company-wide atmosphere of compliance.

## 1.2 BUSINESS ETHICS AND ANTI-CORRUPTION

The Company abides by the *Anti-Monopoly Law of the People's Republic of China*, the *Anti-Unfair Competition Law of the People's Republic of China* and other relevant laws and regulations, constantly improves its business ethics management system, and eliminates violations of business ethics such as bribery, fraud and extortion. The Company established the *Management Regulations on Contract Review*, and added anti-commercial bribery clauses in agreements related to external cooperation to prevent any possible corruption in business. In 2024, the Company had no corruption lawsuits.

The Company established and follows internal policies such as the *Complaint and Whistle-blowing Management Regulations*. In 2024, the Company optimized and revised the *Supervision and Complaint Whistleblowing Reward Management Measures*, and further improved the complaint and whistleblowing management and handling processes. Public channels such as email and telephone, as well as a reward-based whistleblowing mechanism, have been established to encourage employees and partners to actively participate in integrity supervision.

The Company actively protects the legitimate rights and interests of whistleblowers, ensures strict confidentiality of their personal information and related materials, and firmly prohibits any form of retaliation. For the received whistleblowing information, the Company will form an investigation team in accordance with the *Complaint and Whistle-blowing Management Regulations*, conduct timely investigations, and reward whistleblowers based on the validity of the information provided, the nature of the case, and the severity of the issue. For malicious or false whistleblowing, appropriate measures will be taken depending on the circumstances, and in serious cases, the matter will be handed over to the judicial authorities for legal processing.

The Company actively cultivates a culture of integrity. We regularly publish related integrity articles through our official WeChat account to raise awareness and organize diverse business ethics and anti-corruption training activities. In 2024, we conducted a series of offline business ethics and integrity compliance education and training sessions across subsidiaries nationwide, helping employees enhance their awareness of integrity. A total of 110 participants took part in the training, which totaled 1,540 hours.

| Indicator  | Unit        | 2024  |
|--|-------------|-------|
| Management participation in anti-corruption training                         | Participant | 25    |
| Total training hours of management participation in anti-corruption training | Hour        | 350   |
| Employees participation in anti-corruption training                          | Participant | 85    |
| Total training hours of employees participation in anti-corruption training  | Hour        | 1,190 |

## 1.3 ESG MANAGEMENT

Dingdang Health continuously optimizes its ESG management mechanisms, enhances its ESG management capabilities, and promotes the integration of sustainable development concepts into the Company's business operations. The Company actively responds to the concerns and expectations of stakeholders.

### 1.3.1 ESG Governance Structure

Dingdang Health constantly optimizes the ESG management system and clarifies the functions and responsibilities of departments at all levels to ensure the effective implementation of ESG work. The Board of the Company, together with the executive Directors and vice presidents, are jointly responsible for the supervision and decision-making of the Company's ESG work. The Board is responsible for considering and formulating the Company's ESG objectives, strategies, management policies and annual ESG reports. All departments actively collaborate for the implementation of ESG work arrangements and regularly report ESG-related information.

### 1.3.2 Communication with Stakeholders

To meet the expectations and demands of various stakeholders, the Company is committed to establishing an efficient stakeholder communication mechanism. By leveraging diverse engagement channels and flexible interaction methods, we actively respond to key areas of concern.

# 1 Corporate Governance

| Stakeholders                      | Expectations and demands   | Communication and response methods   |
|-----------------------------------|--|--|
| Government/regulatory authorities | <ul style="list-style-type: none"> <li>• Compliance operations</li> <li>• Responsible governance</li> <li>• Public welfare and charity</li> <li>• Inclusive healthcare</li> <li>• Addressing climate change</li> </ul>   | <ul style="list-style-type: none"> <li>• Government department visits</li> <li>• Regular reporting and communication</li> <li>• Visits and investigation</li> <li>• Cooperation with regulatory supervision</li> <li>• Public welfare and charity activities</li> </ul>                        |
| Shareholders/investors            | <ul style="list-style-type: none"> <li>• Risk management</li> <li>• Compliance operations</li> <li>• Business ethics and anti-corruption</li> <li>• Sustainable and stable economic returns</li> </ul>   | <ul style="list-style-type: none"> <li>• Convening general meetings</li> <li>• Holding investor communication meetings</li> <li>• Disclosure of operating information in accordance with the requirements of the <i>Listing Rules</i></li> <li>• Company visits</li> </ul>                     |
| Consumers                         | <ul style="list-style-type: none"> <li>• Product quality and safety</li> <li>• Enhancing customer service quality</li> <li>• Responsible marketing and promotion</li> <li>• Customer privacy and information security</li> <li>• Inclusive healthcare</li> </ul> | <ul style="list-style-type: none"> <li>• 7 × 24-hour customer service</li> <li>• Telephone, online communication platforms, official WeChat account, and email</li> <li>• Customer satisfaction survey</li> <li>• Dingdang Drug Express App</li> <li>• Dingdang Health mini program</li> </ul> |
| Employees                         | <ul style="list-style-type: none"> <li>• Compliant employment</li> <li>• Equality and diversity</li> <li>• Employee remuneration and benefits</li> <li>• Employee training and development</li> <li>• Occupational health and safety</li> </ul>                  | <ul style="list-style-type: none"> <li>• Management seminars</li> <li>• Employee mailbox</li> <li>• Dingdang Group Complaints and Reporting Platform</li> <li>• Online and offline research</li> <li>• Employee training activities</li> </ul>   |

| Stakeholders             | Expectations and demands   | Communication and response methods  |
|--------------------------|--|---|
| Community public welfare | <ul style="list-style-type: none"> <li>Promoting public health awareness</li> <li>Public welfare and charity</li> <li>Use of resources</li> <li>Addressing climate change</li> <li>Emissions management</li> </ul> | <ul style="list-style-type: none"> <li>Official website</li> <li>Social media</li> <li>Public welfare and charity activities</li> <li>Volunteer activities</li> </ul>         |
| Suppliers/partners       | <ul style="list-style-type: none"> <li>Promoting industry development</li> <li>Supply chain management</li> <li>R&amp;D and innovation</li> <li>Product Quality and Safety</li> </ul>                              | <ul style="list-style-type: none"> <li>Daily procurement and evaluation</li> <li>Online and offline exchange and sharing</li> <li>Regular visits and communication</li> </ul> |
| Industry associations    | <ul style="list-style-type: none"> <li>Promoting industry development</li> <li>R&amp;D and innovation</li> </ul>   | <ul style="list-style-type: none"> <li>Industry forums and events</li> </ul>  |

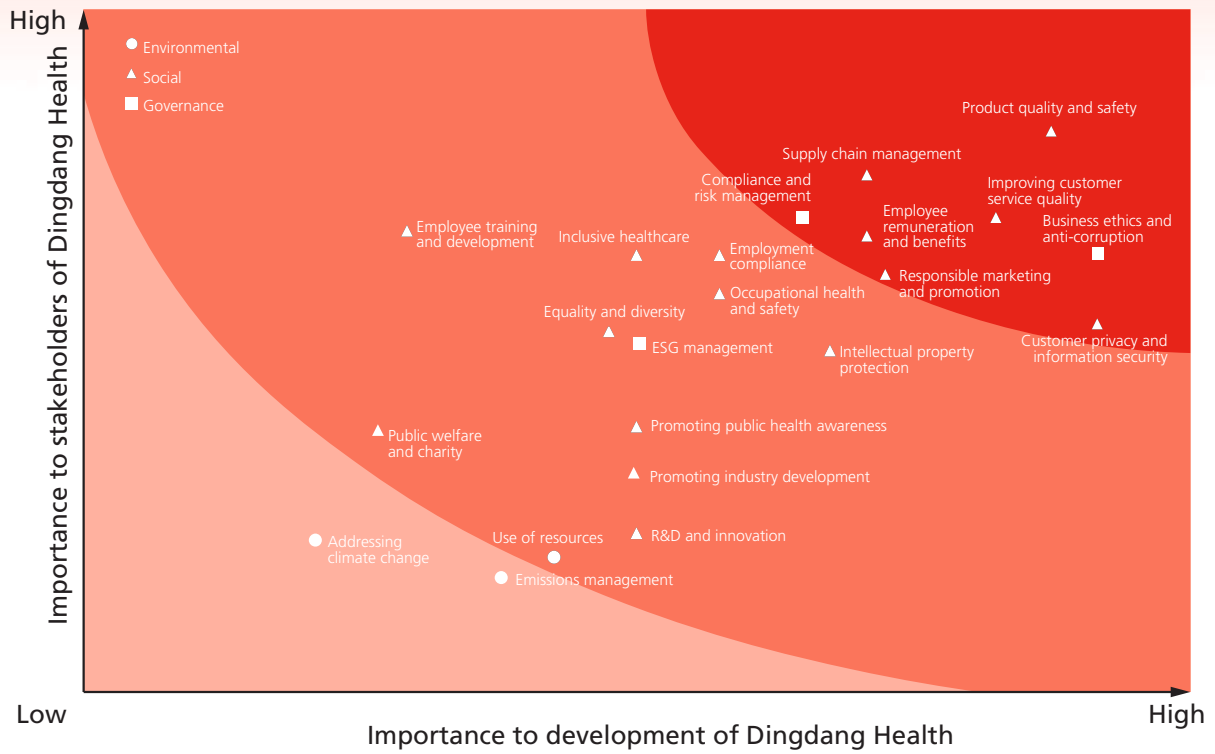
## 1.3.3 Identification of Material Issues

Dingdang Health carried out industry benchmarking analysis in accordance with the Hong Kong Stock Exchange's *Environmental, Social and Governance Reporting Code*, the national policy trends, industry development trends, and the focus of ESG rating in the capital market. Dingdang Health screened and updated its list of material ESG issues for the year 2024, considering its own business development and strategic layout. By soliciting suggestions from both internal and external stakeholders, the material issues are analyzed and prioritized from two dimensions: "Importance to development of Dingdang Health" and "Importance to stakeholders of Dingdang Health". This forms the basis for determining Dingdang Health 2024 ESG Issues Materiality Assessment Matrix.



# 1 Corporate Governance

Dingdang Health 2024 ESG Issues Materiality Assessment Matrix



### 1.3.4 Honors and Awards

- Digital Pioneer Award by Cailianpress.com
- Social Responsibility Pioneer Enterprise Award by Cailianpress.com
- Most Investment-Value Award by Cailianpress.com
- Most Promising Listed Company by Chinese Venture
- Top 100 Pharmaceutical Retail Enterprises by CPEO in 2024
- Top 10 Chinese Healthy Industry New Productivity Representative Enterprises in 2024
- Social Responsibility (S) Pioneer Enterprise Award by Cailianpress.com
- 2024 China New Retail Practice Model Award by iMedia Research
- 2024 New Consumption Innovation Case Award by Xinhua Net

## 1 Corporate Governance



### 2.1 PRODUCT QUALITY AND SAFETY

#### 2.1.1 Product Quality Management

To effectively control the quality and safety of the four types of products operated by the Company—drugs, medical devices, cosmetics, and food—Dingdang Health strictly adheres to relevant laws and regulations, including the *Product Quality Law of the People's Republic of China*, the *Drug Administration Law of the People's Republic of China*, the *Food Safety Law of the People's Republic of China*, the *Administrative Standard of Pharmaceutical Operating Quality*, the *Regulation on Supervision and Administration of Medical Devices*, and the *Regulations on the Supervision and Administration of Cosmetics*. The Company has established the *Platform Pharmaceutical Quality and Safety Management Policy*, the *Regulations on Quality Safety Monitoring* of medical devices, the *Third-party Platform Cosmetics Inspection Management Standards*, and the *Food Safety Self-Inspection Management Standards*, among other management policies and standards. Meanwhile, it has set up a quality and safety management organization for Dingdang Drug Express and built a sound product quality management system. In 2024, Dingdang Drug Express obtained the ISO 9001 Quality Management System Certification.



Photo: The ISO 9001 Quality Management System Certification for Dingdang Drug Express

## 2 Health Protection

In 2024, the Company revised the policies related to drug e-commerce transaction quality management in accordance with the *Drug E-commerce Third-party Platform Inspection Guidelines (Trial)* issued by the National Medical Products Administration. The Company established and improved a traceable quality control system and developed multistep, full-process pharmaceutical management procedures and quality inspection procedures covering procurement, warehousing, inventory, outbound, and delivery. These measures ensure the quality and safety of products.

### Dingdang Health Full-process Drug Management

- **Drug procurement:** The Company revised the *Review Management System for Entrusted Distribution Enterprise, New Cooperative Enterprise and Newly Introduced Products, and Initial Products* to strictly review the qualifications and quality management of pharmaceutical suppliers and entrusted distribution enterprises that cooperate with the Company for the first time. The Company signs a *Quality Assurance Agreement* with these entities to effectively select qualified pharmaceutical products, suppliers, and distribution enterprises, ensuring a 100% review coverage rate. For newly introduced pharmaceutical products, the Company establishes a quality file for each product, tracks the quality status of all steps, and only allows the products to become eligible for sale after the observation period if no quality issues are found. For pharmaceutical distribution enterprises, the Company evaluates their quality management capabilities and quality risks through on-site inspections to ensure the safety and quality of products during the delivery process.
- **Drug warehousing:** We establish business premises and warehouses in line with the business scope and scale of operation of drugs, and entrust qualified enterprises to distribute drugs that have no warehouse in place; acceptance checks are conducted on incoming drugs in accordance with the prescribed procedures and requirements to prevent unqualified drugs from being put into storage.
- **Drug storage:** We conduct regular calibration of measuring instruments and verification of temperature and humidity monitoring equipment in strict compliance with national regulations; reasonably store and maintain the drugs on schedule according to the quality characteristics of the drugs.
- **Drug outbound:** We refine the compliance control of outbound review to ensure the quality of goods to the maximum extent through strict supervision requirements.
- **Drug transportation:** We strictly implement the transportation operating procedures and ensure the quality and safety of drugs during transportation.
- **After-sales drug recall:** The Company revised the *Management System for Drug Recalls* to promptly recall sold drugs with quality issues and report to drug supervision and administration departments. We assist drug manufacturers in performing recall obligations, control and recall drugs with potential safety hazards, and establish drug recall records.
- **Unqualified drugs disposal:** The Company revised the *Management System for the Treatment of Unqualified Drugs*, unified the relevant personnel for destruction of unqualified drugs, and filled in the *Drug Destruction Record* in time. Quality analysis meetings on unqualified drugs were held to analyze the reasons, and formulated and implemented corrective and preventive measures for unqualified drugs.

### 2.1.2 Standardized Management of Merchants

Dingdang Health continues to standardize the quality management of platform merchants. For the four types of products – drugs, medical devices, cosmetics, and food – the Company has developed and improved multiple management policies and standards, including the *Management Standards for Verification and Registration of Merchants on the Platform*, the *Quality Safety Information Announcement Regulations*, the *Third-party Platform Cosmetics Adverse Reaction Reporting Management Standards*, and the *Food Safety Self-Inspection Management Standards*. The Company strictly requires platform merchants to implement verification and registration, disclosure of quality safety information, quality safety inspections, and adverse reaction reporting.

The Company conducts special inspections, routine checks, and quality patrols on the products of platform merchants, and uses the platform system to achieve dynamic quality tracking management. It automates the management and reminders of update of merchant qualifications and other details, and continuously standardizes product quality inspection and monitoring.

In 2024, Dingdang Health organized multiple product quality training sessions, inviting external experts to promote and explain laws and regulations to employees and merchants, ensuring that their business activities comply with national and corporate quality standards.

#### [Case] Dingdang Health Holds a Drug Quality Training Session

In January 2024, the Company organized a training session on the *Pharmaceutical Business and Use Quality Supervision Management Measures* and professional drug knowledge. This training focused on professional knowledge related to drug quality and invited experts from the National Medical Products Administration to give lectures. The session covered 64 participants, including e-commerce platform staff, quality managers from city chain headquarters, and platform merchants. After the training, all participants met the passing standards in the related assessment.

## 2 Health Protection

### 2.1.3 Standardized Management of Doctors and Pharmacists

Dingdang Health has built a professional team consisting of full-time, part-time, and external doctors, pharmacists, and other medical professionals from various specialties. The team provides online health consultations and medication guidance services covering diseases such as dermatology, respiratory system diseases, gastrointestinal diseases, and chronic diseases, helping users understand drug side effects, ensuring medication safety, and providing guidance on rational medication use.

The Company implements a strict doctor and pharmacist access and service quality assessment policy. Internal policies such as the *Platform Prescription Drug Sales Management Policy* and the *Platform Customer Service Management Policy* have been established to detail the duties and requirements of doctors and pharmacists. The Company continuously improves the service quality and standards of doctors and pharmacists. New doctors and pharmacists must undergo training in service awareness, medical professional knowledge, and system operations, and pass quality control and performance assessments. In routine work, the quality control team conducts random checks and assessments of the professional skills and service quality of doctors and pharmacists to ensure service quality. For any identified issues, the Company will immediately take measures such as performance deductions and targeted re-training to ensure the quality and professionalism of the service team.

### 2.1.4 Product Recall and Disposal

In order to ensure drug use safety of the public, Dingdang Health has revised its *Management System for Drug Recalls* in accordance with the *Management Measures for Drug Recalls* of the National Medical Products Administration, to clarify the drug recall process. According to the seriousness of the potential drug safety hazards, drug recalls are categorized into Class I, Class II and Class III, and are handled in strict accordance with the recall procedures to ensure that the recalls are carried out effectively. In 2024, there was no product recall due to safety and health issues.

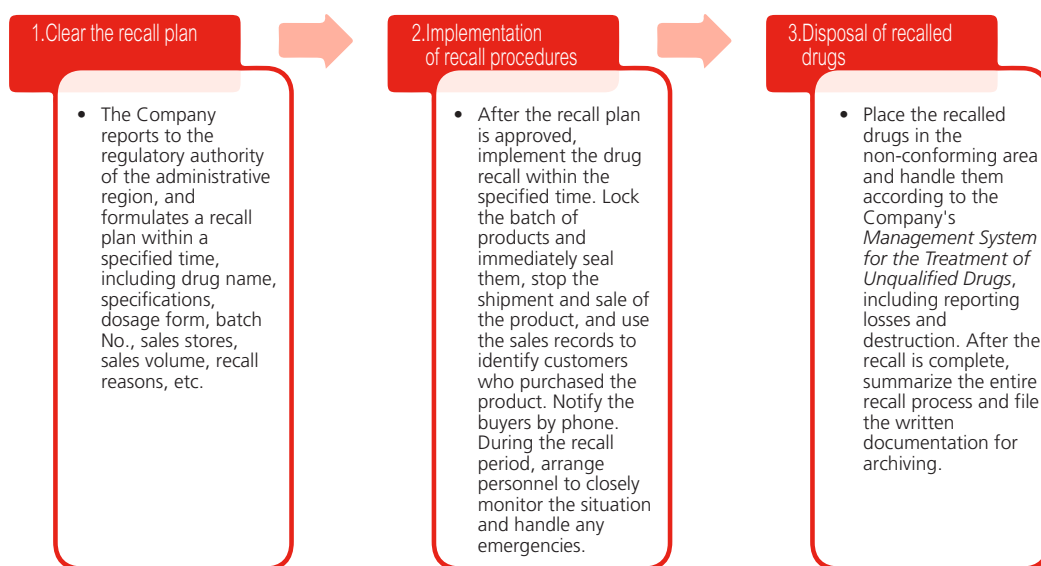


Figure: Drug Recall Procedure

## 2.2 OPTIMIZING CUSTOMER SERVICE EXPERIENCE

### 2.2.1 High-quality Service

Dingdang Health is committed to providing medical products and services that are convenient, fast, and professional with easy access and reasonable prices to address all kinds of unmet health demands. The Company strikes deep roots in the “Internet medicine + medical field”, and adopts the new online-to-offline integrated operation model of “pharmaceutical direct supply, online ordering and delivery”, focusing on the three core businesses of fast medicine service, online health consultation, chronic disease and health management, and continuously optimizing customer service experience. Through its own Dingdang Smart Pharmacy and self-built professional drug delivery team, the Company provides users with 7 × 24 hours of business in the core area, online health consultation by professional doctors and drugs delivery home service for 28 minutes on average. By the end of December 2024, the registered users of Dingdang Health’s own platform reached 46,342,000.

|  |   |
|--|---|
| <b>Drug Express</b>                            | <ul style="list-style-type: none"> <li>Delivery to home on-demand drug retail business within 28 minutes on a 24/7 basis, which mainly covers four major categories, namely prescription drugs, non-prescription drugs, medical devices and health and wellness products.</li> </ul>  |
| <b>Online diagnosis and treatment services</b> | <ul style="list-style-type: none"> <li>Relying on the professional medical team, we provide users with rapidly responsive free consultation, expert consultation, psychological consultation, online booking and other online diagnosis and treatment services.</li> </ul>  |
| <b>Chronic disease and health management</b>   | <ul style="list-style-type: none"> <li>The chronic disease and health management business provides one-stop and full-process services for the entire life cycle of users, providing patients with services such as medicine and dosage guidance, prescription renewal, health status information feedback, and health and medical knowledge information management, covering a wide range of illnesses such as tumors, liver disease, cardiovascular disease, dermatological disease, diabetes and other types of illnesses.</li> </ul> |

Dingdang Health is committed to providing 7 × 24-hour online free consultation services, with a professional team of doctors and pharmacists responding promptly to help users with rational medication use. In 2024, the average response time was 15 seconds, and the average answer time was 24.2 seconds, significantly reducing consultation time and greatly enhancing the user experience. Additionally, Dingdang Health collaborates with the Xicheng District community in Beijing to offer elderly users one-touch phone order services, addressing issues such as difficulties in purchasing medications in person. Meanwhile, Dingdang Health actively uses social media platforms like TikTok and Kuaishou to provide professional health services in the form of short videos, helping to raise public health awareness.



### [Case] Dingdang Drug Express Launches “Online Drug Purchase with Health Insurance” Feature, Achieving the Closed Loop of “Medical, Pharmaceutical, Insurance, and Home Delivery Services”

Dingdang Health has successfully enabled online medical insurance payments, providing the experience of “no need to leave home, cloud swipe card” for purchasing medication. By the end of 2024, Dingdang Drug Express had enabled online medical insurance (personal account) payment in multiple cities, including Beijing, Shanghai, Guangzhou, and Shenzhen. Local insured individuals can now enjoy online drug purchase based on medical insurance and Dingdang Drug Express’s 24-hour home delivery service without having to wait in line at hospitals or pharmacies. Furthermore, in Shenzhen, Dingdang Smart Pharmacy became one of the first chain pharmacy enterprises to integrate with the city’s medical insurance prescription online payment service, including reimbursement for the overall insurance amount. In Beijing, insured individuals who have linked their family mutual aid accounts can use family mutual aid payment.

Dingdang Drug Express has fully leveraged the integration of online and offline services and digital advantages, and successfully connected with multiple systems to achieve real-time data transmission and medical insurance calculations. The online medical insurance payment for medical products is completed in a one-stop manner, efficiently enabling the full chain of “medical, pharmaceutical, insurance, and home delivery service”, providing patients with more convenient and affordable health care services.

### [Case] Dingdang Drug Express Partners with CNPC Sichuan Branch to Launch the First Instant Retail Pharmacy with 28-minute Home Delivery

Dingdang Health actively explores “scenario upgrade and digital empowerment” and is committed to providing a one-stop solution for citizens’ scenario-based consumption needs. In October 2024, China National Petroleum Corporation (CNPC) Sichuan Branch and Dingdang Drug Express reached a deep business cooperation, and the first CNPC & Dingdang Drug Express instant retail pharmacy with 28-minute home delivery in Sichuan was officially opened. The cross-industry collaboration between CNPC Sichuan Branch and Dingdang Drug Express created a new instant retail model combining “gas stations + convenience stores + instant retail smart pharmacy with 28-minute home delivery”. This innovative model transforms traditional gas stations into a multidimensional, diversified health and convenience service hub, enhancing the public’s convenience in routine pharmaceutical purchases and offering new ideas for industry development.



Photo: Dingdang Drug Express & CNPC Sichuan Branch Instant Retail Pharmacy with 28-minute Home Delivery

## 2 Health Protection

### 2.2.2 Consumer Rights Protection

- **Customer Complaints and Handling**

Dingdang Health is committed to continuously improving customer satisfaction through excellent customer service. The Company has set up a 24/7 customer service center to quickly respond to and resolve all questions and complaints regarding its products and services. It provides customers with a platform easy to give complaints and feedback through various channels such as telephone, online real-time text messages, Microblog, official WeChat account and Online Dispute Resolution (ODR) for industrial and commercial regulation.

Upon receipt of a product complaint, the Company will initiate the corresponding handling procedure based on the specific content, severity, and submission channel of the complaint. For major complaints, in accordance with the Company's *Management Rules for Handling Major Customer Complaints*, customer service staff should immediately report the relevant information to the person in charge of the department, and report to the user experience office where specific personnel will follow up on the progress of the complaint handling.

In 2024, the Company continuously optimized its customer complaint handling process and updated the *Customer Complaint Handling Guidelines*, and added scenarios for priority exchanges and refunds, as well as regulations for home pick-up services. For confirmed return and exchange orders, the Company will ensure that nearby pharmacies can promptly stock and process refunds. Additionally, if the return or exchange is caused by a Dingdang platform merchant, a home pick-up service will be arranged uniformly to improve customer satisfaction.

In 2024, Dingdang Health's customer complaint rate was approximately 0.083%. The 24-hour complaint resolution rate reached 98.5%, and the customer complaint satisfaction rate was 98%.

- **Responsible Marketing**

The Company strictly adheres to laws and regulations, including the *Advertising Law of the People's Republic of China*, the *Measures for the Supervision and Administration of Online Sales of Medicinal Products*, the *Measures on Administration of Drug Information Service over the Internet*, and the *Interim Measures for the Administration of Censorship of Advertisements on Drugs, Medical Devices, Dietary Supplements and Formula Foods for Special Medical Purpose*, as well as related requirements. The Company revised the *Platform Drug Information Display and Management System* of Dingdang Health to ensure the legality and reliability of the display of drug information on the platform.

The Company reviews drug information and images submitted by merchants by cross-checking them with product packaging, labels, instructions, and other content. It requires a clear distinction between over-the-counter (OTC) drugs and prescription drugs and the highlighting of risk warning information for each type of drug. This ensures that consumers are fully informed about risk warnings before purchasing prescription drugs. The Company also conducts drug information inspections to ensure compliance and prevent false or misleading advertising.

**[Case] Dingdang Health Holds a Compliance Marketing Training Session**

In April 2024, Dingdang Health held a 3-hour training session on food and cosmetics-related knowledge. The training, attended by 49 participants, including e-commerce platform staff, quality managers from city chain headquarters, and platform merchant representatives, explained recent guidelines published by the State Administration for Market Regulation, including the *Safety and Compliance Guidelines for the Online Sales of Special Foods*, the *Guidelines on Use of Absolute Terms in Advertising*, and the *Shanghai Cosmetics Industry Advertising Compliance Guidelines*. Participants were tested on the training content and related knowledge, with all passing the assessment.

## 2 Health Protection

- Information Security and Privacy Protection

The Company strictly complies with the *Cybersecurity Law of the People's Republic of China*, the *Provisions on Internet Security Protection Technical Measures*, the *General Data Protection Regulation (GDPR)* and other laws and regulations, and has formulated internal management policies, such as the *Network Security Management System*, the *Security Incident Handling System*, the *Anti-Virus Security Management System*, and the *System Security Management System*. It has clarified the general guidelines and strategies for information security, and constantly enhanced the information security protection mechanism to minimize information security risk. Dingdang Drug Express established the Information Security Management Committee and set positions of security administrator, network administrator, and database administrator, and specified their responsibilities for information security protection. As a result, it obtained the ISO 27001 Information Security Management System Certification.

In its routine operations, the Company requires employees to sign confidentiality agreements upon recruitment and encrypts and stores sensitive information. Meanwhile, it has formulated contingency plans for cybersecurity incidents and data security incidents, and specified the procedures for handling security incidents. It conducts emergency training and drills every year to enhance its resistance to information security risk. Meanwhile, the Company invites third parties to conduct information security assessment and audit from time to time to enhance its information security protection capability through internal and external security assessment and testing. From July to September 2024, the Company entrusted professional third-party agencies to test the security level of the Dingdang Drug Express system. The test result showed that its security level was Level 3, and the level test result was good.

The Company is committed to protecting the data and privacy of such stakeholders as users, patients and medical staff by formulating policies such as the *Dingdang Drug Express User Personal Information Protection System*, the *Dingdang Drug Express Privacy Policy* and the *Dingdang Drug Express User Registration Agreement*. It only collects information such as mobile numbers necessary for business, encrypts and stores important information, and updates in real time the privacy agreement for platform users according to the latest laws and regulations. When users' vital interests are involved, a prompt will pop up to remind the user of confirmation.

The Company has set up a special line for complaints about privacy issues from users, where users can give feedback not only through customer service phone calls, but also through the privacy policy line. Additionally, the Company has established a special application process for users to copy their information on the platform to ensure the security of personal privacy data, and legally collects data with users' knowledge and authorization.

### 2.3 INNOVATION, RESEARCH AND DEVELOPMENT

#### 2.3.1 Digital Innovation

Dingdang Health actively responds to the national call to promote the digital economy and green development, and drives its own digital transformation. The Company empowers physical pharmacies with AI technology, and advances the traditional pharmaceutical retail industry into a “future strategic and leading industry driven by cutting-edge technologies”.

Focusing on the goal of “creating and enhancing new productive forces,” Dingdang Health fully applies technologies such as 5G, AI, big data, and the Internet of Things (IoT). The Company has developed and launched several technological systems, including electronic fencing, mobile picking, smart path planning, intelligent capacity scheduling, and Dingdang Sandbox. These innovations extend the coverage radius of stores from several hundred meters to several kilometers, maximizing the number of users served by each store and effectively enhancing store performance and staff productivity.

Additionally, Dingdang Health has actively promoted the digitalization of medical and pharmaceutical services, and built a full-lifecycle health management system that includes online consultations, medication advice, drug delivery, and safe medication practices. The Company is enhancing health services such as real-time home delivery of medications, online health consultations, and chronic disease follow-up, while optimizing the user experience. The Company continues to upgrade its AI systems, health maps, medical dictionaries, and other digital technologies to help users manage their health records and improve the accuracy of online consultations. It also optimizes the AI doctor assistant function, as well as the pharmaceutical AI Dingdang Pharmacist and the Nutritionist AI Assistant, helping doctors, pharmacists, and nutritionists serve users better. Furthermore, Dingdang Health has developed and applied smart temperature-controlled medicine boxes and launched full cold-chain home delivery services for special medications such as insulin, ensuring the safety of drug delivery. The Company has also introduced AI-powered medication reminders to assist users in safe medication practices and improve adherence.

Looking ahead, Dingdang Health will continue to explore deeper levels of intelligence and informatization, upgrade AI systems, health maps, medical dictionaries, and other technologies, and utilize technological innovation to better serve the health of the people in China.

## 2 Health Protection

### [Case] Dingdang Health Wins the “Digital Pioneer Award”

In May 2024, the “2024 Beautiful Consumption with ‘Science’ Forum” hosted by Cailianpress.com was launched in Shanghai. The event aimed to respond to the Ministry of Industry and Information Technology’s “Three Products” strategy, focusing on new consumption trends, identifying cutting-edge new technologies, and finding exemplary models of “driving business and brand growth through technological innovation to open up the second growth curve”. Dingdang Health, with its leading digital technology innovation capabilities, was honored with the “Digitalization Pioneer Award”.



### [Case] Dingdang Health Wins the Title of “Top 10 Chinese Healthy Industry New Productivity Representative Enterprises in 2024”

In December 2024, the World Innovators Meet (WIM) 2024 was grandly opened in Beijing, with the theme “AI For X: Paradigm Shift in Future Industries”. Dingdang Health was included in the “Top 10 Chinese Healthy Industry New Productivity Representative Enterprises in 2024” for its outstanding performance in technological innovation, business model innovation, and professional health services. By empowering physical pharmacies with AI technology, Dingdang Health has helped upgrade the traditional pharmaceutical retail industry into a “future strategic and leading industry driven by cutting-edge technologies”.





## 2 Health Protection

### 2.3.2 Intellectual Property Protection

The Company adheres to the *Patent Law of the People's Republic of China*, the *Trademark Law of the People's Republic of China*, and other relevant laws and regulations. The Company has established internal rules and regulations such as the *Intellectual Property Management Measures* and has set clear standards for intellectual property registration and usage. The Company handles platform intellectual property complaints and disputes strictly according to these management measures, ensuring full protection of the rights and interests of intellectual property holders and consumers.

The Company continuously optimizes its intellectual property management system, and requires merchants to sign intellectual property-related commitments in the cooperation agreements. It systematically manages trademarks, patents, copyrights, domain names, and other intellectual properties. In 2024, to protect its own intellectual property, the Company successfully filed 23 opposition applications. Several “Dingdang” related trademark applications by others were rejected, and the Company successfully revoked other parties’ holdings of “Dingdang” related trademarks. The Company also conducted multiple internal training sessions on protecting business secrets. By the end of 2024, Dingdang Health had a total of 674 intellectual properties, including 25 granted patents.

## 3 Talent Development

Dingdang Health understands that employees are the core driving force behind the Company's development. The Company protects employees' basic rights and interests, actively builds a talent empowerment platform, creates a safe, comfortable, and healthy work environment, and works hand-in-hand with employees for mutual growth.

### 3.1 COMPLIANCE WITH EMPLOYMENT

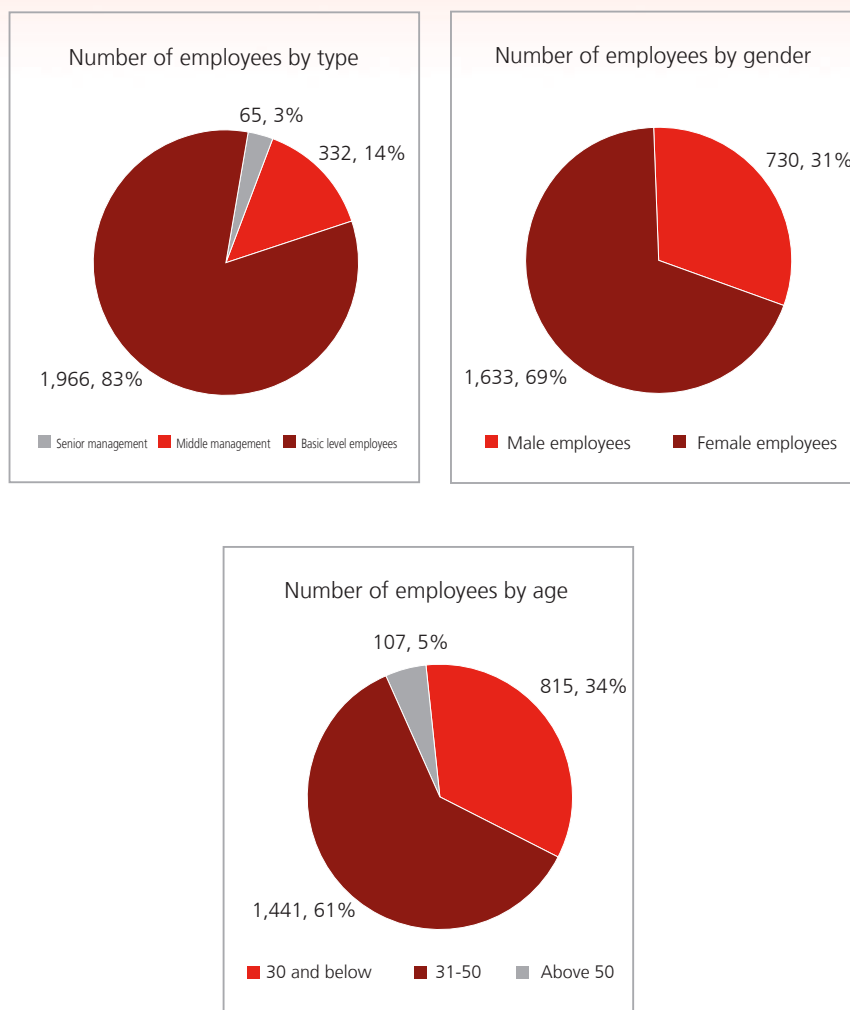
The Company strictly adheres to relevant laws and regulations, including the *Labor Law of the People's Republic of China* and the *Labor Contract Law of the People's Republic of China*, and has formulated and follows internal management systems such as the *Employee Orientation Management Measures*, the *Labor Contract Management Measures*, the *Employee Resignation Management Measures*, the *Employee Probation Management Regulations*, and the *Employee Transfer Management Measures* to standardize the employee hiring process. The Company firmly prohibits the employment of child labor and forced labor. In case of violations, the Company will hold individuals accountable based on laws and regulations, as well as internal management policies, and take corresponding punishment measures to effectively protect employees' legal rights and interests. In 2024, the Company did not have any incidents of employment of child labor or forced labor.

We are committed to a diverse talent recruitment approach and treat every employee and job seeker fairly and equally. We prohibit any form of employment discrimination, ensuring that factors such as gender, age, race, religion, and disability do not affect applicants' hiring and career development opportunities. We are continuously working to build a diverse talent pool and foster an inclusive work environment.

In the internship recruitment process, we select interns with diverse academic backgrounds. This not only promotes team diversity but also reserves potential talent with interdisciplinary capabilities for the future. Additionally, through establishing a dialogue mechanism between schools and enterprises, we deepen school-enterprise cooperation, explore more effective talent development models, and work on joint projects. This benefits the professional growth of interns and positively contributes to updating campus talent cultivation models and the Company's sustainable development. By the end of December 2024, Dingdang Health had a total of 2,363 employees, including 7 disabled employees and 1 veteran. Women represented 69% of the workforce.

### 3 Talent Development

Employee Composition of Dingdang Health in 2024



Employee turnover

| Indicators                       |                              | Unit | 2024 |
|----------------------------------|------------------------------|------|------|
| Employee turnover rate           |                              | %    | 28   |
| Employee turnover rate by gender | Male employees               | %    | 26   |
|                                  | Female employees             | %    | 29   |
| Employee turnover rate by age    | 30 and below                 | %    | 35   |
|                                  | 31-50                        | %    | 23   |
|                                  | Above 50                     | %    | 32   |
| Employee turnover rate by region | Mainland China               | %    | 28   |
|                                  | Overseas                     | %    | 0    |
|                                  | Hong Kong, Macau, and Taiwan | %    | 0    |

### 3.2 REMUNERATION AND BENEFITS

Dingdang Health complies with the *Labor Law of the People's Republic of China*, the *Social Insurance Law of the People's Republic of China*, and other relevant laws and regulations. The Company continuously optimizes its employee remuneration management system, offers employees competitive remuneration and benefits packages, and ensures fairness of and compliance with remuneration policies.

The Company has established a scientific and reasonable remuneration and performance evaluation mechanism, which comprehensively considers factors such as employee rank, capabilities, and experience to ensure the fairness and incentive effect of the system. The Company incorporates ESG-related factors (e.g. product safety and quality control) into the performance assessments for relevant positions to enhance employees' sense of responsibility toward sustainable development goals. To ensure fairness and transparency in performance evaluations, the Company has also set up a performance appeal mechanism, allowing employees to submit feedback through appeal channels and receive timely responses.

In terms of insurance and welfare, the Company makes contributions to social security insurance such as pension insurance, unemployment insurance, work-related injury insurance, maternity insurance, and medical insurance as required by law. Additionally, the Company offers supplementary medical insurance, doctors' free consultation, and in-employee purchase as extra benefits. The Company values the routine care for employees, and regularly organizes activities such as Mid-autumn Festival celebration, Programmers' Day, and the Little New Year Festival. These cultural activities and holiday celebrations allow employees to relax and enjoy themselves outside of work. The Company also carefully prepares holiday gifts to add surprises, enhancing employees' sense of belonging and happiness. For female employees, it sets up nursing rooms and celebrates the special March Eighth Goddess Festival with special benefits and care to continuously create a more friendly work environment.

The Company advocates for democratic management and an open, transparent communication culture, respects employees' opinions and encourages free expression. To this end, the Company has established diverse feedback mechanisms, including anonymous email channels, allowing employees to provide feedback, suggestions, or complaints. The Company has also established clear procedures and investigation mechanisms to ensure all feedback is processed promptly and fairly, thus enhancing employees' sense of participation and trust and continuously improving the work environment.

### 3 Talent Development



Photo: The Little New Year Garden Party Event



Photo: The Mid-autumn Festival Activity



Photo: The Programmers' Day Activity



Photo: The Fitness Walking Activity



## 3 Talent Development

### 3.3 HEALTH AND SAFETY

The Company complies with relevant laws and regulations, including the *Law of the People's Republic of China on the Prevention and Control of Occupational Diseases* and the *Work Safety Law of the People's Republic of China*, and continuously improves employee occupational health and safety management to provide employees with a healthy and safe work environment. The Company pays attention to employees' physical and mental well-being, and regularly disseminates health knowledge and tips to employees through corporate WeChat official accounts and video channels, thus raising health awareness. The Company invites traditional Chinese medicine practitioners to provide free shoulder and neck massage services to relieve work-related fatigue. It also organizes health-related seminars and training sessions to safeguard employees' mental health. In the past three years, Dingdang Health has not experienced any work-related fatalities, and in 2024, the number of workdays lost due to work injuries was 635.

### 3.4 TRAINING AND DEVELOPMENT

Dingdang Health actively builds a talent empowerment platform, continuously optimizes employee promotion policies and career development paths, establishes smooth channels for talent development, and provides employees with fair career development opportunities to stimulate their internal motivation and facilitate rapid talent growth.

For new employees, business line employees, and management, the Company relies on Dingdang College, industry training, Dingdang Star selection and other methods, to offer training courses on themes such as innovation, technology, and management. These courses aim to meet the diverse learning and development needs of employees and provide varied self-improvement channels. Additionally, the Company has established a series of incentive policies to encourage and support professionals such as pharmacists to continuously enhance their professional skills.

#### [Case] Dingdang College Organizes Senior Management Leadership Training

In 2024, Dingdang College held the Second Session of Senior Management Leadership Training Class at Tsinghua University. The training covered important topics such as domestic macroeconomic analysis, innovative thinking, outstanding leadership, business model innovation, and Chinese cultural cultivation. A total of 25 participants attended the training, which was taught by expert professors from Tsinghua University. Through this series of courses, the participants gained profound insights into crisis management and leadership, both theoretically and practically.





### 3 Talent Development

#### [Case] “Dingdang Star” Youth Talent Management Training Camp

The Third Training Session of Dingdang College (“Dingdang Star” Youth Talent Management Training Camp) aims to establish a team of outstanding youth who are young, innovative, and dynamic to drive the rapid development of the Company. The training program is divided into four stages, with 36 participants from different departments and subsidiaries in each stage. This training series is designed to comprehensively improve the leadership and professional capabilities of young managers and cultivate excellent talent for the development of Dingdang.



| Indicator                                     |                       | Unit | 2024    |
|---|-----------------------|------|---------|
| Total training hours of employees             |                       | Hour | 137,054 |
| Percentage of employees trained by gender     | Male employees        | %    | 100     |
|   | Female employees      | %    | 100     |
| Percentage of employees trained by type       | Senior management     | %    | 100     |
|   | Middle management     | %    | 100     |
|   | Basic level employees | %    | 100     |
| Average training hours per employee by gender | Male employees        | Hour | 58      |
|   | Female employees      | Hour | 58      |
| Average training hours per employee by type   | Senior management     | Hour | 58      |
|   | Middle management     | Hour | 58      |
|   | Basic level employees | Hour | 58      |

## 4 Green Development

Dingdang Health adheres to the concept of green and low-carbon development, proactively taking measures to address climate change, strengthening the supervision of emissions, improving energy and resource utilization efficiency, and reducing the negative environmental impact of business operations through specific actions. The Company is committed to achieving a harmonious coexistence between humans and nature.

### 4.1 ADDRESSING CLIMATE CHANGE

Dingdang Health actively responds to the national carbon peak and carbon neutrality goals. Following the framework recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), the Company actively identifies climate-related risks and opportunities, develops targeted response plans, and collaborates with various partners to jointly address climate change and promote low-carbon social development.

#### 4.1.1 Climate Governance

Dingdang Health has incorporated climate change governance into the overall ESG governance structure of the Company. The Board of Directors, as the highest decision-making body for ESG matters, is responsible for reviewing and determining climate change-related goals. The management team places great importance on identifying and responding to climate change-related risks and actively promotes the implementation of climate strategies and action plans.

### 4.1.2 Climate Strategy

Based on the specific nature of the industry and the Company's business operations, Dingdang Health identifies climate-related physical and transition risks, explores potential opportunities arising from climate change, and formulates corresponding countermeasures accordingly.

| Risk or opportunity type |              | Risk or opportunity description  | Countermeasures   |
|--------------------------|--------------|--|---|
| Physical risk            | Acute risk   | Due to natural disasters such as floods, typhoons, and extreme weather events, the Company's employees' commutes and product deliveries face greater safety risks. The supply of materials from suppliers may be affected, which could negatively impact the Company's business operations.  | <ul style="list-style-type: none"> <li>Formulate the <i>Safety Management Regulations on Response to Extreme Weathers</i> to closely monitor extreme weather conditions across different regions. This will enable the Company to quickly adjust activity arrangements and take effective safety precautions in the event of severe weather, such as extreme summer heat, heavy rainfall, thunderstorms, and typhoons. The goal is to ensure employee safety while protecting company facilities and assets from damage.</li> <li>Optimize pharmaceutical storage methods and innovate by developing the Dingdang Smart Temperature-Controlled Medicine Box for medication delivery.</li> <li>Closely monitor employees' health and implement flexible working arrangements.</li> </ul> |
|                          | Chronic risk | Chronic risks caused by long-term climate change, such as rising sea levels, changes in precipitation, and increased extreme heat events, may impact the Company's upstream pharmaceutical production and the storage environment of pharmaceuticals. These factors could lead to decreased work efficiency due to employee physical discomfort, resulting in economic losses for the Company. |   |

## 4 Green Development

| Risk or opportunity type |                                   | Risk or opportunity description  | Countermeasures  |
|--------------------------|-----------------------------------|--|--|
| Transition risk          | Policy and regulatory risk        | The Company faces increasing challenges from increasingly stringent carbon emission-related laws and regulations, including carbon audits, carbon taxes, and carbon trading, which may raise operational costs.  | <ul style="list-style-type: none"> <li>Continuously track developments in carbon emission-related laws and regulations and formulate countermeasures in a timely manner.</li> <li>Strengthen energy conservation management by promoting digital technology innovations, reducing store energy consumption, and lowering carbon emissions generated by employees, delivery riders, and customers during travel.</li> </ul> |
|                          | Technological Risk                | The Company needs to invest human resources and capital in low-carbon technology transformation in a timely manner, which could lead to increased operational costs.   | <ul style="list-style-type: none"> <li>Continuously improve the Dingdang Smart Dispatch System through technological innovation, increasing investment in green packaging research and development, and providing technological support for low-carbon and environmentally friendly operations.</li> </ul>   |
|                          | Reputation risk                   | The public is paying more attention to the Company's actions in addressing climate change. If the Company makes insufficient efforts in carbon reduction or if negative information arises, it could damage the Company's brand reputation.  | <ul style="list-style-type: none"> <li>Actively communicate with stakeholders, including the public and customers, through multiple channels to share the Company's green, low-carbon initiatives and digital technology innovations and their outcomes.</li> <li>Strengthen environmental risk management within the supply chain to prevent negative incidents.</li> </ul>   |
| Opportunity              | Product and service opportunities | Extreme weather may make it difficult for customers to travel, increasing demand for home medical and health services. Long-term climate change could increase the likelihood of chronic diseases, thus driving greater demand for chronic disease and health management services. | <ul style="list-style-type: none"> <li>Optimize products and services by enabling online medical insurance payments, reducing online free consultation response times, and expanding online service channels to continuously improve customer experience.</li> </ul>   |

| Risk or opportunity type | Risk or opportunity description   | Countermeasures  |
|--------------------------|---|--|
| Market opportunities     | With the public's increasing awareness of low-carbon environmental protection, the Company's online services, which have low-carbon and environmentally friendly attributes, will be more favored by consumers. | <ul style="list-style-type: none"> <li>• Leverage various media platforms to enhance the promotion of the Company's online services, emphasizing their low-carbon and environmentally friendly attributes.</li> <li>• Closely monitor market trends to understand consumer needs and industry developments, enabling timely adjustments to business strategies.</li> </ul> |

### 4.1.3 Climate Risk Management

Dingdang Health has incorporated the identification, assessment, response, and monitoring of climate-related risks and opportunities into the Company's ESG risk management process. This includes identifying climate-related risks and opportunities, assessing their impact on the Company's business operations, formulating relevant countermeasures, and monitoring their implementation. The aim is to effectively control climate-related risks, seize climate-related opportunities, and promote the Company's low-carbon development.

### 4.1.4 Climate Indicators and Goals

Dingdang Health continuously seeks a positive cycle between business efficiency and low-carbon attributes. Through energy-saving management and promotion, digital empowerment, and technological applications, the Company actively explores carbon reduction measures in areas such as employee travel, delivery rider logistics, and green services. The Company strives to reduce greenhouse gas emissions and contribute to the national goal of achieving carbon peak and carbon neutrality.

- **Use of new energy delivery vehicles:** In instant delivery services, the use of electric vehicles is close to 100%, significantly reducing fossil fuel consumption and lowering carbon emissions from deliveries.
- **Strict management of official travel fuel consumption:** The Company requires approval for the use of official vehicles by the Group and its subsidiaries. Monthly fuel consumption for official vehicles is strictly monitored.
- **Promoting low-carbon travel culture:** The Company encourages employees to prioritize public transportation during business trips or official travel. In August 2024, Dingdang Drug Express partnered with Caltrate to organize a public walking event called “Walk More, Feel Better” at the Olympic Forest Park in Beijing, attracting nearly 4,000 participants to advocate for a low-carbon lifestyle.
- **Innovative smart dispatch system:** The Company developed the Dingdang Smart Dispatch System, utilizing new technologies such as network planning, map mining, machine learning, and AI algorithms to achieve smart route planning and intelligent capacity scheduling. This optimizes delivery routes, maximizes the capacity of each delivery, reduces unnecessary trips, and shortens the average distance traveled by delivery riders. As a result, while service efficiency and human efficiency slightly increase, the average distance per rider decreases by about 2%, reducing energy consumption.
- **Providing green medical and pharmaceutical services:** The Company offers green medical services, with its own team of pharmacists and doctors providing 24-hour online free professional guidance, with over 6 million consultations annually. In 2024, as the first company to enable online medical insurance payment for drug purchases, Dingdang Health provided customers with the “no need to leave home, cloud swipe card” experience, reducing the carbon emissions associated with user travel.

| Indicator  | Unit                      | 2024     |
|--|---------------------------|----------|
| Direct (Scope 1) greenhouse gas emissions                | tCO <sub>2</sub> e        | 50.99    |
| Intensity of direct (Scope 1) greenhouse gas emissions   | tCO <sub>2</sub> e/person | 0.02     |
| Indirect (Scope 2) greenhouse gas emissions              | tCO <sub>2</sub> e        | 4,085.53 |
| Intensity of indirect (Scope 2) greenhouse gas emissions | tCO <sub>2</sub> e/person | 1.73     |



## 4.2 EMISSIONS MANAGEMENT

Dingdang Health complies with relevant laws and regulations such as the *Environmental Protection Law of the People's Republic of China* and the *Solid Waste Pollution Prevention and Control Law of the People's Republic of China*. The Company takes strict management measures for the collection, storage, and disposal of pharmaceuticals and household waste, aiming to reduce negative environmental impacts.

### 4.2.1 Pharmaceutical Waste Management

Dingdang Health strictly follows the Company's *Management System for the Treatment of Unqualified Drugs*, *Management System for Drug Recalls*, and other system requirements. Expired, ineffective, moldy, deteriorated, or otherwise defective pharmaceutical products are collected in a clearly marked unqualified pharmaceutical area (red zone) and sent to hazardous waste disposal organizations for harmless treatment and destruction, with a designated person responsible for record-keeping. For products near their expiration dates, they are returned to the supplier or third-party merchants to ensure proper disposal and avoid harm to human health and the environment.

In addition, Dingdang Health has partnered with Guangzhou Pharmaceutical Group to continuously run the "Household Expired Pharmaceutical Collection" project for several years. This initiative provides a professional pharmaceutical delivery team to offer free door-to-door collection services, aiming to alleviate the accumulation of expired medications by citizens and prevent the improper disposal of medications that may negatively impact the environment. The Company has set up expired pharmaceutical collection bins at Dingdang Smart Pharmacies, where expired pharmaceuticals collected from nearby customers' homes are registered and periodically reported to the local drug administration. The pharmaceuticals are then uniformly collected and destroyed by the drug administration.

### 4.2.2 Household Waste Management

In compliance with the *Administrative Provisions of Beijing Municipality on Domestic Waste*, Dingdang Health has established the *Administrative Regulations on Domestic Waste Classification*, requiring employees to classify and dispose of waste from their offices and daily activities into recyclables, hazardous waste, wet waste, and dry waste. The Company advocates for employees to jointly create a safe, hygienic, and civilized office environment.

Hazardous waste produced by the Company includes printer toner cartridges, waste light bulbs, and used batteries. The Company has formulated the *Hazardous Waste Management Regulations*, which specify management requirements for the classification, storage, transportation, and disposal of hazardous waste. The Company has also developed emergency plans for hazardous waste leaks and regularly organizes employee training and emergency drills to prevent environmental pollution from hazardous waste and ensure employee health and safety.

Non-hazardous waste produced by the Company includes paper, plastic bottles, and kitchen waste. A long-term goal is to continuously reduce the per capita amount of non-hazardous waste emissions. To achieve this, the Company promotes paperless offices, the reuse of printed paper, and other measures to reduce the generation of non-hazardous waste.

## 4 Green Development

The Company entrusts third-party professional organizations to handle both hazardous and non-hazardous waste, ensuring safe and harmless waste disposal.

| Indicator                        | Unit       | 2024     |
|----------------------------------|------------|----------|
| Total of hazardous waste         | Ton        | 2.860    |
| Intensity of hazardous waste     | Ton/person | 0.0012   |
| Total of non-hazardous waste     | Ton        | 2,743.38 |
| Intensity of non-hazardous waste | Ton/person | 1.16     |

### 4.3 RESOURCE MANAGEMENT

#### 4.3.1 Green Packaging

Dingdang Health actively responds to the green development trend of environmentally friendly packaging, aiming to reduce the environmental impact in its operations and delivery processes. Dingdang Drug Express uses biodegradable packaging bags or paper bags for all orders, continuously optimizing the quality of the packaging bags to improve their utilization. At the same time, the Company encourages the recycling of suppliers' cardboard boxes and, in its self-built warehouses in Guangzhou and Shenzhen, fully replaced cardboard boxes with plastic intermediate boxes. This helps extend the lifespan of packaging boxes, increases the utilization efficiency of packaging materials, and reduces the usage of packaging materials.

In addition, Dingdang Health vigorously promotes the concept of a green and low-carbon lifestyle. The Company uses Dingdang Drug Express's delivery warning platform, the Dingdang Drug Express rider delivery app, and other official apps for online environmental protection campaigns. The Company also collaborates closely with offline stores and delivery personnel to conduct offline promotional activities. Delivery personnel are encouraged to be "low-carbon energy-saving" ambassadors. Green environmental protection posters are posted on vehicles and delivery boxes and low-carbon energy-saving flyers are distributed to customers. These efforts strengthen public awareness of environmental protection and promote the formation of a new social trend of green civilization.

| Indicator  | Unit   | 2024     |
|--|--|----------|
| Packaging boxes consumption                                    | Ton  | 2,727.75 |
| Total amount of packaging materials used for finished products | Dingdang Health's business does not involve directly providing packaging materials for finished products, so this indicator is not applicable. |          |

### 4.3.2 Green Office

Our goal is to achieve a sustained reduction in per capita electricity and water consumption in the office area. In order to achieve this goal, we have formulated internal management systems such as the *Regulations on the Management of Water and Electricity Conservation* and *Logistics Management Regulations* to clarify the first person responsible for water and electricity management, regulate the reasonable use of water, electricity, and air-conditioning in the office area, conduct daily inspections of the office area, and save energy and water resources.

The Company strictly prohibits the use of self-brought high-power electrical appliances in the office area, does not require staff to turn on the lights in the daytime when the light condition is well and eliminates the use of “long last lighting” when the office is empty and attaches great importance to the safety of electricity consumption and conservation. The Company reduces the using time of central air-conditioning, strictly controls the temperature of the air conditioning, clearly stipulates that the cooling temperature should not be lower than 26 °C, and the heating temperature should not be higher than 20 °C, and resolutely eliminates the use of air-conditioning with open windows and in unoccupied office.

We primarily use municipal water supply and have not yet encountered any issues with water scarcity. To improve water resource efficiency, we have installed water-saving devices, strengthened the daily maintenance of water equipment, and encouraged employees to develop good water-saving habits, such as always turning off the faucet tightly after use and reporting any damaged or leaking water facilities promptly.

The Company has developed the *Implementation Plan for Paperless Office* to advocate for paperless work. Document approval, report submissions and communication, labor contract signing, issuance of resignation certificates, and other processes are all completed online, reducing the use of office paper. The Group’s headquarters has established an electronic document management system, converting previously paper-based documents into electronic files. In 2024, approximately 12,000 electronic files were archived, significantly reducing office paper consumption. Additionally, the Company encourages paperless office practices. For documents that must be printed, such as contracts and agreements, we require double-sided printing on A4 paper to minimize paper usage, promoting the creation of a greener, more environmentally friendly, and efficient workplace environment.

## 4 Green Development

[Case] Shanghai Branch includes electricity conservation in the performance appraisal of its stores

To reduce electricity consumption in stores, the Shanghai Branch sets monthly electricity cost standards for each store, and the electricity usage of stores is assessed on a quarterly basis, and the savings are used as incentives for offline teams and delivery teams in the store. This system has significantly increased employees' awareness of electricity conservation, and through the collective efforts of the in-store and delivery teams, several stores have achieved a reduction in electricity consumption each quarter.

| Indicator                                   | Unit                            | 2024         |
|---|---------------------------------|--------------|
| Comprehensive energy consumption            | Ton of standard coal            | 960.28       |
| Comprehensive energy consumption per capita | Ton of standard coal/<br>person | 0.41         |
| Gasoline consumption                        | Liter                           | 22,854.90    |
| Electricity consumption                     | kWh                             | 7,613,741.87 |
| Electricity intensity                       | kWh/person                      | 3,222.07     |
| Water consumption                           | Ton                             | 25,751.21    |
| Water consumption intensity                 | Ton/person                      | 10.90        |

## 5 Win-win Cooperation with Partners

### 5.1 SUPPLY CHAIN MANAGEMENT

Dingdang Health continuously optimizes its supplier management system, establishing and following internal management systems such as the *Supplier Management System* and *Supplier Management Specification* to standardize the selection and management of suppliers. This ensures the safety and stability of the supply chain, promotes the integration of ESG factors into supplier management processes, and supports the sustainable development of suppliers. As of December 2024, the Company has established partnerships with 7,092 pharmaceutical enterprises and distributors, all of which are located in Mainland China.

- **Strict Admission Standards**

We implement strict supplier admission standards and processes. Suppliers are selected based on factors such as qualifications, brand reputation, past experience, supply assurance capabilities, and price advantages. Before signing agreements with suppliers, we conduct background checks on the suppliers and their products, including verifying their business licenses and relevant product permits and certificates. Additionally, for key suppliers, the Company organizes site visits by various procurement departments to assess and verify their business scale, production capacity, R&D capabilities, quality control systems, and performance capabilities. This ensures that we can effectively monitor and evaluate their performance while mitigating potential risks.

- **Regular Evaluation and Assessment**

We regularly conduct comprehensive assessments of suppliers based on the *Supplier Control and Evaluation Guidelines*. The evaluation covers multiple dimensions, including quality assurance, product security, performance contribution, contract fulfillment, resource input, and market collaboration. Based on the final assessment results, we promptly provide suppliers with improvement suggestions. For suppliers that fail to meet the standards, the Company will take appropriate communication or replacement measures to ensure the continuous healthy development of the supply chain.

- **Supplier Quality Management**

We rigorously control supplier quality through contract management, internal controls, and external monitoring measures to prevent supplier quality risks. All suppliers must sign a *Quality Assurance Agreement*, and during the procurement process, we conduct comprehensive evaluations and investigations into various aspects, such as the supplier's products, manufacturing facilities, and storage and transportation conditions. Quality spot checks are conducted upon receipt of products, and if any products do not meet quality standards, they are immediately returned. Additionally, we have developed the *Review Management System for Entrusted Distribution Enterprise, New Cooperative Enterprise and Newly Introduced Products* to further standardize the quality management of newly purchased pharmaceutical products.

## 5 Win-win Cooperation with Partners

- **Supplier Communication and Engagement**

We strengthen communication and cooperation with suppliers through regular communications and the signing of agreements. We have established a regular follow-up mechanism to track the achievement of key performance indicators (KPIs) in supplier cooperation agreements. This ensures mutual development with suppliers.

- **Supplier Anti-Corruption**

The Company emphasizes anti-corruption management with suppliers and incorporates anti-commercial bribery into the supplier selection process. Both the Company and the suppliers sign integrity clauses in procurement contracts to regulate and restrict both parties' behavior and prevent illegal activities. The Company has established and publicly disclosed an anti-commercial bribery reporting email, welcoming public supervision.

## 5.2 PROMOTING INDUSTRY DEVELOPMENT

Dingdang Health always insists on innovative cooperation and win-win development. The Company actively collaborates with local governments, industry-leading enterprises, and various healthcare institutions to promote resource sharing and complementary advantages, thereby creating greater value for the sustainable development of the healthcare industry.

### [Case] Dingdang Drug Express Launches “Thousands of Pharmaceutical Companies Traceability Campaign” to Strengthen Industry Chain Cooperation and Drug Quality Supervision

Dingdang Drug Express, in partnership with Meituan Maiyao, launched the “Thousands of Pharmaceutical Companies Traceability Campaign,” aimed at increasing the transparency and safety of pharmaceuticals and helping consumers gain deeper insights into the drug production process. The campaign showcased the entire process of pharmaceutical companies, from R&D to storage, via live streaming, emphasizing the inheritance of traditional Chinese medicine culture. In long-term cooperation with Baiyunshan and Huang Zhongyao, the Company utilized its integrated online and offline model to optimize the supply chain, share the market, and foster long-term development through core services such as online doctor consultations, pharmacist guidance, and 7 × 24-hour delivery.

For many years, Dingdang Drug Express has actively promoted industry chain cooperation, establishing the “FSC Pharmaceutical Alliance” with thousands of pharmaceutical companies. The Company explores multi-dimensional cooperation models, including brand co-construction, service co-construction, traffic co-construction, and marketing co-construction. In the future, Dingdang Drug Express plans to cooperate with more pharmaceutical companies to build a traceability system and contribute to public health and the sustainable development of the pharmaceutical industry.





## 5 Win-win Cooperation with Partners

### [Case] Dingdang Drug Express Partners with Tongfang Global Life to Accelerate the Upgrade of “Pharmaceutical Insurance” Service Loop

In April 2024, Dingdang Drug Express signed a strategic cooperation agreement with Tongfang Global Life in Beijing. The two companies will engage in deep cooperation in the “Insurance + Health” sector to explore innovative business models and provide consumers with convenient health insurance services. This collaboration will leverage both companies’ strengths in insurance and instant health services, using digital technology to integrate insurance products with health services and create a new health insurance ecosystem. The partnership not only strengthens the resource connection between insurance, healthcare, and pharmaceutical services but also improves the entire service chain from health protection to service delivery, offering consumers convenient health services. The introduction of insurance services further enhances the “Pharmaceutical Insurance” ecosystem and reduces the economic pressure on consumers in health consultations and medication purchases, while improving service experiences.



### 5.3 PUBLIC WELFARE AND CHARITY

Dingdang Health has always adhered to the corporate value of “Serving Public Health” and has contributed to the development of public welfare initiatives, giving back to society through practical actions. The Company has long been involved in health-related public welfare projects, fulfilling its corporate social responsibility and continuously expanding the depth and scope of its public service offerings.

In 2024, Dingdang Health continued to deepen its public welfare practices, organizing and participating in various social welfare activities, covering areas such as health education and community care, actively serving the public. In 2024, approximately 100 people from the Company participated in public service activities, and the total donation amount was around RMB200,000. Through its professional capabilities and love, the Company spreads health and brings more positive impacts to society.

#### **[Case] Dingdang Health Actively Supports the National Tobacco Control Campaign and Contributes to Health and Environmental Protection Efforts**

In November 2024, Dingdang Health, as an important supporting unit, participated in the “25th National Tobacco Control and Health Academic Symposium” hosted by the Chinese Association on Tobacco Control for Health, fully supporting the national “Tobacco Control Campaign”. During the event, Dingdang Health, in collaboration with experts, launched a special science popularization session on “The Harmful Effects of Smoking” and opened a smoking cessation consultation hotline to provide online professional advice on smoking cessation. Through participating in this tobacco control academic seminar, Dingdang Health hopes not only to raise public awareness, especially among the youth, about the harmful effects of smoking but also to advocate for smoking control and cessation, with a more proactive impact on preventing smoking-related health issues.



## 5 Win-win Cooperation with Partners

### [Case] Dingdang Smart Pharmacy Joins Hands with the Community to Actively Participate in the “Good Brothers” Initiative for Community Co-building

Dingdang Smart Pharmacy delivery personnel were invited to attend the launch event of the “Good Brothers” initiative, led by the Party Building in Baoshan District, Shanghai. This initiative aims to enhance communication and cooperation between security guards and delivery personnel, encouraging them to serve the community with a more civilized and professional attitude, thus contributing to the creation of a harmonious community environment and becoming an important part of community governance. The “Good Brothers” initiative not only improved the communication efficiency between delivery personnel and neighborhood security but also fostered mutual respect and understanding, reducing differences and barriers. This collaborative mechanism not only improved delivery efficiency but also ensured that medications were delivered more quickly and accurately to residents waiting anxiously. Additionally, Dingdang Kuaiyao delivery personnel offer special services for elderly individuals who are not proficient in using smartphones. This allows them to enjoy the convenience of home delivery without the need to place orders online, helping the elderly overcome the digital divide and experience the convenience of the digital age.



As a pharmacy rooted in the community, Dingdang Smart Pharmacy has established a two-way relationship with community residents. While enjoying the benefits of the community, Dingdang Smart Pharmacy also contributes by joining the “Community Partners” team, providing support for residents’ healthy lifestyles and promoting co-construction and co-governance efforts. On weekends and holidays, Dingdang Smart Pharmacy’s pharmacists visit communities to provide free services such as blood pressure measurements, medication consultations, and guidance, answering questions about commonly used medicines and chronic disease medications.



# Appendix

## APPENDIX 1 KEY PERFORMANCE TABLE

### Environmental Performance

| Indicator                   |  | 2024         | Unit                           |
|-----------------------------|--|--------------|--------------------------------|
| Air <sup>1</sup>            | NO <sub>x</sub> emission                                     | 78.8         | kg                             |
|                             | SO <sub>x</sub> emission                                     | 0.3          | kg                             |
|                             | PM   | 7.3          | kg                             |
| Waste                       | Total of hazardous waste <sup>2</sup>                        | 2.860        | Ton                            |
|                             | Intensity of hazardous waste                                 | 0.0012       | Ton/person                     |
|                             | Total of non-hazardous waste <sup>3</sup>                    | 2,743.38     | Ton                            |
|                             | Intensity of non-hazardous waste                             | 1.16         | Ton/person                     |
| Greenhouse gas <sup>4</sup> | Greenhouse gas emissions<br>(Scope 1 + Scope 2)              | 4,136.53     | tCO <sub>2</sub> e             |
|                             | Intensity of greenhouse gas emissions<br>(Scope 1 + Scope 2) | 1.75         | tCO <sub>2</sub> e/person      |
|                             | Direct (Scope 1) greenhouse gas emissions                    | 50.99        | tCO <sub>2</sub> e             |
|                             | Intensity of direct (Scope 1) greenhouse<br>gas emissions    | 0.02         | tCO <sub>2</sub> e/person      |
|                             | Indirect (Scope 2) greenhouse gas<br>emissions               | 4,085.53     | tCO <sub>2</sub> e             |
|                             | Intensity of indirect (Scope 2) greenhouse<br>gas emissions  | 1.73         | tCO <sub>2</sub> e/person      |
|                             |  |              |                                |
| Use of resources            | Comprehensive energy consumption <sup>5</sup>                | 960.28       | Ton of standard coal           |
|                             | Comprehensive energy consumption per<br>capita               | 0.41         | Ton of standard<br>coal/person |
|                             | Water consumption  | 25,751.21    | Ton                            |
|                             | Water consumption intensity                                  | 10.90        | Ton/person                     |
|                             | Electricity consumption                                      | 7,613,741.87 | kWh                            |
|                             | Electricity intensity  | 3,222.07     | kWh/person                     |
|                             | Gasoline consumption   | 22,854.90    | Liter                          |
|                             | Packaging boxes consumption                                  | 2,727.75     | Ton                            |

<sup>1</sup> Dingdang Health's air emissions are calculated based on the use of official vehicles, with the calculation method referring to the Hong Kong Stock Exchange's *Reporting Guidance on Environmental KPIs*.

<sup>2</sup> Dingdang Health's hazardous waste statistics include the quantities of used toner cartridges, used light bulbs and lamps, used dry batteries, and discarded electronic products.

<sup>3</sup> Dingdang Health's non-hazardous waste statistics include the quantities of office paper and packaging cartons.

<sup>4</sup> In 2024, the Company's greenhouse gas emissions for Scope 1 came from the daily use of official vehicles, while Scope 2 emissions came from purchased electricity use. The relevant data refers to the Hong Kong Stock Exchange's *Reporting Guidance on Environmental KPIs*, with the greenhouse gas emission factor for purchased electricity referring to the 2022 national average carbon dioxide emission factor for electricity.

<sup>5</sup> Dingdang Health's comprehensive energy consumption is mainly derived from gasoline consumption and the energy consumed from purchased electricity use. The energy consumption coefficient refers to the *General Rules on Calculation of Comprehensive Energy Consumption* (GB/T 2589-2020).

## Social Performance

| Indicator         |   |                             | 2024  | Unit   |
|-------------------|---|-----------------------------|-------|--------|
| Employment        | Total number of employees                                 |                             | 2,363 | Person |
|                   | Number of employees by gender                             | Male employees              | 730   | Person |
|                   |   | Female employees            | 1,633 | Person |
|                   | Number of employees by age                                | 30 and below                | 815   | Person |
|                   |   | 31-50                       | 1,441 | Person |
|                   |   | Above 50                    | 107   | Person |
|                   | Number of employees by type                               | Senior management           | 65    | Person |
|                   |   | Middle management           | 332   | Person |
|                   |   | Basic level employees       | 1,966 | Person |
|                   | Number of employees by region                             | Mainland China              | 2,361 | Person |
|                   |   | Hong Kong, Macau and Taiwan | 2     | Person |
|                   |   | Overseas                    | 0     | Person |
|                   | Number of disabled employees                              |                             | 7     | Person |
|                   | Number of new employees                                   |                             | 493   | Person |
|                   | Employee turnover rate                                    |                             | 28    | %      |
|                   | Employee turnover rate by gender                          | Male employees              | 26    | %      |
|                   |   | Female employees            | 29    | %      |
|                   | Employee turnover rate by age                             | 30 and below                | 35    | %      |
|                   |   | 31-50                       | 23    | %      |
|                   |   | Above 50                    | 32    | %      |
|                   | Employee turnover rate by region                          | Mainland China              | 28    | %      |
|                   |   | Hong Kong, Macau and Taiwan | 0     | %      |
|                   |   | Overseas                    | 0     | %      |
| Health and safety | Number of directors                                       |                             | 9     | Person |
|                   | Number of female directors                                |                             | 1     | Person |
|                   | Number of independent directors                           |                             | 3     | Person |
|                   | Number of non-independent directors                       |                             | 6     | Person |
|                   | Number of work-related fatalities in the past three years |                             | 0     | Person |
|                   | Lost days due to work injury                              |                             | 635   | Day    |

| Indicator                |  | 2024                  | Unit        |
|--------------------------|--|-----------------------|-------------|
| Development and training | Total training hours of employees  | 137,054               | Hour        |
|                          | Percentage of employees trained by gender                                    | Male employees        | 100 %       |
|                          |  | Female employees      | 100 %       |
|                          | Percentage of employees trained by type                                      | Senior management     | 100 %       |
|                          |  | Middle management     | 100 %       |
|                          |  | Basic level employees | 100 %       |
|                          | Average training hours per employee by gender                                | Male employees        | 58 Hour     |
|                          |  | Female employees      | 58 Hour     |
|                          | Average training hours per employee by type                                  | Senior management     | 58 Hour     |
|                          |  | Middle management     | 58 Hour     |
|                          |  | Basic level employees | 58 Hour     |
| Product responsibility   | Product recalls due to safety or health reasons                              | 0                     | Case        |
|                          | Product and service complaint rate   | 0.083                 | %           |
|                          | Complaint handling rate  | 99.9                  | %           |
|                          | Number of intellectual property rights                                       | 674                   | Item        |
|                          | Number of patents granted  | 25                    | Item        |
| Supply chain management  | Number of pharmaceutical enterprises and distributors in cooperation         | 7,092                 | Company     |
| Anti-corruption          | Number of corruption litigation cases concluded                              | 0                     | Case        |
|                          | Total number of participants in anti-corruption training                     | 110                   | Participant |
|                          | Total training hours of participants in anti-corruption training             | 1,540                 | Hour        |
|                          | Management participation in anti-corruption training                         | 25                    | Participant |
|                          | Total training hours of management participation in anti-corruption training | 350                   | Hour        |
|                          | Employees participation in anti-corruption training                          | 85                    | Participant |
|                          | Total training hours of employees participation in anti-corruption training  | 1,190                 | Hour        |



## APPENDIX 2: HKEX ESG REPORTING GUIDE INDEX TABLE

| Indicator  |                    |   | Location                         |
|--|--------------------|---|----------------------------------|
| A. Environment                                   |                    |   |                                  |
| Aspect A1: Emissions                             | General Disclosure | Information on:<br>(a) the policies; and<br>(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. | 4.2 Emissions Management         |
|  | A1.1               | The types of emissions and respective emissions data.   | Appendix 1 Key Performance Table |
|  | A1.2               | Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions and, where appropriate, intensity.  | 4.1 Addressing Climate Change    |
|  | A1.3               | Total hazardous waste produced and, where appropriate, intensity.   | 4.2 Emissions Management         |
|  | A1.4               | Total non-hazardous waste produced and, where appropriate, intensity.   | 4.2 Emissions Management         |
|  | A1.5               | Description of emission target(s) set and steps taken to achieve them.  | 4.2 Emissions Management         |
|  | 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.  | 4.2 Emissions Management         |
| Aspect A2: Use of Resources                      | General Disclosure | Policies on the efficient use of resources, including energy, water and other raw materials.  | 4.3 Resource Management          |
|  | A2.1               | Direct and/or indirect energy consumption by type in total and intensity.   | 4.3 Resource Management          |
|  | A2.2               | Water consumption in total and intensity.   | 4.3 Resource Management          |
|  | A2.3               | Description of energy use efficiency target(s) set and steps taken to achieve them.   | 4.3 Resource Management          |
|  | 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.  | 4.3 Resource Management          |
| Aspect A3: The Environment and Natural Resources | A2.5               | Total packaging material used for finished products (in tons) and, if applicable, with reference to per unit produced.  | 4.3 Resource Management          |
|  | General Disclosure | Policies on minimizing the issuer's significant impacts on the environment and natural resources.   | 4.3 Resource Management          |
| Aspect A3: The Environment and Natural Resources | A3.1               | Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.   | 4.3 Resource Management          |

| Indicator                                 |                    |  | Location                         |
|---|--------------------|--|----------------------------------|
| Aspect A4:<br>Climate<br>Change           | General            | Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.   | 4.1 Addressing Climate Change    |
|   | Disclosure<br>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.   | 4.1 Addressing Climate Change    |
| B. Social                                 |                    |  |                                  |
| Aspect B1:<br>Employment                  | General            | Information on:  | 3.2                              |
|   | Disclosure         | (a) the policies; and<br>(b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare. | Remuneration and Benefits        |
|   | B1.1               | Total workforce by gender, employment type (for example, full-or part-time), age group and geographical region.  | Appendix 1 Key Performance Table |
|   | B1.2               | Employee turnover rate by gender, age group and geographical region.   | 3.1 Compliance With Employment   |
| Aspect B2:<br>Health and<br>Safety        | General            | Information on:  | 3.3 Health and Safety            |
|   | Disclosure         | (a) the policies; and<br>(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.   |                                  |
|   | B2.1               | Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.  | 3.3 Health and Safety            |
|   | B2.2               | Lost days due to work injury.  | 3.3 Health and Safety            |
|   | B2.3               | Description of occupational health and safety measures adopted, and how they are implemented and monitored.  | 3.3 Health and Safety            |
| Aspect B3:<br>Development<br>and Training | General            | Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.  | 3.4 Training and Development     |
|   | Disclosure<br>B3.1 | The percentage of employees trained by gender and employee category.   | 3.4 Training and Development     |
|   | B3.2               | The average training hours completed per employee by gender and employee category.   | 3.4 Training and Development     |

| Indicator                                |            |   | Location  |
|--|------------|---|---|
| Aspect B4:<br>Labor<br>Standards         | General    | Information on:   | 3.1 Compliance  |
|  | Disclosure | (a) the policies; and   | With  |
|  |            | (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labor.   | Employment  |
|  |            |   |   |
|  | B4.1       | Description of measures to review employment practices to avoid child and forced labor.   | 3.1 Compliance<br>With<br>Employment  |
|  | B4.2       | Description of steps taken to eliminate such practices when discovered.   | 3.1 Compliance<br>With<br>Employment  |
| Aspect B5:<br>Supply Chain<br>Management | General    | Policies on managing environmental and social risks of the supply chain.  | 5.1 Supply<br>Chain<br>Management   |
|  | Disclosure | B5.1  | Number of suppliers by geographical region.   |
|  |            | 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. |
|  |            | B5.3  | Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.                        |
|  |            | B5.4  | Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.     |
| Aspect B6:<br>Product<br>Responsibility  | General    | Information on:   | 2.2 Optimizing<br>Customer<br>Service<br>Experience   |
|  | Disclosure | (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. |   |
|  |            | B6.1  | Percentage of total products sold or shipped subject to recalls for safety and health reasons.  |
|  | B6.2       | Number of products and service related complaints received and how they are dealt with.   | 2.1 Product<br>Quality and<br>Safety<br>2.2 Optimizing<br>Customer<br>Service<br>Experience   |

| Indicator                       |                    |  | Location                                   |
|---------------------------------|--------------------|--|--|
|                                 | B6.3               | Description of practices relating to observing and protecting intellectual property rights.  | 2.3 Innovation, Research and Development   |
|                                 | B6.4               | Description of quality assurance process and recall procedures.  | 2.1 Product Quality and Safety             |
|                                 | B6.5               | Description of consumer data protection and privacy policies, and how they are implemented and monitored.  | 2.2 Optimizing Customer Service Experience |
| Aspect B7: Anti-corruption      | General Disclosure | Information on:<br>(a) the policies; and<br>(b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering. | 1.2 Business Ethics and Anti-Corruption    |
|                                 | B7.1               | Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.                                     | 1.2 Business Ethics and Anti-Corruption    |
|                                 | B7.2               | Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.   | 1.2 Business Ethics and Anti-Corruption    |
|                                 | B7.3               | Description of anti-corruption training provided to directors and staff.   | 1.2 Business Ethics and Anti-Corruption    |
|                                 |                    |  |  |
| Aspect B8: Community Investment | General Disclosure | Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.                 | 5.3 Public Welfare and Charity             |
|                                 | B8.1               | Focus areas of contribution.   | 5.3 Public Welfare and Charity             |
|                                 | B8.2               | Resources contributed to the focus area.   | 5.3 Public Welfare and Charity             |