

2026

環境、社會及管治報告

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT



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

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

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PUBLICATION CYCLE

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

BASIS OF PREPARATION

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

REPORTING PERIOD

The reporting period is from April 1, 2025 to March 31, 2026 (the “Reporting Period” or “FY2026”).

SCOPE OF REPORT

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

REFERENCE

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

NOTE ON CURRENCY

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

REPORTING PRINCIPLES

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

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

ABOUT THIS REPORT

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

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

REPORT VERSION AND AVAILABILITY

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

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

Website of The Stock Exchange of Hong Kong Limited: www.hkex.com.hk

MESSAGE FROM SENIOR MANAGEMENT

In 2025, guided consistently by the national “Healthy China 2030” strategy, the “Digital China” initiative and the “Dual Carbon” goals, the healthcare industry continued to advance towards digitalization, accessibility and sustainability. Amid evolving industry trends and rising public healthcare needs, Alibaba Health has remained steadfast in its mission to make healthcare services accessible and affordable, integrating the principles of sustainable development into its corporate strategy, its three core businesses of “cloud-based infrastructure”, “cloud-based pharmacy”, and “cloud-based hospital” as well as its day-to-day management, as it continuously explores practical pathways for high-quality healthcare development.

Alibaba Health continues to refine its corporate governance structure by reinforcing its board of directors’ oversight and decision-making roles on ESG-related matters and driving the integration of ESG principles into business decisions and information disclosure processes. The Company has also refined its risk management and internal control systems, enhancing its ability to identify and respond to compliance and operational risks. At the same time, Alibaba Health remains committed to integrity and compliance operations, upholding a strict “zero tolerance” policy toward corruption and other misconduct, and fostering an open, transparent and robust corporate governance environment. In recognition of its strong performance across all ESG dimensions, the Company was included in the “HSI Low Carbon Index”, “Hang Seng TECH Index”, and the *S&P Global Sustainability Yearbook (China Edition)*.

As an internet healthcare service platform, we have always regarded quality and trust as the foundation of our business development. We continuously improve our quality management mechanisms covering pharmaceuticals, merchants, services and user experience, leveraging digital capabilities across pharmaceutical distribution, healthcare services, supply chain coordination and platform governance to enhance service efficiency and management standards. At the same time, the Company places a strong emphasis on data security and user privacy protection, continuously strengthening its information security management and technical safeguards to provide users with safe, reliable and convenient digital and intelligent healthcare services.

We remain committed to a people-oriented approach, continuously improving our talent development, performance management, training and education, health and safety, and employee care systems. By establishing a sophisticated OKR (Objectives and Key Results) business management framework, performance management model and multi-level training resources, we support the professional growth and career advancement of our employees. We are dedicated to fostering a diverse, inclusive, open and equal working environment, and organizing a wide range of corporate culture and employee care activities to continuously enhance employees’ sense of belonging and organizational cohesion. Together with our employees, we strive to drive the long-term and sustainable development of the Company.

Alibaba Health actively responds to the national “Dual Carbon” goals. In accordance with the carbon reduction strategic objectives of Alibaba Group, it continuously monitors the impacts of climate change on the Company’s operations and value chain. It optimizes the management of energy and resource utilization in light of actual operational conditions, and explores new models of intelligent healthcare. While delivering services to users, Alibaba Health takes digital intelligence as the carrier and integrates the concept of green development, so as to facilitate the green and sustainable development of the healthcare industry.

MESSAGE FROM SENIOR MANAGEMENT

We are committed to integrating responsible technology into our business practices to improve access to healthcare services. In terms of digital supply chain management, the Company conducts dynamic risk monitoring and early warnings for suppliers through the AI-powered “FireEye System” to ensure supply chain compliance. On the inclusive technology front, the Company has fully leveraged its platform strengths and, drawing on the “Internet + Public Service” model, has actively organized public service initiatives such as “Silver Age Care • Health Guardian” (銀齡關愛 • 健康護航), “Health Welfare Club”, “Xiao Lu Mama” (小鹿媽媽) maternal health protection initiative and “Hearing Support”, helping more vulnerable groups to access timely, affordable and reliable healthcare support.

Looking ahead, Alibaba Health will continue to harness technological innovation to address the needs of the times and serve public wellbeing through responsible business practices, sustaining its platform value in the high-quality development of the healthcare industry. Together with users, merchants, partners and all sectors of society, we will strive to make quality healthcare resources more accessible and affordable, and work collectively towards building a smarter, more inclusive, greener and more sustainable healthcare ecosystem. With a long-term vision, Alibaba Health remains committed to contributing to the advancement of the “Healthy China” initiative and the promotion of sustainable social development.

STATEMENT BY THE BOARD OF DIRECTORS

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

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

Alibaba Health attaches importance to the opinions and expectations of its stakeholders. By taking into account recommendations from management and ESG experts, and through benchmarking against peers in China and overseas, and media monitoring, the Company continuously reviews and updates its material issues. Focusing on the key concerns of internal and external stakeholders, Alibaba Health has developed a materiality matrix for FY2026, which covers highly material issues such as green operation, compliance operation, and customer/consumer protection. During the Reporting Period, Alibaba Health adhered to the environmental goals set by Alibaba Group in relation to business operations, and has disclosed the progress of its ESG-related works during the current financial year in this report. This report has been reviewed and approved by the Board on May 14, 2026.

COMPANY PROFILE

Alibaba Health – Making Healthcare Services Accessible and Affordable

COMPANY OVERVIEW

Alibaba Health is the flagship platform of Alibaba Group for integrated online and offline medical and healthcare resources, providing one-stop healthcare solutions. Remaining true to its founding mission of making healthcare services accessible and affordable, Alibaba Health focuses on user needs. Leveraging its existing advantages in pharmaceutical e-commerce, Alibaba Health has expanded its business segments and explored innovative business models in internet healthcare. Powered by its leading internet digital technologies and operational capabilities, Alibaba Health actively pursues a dual-engine strategy that integrates its platform ecosystem and self-operated businesses, providing affordable, accessible, efficient, reliable medical and healthcare services to hundreds of millions of families.

BUSINESS PROFILE

Alibaba Health is principally engaged in the businesses of pharmaceutical e-commerce, healthcare and digital services, AI-empowered healthcare, and public service. In FY2026, the “Internet + Healthcare” industry continued to deepen its development, driven by both policy guidance and technological innovation. Alibaba Health has closely followed industry trends, continuously expanding its brand advantages and resources to build a strong brand recognition and an extensive resource network. By enhancing user experience and establishing an integrated online and offline platform for pharmaceutical and healthcare offerings, the Company actively fulfils its corporate social responsibilities.

Pharmaceutical E-commerce Business

- Alibaba Health’s pharmaceutical e-commerce business continues to adopt a user-centric approach, fully leveraging its well-established brand strengths and resources built over years of operation. Alibaba Health combines its capabilities in e-commerce, big data, and cloud computing through an integrated model uniting the Tmall Healthcare Platform, pharmaceutical direct-sales business, and e-commerce advertising business. Through this foundation, it actively expands strategic partnership with upstream pharmaceutical, nutritional, healthcare, and medical device manufacturers and distributors to deliver a comprehensive suite of Internet-based health solutions.

Healthcare and Digital Services Business

- Alibaba Health continues to enhance the user experience of its professional healthcare services by providing integrated online-to-offline healthcare services (including, among others, traditional Chinese medicine, medical check-ups, consultations, appointment booking, vaccinations, dental care, mental health services, optometry, and nursing) to a broad base of end users across platforms such as Tmall, Taobao, Alipay, Amap, DingTalk, Freshippo, and Quark. Leveraging its advanced digital capabilities, “Ma Shang Fang Xin” (碼上放心), Alibaba Health’s proprietary tracking platform, provides efficient and low-cost traceability services to pharmaceutical manufacturers and wholesalers, while delivering traceability compliance services to a wide range of manufacturers, logistics providers, retail pharmacies and secondary medical institutions.

Artificial Intelligence Strategy

- In FY2026, Alibaba Health leveraged AI technology to enable end-to-end empowerment in the application of medical large language models. Across traffic generation, supply, and service delivery, we optimized key scenarios such as medical search and recommendation models, intelligent supply chains, product operations, and smart customer service. These efforts not only allowed us to better address users’ healthcare service needs and significantly improve operational efficiency, but also reduced energy and resource consumption through technological optimization, thereby supporting the Company’s goal of low-carbon operations. In this fiscal year, Alibaba Health further extended its strategic focus to the development of medical AI infrastructure and launched its first large language model product in the medical vertical – “Hydrion”. Looking ahead, we will continue to foster the closed-loop ecosystem of “medicine, therapeutics, intelligence”, and harness technology to improve access to medical resources and extend their reach and applicability.

Public Service

- In FY2026, upholding the “3 Hours for Everyone” (人人3小時) public welfare philosophy, Alibaba Health actively engages in philanthropy and collaborates with multiple stakeholders to launch public service projects. Leveraging our digital capabilities to advance the Group’s public welfare, we actively embedded social responsibility into our corporate development through a series of public service activities. These included upgrading the “Lemon Babies: Boundless Love for Newborns” to the “Care Campaign for Rare Disease”, promoting our “Xiao Lu Mama” (小鹿媽媽) maternal health protection initiative and the “Silver Age Care • Health Guardian (銀齡關愛 • 健康護航)” initiative, as well as the “Xiao Lu Lantern” (小鹿燈) children’s serious disease relief program.

1 CORPORATE GOVERNANCE

Alibaba Health is fully aware that sound corporate governance is the foundation for maintaining the Company’s long-term sustainable operations. We continuously improve our corporate governance framework, strengthen risk management and internal control, actively promote a culture of integrity, and strive to enhance the Company’s management standards. At the same time, we maintain close communication with stakeholders, assess material ESG topics and actively respond to stakeholder expectations, thereby laying a solid foundation for sustainable operations.

1.1 GOVERNANCE STRUCTURE

On the basis of strict compliance with the *Company Law of the People’s Republic of China* (《中華人民共和國公司法》), the *Rules Governing the Listing of Securities* and *Corporate Governance Code* of the Hong Kong Stock Exchange, and other relevant laws, regulations and codes, Alibaba Health has established a management system that is top-down, with clearly defined roles and responsibilities, and is both scientific and efficient. During the Reporting Period, we continued to optimize our governance framework, with the Board of Directors at its core, and the Audit Committee, Nomination Committee and Remuneration Committee working in coordination with one another.

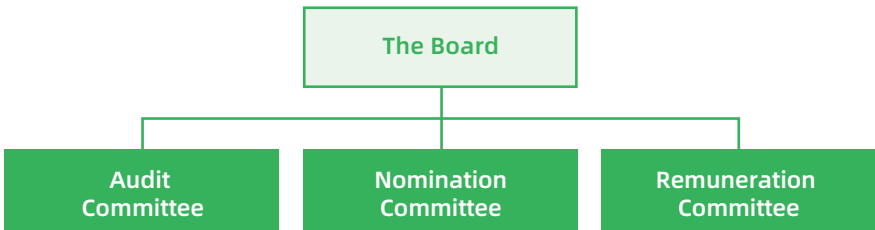


Chart: Corporate Governance Structure of Alibaba Health

Table: Committees and Main Duties of Alibaba Health

Committees	Main Duties
Remuneration Committee	- to make recommendations to the Board on the policy for and structure of remuneration in relation to directors and senior management of the Company, as well as other remuneration-related matters, and on the establishment of fair and equal procedures for developing its remuneration policy; - to evaluate the performance of executive directors, approve the terms of their service contracts, and make recommendations to the Board on the remuneration packages of individual executive directors and senior management, including benefits in kind, pension rights and compensation payments; - to make recommendations to the Board on the remuneration of the non-executive directors; - to review and approve the management’s remuneration proposals with reference to the Board’s corporate goals and objectives; - to review, provide its view on and/or approve matters relating to Alibaba Health’s share schemes.

1 CORPORATE GOVERNANCE

Committees	Main Duties
Audit Committee	• to make recommendations to the Board on the appointment, reappointment and removal of the external auditor, to approve the remuneration and terms of engagement of the external auditor, and to address any questions relating to their resignation or dismissal; • to hold pre-audit discussions with the external auditor about the nature, scope of the undertaking, and the relevant reporting obligations; • to review the half-year, annual financial statements, reports and accounts before submission to the Board; • to supervise the Company's financial reporting system, risk management and internal control systems to ensure they are effective and adequately resourced; • to discuss the effectiveness of the risk management system with management, ensure the adequacy of financial resources, personnel and budget, and report on performance review responsibilities.
Nomination Committee	• to review the structure, size, composition and diversity of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy; • to identify individuals suitably qualified to become Board members, review the nomination policy, and select or make recommendations to the Board on the selection of individual(s) nominated for directorship(s); • to evaluate the independence of independent non-executive directors; • to make recommendations to the Board on the appointment, reappointment or removal of directors, and succession planning for directors, in particular the chairperson of the Board and the chief executive officer; • to support the Company's regular evaluation of the Board's performance; • to review and confirm the Board Diversity Policy and the independence mechanism, and make recommendations thereon.

1 CORPORATE GOVERNANCE

Alibaba Health has established and strictly adhered to its *Board Diversity Policy* (《董事會多元化政策》), under which we take a holistic approach to nominating and appointing Board members – considering a wide range of factors including gender, age, professional expertise, industry experience and cultural background. As of the end of the Reporting Period, the Board comprised seven directors, including two non-executive directors and three independent non-executive directors, who collectively represented 71% of the total Board membership. There were four female directors, accounting for 57% of the Board. Our directors bring diverse industry backgrounds and are well-versed in fields such as computer science, economics, accounting, design, business administration and healthcare. For biographical details of Board members, please refer to Alibaba Health’s FY2026 Annual Report. During the current financial year, we complied with the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange. To safeguard the effectiveness of our Board governance, we strictly oversee connected transactions, equity financing activities, and other corporate actions that may impact our listing status.

Alibaba Health has refined its equity incentive scheme, expanding the scope of participants to include directors and employees of the Company and its subsidiaries, as well as directors and employees of holding companies, fellow subsidiaries or associated companies. The scheme also incorporates an adjustment mechanism to maintain the incentive scheme’s continuity in the event of changes such as mergers and acquisitions or capital restructuring, while strictly restricting the unauthorized transfer of equity awards to safeguard fairness and compliance.

1.2 INTERNAL RISK CONTROL

Alibaba Health has always regarded internal risk control as a core pillar of corporate governance, and actively refined its risk management and internal control framework spanning strategic, managerial and operational tiers. We strictly comply with laws and regulations governing risk management. Adhering to a risk management strategy designed to “ensure steady growth and sustainable development of the Group’s businesses through continual optimization of its risk management framework, capability and culture”, we set risk management targets aligned with the Company’s development trajectory, integrate business administration and risk control efforts, and drive stable operation and sustainable growth of the Company.

We have established a three-tier risk management organizational structure with clearly defined authorities and responsibilities. In particular, an interactive risk management mechanism featuring “three lines of defense” has been implemented at the execution level, through which the Company brings together teams responsible for business operation, risk management, and internal audit, fostering close coordination and communication among these three functions. By addressing both internal and external risks identified, this structure ensures effective execution of risk mitigation measures, and fosters the Company’s sustainable operations.

1 CORPORATE GOVERNANCE

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

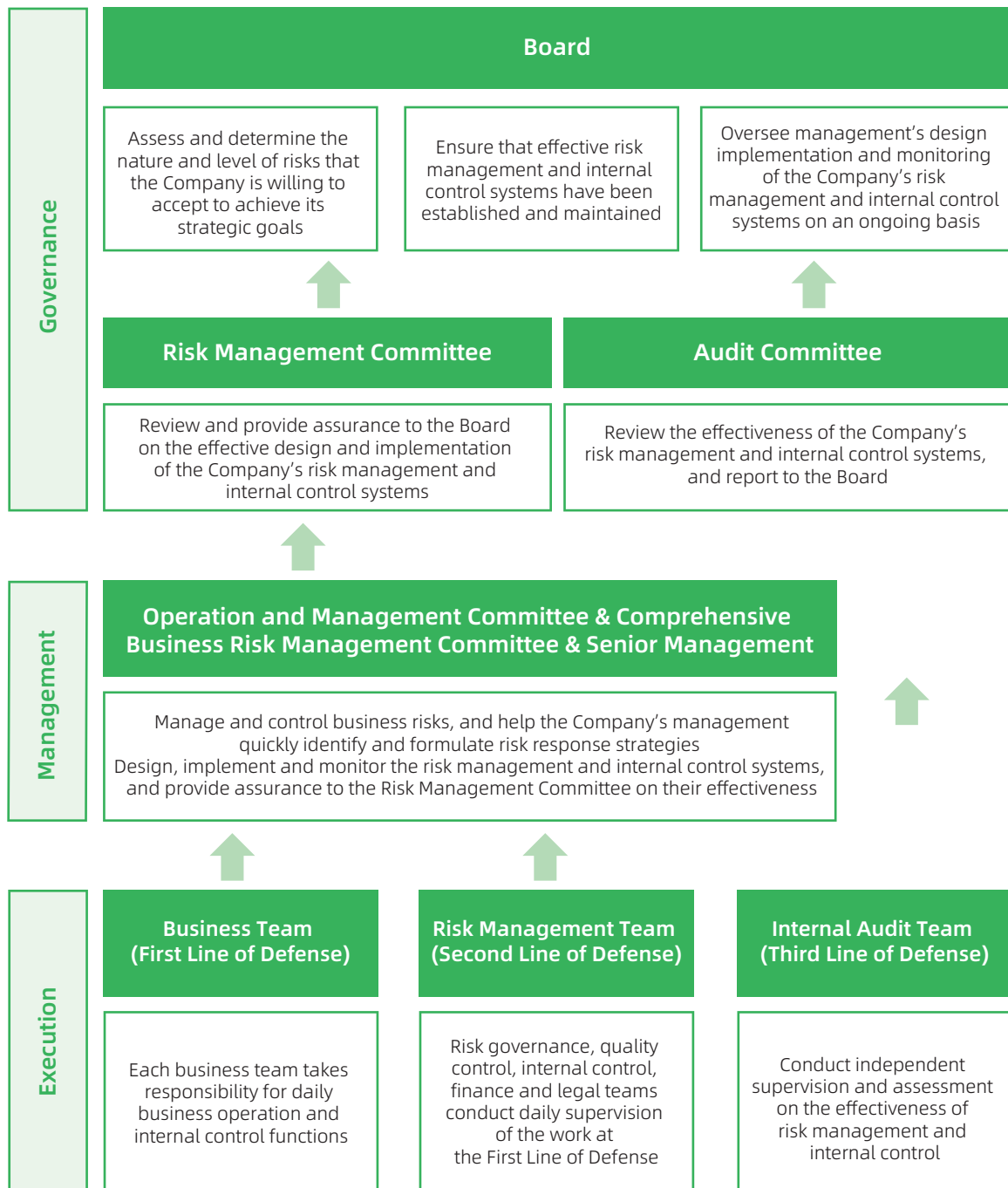


Chart: Risk Management Organizational Structure at Alibaba Health

1 CORPORATE GOVERNANCE

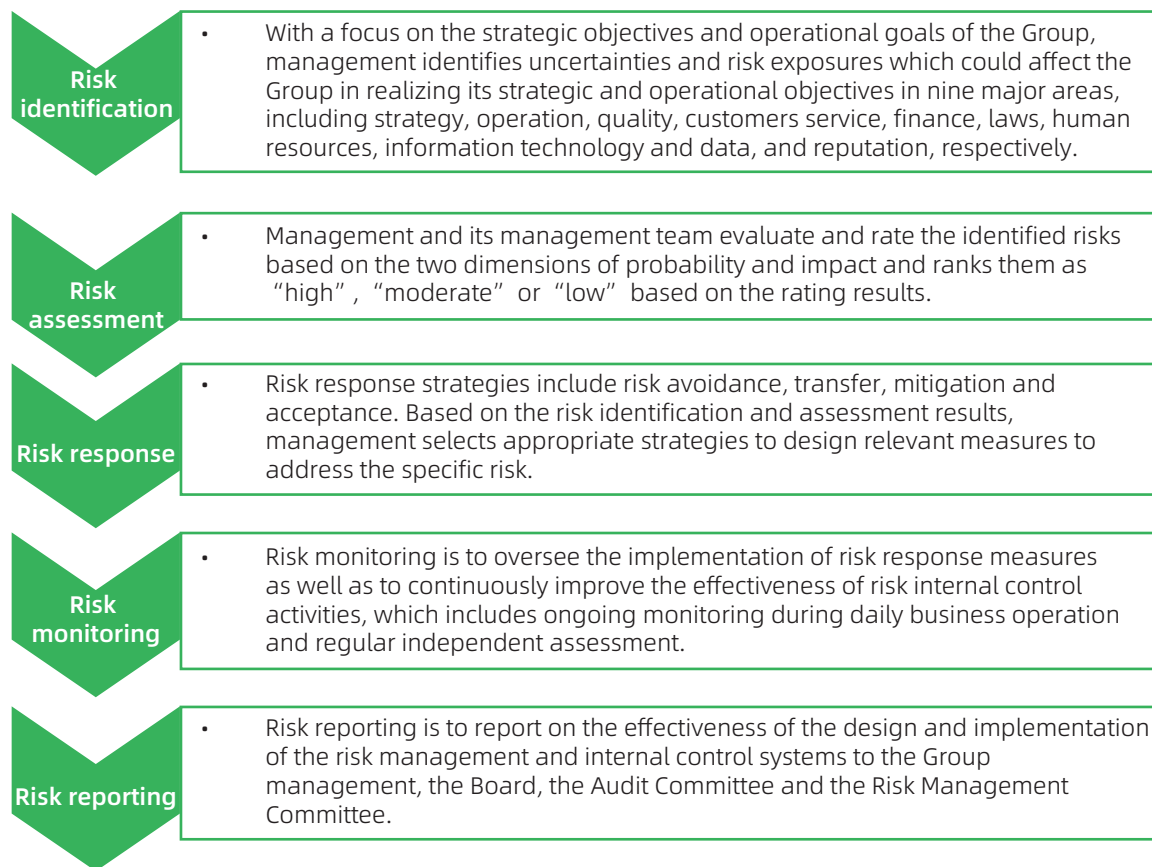


Chart: Risk Management Processes at Alibaba Health

We carried out various risk response measures, including business process standardization, risk-related performance assessment and risk awareness training, with a view to preventing and reducing the occurrence of risk incidents and ensuring the continuous improvement and long-term effectiveness of the Company’s risk management mechanism.

- The Group’s risk management measures include processes and internal control activities at the organizational, operational, financial reporting and IT system levels. These processes and internal control activities are documented in internal control procedures and policies, and are published on the policy platform as reference and learning materials for all employees. At the same time, the Group has established a rules center for Alibaba Health to publicize policies and requirements in respect of the management of partners and businesses.
- Risk management performance appraisal serves as a key enabler for the implementation of risk management. By raising all employees’ risk awareness, standardizing internal control processes and adopting an accountability mechanism for all employees, the Group ensures an effective implementation of its risk management strategy.

1 CORPORATE GOVERNANCE

- The Group ensures the implementation of various operational procedures, policy regulations and internal control activities through related communication and training sessions on risk management and internal control. Such communication and training take various forms, including centralized training sessions, seminars, on-job communication and instructions, video learning, mass emails and online examinations. The topics covered include policies and internal control training, laws and regulations training, integrity training, data security training, among others.

1.3 INTEGRITY MANAGEMENT

Alibaba Health remains committed to compliant operations and upholds a firm red line in business ethics, adopting a “zero tolerance” approach towards corruption. We are dedicated to fostering integrity awareness among all employees, safeguarding the rights and interests of all stakeholders, and creating an honest and transparent corporate environment.

Alibaba Health actively responds to the integrity management requirements of the Alibaba Group and has set up designated teams for its integrity, internal control, audit, risk control, legal and finance to drive the implementation of a robust integrity system. We have established a Disciplinary Management Committee comprised of our CEO, CPO, CFO, head of legal affairs, and head of integrity. This committee is responsible for the daily supervision of business ethics and compliance operations, including amendments to our integrity system, integrity management for employees, as well as routine management related to integrity and compliance operation. We have also ensured the continued effectiveness of the integrity and compliance system by enabling the leader of our integrity team to report to the head of integrity and compliance at Alibaba Group.

In strict compliance with the *Company Law of the People’s Republic of China* (《中華人民共和國公司法》), the *Anti-Money Laundering Law of the People’s Republic of China* (《中華人民共和國反洗錢法》), the *Anti-unfair Competition Law of the People’s Republic of China* (《中華人民共和國反不正當競爭法》), the *Interim Provisions on Prohibition of Commercial Bribery* (《關於禁止商業賄賂行為的暫行規定》), the *Anti-monopoly Law of the People’s Republic of China* (《中華人民共和國反壟斷法》), and other national laws and regulations, Alibaba Health has formulated a number of internal policies, such as the *Alibaba Health Anti-commercial Bribery Compliance Policy*[^] (《阿里健康反商業賄賂合規政策》), the *Alibaba Health Code of Business Conduct*[^] (《阿里健康商業行為準則》), and the *Alibaba Health Rules for Managing Conflicts of Interest among Employees*[^] (《阿里健康員工利益衝突管理細則》). During the current financial year, we have amended the *Alibaba Health Rules and Analysis for Managing Conflicts of Interest among Employees*[^] (《阿里健康員工利益衝突管理細則》) and the *Employee Discipline System*[^] (《員工紀律制度》), so as to further regulate employees’ business ethics conduct and reduce the likelihood of corruption incidents.

[^] For identification purpose only

1 CORPORATE GOVERNANCE

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

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

Integrity Training

Alibaba Health continues to advance the development of its integrity culture, placing strong emphasis on reinforcing the integrity awareness and professional ethics among its employees and directors through a series of training activities on business ethics and anti-corruption. We have customized training programs to suit the distinctive needs of those at different posts, such as management, front-line staff, and new recruits, covering the Code of Business Conduct, employee disciplinary policies, conflict of interest rules, and other related areas, with assessments to evaluate training effectiveness. For new employees, all new employees are required to pass an education mechanism within 30 days upon induction and to attend special offline training sessions organized by the Company on a regular basis, so as to build a solid foundation in business ethics from the outset.

During the Reporting Period, Alibaba Health conducted over 25 integrity-related awareness and training sessions, both online and offline, reaching a total of more than 15,000 participants with a coverage rate of 100%, thereby enhancing compliance awareness and business ethics across the organization.

1 CORPORATE GOVERNANCE

Promotional Case: Alibaba Health Integrity Charity Sale Event

On March 20, 2026, the Administrative Department of Alibaba Health organized an Integrity Charity Sale Event in Hangzhou, with a total of 100 participants. The event raised RMB3,563, all of which will be donated to the “Xiao Lu Lantern – A Future Without Birth Defects” charitable project for children with birth defects. In addition, to reinforce the awareness of integrity and compliance, the event also featured integrity promotion activities, focusing on educating employees on the proper handling of gifts received during business activities. This initiative not only promoted the spirit of charity but also fostered a transparent and upright workplace culture.



Picture: Alibaba Health Integrity Charity Sale Event

Table: Number of Participants & Duration of Integrity Training at Alibaba Health

Indicator	Unit	Number
Number of Employees Participating in Integrity Training	head	930 ¹
Average Integrity Training Hours per Employee	hour	2
Number of Directors Participating in Integrity Training	head	7
Average Integrity Training Hours per Director	hour	2

¹ Including active employees who participated in the training during FY2026

1 CORPORATE GOVERNANCE

Whistleblowing Management

In FY2026, Alibaba Health continued to enhance the *Rules for Integrity Reporting* (《廉正舉報制度》), establishing a comprehensive and transparent whistleblowing management system to standardize internal reporting channels and procedures, thereby facilitating timely detection and handling of misconduct. Multiple reporting mechanisms are made available to all employees and external whistleblowers, including a reporting QR code, a reporting hotline and a whistleblowing email. We actively utilize an “Integrity Chatbot” function within the DingTalk APP, putting designated personnel in charge of receiving, managing, as well as timely analyzing and handling reported information.

Alibaba Health’s Integrity Reporting Channels

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

Alibaba Health has appointed dedicated integrity investigators to promptly verify and assess reports upon receipt. Where allegations are substantiated, corresponding data analysis and investigation procedures will be initiated immediately, with a view to ensuring that whistleblowing information is managed in a timely and effective manner. Our *Code of Business Conduct* (《商業行為準則》) and related policies contain explicit whistleblower protection provisions, mandating strict confidentiality of both the whistleblower’s identity and the report content. To safeguard whistleblowers’ legitimate rights and interests, any form of retaliation by any person is strictly prohibited. During the Reporting Period, Alibaba Health was not involved in any legal case due to fraud or corruption.

Integrity in Procurement

Alibaba Health firmly believes that honesty in procurement is the top priority for a company in maintaining a sustainable supply chain. We strictly adhere to the *Alibaba Group Procurement Guidelines – Supplier Management Rules and Regulations (V2.0)* (《阿里巴巴集團採購指引之供應商管理細則規範V2.0》), the *Alibaba Health Anti-commercial Bribery Compliance Policy* (《阿里巴巴健康反商業賄賂合規政策》), and other relevant policies. When a supplier is found in breach of business ethics, such as through bribery, improper advantage, bid-rigging, false advertising, or deception, we assess the severity level of the misconduct in accordance with these rules and take disciplinary action accordingly, to minimize the impact on the Company’s supply chain development.

To sustain the development of our supply chain, all suppliers are required to sign an “Integrity and Honesty Agreement Letter” with us, which clearly stipulates that suppliers must not violate the requirements of business ethics and anti-corruption specified in the letter. Concurrently, we clearly specify the whistleblowing channels specified on the Company’s portal and procurement contracts, and undertake to maintain strict confidentiality of whistleblower information, so as to deliver comprehensive integrity management and elevate ethical standards across the supply chain. During the Report Period, the Company did not experience any incident of corruption in procurement.

1 CORPORATE GOVERNANCE

1.4 COMMUNICATION WITH STAKEHOLDERS

Alibaba Health attaches great importance to the opinions of stakeholders, actively maintains regular communication with stakeholders, proactively listens to and responds to the demands of stakeholders, and achieves a synergistic win-win between stakeholders and corporate development.

Stakeholders	Needs & Expectations	Communication & Responses
Government	Compliance with laws & regulations Response to national policies Support for economic development Payment of taxes according to laws	Compliance management Implementation of national policies Contribution to economic development Active payment of taxes
Investors	Return on investment Business & profit growth Risk management Information disclosure	Results announcement meetings General meetings Enhancement of internal control compliance Timely disclosure of operating information
Consumers	Quality products & services Healthcare knowledge education Safeguards of privacy and security	Premium pharmaceutical healthcare services Consumer satisfaction surveys Consumer information protection
Employees	Staff benefits assurance Occupational health protection Sound career path Work-life balance	Competitive remuneration package Provision of staff health training Enhancement of career development path Improvement of staff wellness
Partners	Industry advancement and win-win outcome Transparent procurement Honesty in business	Launch of cooperative projects Public tenders Contract fulfillment according to laws
Environment	Energy conservation and emission reduction Mitigation of negative environmental impacts	Strict management of emissions Improvement of efficiency in the use of resources and energy Participation in environmental public welfare activities
Society and the Public	Integration of business operation and public welfare Support for community development	Charitable activities Volunteer services

1 CORPORATE GOVERNANCE

1.5 IDENTIFICATION OF MATERIAL ISSUES

Committed to “making healthcare services accessible and affordable,” Alibaba Health aligns the internal and external ESG development trends and users’ healthcare needs. We build and continuously consolidate our four core pillars for sustainable management, aiming to achieve enduring success.

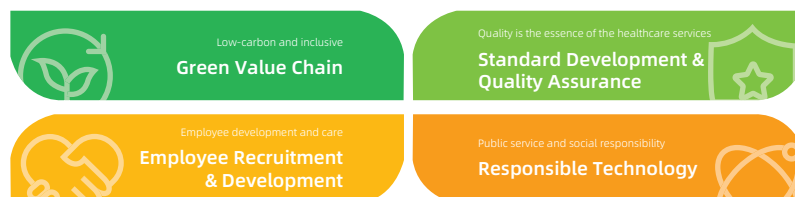


Chart: Four Core Pillars for Sustainable Management of Alibaba Health

During the current financial year, Alibaba Health, based on stakeholder demands, industry and market ESG trends and the actual needs of its own businesses, carefully identified, classified, and assessed ESG issues, formulated a list of ESG issues, and conducted materiality analysis, ultimately contributing to the materiality matrix of ESG issues of Alibaba Health in FY2026.

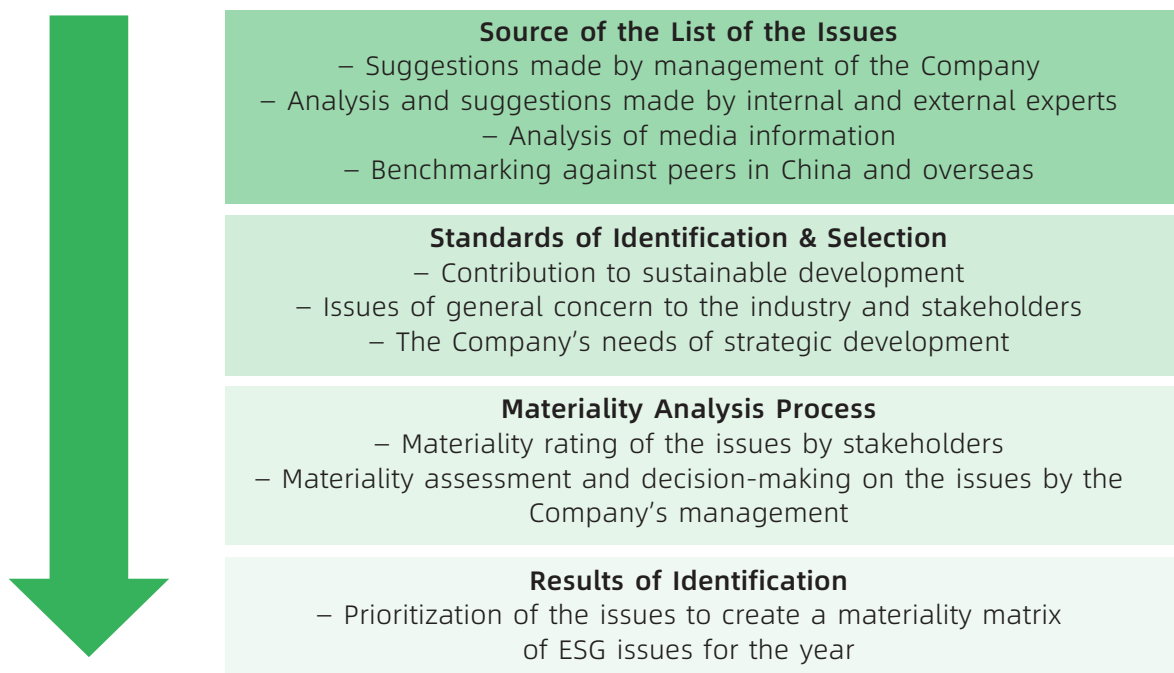


Chart: Process of Analyzing Material ESG Issues of Alibaba Health

1 CORPORATE GOVERNANCE

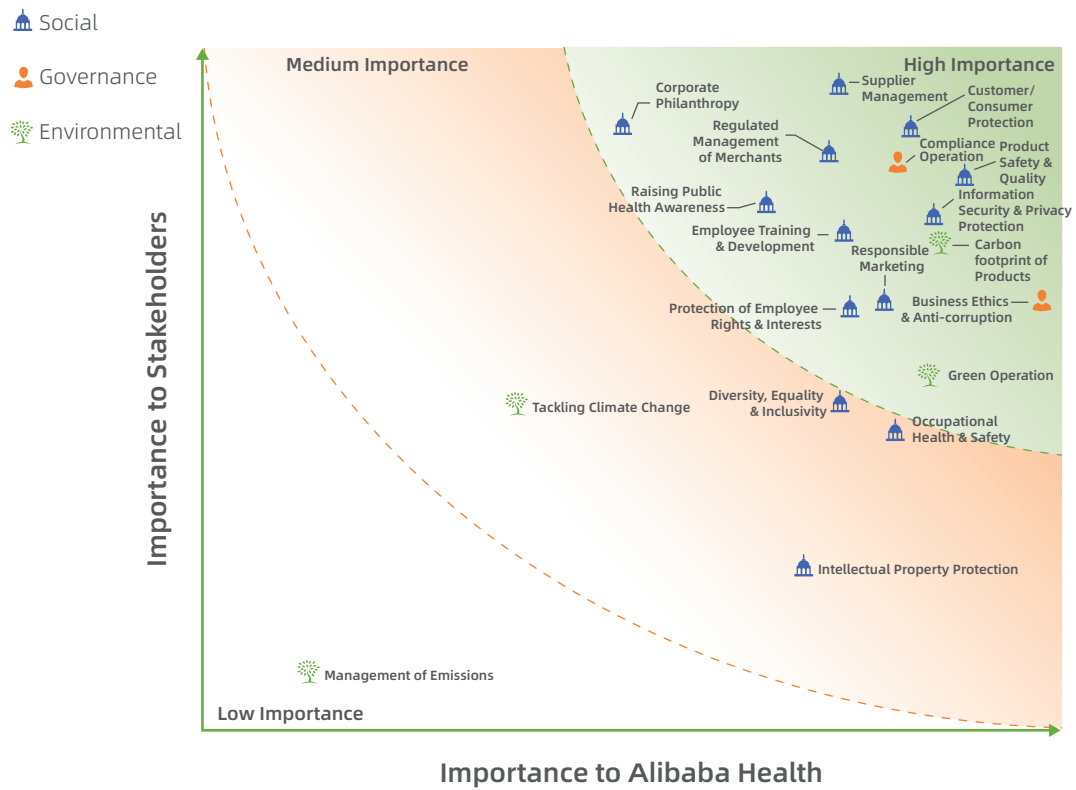


Chart: Materiality Matrix of ESG Issues of Alibaba Health in FY2026

2 STANDARD DEVELOPMENT & QUALITY ASSURANCE

Alibaba Health has always adhered to the concept of “Quality First”, maintaining strict control over product quality and safety, standardizing merchant management, and providing users with high-quality services. At the same time, we actively carry out information security and privacy protection work, improve the intellectual property system development, and create a trustworthy health service platform.

2.1 PRODUCT QUALITY & SAFETY

As a leader in the internet healthcare industry, Alibaba Health understands that product quality and safety are important foundations for ensuring the stable operation of a company. We have built a comprehensive product quality management system, covering aspects such as quality audits, quality management processes, and quality training, effectively ensuring product quality, strengthening the safety line and protecting consumer rights.

The Company strictly complies with the *Food Safety Law of the People’s Republic of China* (《中華人民共和國食品安全法》), the *Drug Administration Law of the People’s Republic of China* (《中華人民共和國藥品管理法》), the *Vaccine Administration Law of the People’s Republic of China* (《中華人民共和國疫苗管理法》), the *Regulations on the Implementation of the Drug Administration Law of the People’s Republic of China* (《中華人民共和國藥品管理法實施條例》), the *Measures for the Supervision and Administration of the Quality of Drug Distribution and Use* (《藥品經營和使用質量監督管理辦法》), the *Interim Provisions on the Examination and Approval of Internet Drug Trading Services* (《互聯網藥品交易服務審批暫行規定》) and other laws and regulations related to product quality and safety. With the *Good Supply Practice for Pharmaceutical Products (GSP)* (《藥品經營質量管理規範》) as the work standard, the Company carries out product quality and safety management work in all links including drug procurement, storage, transportation, and sales.

Drug Quality Audits

Alibaba Health insists that quality is the key to healthcare services. We have carried out comprehensive drug quality audits to fully maintain the continuity and effectiveness of the quality management system, laying a solid foundation for ensuring drug quality and safety. During FY2026, the Company has completed GSP spot inspections conducted by provincial, municipal, and district-level authorities where it operates.

2 STANDARD DEVELOPMENT & QUALITY ASSURANCE

Table: Audit Requirements and Work Situation of Alibaba Health for FY2026

Type of Audit		Content of Audit
Internal Audit	Comprehensive Internal Audit	Conduct a comprehensive internal audit at least once a year, covering: organizational structure, personnel qualifications, job skills, training work, system documents, facilities and equipment, computer systems, business operations, emergency management, invoice management and other contents. During the current financial year, Alibaba Health conducted a total of 3 comprehensive quality internal audits internally.
	Special Internal Audit	A special internal audit shall be conducted where there are any significant changes in the key elements of the quality management system. In this fiscal year, Alibaba Health completed 8 special quality audits, covering changes in warehouse addresses, changes in business scope and other matters.
External Audit		Upstream suppliers or regulatory authorities may conduct quality audits on the Company as appropriate, and the Company shall conduct regular quality audits on carriers or customers in accordance with the provisions of quality management system and legal requirements. During the current financial year, Alibaba Health conducted a total of 8 external quality audits, including quality audits on carriers and clients.

End-to-End Management for Product Quality

We continue to deepen our quality control system, focusing on four key areas, namely product quality control, product verification, product tracking, and product recall. We set out to build a scientific and efficient quality management end-to-end process that ensures the controllability of product quality risks.

Table: Quality Management Processes at Alibaba Health in FY2026

Quality Control
• Quality management system: Based on GSP and relevant regulatory requirements and industry trends, we systematically updated quality systems, operating procedures, and responsibility documents, and specifically improved product risk control, storage and transportation, traceability, and after-sales service to adapt to emerging business models; • End-to-End quality control: We implemented strict quality control measures throughout the supply chain, spanning drug storage, sales, and transportation in accordance with GSP standards to ensure that every link meets the highest standards, comprehensively safeguarding drug quality, safety, and compliant operations.



2 STANDARD DEVELOPMENT & QUALITY ASSURANCE

Product Verification

- **Refining verification standards:** In accordance with national standards and based on product characteristics and specific requirements of various sub-sectors, the platform updated and improved internal standards such as the *Tmall Health Product Quality Sampling Inspection Specification* (《天貓健康商品品質抽檢規範》) and the *Technical Specifications for Prohibited Additives in Edible Products* (《可食用類產品違禁添加技術規範》), established a full-category quality inspection standard with strict control over additives, clarified the boundaries for the use of various ingredients, resolutely prohibited the addition of prohibited substances, and ensured product safety and compliance;
- **Verification method:** To ensure transparency and efficiency in the testing process and the fairness and credibility of the testing results, the platform sends samples to third-party testing agencies with professional qualifications for inspection;
- **Sampling tests on pharmaceutical products:** In FY2026, the Guangdong Medical Products Administration conducted on-site sampling inspections across a total of 8 categories of pharmaceutical products of Alibaba Health's self-operated products, recording a 100% pass rate;
- **Sampling tests on non-pharmaceutical products:** The Alibaba Health platform adheres to the issue-oriented principle, combining multi-dimensional data such as consumer complaints, quality issues, and refund rates, to carry out regular quality inspections of platform products. At the same time, we conduct external testing and preventive testing for self-operated products on 27 high-risk items in categories such as healthcare, tonics, cosmetics, and food, effectively reducing the risk of counterfeit goods;
- **Technology promotion:** Alibaba Health actively collaborated with consumers, government authorities, and industry partners to share product quality monitoring technologies and risk control experiences, engage in technical exchanges and cooperation. These efforts aim to enhance collective capabilities in quality supervision and working together to combat counterfeit and substandard products in the market, safeguarding market order together.



2 STANDARD DEVELOPMENT & QUALITY ASSURANCE

Product Tracking

- **Technology-driven:** We introduced and gradually improved AI automated identification and blockchain technology, deeply integrated and built a product traceability system, achieving precise quality control and transparent supervision across the entire supply chain;
- **Product tracking platform:** We continued to optimize the third-party tracking platform “Ma Shang Fang Xin” through code-based tracing, data interconnection, and intelligent analysis, to achieve precise tracking throughout the entire life cycle of pharmaceutical products. This ensures that the source and destination of drugs can be traced from production, distribution, to end-use, supporting enterprises in compliance management and drug safety governance. Currently, the platform has provided tracing compliance services to more than 95% of production and wholesale logistics enterprises, over 74% of retail pharmacies, and more than 88% of secondary-level medical institutions, covering over 4,600 production enterprises, 12,000 distribution enterprises, and 800,000 pharmaceutical retail endpoints.



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



2 STANDARD DEVELOPMENT & QUALITY ASSURANCE

Product Recall

- **Internal management structure:** We established a dedicated recall leadership team to oversee decision-making and the handling of exceptional cases during the recall process. Designated personnel are responsible for collecting, communicating, and following up on all recall-related information to ensure efficient execution. The Quality Management Department is in charge of issuing recall notices, formulating recall plans, supervising implementation, and establishing and recording recall files. The Operations Management Department and Business Department are responsible for executing the recall plans;
- **Recall system development:** The Company follows the *Administrative Measures for Drug Recalls*[^] (《藥品召回管理制度》) and *Management Measures for Medical Device Recalls*[^] (《醫療器械召回管理辦法》) of the National Medical Products Administration, as well as the regulations of relevant administrative departments, to formulate recall management systems and procedures for drugs, medical devices, food, and other products. It strictly implements recalls of healthcare products in accordance with regulations and procedures, establishes true, complete, and accurate recall records and files, and ensures that the entire process is controllable and traceable;
- **Drug quality information management mechanism:** In accordance with the relevant regulations of the National Medical Products Administration, the Company has formulated relevant quality information management systems such as the *Management Rules for Drug Enquiries*[^] (《藥品查詢管理制度》), the *Management Rules for Drug Complaints*[^] (《藥品投訴管理制度》), the *Rules for Processing Drug Quality Information*[^] (《藥品質量信息處理制度》), the *Rules for Reporting and Processing Drug Quality Incident*[^] (《藥品質量事故報告與處理制度》) and the *Rules for Monitoring and Reporting Drug Adverse Reactions*[^] (《藥品不良反應監測與報告管理制度》), and has effectively implemented the same to ensure the safety of public medication.



[^] For identification purpose only

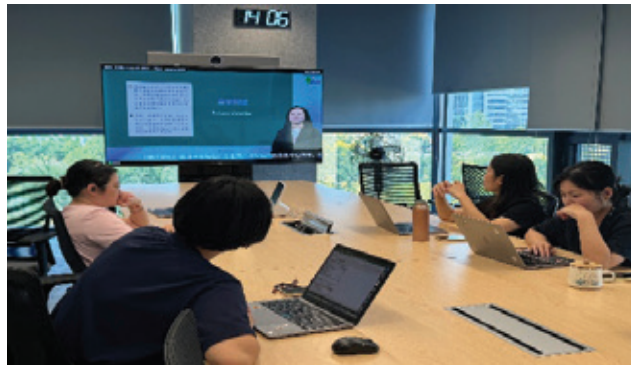
2 STANDARD DEVELOPMENT & QUALITY ASSURANCE

In FY2026, Alibaba Health did not experience any product recalls announced by regulatory authorities.

Quality Trainings

Alibaba Health places great emphasis on employee quality awareness training and quality culture development. We carry out a series of quality training activities to communicate quality and safety requirements to employees, with a view to providing patients with products and healthcare services of higher quality. We strictly comply with GSP requirements and conduct quality training and assessments for employees in various positions. The training content includes goods receiving, inspection, maintenance, and stem cell specialized management.

In FY2026, we organized a total of 28 quality training sessions, covering internal training, external training, and self-study courses. The total training hours for the year exceeded 100 hours. The evaluation methods included oral exams, written exams, and questionnaire exams, with a total of 1,387 participants, comprehensively enhancing employees' awareness of quality compliance and management capabilities. In addition, we organized 4 quality control training sessions for external suppliers, covering 598 participants, which to some extent improved the quality of supply.



Picture: Employee Quality Training Meeting

2 STANDARD DEVELOPMENT & QUALITY ASSURANCE

Table: Internal Quality Training of Alibaba Health

Drug training	Non-drug training
- Customer service teams of pharmaceutical products: Training was delivered in a combination of offline and online streaming formats, with content covering the quality of specialized management varieties, basic pharmaceutical knowledge, pharmaceutical-related regulations, daily operation standards, and pharmaceutical storage and transportation scenarios. These sessions effectively improved the professional competence and problem-solving abilities of customer service personnel; - Drug quality control teams: Training was provided on the drug-related quality management systems and operating procedures. This strengthened the standardization and accuracy of quality control personnel in overseeing pharmaceutical quality, while also ensuring the effective management and compliance of related information; - Warehouse operation teams: Training was delivered on key warehouse processes, including custody, transportation, and storage and related management. These enhanced the professionalism of warehouse personnel in pharmaceutical storage and management, ensuring drug safety throughout the warehousing stage; - Supply chain teams: Training was conducted on cold-chain pharmaceutical storage and transportation management, strengthening the promotion and implementation of GSP standards, standardizing the operational processes for receipt, inspection, storage, maintenance, outbound, and transportation, ensuring the quality and safety of cold-chain pharmaceutical storage and transportation, and providing solid support for the stable operation of the supply chain.	- Operation teams of non-pharmaceutical products: Training was conducted on topics such as first-time onboarding regulations and legal requirements for non-pharmaceutical products and tonic food products, supplier management rules, impact of error and omission in shipment and management procedures, risk compliance and common mistakes in merchant operations, and direct delivery warehouse management standards. These initiatives continued to enhance operational efficiency and quality control; - Supply chain teams: Training was conducted on medical device professional regulatory and know-hows requirements. The sessions covered procedures for inbound and outbound logistics, storage maintenance standards, and risk control measures, all in alignment with relevant laws and quality management system standards. These improved warehouse and logistics staff's technical skills and risk awareness, ensuring the quality and safety of medical devices throughout the warehouse and logistics processes.

2 STANDARD DEVELOPMENT & QUALITY ASSURANCE

2.2 REGULATED MANAGEMENT OF MERCHANTS

Alibaba Health actively carries out standardized management of merchants, continuously refines the merchant management system, formulates and optimizes management policies, and manages and trains from multiple aspects such as merchant qualification review, risk control, product compliance, and quality control, with a view to comprehensively improving the level of merchant management.

Optimization of Merchant Management System

Alibaba Health implements full-lifecycle closed-loop management for “Three Products & One Medical Device”² category and their products. A rigorous control mechanism has been established covering qualification access, cross-department collaborative review and annual performance elimination. In the merchant onboarding phase, leveraging Alibaba Group’s “FireEye System”, we monitor merchants’ operational scale, social influence and administrative penalty records to promptly identify and replace high-risk merchants. Meanwhile, we recruit professionals with medical and pharmaceutical backgrounds to build a pharmaceutical risk control platform, which systematically manages the qualifications of internet hospitals, physicians and pharmacists, as well as prescription compliance and prescription reviews.

Alibaba Health conducts rolling audits of merchants, covering full-chain scenarios such as qualification reviews, contract legal terms, and channel pricing policies, and performs a survival-of-the-fittest process based on annual sales, supply fulfillment rates, and centralized procurement performance to ensure the quality and stability of merchant management systems. In this fiscal year, we have carried out refined management for specific merchants such as medical device providers, medical service providers, and consumer medical institutions, according to the characteristics of different platforms including Taobao, Tmall Global, and Tmall Supermarket, creating targeted management policies and control measures to promote the improvement of e-commerce platform operation standards.

Product Compliance Management

In compliance with the national *Good Supply Practice for Pharmaceutical Products* (《藥品經營質量管理規範》), Alibaba Health has optimized and upgraded internal systems such as the *Tmall Market Management Rules* (《天貓市場管理規範》) and the *Tmall Pharmaceutical Management Rules* (《天貓藥品管理規範》) to safeguard the normal business rights of merchants. In response to the complexity of product release rules in certain scenarios, the platform has deeply optimized the front-end information display logic, establishing a clear and precise mechanism for violation warnings and rectification guidance, significantly reducing the cost and difficulty of merchant consultations and rectifications. At the same time, leveraging AI large models and technological upgrades, we have optimized the real-time live-stream risk identification system to quickly detect and accurately filter non-compliant content, ensuring a clean trading environment while fully protecting merchants’ compliant operations.

² Three Products & One Medical Device: Pharmaceutical products, health foods, foods for special medical purposes (FSMPs), and medical devices.

2 STANDARD DEVELOPMENT & QUALITY ASSURANCE

Table: Merchant Management on the Platform

Management of Pharmaceutical and Non-Pharmaceutical Merchants	• Entry stage: Upon entry, merchants are required to submit proof documents such as business licenses, business qualifications, and network filing certificates. An account will be opened after comprehensive assessment of factors such as business scale and administrative penalty records; • Operation stage: Prior to listing products, merchants must provide materials such as registration certificates, filing certificates, and label information according to platform regulations. During operation, they are subject to review by Alibaba Health to ensure the qualifications are genuine and valid; • Exit stage: Reviews are carried out annually during contract renewal. The review covers sales amount and supply satisfaction rate, etc. Merchants failing to meet standards will be phased out.
Management of medical service providers	• We build a standardized access system for medical service providers and formulated the <i>Standards on Admission to Alibaba Health Medical Platform</i> (《阿里健康醫療平台入駐標準》), the <i>Rules of Alibaba Health on Management of Sourcing of Physical Check/Inspection Providers in Alipay</i> (《阿里健康支付寶體檢/檢查機構招商管理規範》) and other regulatory documents to clearly define the requirements for the admission; • We conduct a preliminary verification of the qualifications of all medical institutions and physicians admitted to the platform. The final review will be conducted through the website of the National Health Commission of the People's Republic of China ("National Health Commission"), ensuring the compliance of medical entities.
Management of consumer healthcare institutions	• We developed rules, management standards and verification processes for sourcing consumer healthcare institutions, and clarified the admission criteria for merchants; • Entry stage: We combine qualification verification with on-site spot checks to comprehensively assess the qualification documents of consumer healthcare institutions in terms of management and services, while non-periodic reviews are conducted on the actual state of their operations to ensure the information is truthful and accurate.

2 STANDARD DEVELOPMENT & QUALITY ASSURANCE

Engagement and training with platform merchants	- We maintain daily communication with merchants via DingTalk groups, email, and phone to address quality-related issues; - If there is a need for annual agreement policy negotiations/high-level interactions/project cooperation, we will conduct on-site visits and face-to-face communication with platform merchants; - We conduct online live broadcasts every year to provide training to all merchants on system operations, quality management documents, new regulatory requirements, and business matters that require merchant cooperation.
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Picture: Live Training Session for Merchants on Alibaba Health Platform

2.3 CUSTOMER SERVICE

Alibaba Health always adheres to a customer demand-oriented approach, continuously improving the intelligent customer service management system, strengthening the professional pharmacist team, and enhancing the experience of online consultations and medication advisory services. At the same time, the Company strictly controls medication safety, standardizes marketing and service processes, e-commerce platform services, medical health, and digital services. With professional, efficient, and trustworthy health services, it continuously safeguards users' health and well-being.

2 STANDARD DEVELOPMENT & QUALITY ASSURANCE

Customer Service Management

Alibaba Health adheres to the principle of “No Complaint is Left Behind.” It has developed and implemented the *Operation Procedures for Customer Complaints Management* (《客戶投訴管理操作規程》), the *Quality Complaint Management System* (《質量投訴管理制度》), and the *Alibaba Health Implementation Plan for Performance Management of Customer Service Outsourcing Suppliers* (《阿里健康客服外包供應商績效管理實施方案》) to continuously standardize the mechanisms for accepting, responding to, following up, and closing customer complaints. The Company has established a full-chain management process covering problem occurrence, information feedback, responsibility tracking, and problem resolution, ensuring that every customer complaint receives a timely response, effective handling, and continuous follow-up. At the same time, we continuously improve the customer service management system by integrating key service links such as customer development, customer communication, and customer complaints into unified management, repetitively calculating risk escalation standards, and effectively ensuring the response efficiency to customer demands and the service quality resolutions.

Table: Customer Service Management Initiatives at Alibaba Health

Multi-channel services	Alibaba Health provides real-time support to customers through diversified communication channels such as online and hotline engagements, serving over 160,000 customers with consultation services in current financial year.
Issue tracking & follow-up	For unresolved issues, the Company provides timely feedback on handling progress and results via online messages, outbound calls, or SMS, and conducts follow-up visits to ensure the customer’s issues are completely resolved.
Data analysis & optimization	The Company continuously analyzes customer feedback data and VOC³ issue scenarios to identify key areas with lower customer satisfaction and carry out targeted optimizations. At the same time, we strengthen the execution capability of the customer service team through specialized training and quality inspections to ensure that improvement measures are effectively implemented.
Proactive intervention	The Company, with reference to commonly encountered scenarios where complaints are received, systematically analyzes complaint situations that may involve regulatory authorities and the characteristics of high-frequency issues, and conducts interventions and resolution work in advance through multi-dimensional evaluation to minimize the occurrence of complaints.

³ VOC: Voice of Customer

2 STANDARD DEVELOPMENT & QUALITY ASSURANCE

Customer service training	• The Company continuously conducts multi-themed, scenario-based training for customer service staff, covering store customer service, brand, quality inspection, sales, after-sales service, and other content, enhancing the professional abilities and service skills of the customer service team. • In FY2026, customer service staff participated in a total of 1,042 training sessions on topics such as professional abilities, sales skills, pre-job training, activity operations, refund regulations, and cold chain business training, with a cumulative total of 14,817 participants.
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In FY2026, Ali Health Pharmacy adhered to the principle of “every complaint receives a response”, receiving a total of 206,000 complaints and achieving a 100% closure rate for customer complaints. By continuously optimizing service touchpoints and enhancing problem-solving capabilities, the Pharmacy’s complaint volume decreased by 12.0% compared to the FY2025. Meanwhile, the Pharmacy accumulated 2,519,000 online reviews, of which 1,956,000 were positive customer satisfaction reviews, maintaining an overall satisfaction rate of 77.6%, reflecting the Company’s solid results in continuously iterating solutions and deepening customer service capability development.

Pharmacist Team Development

Alibaba Health continues to enhance its pharmacist service system by providing users with round-the-clock (24/7) online consultation services, covering the entire chain of scenarios including pre-sales consultation, after-sales support, medical guidance, and medication consultation. We continuously enhance the management level of our pharmacist team and constantly improve the platform’s service system. The Company adheres to a strict pharmacist admission review mechanism to ensure the professional competence and service quality of the pharmacist team, and by continuously optimizing the consultation service process, provides users with timely and accurate medication guidance.

2 STANDARD DEVELOPMENT & QUALITY ASSURANCE

Table: Doctor and Pharmacist Team Development Initiatives at Alibaba Health

Strict credential review of doctors	- All doctors on the team working at Alibaba Health's internet hospitals are licensed practitioners with over three years of independent clinical experience. Nearly 30% hold positions of associate chief physician or higher at Grade 3A hospitals, while 60% are attending physicians or higher from similar institutions. - All doctors must undergo real-name authentication and qualification review to ensure their practicing credentials are valid, with a view to providing safe, trustworthy medical services.
Disqualification of underperforming online institutions, doctors, and pharmacists	A strict assessment mechanism is put in place by the Company to consistently ensure professional competence and service quality across the team.
Systematic training	Multi-dimensional, specialized training is provided by the Company to doctors and pharmacists, covering topics such as consultation protocols, medication safety, and patient communication, to continuously enhance their expertise and service capabilities.
Optimization of consultation process	The Company continuously standardizes the prescription management process, ensuring that doctors gain a thorough understanding of patients' medical history and medication needs before issuing prescriptions, thus reducing the risk of inappropriate medication use.
Upgraded safe medication engine	The system's risk-identification capabilities are continuously strengthened with a tiered management mechanism in place, provide patients with personalized medication guidance and ensures the safety and appropriateness of issued prescriptions.

In the healthcare services segment, as of the end of the Reporting Period, the total number of licensed physicians, pharmacists and dietitians who had contracted with the Group to provide online health consultation services rose year-on-year by 12.4% to nearly 270,000 (including Xiaolu TCM).

Consultation Services Experience

Alibaba Health leverages its professional healthcare service capabilities and expanded business scenarios to build an integrated online-offline medical consultation platform that offers services such as appointment booking, online consultation, medicine purchase/delivery, traditional Chinese medicine services, nucleic acid testing, health insurance, physical examination and testing, as well as health encyclopedia services. These efforts continue to enhance our healthcare services efficiency, delivering full-fledged, one-stop consultation experiences.

2 STANDARD DEVELOPMENT & QUALITY ASSURANCE

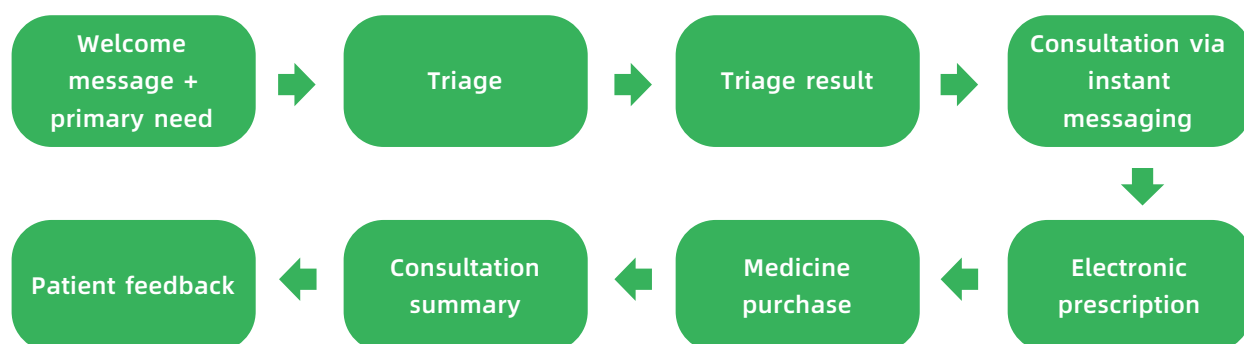


Diagram: End-to-End Consultation-to-Medication Service Chain

The Company continues to optimize its consultation service portfolio and launch diversified services including rapid consultations, expert consultations and “Doctor Xiaomi” (小蜜醫生). For orders from specialized clinics such as the Pediatrics Center and Dermatology Center, we have set up instant customer service access during consultations and implemented a 24-hour post-consultation call backs mechanism to proactively monitor changes in users’ health conditions, provide health tracking, and send reminders for follow-up consultations to steadily improve user service experience.

Table: Online Consultation Service Matrix at Alibaba Health

Rapid Consultation	Available 24/7; initial response within 60 seconds; written inquiries answered within 30 minutes with unlimited rounds; doctors qualified at Grade 2A hospitals or above.
Expert Consultation	Both written and phone consultations are available; unlimited interactions within 48 hours; average response time is 30 minutes; consultation duration up to 15 minutes; prescriptions available; doctors qualified at Grade 2A hospitals or above.
Specialized Departments	Features 15 characteristic specialties including Pediatrics, Gynecology, Andrology, Dermatology, as well as emergency consultation services.
“Doctor Xiaomi”	Features in-house doctors on scheduled shifts; available 24/7; written inquiries answered within 15 minutes; platform-mandatory supervision; services are customizable.
Free Medical Consultation	Written inquiries answered within 48 hours; limited time and quantity, new user experience offering.

2 STANDARD DEVELOPMENT & QUALITY ASSURANCE

Medication Safety

Alibaba Health always regards user medication safety as a key principle. Adopting a layered risk management strategy, Alibaba Health focuses on the three core links of rational diagnosis, standardized consultation and rational medication use to continuously improve the quality of rational medication services. Meanwhile, the Company has developed an accurate medication administration function. It intelligently generates medication recommendations based on patients' personal information to serve as a reference for physicians' prescribing decisions.

Responsible Marketing

Alibaba Health strictly complies with applicable laws and regulations. In accordance with the *Advertising Law of the People's Republic of China* (《中華人民共和國廣告法》), the *Provisions for Drug Insert Sheets and Labels* (《藥品說明書和標籤管理規定》), the *Administrative Provisions on Food Labelling* (《食品標識管理規定》) and other relevant rules, the Company has formulated management systems including the *Tmall Health Management System for Drug Quality and Safety* (《天貓健康藥品質量安全管理制度》) and the *Tmall Health Management System for Medical Device Quality and Safety* (《天貓健康醫療器械質量安全管理制度》), which set out specific requirements for qualification verification of product listings, information display, risk warnings and other procedures for pharmaceuticals, medical devices and health supplements. This ensures all product information is truthful and compliant, and puts an end to false promotion and irregular sales practices.

Meanwhile, we have established platform rules and regulations including the *Rules and Implementation Guidelines on Spam Information* (《濫發信息的規則及實施細則》) and the *Rules and Implementation Guidelines on Selling Products with Misleading Descriptions or Quality Issues* (《出售描述不符或品質存在問題的商品規則及實施細則》), providing full-process oversight of the business conduct of pharmaceuticals, medical devices, and health supplements, strengthening merchant accountability, and safeguarding consumer rights.

- Prior to product launch: Based on official data and the platform's accumulated benchmark database, product qualifications for pharmaceuticals, medical devices, health supplements, and foods for special medical purposes are verified to ensure qualification compliance and regulatory adherence.
- Subsequent to product launch: The platform leverages advanced system tools for real-time monitoring over promotional texts of products, continuously verifying the accuracy and compliance of information related to pharmaceuticals, treatments, and services.

2 STANDARD DEVELOPMENT & QUALITY ASSURANCE

Responsible Marketing and Advertising Training

In FY2026, Alibaba Health continued to strengthen responsible marketing and advertising compliance management. Centered on laws and regulations including the *Drug Administration Law* (《藥品管理法》), the *Regulations on the Supervision and Administration of Medical Devices* (《醫療器械監督管理條例》), and the *Electronic Commerce Law* (《電子商務法》), the Company conducted systematic compliance training targeting platform merchants, operations teams, and internal staff. Through a combination of online guidance and offline training, the Company organized specialized sessions including the *Quality Management Standards for Online Sales of Medical Devices* (《醫療器械網絡銷售質量管理規範》), *Compliant Operations for Pharmaceuticals and Medical Devices* (《藥械合規經營》), and a thematic training on *Risks of False Advertising* (虛假宣傳風險). These were supplemented by warning education using real violation cases, further enhancing all parties' understanding of compliance requirements, risk identification capabilities, and execution standards.

Responsible Marketing Audit and Supervision

In FY2026, Alibaba Health continued to strengthen responsible marketing compliance management, establishing a dedicated audit and supervision mechanism covering the full process of advertising content, product information, merchant qualifications, and marketing activities.

The Company established a dual-track mechanism of “pre-review + dynamic monitoring”, incorporating pre-listing registration certificate number verification for medical device products and a real-time monitoring and transparent image callback function for pharmaceutical product guide images, strengthening product qualification and listing compliance management. Meanwhile, the Company conducted identification of promotional content on product information pages, focusing on medical disease efficacy claims, health supplement efficacy claims, absolute descriptions, and extreme word descriptions, with enhanced treatment applied to information involving efficacy assertions.

Audit work is led by the Risk Management Department, and conducted on a quarterly basis, combining AI-powered intelligent identification systems with manual spot checks to expand audit coverage and improve risk identification efficiency. For problematic products and stores, the platform adopts differentiated disposal measures and incorporates audit results into the merchant credit evaluation system, serving as a key basis for adjusting store operating permissions. Additionally, the platform implements focused monitoring and dynamic re-review for high-risk categories such as prescription drugs and medical devices, ensuring that marketing practices are lawful, transparent, and traceable, effectively safeguarding consumer rights and supporting healthy industry development.

In FY2026, the Company completed 4 rounds of comprehensive audits, reviewing over 150,000 product pages in total, with a rectification rate exceeding 98%.

2 STANDARD DEVELOPMENT & QUALITY ASSURANCE

2.4 MANAGEMENT OF INFORMATION SECURITY

In the context of digital development, information security has become a core pillar of stable business operations and public trust. Alibaba Health places great emphasis on information security management, adheres to the implementation of relevant policies, steadily advances various information security and user privacy protection measures, actively conducts information security training for all employees, and continuously safeguards user data and information security.

Information Security Governance

Alibaba Health strictly complies with applicable laws and regulations, including the *Cybersecurity Law of the People's Republic of China* (《中華人民共和國網絡安全法》), the *Regulations on Technical Measures for Internet Security Protection* (《互聯網安全保護技術措施規定》), and the *General Data Protection Regulation (GDPR)* (《通用數據保護條例》), and has established an information security governance structure with clearly defined management responsibilities at all levels to continuously drive the implementation of information security management.

Table: Data Security Governance Structure at Alibaba Health

Management Level	Responsibilities
Board	Coordination of information security management efforts of the Company, acts as the highest management authority to oversee and review information security matters.
Data Decision-Making Committee	Responsible for reviewing major data security issues, manages and supervises the corporate information and data security work.
Data Security Decision-Making Taskforce	Develops data security strategies and principles, ensures alignment of data security efforts with overall development strategy of the Company.
Data Security Management Taskforce	Formulates data security policies, oversees the implementation of data security and privacy measures.
Data Security Enforcement Taskforce	Executes data security tasks, conducts reviews and daily communications to safeguard corporate data, business data, individual privacy data, as well as upstream and downstream data security.

2 STANDARD DEVELOPMENT & QUALITY ASSURANCE

In accordance with the group-wide *Data Security Specifications (General) of Alibaba Group* (《阿里巴巴集團數據安全規範(總綱)》), the *Information Disclosure Rules of Alibaba Group* (《阿里巴巴集團-對外數據披露細則》) and the *Financial Information Security Management Rules of Alibaba* (《阿里巴巴財務數據安全管理規程》), the Company has formulated various internal policies, such as the *Data Security Specifications (General) of Alibaba Health* (《阿里健康數據安全規範(總綱)》), the *Management Specifications for Classification and Grading of Data Assets of Alibaba Health* (《阿里健康數據資產分類分級管理規範》), and the *Operation Standards for Classification and Grading of Personal Information of Alibaba Health* (《阿里健康個人信息分類分級操作規範》). It has also newly issued the *Trade Secret Data Security Management Specifications of Alibaba Health* (《阿里健康商業秘密數據安全管理規範》), which clarifies the responsibilities of relevant management personnel, governance requirements and security measures for trade secret data. These information security policies comprehensively cover Alibaba Health and companies under its management.

Alibaba Health upholds a zero-tolerance stance against data security breaches and has continuously implemented the *Employee Discipline System (Alibaba Health Edition)* (《員工紀律制度(阿里健康版)》). Staff violations of data security rules are linked to their promotion prospects, performance assessments and year-end bonuses to boost employees' accountability for data security. Based on data classification levels, we have established tiered disciplinary measures, including written warnings, demerits, and termination. In cases of particularly severe circumstances, the Board or its authorized committee is entitled to cancel or recover corresponding equity incentives/long-term incentives and their gains, thereby safeguarding the Company's data assets. Meanwhile, for suppliers and contractors, Alibaba Health constrains their conduct through confidentiality agreements or data security clauses, reinforcing data security management requirements throughout partnerships.

Alibaba Health continuously advances information security management system certification efforts for both itself and its suppliers. Alibaba Health, Alibaba Cloud, the "Ma Shang Fang Xin" Platform, and the Alibaba Health Consultation System have all obtained multiple authoritative accreditations both domestically and internationally, ensuring the standardization of the Company's information security management system.

2 STANDARD DEVELOPMENT & QUALITY ASSURANCE

Table: Information Security Certification

Certified institution	Certification system
Alibaba Health	ISO 27001 information security management system certification ⁴
Alibaba Cloud	Registration certification of level-3 information security protection of information system, Ministry of Public Security
“Ma Shang Fang Xin” Platform	Registration certification of level-3 information security protection of information system, Ministry of Public Security
Alibaba Health Consultation System	Registration certification of level-3 information security protection of information system, Ministry of Public Security

Information Security Operations

Alibaba Health has established data security policies and continuously advanced security protection technology construction. Through its self-developed Supply Chain Management System (SCM) and Pharmaceutical Logistics Warehouse Management System (WMS), the Company enhances business chain management and safeguards data security. Meanwhile, the Company adopts security measures such as data masking and de-identification, refining end-to-end governance covering the entire data lifecycle from collection through to destruction.

Alibaba Health has established reporting procedures for security incidents and vulnerabilities as well as an emergency response mechanism for data leakage, and conducts offensive and defensive drills to enhance its information security protection capabilities. No faults occurred during data recovery in FY2026.

Table: Information Security Safeguard Measures of Alibaba Health

Vulnerability Reporting	- Employees may submit security vulnerabilities via the Security Service Center or Alibaba Security Response Center (ASRC), with relevant teams responsible for assessment, follow-up and remediation; - The Company grants corresponding incentives to employees who report vulnerabilities beyond their job responsibilities, and provides cash rewards to external vulnerability submitters.
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⁴ The ISO 27001 information security management system certification applies to software research and development, operation and maintenance services on the “Ma Shang Fang Xin” drug tracking platform, covering over 80% of the Company’s lines of business.

2 STANDARD DEVELOPMENT & QUALITY ASSURANCE

Emergency Response Plan	- Information security incidents are classified into three tiers based on their nature, impact severity and scope. Data leakage incidents are efficiently handled through incident assessment, disposal, review and optimization procedures; - No actual information security data leakage incidents occurred in FY2026.
Data Recovery and Offensive and Defensive Drills	- Data recovery exercises are conducted on a monthly basis; - Annual offensive and defensive drills are organized to simulate attack paths in office network, production network and other scenarios, with timely rectification of identified issues.

Alibaba Health conducts annual data security audits through internal testing and by engaging third-party institutions to identify information security-related risks and enhance prevention and control capabilities.

Table: Information Security Assessment Tests of Alibaba Health

Internal tests	- Conduct privacy compliance inspections on upcoming APPs and mini-programs to ensure full compliance with user privacy regulations; - Carry out quarterly routine inspections on APP privacy compliance. The Company identifies risks based on business scenarios, and drives relevant APP managers to complete rectification and verification of fixes.
External tests	- Share the security expert pool with Alibaba Group (https://security.alibabab.com/), and accept security risk tests conducted by tens of thousands of security experts worldwide; - Arrange regular third-party compliance audits for mobile APPs on an annual basis, to ensure the products meet the highest industry standards in terms of information security and privacy protection.

2 STANDARD DEVELOPMENT & QUALITY ASSURANCE

Information Security Training

Alibaba Health continuously improves its information security training system for all employees. Combining the characteristics of different job levels and positions, the Company carries out information security awareness communication and special training. The training content covers multiple aspects including data security-related laws and regulations, internal policy requirements, operational specifications, management approaches, compliance assessments, emergency drills and relevant knowledge and skills, so as to raise employees' information security awareness and their capability to identify corresponding risks. In FY2026, the information security training coverage rate hit 100% across all employees of the Company, including both full-time and outsourced staff.

Table: Training on Data Security at Alibaba Health for FY2026

New employees	• Provided quarterly “Baijian” data security awareness training for newly recruited employees each quarter
Personnel related to data security	• Organized data security incidents recap and relevant training
Technical staff	• Conducted red-line certification training for technical personnel in critical security roles and assessments related to data security
Staff for major promotional campaigns and outsourced personnel	• Delivered privacy and data security training tailored for major promotional events and outsourced personnel
All employees	• Distributed online communication materials regarding data security and information confidentiality, with security training and examinations organized for all staff



Picture: “Baijian” Data Security Training Session

2 STANDARD DEVELOPMENT & QUALITY ASSURANCE

Privacy Protection

Alibaba Health attaches great importance to user privacy protection, mitigates the risk of user personal information leakage, and continuously improves the user information protection mechanism. The Company complies with the *Personal Information Protection Law of the People's Republic of China* (《中華人民共和國個人信息保護法》), the *Data Security Law of the People's Republic of China* (《中華人民共和國數據安全法》), and the *Provisions on the Protection of Personal Information of Telecommunication and Internet Users* (《電信和互聯網用戶個人信息保護規定》). It has developed and continuously observed internal policies, including the *Alibaba Health Privacy Policy* (《阿里健康隱私政策》), the *Alibaba Health's Management Requirements for and Operational Practices on Personal Information Security Incidents and Emergency Response (Trial)* (《阿里健康個人信息安全事件與應急響應的管理要求與操作規範(試行)》), the *Alibaba Health's Management Requirements and Operational Practices for Personal Information Protection Compliance Audits (Trial)* (《阿里健康個人信息保護合規審計的管理要求與操作規範(試行)》), the *Operational Practices of Alibaba Health on Recording and Archiving Personal Information Processing Activities (Trial)* (《阿里健康個人信息處理活動記錄與存檔的操作規範(試行)》), the *Operational Practices of Alibaba Health on Security Assessment for Cross-Border Transfer of Personal Information (Trial)* (《阿里健康個人信息出境安全評估的操作規範(試行)》), the *Operational Practices of Alibaba Health on Personal Information Protection Impact Assessment (Trial)* (《阿里健康個人信息保護影響評估的操作規範(試行)》), and the *Operational Practices of Alibaba Health on Storage and Removal of Personal Information (Trial)* (《阿里健康個人信息存儲與刪除操作規範(試行)》) in accordance with the *Data Security Specifications (General) of Alibaba Group* (《阿里巴巴集團數據安全規範(總綱)》), the *Information Disclosure Rules of Alibaba Group* (《阿里巴巴集團-對外數據披露細則》), the *Financial Information Security Management Rules of Alibaba* (《阿里巴巴財務數據安全管理制度》) and the *Management Requirements of Alibaba Health for Processing and Protecting Personal Information* (《阿里健康個人信息處理及保護管理要求》).

Alibaba Health has integrated user privacy policies and corresponding functions into its official website and multiple affiliated products. When users access relevant products for the first time, pop-up windows and other means are adopted to prompt users to read the *Privacy Policy* (《隱私權政策》) and the *User Service Agreement* (《用戶服務協議》), safeguarding users' right to know about data processing rules and privacy rights so as to protect user privacy. In scenarios involving information collection such as prescription issuance for prescription drugs, the Company clearly informs users of the types of information to be collected and relevant privacy clauses, and obtains user authorization online.

2 STANDARD DEVELOPMENT & QUALITY ASSURANCE

Table: Privacy Policies for Alibaba Health's Platforms

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

Alibaba Health consistently implements the data protection plan and personal information management requirements, clarifies user information access permissions, third-party data usage governance as well as the emergency response mechanism for personal privacy leakage, and standardizes personal information protection and privacy compliance operations. No user privacy leakage incidents occurred in FY 2026.

Table: Measures for customer privacy protection at Alibaba Health

Data protection plan	A comprehensive data protection plan is in place for all suppliers and partners. Regular compliance assessments and hierarchical risk classification are conducted to standardize partners' data processing activities and user privacy protection practices.
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2 STANDARD DEVELOPMENT & QUALITY ASSURANCE

Full Lifecycle Management of Personal Information	• In accordance with the <i>Operational Practices of Alibaba Health on Personal Information Collection</i> (《阿里健康個人信息收集操作規範》) and the <i>Operational Practices of Alibaba Health on Storage and Removal of Personal Information</i> (《阿里健康個人信息存儲與刪除操作規範》), we standardize the management of personal information throughout collection, usage, storage, disclosure, deletion and other links, and guarantee users' rights to inquire about, supplement, correct and delete their personal information; • We strictly abide by the data minimization principle to restrict data collection and retention, and refrain from collecting personal data from third parties; • We shall not use relevant data for other purposes without user authorization; • We undertake not to lease, sell or provide personal data to third parties. Detailed breakdowns of data collection and applicable scenarios are specified in compliance agreements. Necessary information may only be provided to third parties on the basis of the minimum necessary principle following formal written review and authorization acquisition; • Only authorized personnel are granted access to necessary information, with traceability management for user information access permissions, and unauthorized lending of accounts related to data security is prohibited.
Emergency Management for Personal Information Leakage	• We carry out emergency disposal to address personal privacy leakage incidents in compliance with our policies including the <i>Alibaba Health's Management Requirements for and Operational Practices on Personal Information Security Incidents and Emergency Response</i> (《阿里健康個人信息安全事件與應急響應的管理要求與操作規範》), the <i>Practices on Emergency Response to Data Security Incident</i> (《數據安全事件應急響應規範》), and the <i>Practices on External Reporting of Personal Information Leakage</i> (《個人信息泄露事件對外報告規範》).
Privacy Compliance Training	• In a bid to raise staff awareness of privacy protection and capacity for compliance management, we conduct regular privacy compliance training for employees. The training covers key areas such as personnel management, process management, and information technology.

2 STANDARD DEVELOPMENT & QUALITY ASSURANCE

2.5 MANAGEMENT OF INTELLECTUAL PROPERTY

Alibaba Health keeps improving its intellectual property management system. Through system formulation, infringement crackdown, patent administration and employee innovation incentives, the Company strengthens standardized governance and compliant application of intellectual property rights to underpin its business innovation.

Alibaba Health rigorously complies with intellectual property-related laws and regulations including the *Patent Law of the People's Republic of China* (《中華人民共和國專利法》), the *Trademark Law of the People's Republic of China* (《中華人民共和國商標法》), and the *Copyright Law of the People's Republic of China* (《中華人民共和國著作權法》). It also consistently enforces internal rules including the *Guidelines on Intellectual Properties for Foreign Cooperation Projects (2021 Revision)* (《對外合作項目知識產權指引(2021年修訂版)》), the *Brand Asset Management Rules of Tmall* (《天貓品牌資產管理規範》), the *Rewarding System for Innovative Proposals and Patents of Alibaba Health* (《阿里健康創新提案及專利獎酬制度》), the *Rules of IP Legal Affairs Management* (《IP法務管理規則》) and the *Brand Management Rules of Alibaba Health* (《阿里健康品牌管理規範》). In FY2026, the Company newly issued the *Trademark Management Rules of Alibaba Health* (《阿里健康商標管理規範》), which clarify full-cycle trademark management requirements, and establish mechanisms for graded trademark protection, authorization administration and disposal of idle trademarks to bolster trademark management.

In FY2026, the Company further strengthened intellectual property protection and strived to build a standardized, orderly, compliant and credible business environment.

Table: Intellectual Property Protection Measures Taken by Alibaba Health in FY2026

Action against infringement	- Conduct monitoring and rights protection actions for high-risk scenarios including unauthorized stealing of product images, infringement of account names and avatars, grey industry entities stationed on the platform, manipulated paid search rankings and fake APP downloads; - Step up infringement governance on social media platforms and set up a complaint mechanism to crack down on counterfeit accounts; - Cooperate with e-commerce platforms to govern the unauthorized abuse of the “Alibaba Health” brand and implement regular product-based governance solutions; - The Company handled 9 brand rights protection cases in FY2026.
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2 STANDARD DEVELOPMENT & QUALITY ASSURANCE

AI-Powered identification of infringement risks	Build an intelligent brand infringement identification mechanism based on multimodal AI models. It conducts full-volume scanning on product text semantics, image features and other dimensions to detect hidden infringements such as variant characters, homophones and partially obscured logos. This mechanism has covered more than 100 core brands as of FY2026.
Training on intellectual property	- Policy training: Deliver employee training on the <i>Brand Management Rules of Alibaba Health</i> (《阿里健康品牌管理規範》) to strengthen staff awareness and standardization in brand management; - Ongoing training: Offer continuous training covering technical capability improvement, innovation achievement sharing and technical recap. In combination with corporate strategy and departmental requirements, each team is guided to clarify key priorities for intellectual property output; - Case-specific support training: Provide one-on-one consulting services to address practical difficulties encountered by employees during project execution, including patent application, trademark registration and technical secret protection. External experts are coordinated to respond to employees' IP-related inquiries.
Trademark registration	Push forward trademark registration efforts: As of the end of the Reporting Period, Alibaba Health owned 771 registered trademarks across 8 countries and regions.
Supporting merchants	Establish a communication and rapid response mechanism, and jointly address intellectual property-related issues in merchants' operations by linking platforms and merchants.

In terms of patent application process management, Alibaba Health has established a specialized evaluation committee to evaluate innovation proposals and continuously implemented a patent classification management strategy, categorizing patents into strategic, routine, and volume levels. The quality of applications for key patents is strictly controlled and resources are prioritized to promote the transformation of employee innovations into intellectual property assets. At the same time, Alibaba Health actively encourages employees to participate in inventive activities and provides rewards and remuneration to employees in accordance with regulations. During the Reporting Period, the Company saw a 25% year-on-year increase in patents granted, which amounted to an aggregate of 128 patents, 34% of which under medical e-commerce, 29% under medical AI technology, 23% under Internet healthcare, and 10% under tracking code technology.

2 STANDARD DEVELOPMENT & QUALITY ASSURANCE

Table: Intellectual Property Innovations Delivered by Alibaba Health in FY2026

Indicator	Unit	Number for FY2026
Patents applied in the year	set	49
Patents granted in the year	set	25
Aggregate number of patents applied	set	374
Aggregate number of patents granted	set	128

3 EMPLOYEE RECRUITMENT & DEVELOPMENT

At Alibaba Health, talents are regarded as the important force for promoting sustainable development. The Company adheres to the principle of equal employment, and continuously builds a diverse and inclusive team environment. The Company constantly improves its career development system, supports employee growth through systematic training, and pays attention to employees' occupational health and safety as well as mental health. It strives to create a safe, equal, and caring working atmosphere, helping employees achieve work-life balance and fully realize their personal value through collaborative innovation.

3.1 COMPLIANCE EMPLOYMENT

Alibaba Health strictly complies with the national laws and regulations, such as the *Labor Law of the People's Republic of China* (《中華人民共和國勞動法》), the *Labor Contract Law of the People's Republic of China* (《中華人民共和國勞動合同法》) and the *Social Insurance Law of the People's Republic of China* (《中華人民共和國社會保險法》). We implement internal policies requirements including the *Governance Standards for In-the-Loop Organizations of Alibaba Group* (《阿里巴巴集團環路組織治理規範》) and the *Reemployment Management Policy of Alibaba Group* (《阿里巴巴集團二次僱傭管理政策》), continuously standardizing employment management processes. The Company has established an internal transfer platform to provide employees with open and transparent transfer opportunities, promoting orderly internal talent flow and reasonable allocation. At the same time, the Company continuously improves the *Internal Referral Policy of Alibaba Group* (《阿里巴巴集團內部推薦政策》) by enhancing referral bonuses for employees of different levels, broadening the channels for bringing in outstanding talent, and continuously enhancing talent attractiveness.

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

The Company upholds the principle of equal compensation and continuously improves a standardized compensation management system, thereby building a market-competitive incentive mechanism. Through annual salary adjustments, performance bonuses, and equity incentive schemes covering directors, executives, and all employees, the Company combines short-term incentives with long-term value creation to motivate employees to grow together with the Company.

3 EMPLOYEE RECRUITMENT & DEVELOPMENT

Alibaba Health fully respects and legally safeguards the legitimate rights and interests of its employees, supporting employees to voluntarily join labor unions in accordance with local legislation. The Company maintains an open attitude, establishing good communication mechanism with unions and employee representatives, and working together through equal dialogue and collective negotiation to safeguard harmonious and stable labor relations.

Table: Employee Composition of Alibaba Health in FY2026

Indicator		Unit	FY2024	FY2025	FY2026
Total number of employees		person	1,435	1,364	1,394
Number of employees by gender	Male	person	781	720	716
	Female	person	654	644	678
Number of employees by employment type	Full-time	person	1,430	1,347	1,381
	Part-time	person	5	17	13
Number of employees by management level	Senior management	person	31	22	24
	Middle management	person	415	363	354
	Junior Management	person	/	357	32
	Entry-level employees	person	989	622	984
Number of employees by age	29 years of age or under	person	445	385	349
	30 to 50 years of age	person	987	970	1,036
	51 years of age or above	person	3	9	9
Number of employees by geographic location	Chinese Mainland	person	1,430	1,359	1,391
	Hong Kong SAR, Macau SAR and Taiwan of PRC	person	3	4	3
	Overseas	person	2	1	0

3 EMPLOYEE RECRUITMENT & DEVELOPMENT

Table: New Hires & Vacancies Filled by Internal Staff at Alibaba Health in FY2026

Indicator		Unit	FY2026
Number of new hires		person	428
Total number of new hires from social recruitment		person	393
Total number of new hires from campus recruitment		person	35
Number of hiring positions filled by internal staff		person	0
Number of new hires/vacancies filled by internal staff by age	New hires aged under 29	person	209
	New hires aged 30 to 50	person	219
	New hires aged above 50	person	0
	Vacancies filled by internal staff under aged 29	person	0
	Vacancies filled by internal staff under aged 30 to 50	person	0
	Vacancies filled by internal staff under aged above 51	person	0
Number of new hires/vacancies filled by internal staff by management level	Newly hired senior management	person	4
	Vacancies filled by internal staff at newly hired senior management	person	0
	Newly hired middle management	person	32
	Vacancies filled by internal staff at newly hired middle management	person	0
	Newly hired entry-level employees	person	392
	Vacancies filled by internal staff at newly hired entry-level employees	person	0
Number of new hires/vacancies filled by internal staff by gender	Male new hires	person	208
	Female new hires	person	220
	Vacancies filled by newly hired male internal staff	person	0
	Vacancies filled by newly hired female internal staff	person	0

3 EMPLOYEE RECRUITMENT & DEVELOPMENT

Indicator		Unit	FY2026
Number of new hires/vacancies filled by internal staff by geographic location	New hires in Chinese Mainland	person	428
	New hires in Hong Kong SAR, Macau SAR and Taiwan of PRC	person	0
	New hires overseas	person	0
	Vacancies filled by internal staff in Chinese Mainland	person	0
	Vacancies filled by internal staff in Hong Kong SAR, Macau SAR and Taiwan of PRC	person	0
	Vacancies filled by internal staff overseas	person	0

3 EMPLOYEE RECRUITMENT & DEVELOPMENT

Table: Employee Turnover Rate of Alibaba Health in FY2026

Indicator		Unit	FY2024	FY2025	FY2026
Voluntary employee turnover rate ⁵		%	24.18	38.05	28.05
Employee turnover rate by gender	Male	%	24.07	50.97	33.38
	Female	%	24.31	45.34	31.12
Employee turnover rate by age	29 years of age or under	%	20.22	70.65	49.35
	30 to 50 years of age	%	25.84	39.69	25.00
	51 years of age or above	%	66.67	22.22	11.11
Employee turnover rate by geographic location	Chinese Mainland	%	24.13	48.31	32.35
	Hong Kong SAR, Macau SAR and Taiwan of PRC	%	66.67	0	33.33
	Overseas	%	0	0	0

3.2 TALENT DEVELOPMENT & TRAINING

Alibaba Health adheres to the concept of “shared growth between an enterprise and its people” and continuously improves the employee development system. The Company has further clarified the growth path from new hires to operational leaders, and matches corresponding course systems, key experiences, mentoring, and development mechanisms for different development stages, shortening the cultivation cycle of operational talent and improving the quantity and quality of talent development. By the end of the Reporting Period, we achieved full training coverage, with a 100% participation rate among both full-time employees and ecosystem-based workers. In FY2026, Alibaba Health’s total investment in employee training costs exceeded RMB 340,000.

⁵ The data disclosed for FY2025 and FY2026 is the voluntary employee turnover rate, and the data disclosed for FY2024 is the total employee turnover rate (including both voluntary and passive employee turnover).

3 EMPLOYEE RECRUITMENT & DEVELOPMENT

The Company closely aligns with business development needs and has established a closed-loop training system of “summarization of best practices – implementation of themed training camps – tracking of learning outcomes” to continuously improve the relevance and effectiveness of training. We have built a dual-track career development pathway comprising professional expertise and management streams, offering clear growth trajectories for employees in different positions and at different stages. For employees recruited through campus recruitment for the pharmaceutical e-commerce business, the Company has set up exclusive promotion policies and fast-track channels, and provides mentoring and coaching mechanisms for new hires to help them adapt to job requirements more quickly. At the same time, the Company offers job rotation experiences and internal competition opportunities according to employee development needs, supporting employees in expanding their career experience and development space.

In terms of capacity building, Alibaba Health continuously iterates its training system to meet the learning needs of employees at different stages of growth. The new employee training program operates on a regular basis, and professional talents can improve their professional abilities through development programs such as the “Spark Class” (星火班). The Company has also introduced professional course resources from various sequences within the Group to support continuous learning for employees in different positions.

In terms of management mechanisms, the Company fully implements a goal management system centered on OKRs and requires managers to complete professional training and certification to ensure the effective breakdown and communication of strategic objectives. Alibaba Health conducts semi-annual and annual performance evaluations to support continuous employee growth. If any employees have objections to performance results, they can initiate a performance review within five working days after the supervisor announces the results, either through the evaluation platform or offline channels. The Company will review and communicate the performance management process and evaluation criteria, promote more reasonable and standardized evaluation results, resolve disputes promptly, and enhance employees’ satisfaction and experience with performance management.

3 EMPLOYEE RECRUITMENT & DEVELOPMENT

Table: Employee Training System of Alibaba Health for FY2026

Applicable categories	Training contents
New hires	• Providing induction manual to help new hires understand the Company's policies, work processes, and basic information, and to accelerate their integration into the team. • Matching new hires with experienced staff as mentors to provide one-on-one guidance and support. • Organizing systematic onboarding training, covering business of the Company, corporate culture, and industry knowledge, and promoting communication and interaction between new and existing employees.
Middle management	• Designing courses related to OKR and performance improvement, and conducting teaching in combination with actual business scenarios to help employees enhance their goal management and performance improvement capabilities. • Relying on the "Kung Fu Hall" (功夫堂) platform to share excellent practice cases, to promote the accumulation of team experience, learning exchange, and capability improvement. • Inviting industry experts to share practical experiences through the "Health Academy" (健康學院) livestreams, broadening employees' industry perspectives, and strengthening communication and connection between employees and managers.
Senior management	• Organizing industry exchange and management meetings, conducting interviews and discussions with managers of benchmark enterprises both domestically and internationally, and building a platform for senior managers to exchange ideas and learn from one another. The activities cover topics such as management methods, future development directions, and goal setting. By sharing advanced management experiences, these efforts support the Company's long-term and stable development.

3 EMPLOYEE RECRUITMENT & DEVELOPMENT

Table: Training Highlights at Alibaba Health in FY2026

“Xia Ke Xing” (俠客行) – Frontline Manager Training

During the Reporting Period, Alibaba Health organized the “Xia Ke Xing” (俠客行) training program for frontline managers, with a training duration of 3 days and a total of 29 employee participants. The program invited both internal and external instructors to deliver thematic lectures around four modules: the roles and responsibilities of leaders, delivering results, team building, and recruitment and dismissal. Through diverse training methods such as game-based experiences, on-site drills and hands-on AI project practices, the program helped frontline managers understand Alibaba Health’s management philosophy, enhance their management capabilities across various business scenarios, and master the application of AI tools.



Picture: Xia Ke Xing (俠客行) – Frontline Manager Training

3 EMPLOYEE RECRUITMENT & DEVELOPMENT

“Baijian” New Employees Training

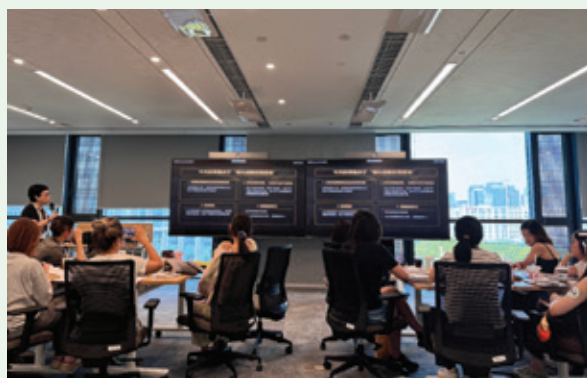
Alibaba Health launched the “Baijian” new hires training program, organizing a total of three sessions throughout the year, with 176 new employee participants. Each training session lasted for three days. The training focused on topics such as the Company’s history and development, business development trajectory, corporate culture, integrity, and data security policies, helping new employees systematically understand the corporate culture, business system, and compliance requirements. At the same time, the program promoted in-depth communication among new employees as well as between employees and senior management through a series of interactive activities, laying the foundation for future collaboration and team integration.



Picture: “Baijian” New Employees Training Session

Industry Operation Professional Competency Training

From July to August 2025, Alibaba Health conducted professional competency training for industry operations, organizing two sessions of the “Consumer Insights Training Camp” (《消費者洞察訓戰營》) for industry operation specialists, with a total of 11 participants. The training invited external marketing experts from the fast-moving consumer goods field, combining special lectures with practical projects to help industry operation specialists improve their consumer insight capabilities and master methods for identifying trending products.



Picture: Consumer Insights Training Camp Session

3 EMPLOYEE RECRUITMENT & DEVELOPMENT

Table: Employee Training at Alibaba Health in FY2026

Indicator			Unit	FY2024	FY2025	FY2026
Total number of employees trained			person	6,644	9,385	9,703
Percentage of employees trained by gender and level (e.g. senior management, middle management)	Total percentage of employees trained		%	100	100	100
	Percentage of employees trained by gender	Male	%	100	100	100
		Female	%	100	100	100
	Percentage of employees trained by level	Senior management	%	100	100	100
		Middle management	%	100	100	100
		Entry-level employees	%	100	100	100
Average training hours of employees			hour(s)	32.71	30.60	24.50
Average training hours completed per employee by gender and level	Average training hours of employees by gender	Male	hour(s)	31.20	27.90	22.20
		Female	hour(s)	35.98	33.90	26.90
	Average training hours of employees by level	Senior management	hour(s)	72.38	59.40	20.20
		Middle management	hour(s)	33.67	33.70	20.00
		Entry-level employees	hour(s)	30.25	28.90	27.40

3 EMPLOYEE RECRUITMENT & DEVELOPMENT

3.3 EMPLOYEE HEALTH & SAFETY

Alibaba Health always places great importance on employee health and safety, strictly complying with the *Occupational Disease Prevention and Control Law of the PRC* (《中華人民共和國職業病防治法》), the *Safety Production Law of the PRC* (《中華人民共和國安全生產法》), as well as other laws and regulations, while establishing an internal emergency incident management system and continuously improving the occupational health and safety management mechanism. The Company helps employees enhance their health management awareness and comprehensively safeguard their physical and mental health through health promotion programs such as regular health lectures and wellness concept activities. The Company continuously improves health support facilities in office settings. During this fiscal year, the Hangzhou and Beijing offices purchased blood pressure monitors and body testing devices, providing convenience for employees to conduct daily blood pressure monitoring and health checks, further integrating employee health care into the daily work environment. At the same time, we pay attention to employees' mental health, providing a free psychological counseling hotline to support employees in alleviating stress and anxiety caused by life difficulties, work pressure, personal emotions, and interpersonal relationships and other factors.

Employee Health and Safety Activity Case at Alibaba Health in FY2026

Sanfu Season Wellness Event

In July 2025, the Company held a themed event featuring Sanfu herbal plasters. Aligned with the seasonal characteristics of the Sanfu period, the activity promoted health preservation philosophies. Experience stations including TCM consultation, tuina massage, auricular point pressing with cowherb seeds, and DIY herbal bracelet making were arranged on site. The event enabled employees to learn about classic TCM wellness knowledge and raise their health management awareness.



Picture: Sanfu Season Wellness Event

3 EMPLOYEE RECRUITMENT & DEVELOPMENT

Alibaba Herbal Paste Festival Event

In December 2025, the Company held a Herbal Paste Festival tailored to winter health preservation needs. TCM practitioners were on-site to deliver consultations, TCM tuina massage and posture rehabilitation services to relieve common work-related physical discomforts for employees. The event also included DIY foot-soak sachets, stress level monitoring, and respiratory tests, supporting employees in understanding their own health status and enhancing their daily health management awareness.



Picture: Alibaba Herbal Paste Festival Event

Rehabilitation Training Seminar

In January 2026, the Company held a rehabilitation training seminar featuring on-site sharing sessions delivered by rehabilitation therapists. Integrating theoretical explanations and hands-on guidance, the event introduced simple, sustainable daily workout routines to ease work-related physical strains and enhance employees' capability in self-health management.



Picture: Rehabilitation Training Seminar

3 EMPLOYEE RECRUITMENT & DEVELOPMENT

Table: Work-related Injuries and Fatalities of Alibaba Health in FY2026

Indicator	Unit	FY2024	FY2025	FY2026
Number of work-related fatalities occurred in each of the past three years	person	0	0	0
Rate of work-related fatalities occurred in each of the past three years	%	0	0	0
Lost days due to work injury	day	22	0	0

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

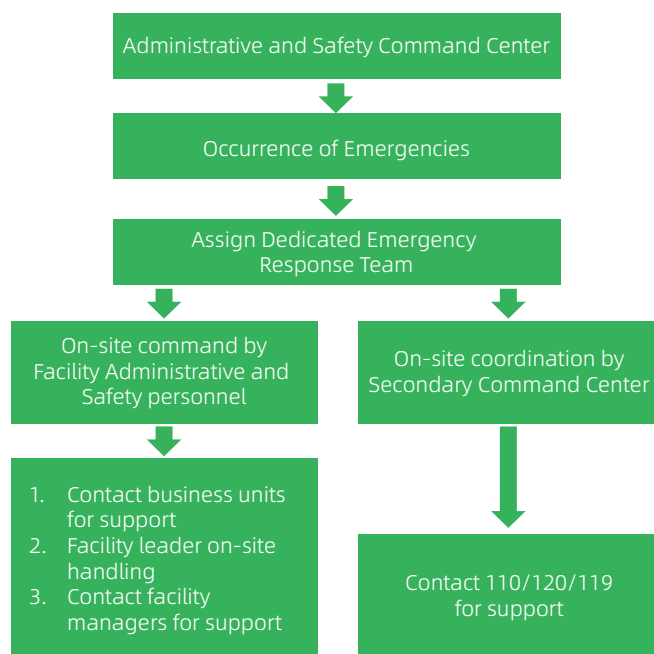


Chart: Emergency Response Mechanism of Alibaba Health

3 EMPLOYEE RECRUITMENT & DEVELOPMENT

3.4 EMPLOYEE CARE

Alibaba Health continuously improves its employee welfare system, focusing on employees' physical and mental well-being, work experience, and family companionship needs. It strives to enhance employees' sense of happiness, belonging, and team cohesion, enabling employees to truly feel the Company's care and warmth. The Company makes full social insurance and housing provident fund contributions for all employees in accordance with the law, and also provides supplementary medical insurance and other commercial insurance coverage. To demonstrate the Company's ongoing attention and support for employees' family health needs, we have established the "Carnation" Parent Health Check-up Program ("康乃馨"父母體檢計劃), providing personalized health management services for employees and their parents. This program has also been selected as an outstanding case by the Internet Society of China.

In July 2025, we distributed health coins to employees, allowing Alibaba Health employees to flexibly allocate their own protection. These coins can be used to redeem self-paid commercial insurance, additional self-paid medical examination items, etc. In December of the same year, the health platform was launched, where employees can earn health coins by completing health tasks and use them to redeem the protection products they need. New products, including health devices, were added, enabling employees to develop healthy habits, redeem products, and continue the cycle of maintaining healthy habits.

In terms of leave benefits, the Company provides employees with annual leave, seven days of family companionship leave, ten days of parental leave, fully paid sick leave, and travel leave and other diverse vacation support. Outsourced employees also enjoy team-building activities, overtime pay for statutory holidays, and compensatory time off benefits, helping employees get adequate rest outside of work while balancing family life. At the same time, Alibaba Health implements "Happy Friday" for all employees, allowing them to leave work early every Friday after finishing their tasks to spend more time with family and friends.

While supporting employees' career growth, the Company continuously improves its humanistic care and health support system. Focusing on employees' physical and mental health and work-related discomfort, it organizes diversified health care activities to help employees enhance health management awareness, create a warm, positive, and cooperative work atmosphere, and continuously strengthen employees' sense of happiness and organizational belonging.

3 EMPLOYEE RECRUITMENT & DEVELOPMENT

Table: Alibaba Health's Health Care Activities in FY2026

Alibaba Health Sports Season

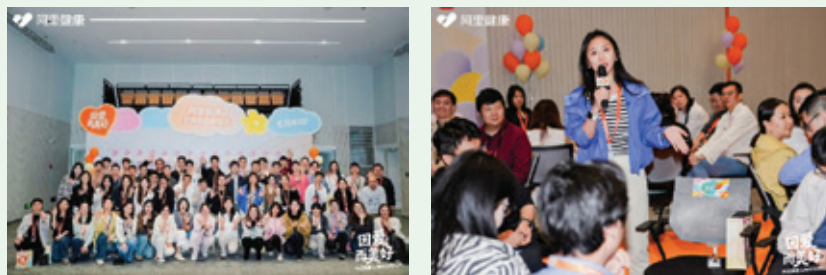
From August to October 2025, the Company carried out a health season event, basically covering various major business teams, with a total of 868 employees taking physical fitness assessments. Featuring fat-loss & muscle-gain challenges, team competitions and exercise check-ins, the campaign encouraged employees to pay closer attention to their physical conditions and greatly boosted their enthusiasm for fitness workouts.



Picture: Alibaba Health Sports Season

“Brilliance Rooted in Care” Ring-Presenting Ceremony for Employees Completing Five Years of Service

In April 2026, Alibaba Health held the “Brilliance Rooted in Care” ring-presenting ceremony for employees completing five years of service, awarding rings symbolizing passion and dedication to employees with five years of service. The event included ring presentation by tenured seniors, group discussions, sharing of tokens, and message passing sessions, conveying the mission of “making healthcare services accessible and affordable”. This ceremony not only recognized employees’ responsibilities over the past five years but also encouraged them to move forward with their founding mission into the next five years, continuously fulfilling their responsibilities in the integration of technology and health.



Picture: “Brilliance Rooted in Care” Ring-Presenting Ceremony for Employees Completing Five Years of Service

3 EMPLOYEE RECRUITMENT & DEVELOPMENT

The 2nd Alibaba Health Happiness Festival

On June 27, 2025, Alibaba Health launched the 2nd Happiness Festival, a company-wide team-building event with a full 100% participation rate on that day. All employees were divided into 6 main teams, and the activities included 7 individual competitions and 3 team competitions, collectively competing for a total team-building bonus pool of RMB 180,000, fostering a sense of collective belonging among Alibaba Health's employees.



Picture: The 2nd Alibaba Health Happiness Festival

In FY2026, the Company conducted a satisfaction survey among all full-time employees and collected a total of 152 valid questionnaires. The survey covered areas such as employee benefits, compensation services, and equity services. The overall satisfaction score stood at 4.92 (out of 5), an increase of 0.06 points from last year, reflecting that the Company's employee care and service system continues to be recognized by employees.

3.5 DIVERSITY & INCLUSION

Alibaba Health continuously fosters a diverse, equal, and inclusive work environment, respects the differences and values of each employee, advocates for fair development opportunities and a culture of mutual respect, and supports employees in fully realizing their personal potential, achieving personal growth and professional value.

For female employees, Alibaba Health continuously improves career protection and care mechanisms, providing measures such as maternity leave policies, breastfeeding support, and career development guarantees. At the same time, the Company adheres to the principle of equal pay for equal work, ensuring that female employees enjoy equal rights in terms of remuneration and career development opportunities.

3 EMPLOYEE RECRUITMENT & DEVELOPMENT

Table: Alibaba Health's Female Employee Support Initiatives in FY2026

We provide prenatal check-up leave to help expectant employees avoid peak hours when attending appointments. Each facility is equipped with dedicated maternity lounges to ensure proper rest during pregnancy and breastfeeding periods.
Our commercial insurance plans for female employees include maternity benefits helping to reduce their expenses burden related to childbirth.
Every year on March 8, we host a special event in celebration of International Women's Day to show holiday care and warmth to our female employees.
In FY2026, female employees used a total of 500 days of parental leave and 2,673.5 days of companionship leave, reflecting the Company's ongoing support for female employees' family care needs.

Table: Number/Proportion of Female Employees at Alibaba Health in FY2026 by Job Level and Position

Indicator	Unit	FY2026
Total number of female employees in management	person	154
Percentage of female employees in management	%	37.56
Total number of female employees in senior management	person	7
Percentage of female employees in senior management	%	29.17
Total number of female employees in middle management	person	125
Percentage of female employees in middle management	%	35.31
Total number of female employees in junior management	person	23
Percentage of female employees in junior management	%	71.88
Total number of employees in revenue-generating departments	person	767
Total number of female employees in revenue-generating departments	person	372
Percentage of female employees in revenue-generating departments	%	48.50
Total number of employees in STEM-related roles	person	475
Total number of female employees in STEM-related roles	person	142
Percentage of female employees in STEM-related roles	%	29.89

3 EMPLOYEE RECRUITMENT & DEVELOPMENT

Furthermore, the Company respects the cultural customs and differences of ethnic minority employees and provides corresponding support based on actual needs. In terms of employing persons with disabilities, the Company continuously improves the accessible office environment, customizes personalized work arrangements according to job characteristics, and offers accompanying vocational training to support disabled employees in better integrating into the workplace.

Table: Alibaba Health Employment Overview of Employees with Disabilities and Ethnic Minorities in FY2026

Indicator	Unit	FY2026
Total number of employees with disabilities	person	3
Male employees with disabilities	person	1
Female employees with disabilities	person	2
Total number of employees from ethnic minority groups	person	63
Total number of Han ethnic employees in management	person	385
Percentage of Han ethnic employees in management (Total number of Han ethnic employees in management/Total number of Han ethnic employees)	%	30.53
Total number of employees from ethnic minority groups in management	person	23
Percentage of employees from ethnic minority groups in management (Total number of employees from ethnic minority groups in management/Total number of employees from ethnic minority groups)	%	36.51

4 GREEN VALUE CHAIN

Alibaba Health continues to contribute to the national “Dual Carbon” goals and Alibaba Group’s carbon neutrality objectives. By advancing low-carbon practices in key areas, including climate change response, green operations, green warehousing, and waste management, the Company continuously reduces the environmental impact of its operations, thereby contributing to green and sustainable development.

4.1 TACKLING CLIMATE CHANGE

Alibaba Health actively responds to China’s “2030 Carbon Peaking, 2060 Carbon Neutrality” goals, complies with and implements Alibaba Group’s carbon reduction strategic plan, continuously identifies the impact of climate change on the Company’s operations, improves energy management measures, enhances its capability to respond to climate change, and steadily advances greenhouse gas emission reduction efforts.

Identifying Climate Change Risks

To address the challenges and opportunities brought by climate change, Alibaba Health, with reference to the *IFRS S2 – Climate-related Disclosures* issued by the International Sustainability Standards Board (ISSB), identifies various risks that impact the Company’s business development, formulates corresponding measures, improves operational strategies and optimizes resource allocation to enhance the Company’s resilience in responding to climate risks.

4 GREEN VALUE CHAIN

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

Risk type		Risk description	Risk responses
Transformation risks	Policy & regulatory risks	Increasingly stringent carbon emission disclosure and emission reduction regulatory requirements may raise the Company's compliance management requirements	- Continuously track changes in carbon emission-related policies and regulations, and improve the carbon emission monitoring system; - Implement smart energy management systems to enhance energy efficiency in office areas; - Promote green operations at stores to reduce carbon emissions during operations.
	Technology risk	The transition to low-carbon technology is progressing slower than expected, which may increase operating costs	- Improve the circular logistics system and increase the proportion of green logistics in business operations; - Strengthen the application of green packaging materials and promote the sustainable transformation of packaging.
	Market risk	Growing preference for green consumption may affect customer demand and product choices	- Conduct market demand surveys and increase the proportion of products packaged with environmentally friendly materials; - Gradually reduce the use of plastic and paper, and promote the use of biodegradable materials.
	Reputational risk	Failure to meet stakeholder expectations in climate risk response performance may affect the Company's reputation	- Strengthen the communication of corporate environmental values and enhance the transparency of climate actions and low-carbon initiatives disclosures; - Continuously improve sustainable supply chain management and evaluate suppliers' environmental performance.

4 GREEN VALUE CHAIN

Risk type		Risk description	Risk responses
Physical risk	Acute risk	Extreme weather events caused by climate change, such as high temperatures, extreme cold, and typhoons, may lead to power outages, equipment damage, business interruption, and impacts on employee safety	- Formulate contingency plans for drug storage; - Formulate contingency plans for natural disasters, such as daily inspection of air conditioning units, timely clearing of drainage ditches, and deployment of backup units; - Set up a remote office mechanism to ensure business continuity.
	Chronic risk	Rising sea levels and lack of natural resources may impact transport, and utilization of energy and water resources	- Factor in chronic climate risks when selecting and assessing locations; - Increase proportion of recycled water used to lower external water resource dependence in operations.

Climate Change Goals & Progress

In FY2026, Alibaba Health actively responded to Alibaba Group's carbon neutrality commitments, carried out multiple energy conservation and carbon reduction initiatives, and supported the Group's interim decarbonization progress through the implementation of carbon offset projects.

Alibaba Group's carbon neutrality commitments⁶:

- To achieve carbon neutrality for its own operations no later than 2030 (Scope 1 and 2);
- To reduce net emissions intensity across its upstream and downstream value chain by 50% compared to 2020 levels no later than 2030 (Scope 3);
- Beyond its own operations and value chain, Alibaba commits to leveraging its platform to empower consumers and enterprises, thereby inspiring broader societal participation, and to drive and empower cumulative ecosystem emission reductions of 1.5 billion tons over the 15-year period from 2021 to 2035 (Scope 3+).

⁶ Source: Alibaba Group Carbon Neutrality Action Report_20211217_SC_Final.pdf

4 GREEN VALUE CHAIN

4.2 GREEN OPERATION

Alibaba Health integrates the concept of sustainable development into its operations and management, reducing resource consumption and environmental impact across daily operations, thereby making the office environment and facilities greener and more eco-friendly.

Green Office

Alibaba Health strictly complies with the *Environmental Protection Law of the People's Republic of China* (《中華人民共和國環境保護法》), the *Energy Conservation Law of the People's Republic of China* (《中華人民共和國節約能源法》), as well as other relevant laws and regulations. Based on the *Management System for Green Office and Energy Saving and Consumption Reduction of Alibaba Health* (《阿里健康綠色辦公、節能降耗管理制度》) and its actual operations, the Company sets targets for carbon emissions and water usage control. Through smart energy-saving management and control, as well as multiple measures such as encouraging green commuting and promoting green concepts among employees, the Company continuously raises employees' environmental awareness and fosters a sustainable office environment.

Table: Highlights of Alibaba Health's Green Office Measures

Energy conservation management	- Established a professional administrative engineering operation center to achieve refined control over lighting, air conditioning and other equipment through a smart building management system, enabling on-demand supply based on occupancy levels and weather conditions, thereby effectively reducing nighttime energy consumption; - Leveraged IoT sensing systems and big data-based energy efficiency analysis platforms to enhance smart energy-saving management of infrastructure; - Utilized energy-efficient beverage equipment and scheduled automatic shut down; - Installed sunshade curtains to reduce air conditioning load and energy consumption.
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4 GREEN VALUE CHAIN

Office management	- Managed office supplies by category: employees can access low-power items (e.g., pens, notebooks, glue sticks, paper clips) on demand from self-service cabinets, while high-power items require registration for collection; - Adopted a registration-based bulk collection approach for situations of high demand, such as new employee onboarding or training sessions; - Used the “Good Behavior In Good Faith” points system to encourage employees to reduce paper usage; - Equipped conference rooms with infrared sensors and deployed a back-office system to monitor conference room usage, enabling timely release of unused rooms and reducing additional space and equipment needs; - Promoted paperless operations by using the OA office system and replaced handwritten signatures with electronic signatures.
Employees’ commuting management	Encouraged employees to choose trains over flights, carpooling among colleagues, and take staff shuttles and metro, with provision of dedicated parking spaces for shared bicycles.

Table: Resource Consumption and Greenhouse Gas Emissions of Alibaba Health

Indicator	Unit	FY2024	FY2025	FY2026
Natural gas consumption	cubic meters	/	/	95,573.01
Purchased electricity	kWh	3,787,579.62	3,338,831.65	3,120,072.73
Electricity consumption per employee	kWh/employee	2,639.43	2,447.82	2,238.22
Comprehensive energy consumption	tce	456.49	410.34	499.48
Comprehensive energy consumption per employee	tce/employee	0.32	0.30	0.36
Scope 1 (direct) greenhouse gas emissions	tCO ₂ e	/	/	208.94
Scope 2 (indirect) greenhouse gas emissions	tCO ₂ e	2,160.06	1,940.14	1,674.23
Total greenhouse gas emissions from own operations ⁷	tCO ₂ e	2,160.06	1,940.14	1,883.17

⁷ Alibaba Health’s total greenhouse gas emissions for FY2026 include Scope 1 and Scope 2, while the total greenhouse gas emissions for FY2024 and FY2025 include Scope 2 only.

4 GREEN VALUE CHAIN

Indicator	Unit	FY2024	FY2025	FY2026
Greenhouse gas emissions from own operations per employee	tCO ₂ e/employee	1.51	1.42	1.35
Scope 3 Category 1: Purchased goods and services ⁸	tCO ₂ e	/	/	17,292.45
Scope 3 Category 13: Leased assets (downstream) ⁹	tCO ₂ e	/	/	432.19
Scope 3 (indirect) greenhouse gas emissions	tCO ₂ e	/	/	17,724.64
Water consumption	ton	25,146.58	23,701.05	29,058.40
Water consumption per employee	ton/employee	17.52	17.38	20.85
Paper consumption	ton	1.86 ¹⁰	3.39 ¹¹	2.08 ¹²
Paper consumption per employee	ton/employee	0.001	0.002	0.001
Total packaging materials used for finished products	ton	This indicator is not applicable to Alibaba Health, as its operation does not involve directly providing packaging materials for finished products.		

Green Facility

Alibaba Health continues to advance the construction of green and smart facilities, improving its green operation system across energy management, water resource utilization, single-use item reduction, and biodiversity protection, thereby promoting low-carbon and sustainable development in facility operations.

⁸ The statistical scope of Scope 3 Category 1 includes Alibaba Health's main pharmaceutical warehouses and non-pharmaceutical warehouses, while warehouses managed by Cainiao Logistics are excluded from the statistical scope. Purchased goods and services include warehouse electricity consumption, warehouse refrigerants, warehouse fire extinguishers, transportation, and packaging materials.

⁹ The statistical scope of Scope 3, Category 13 includes Alibaba Health's major downstream tenants.

¹⁰ The scope of paper usage statistics for FY2024 covers office premises in Beijing and Guangzhou.

¹¹ The scope of paper usage statistics for FY2025 covers office premises in Beijing, Guangzhou, Hangzhou, and Shijiazhuang.

¹² The scope of paper usage statistics for FY2026 covers office premises in Beijing, Guangzhou, Hangzhou, and Shijiazhuang.

4 GREEN VALUE CHAIN

Table: Highlights of Alibaba Health's Green Facility Measures

Energy management	• Deployed distributed photovoltaic systems and leveraged clean electricity trading mechanisms to promote the use of clean energy and implement electrification upgrades; • Advanced the practice of integrated source-grid-load-storage virtual power plants to enhance comprehensive energy management capabilities at facilities; • Introduced high-efficiency central air conditioning and boiler systems, and deployed millimeter-wave radar in conference rooms to optimize environmental sensing capabilities; • Conducted regular asset health assessments across dimensions such as facilities, environment, and management to ensure efficient operation of facilities and equipment; • Integrated the AI-driven "Device Brain" platform to establish a smart energy management system for refined facility energy management; • Upgraded campus shuttle buses with new-energy vehicles and installed supporting charging facilities; • Encouraged employees to adopt low-carbon behaviors and low-carbon business travel, and conducted EHS training to enhance their understanding of the relationship between daily behaviors and facility energy consumption.
Single-use item reduction	• Promoted the use of biodegradable containers at facility restaurants to replace non-biodegradable plastic containers, and introduced a charge for disposable containers.
Water resource management	• Used permeable paving materials during facility design and construction, and installed rainwater harvesting systems to collect and recycle rainwater; • Developed a smart water resource management system during facility operation to enable end-to-end management of water monitoring, conservation, and reuse; • Reused wastewater from drinking water systems and air-conditioning condensate, and deployed smart water metering systems and first-tier water-efficient equipment.
Biodiversity protection	• Conducted environmental impact assessments during facility site selection and construction to reduce the impact of construction activities on the natural environment and biodiversity; • During facility operation, adopted measures such as using native species, enriching vegetation layers, creating ecological corridors, and striving to reduce light and noise pollution.

4 GREEN VALUE CHAIN

Alibaba Health continues to advance the construction of green facilities and actively pursues green building and environmental management system certifications. In FY2026, Xixi Facility A in the Hangzhou campus obtained LEED v4.1 Platinum certification for existing buildings, while Xixi Facility C obtained LEED v4 Gold certification. The LEED Gold certifications for Wangjing Tower B in Beijing and the Alibaba Center Guangzhou Facility remain valid. As of the end of the Reporting Period, Xixi Facilities A and C, Yungu Facility in Hangzhou, and the Alibaba Center Guangzhou Facility have obtained ISO 14001 Environmental Management System certification. Additionally, Xixi Facility A in Hangzhou and the Alibaba Center Guangzhou Facility have been certified as “carbon-neutral facilities”.

Green Data Centers

Alibaba Health collaborates with Alibaba Cloud Data Center to optimize data center energy efficiency and continuously reduce PUE¹³ through measures such as smart energy management and the utilization of clean energy, thereby advancing energy conservation and carbon reduction. In FY2026, the average PUE of Alibaba Cloud’s self-built data centers dropped to 1.187, continuing to maintain a leading position in the industry.

Table: Highlights of Alibaba Cloud’s Energy Saving and Carbon Reduction Measures

Aspects	Measures
Hardware	Alibaba Cloud transformed the power supply architecture from AC to HVDC (high-voltage direct current) to improve conversion efficiency, and adopted liquid cooling to reduce GPU energy consumption.
Operation and maintenance	Alibaba Cloud introduced AI algorithms to optimize temperature control strategies, and leveraged digitalized operations and maintenance to improve the cooling system’s operational efficiency.
Clean energy transition	Alibaba Cloud deployed distributed photovoltaics at its self-built data centers, and actively participated in annual power trading and long-term power purchase agreements (PPAs) to continuously increase the proportion of clean electricity used.

¹³ Power Usage Effectiveness, a metric used to measure the energy efficiency of data centers. It is calculated by comparing the total energy consumption of a data center to the energy used specifically by computing equipment (such as servers and storage devices). The closer the PUE value is to 1, the more efficiently energy is being used, indicating that nearly all the energy consumed is used to power core IT equipment.

4 GREEN VALUE CHAIN

During the construction and operation of its data centers, Alibaba Cloud dynamically balances WUE¹⁴ and PUE based on local water resource conditions. In water-scarce areas, air-cooling solutions are prioritized, accepting a slightly higher PUE in exchange for lower water consumption. In water-rich areas, water-cooling solutions are adopted to enhance energy efficiency. During the Reporting Period, the average WUE of Alibaba Cloud's self-built data centers was 1.198 L/kWh. While ensuring the safe and stable operation of its equipment, Alibaba Cloud has improved cooling water utilization efficiency by optimizing humidity control in server rooms and retrofitting cooling tower systems. In addition, Alibaba Cloud has increased the set point for ion concentration in cooling water to reduce wastewater discharge, continuously advancing efficient water recycling management at its data centers.

4.3 GREEN LOGISTICS

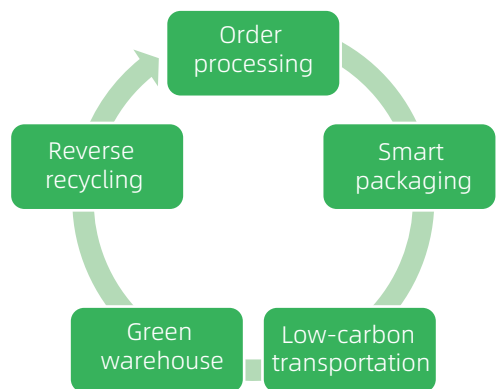
Alibaba Health continues to explore new green logistics development models, deeply integrating green logistics infrastructure with digital technologies to promote coordinated development across transportation, warehousing management, packaging, and retail.

The Company, together with Cainiao Logistics, has jointly advanced the development of a smart circular logistics system and participated in the formulation of industry-wide circular packaging standards, aiming to drive packaging reduction and efficient resource utilization. Leveraging digitalized technologies, refined operational management, and cross-sector ecosystem collaboration, Alibaba Health has built a full-chain environmental solution covering order processing, smart packaging, low-carbon transportation, green warehousing, and reverse recycling. As of FY2026, this logistics model has been fully implemented across all of the Company's retail terminals and regional distribution centers.

At the same time, through the coordinated operation of its forward distribution and reverse recycling networks, Alibaba Health promotes resource circulation across online and offline channels. Relying on a data sharing and collaboration platform, the Company continuously improves the connectivity and efficiency of each stage, encouraging manufacturers, distributors, and consumers to jointly participate in green logistics practices, thereby driving the green transformation of the logistics value chain.

¹⁴ Water Usage Effectiveness, a metric used to measure the water efficiency of data centers. It is calculated by dividing the amount of water used by a data center for humidification or cooling (in liters) by the total annual energy consumption of the core IT equipment in that data center.

4 GREEN VALUE CHAIN



Picture: Circular Logistics System

Alibaba Health is committed to building a sustainable green warehousing and product traceability model. The Company continues to advance the construction of green warehousing by optimizing warehousing facilities, improving operational efficiency, and strengthening management of operational processes, thereby reducing costs, increasing efficiency, and lowering carbon emissions in the warehousing sector. At the same time, Alibaba Health actively monitors and follows the progress of the Group’s green transportation practices, continuously deepening its understanding of green logistics and the application of clean energy.

Table: Highlights of Alibaba Health’s Green Warehousing Measures

Lights-out warehouse	Automated equipment is used in the warehousing area, operating with barcode scanning and positioning technology, eliminating the need for lighting.
Sorting equipment optimization	Photoelectric sensors are installed at sorting bays to enable “operation with goods, standby when empty”.
Smart route planning	Effectively plans and shortens the walking distance for pickers, reducing unnecessary movement and repeated handling, improving operational efficiency, and minimizing unnecessary equipment operation and resource consumption.
Smart monitoring	Warehouses are equipped with temperature, humidity, and video monitoring systems to maintain a constant temperature and humidity environment, while also supporting refined energy consumption management in warehousing operations.
Photovoltaic equipment	Distributed photovoltaic facilities are deployed on a large scale to reduce reliance on fossil fuels and lower carbon emissions.

4 GREEN VALUE CHAIN

The Company uses PDA scanning to improve the accuracy of warehouse outbound shipments, enabling precise product identification and end-to-end traceability. This reduces return and exchange requests caused by incorrect or missed shipments, as well as the need for reverse logistics, thereby lowering secondary transportation energy consumption and reducing the use of packaging materials, contributing to the development of green logistics.

Green Packaging

The Company continues to advance smart and reduction-oriented management in packaging processes, applying automated packaging equipment and smart algorithms to recommend appropriate packaging box sizes based on product specifications, thereby reducing over-packaging and packaging material waste. At the same time, the Company continues to use electronic shipping labels to reduce the use of traditional paper documents, lower paper consumption, and improve the efficiency of logistics information identification and transmission.

Green Transportation and Retail

Leveraging the green logistics technology accumulated by Alibaba Group, Alibaba Health applies the Group's relevant capabilities in its logistics operations to advance the development of a low-carbon transportation system. For last-mile delivery, Alibaba Health integrates scattered orders into consolidated shipments using smart route planning algorithms, reducing the number of transport vehicles and total driving distance, thereby lowering carbon emissions from repetitive transportation. For long-haul delivery, the Company collaborates with leading air transport providers to promote the use of wide-body aircraft to reduce air freight carbon emissions. In cross-border logistics, taking into account the characteristics of different modes of transport, Alibaba Health explores low-carbon pathways through multimodal transport combining sea, land, air, and rail. At retail terminals, Alibaba Health implements smart energy management systems to drive energy savings and carbon reduction in areas such as electricity consumption and refrigeration, while also achieving closed-loop resource circulation across online and offline channels through smart forward distribution and reverse recycling networks.

4.4 WASTE MANAGEMENT

Alibaba Health strictly complies with the *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste* (《中華人民共和國固體廢物污染環境防治法》), the *Beijing Municipal Regulations on the Management of Municipal Solid Waste* (《北京市生活垃圾管理條例》), as well as other relevant laws and regulations. In accordance with internal policies such as the *Management System for Green Office and Energy Saving and Consumption Reduction of Alibaba Health* (《阿里健康綠色辦公、節能降耗管理制度》), the Company adopts diversified waste management measures to promote standardized waste management and resource recycling.

4 GREEN VALUE CHAIN

Table: Alibaba Health's Waste Management Measures

Reduction	- Set waste reduction targets and implement refined management across the entire process; - Adopt prefabricated construction techniques to reduce construction waste through standardized processes.
Sorting and compliant disposal	- Uphold the principle of "100% compliant waste disposal", cooperate with qualified suppliers, and track and record final waste treatment outcomes to ensure compliance; - Equip office areas with standardized waste sorting containers, with professional cleaning teams clearing the waste at least twice daily; - Implement a secondary waste sorting system to ensure accurate separation of recyclables and non-recyclables for storage; - Set up two designated hazardous waste collection points to handle expired medicines, mercury-containing products and other hazardous waste, while IT equipment and consumables are directly recovered by specialized departments.
Recycling	- Carry out kitchen waste recycling at office facilities; - In FY2026, the Company's self-operated facility in Beijing achieved 100% kitchen waste recycling, with the waste processed through biological fermentation and converted into organic fertilizer.
Digital management	Continuously advance the "Facilities – Street – Recycling suppliers" coordinated management mechanism, supported by a digital waste disposal tracking system to enable full-process traceability of domestic waste.

Table: Waste Emission of Alibaba Health

Indicator	Unit	FY2024	FY2025	FY2026
Hazardous waste	ton	0	0	0
Hazardous waste generated per employee	ton/ employee	0	0	0
Non-hazardous waste	ton	172.81	226.27	195.04
Non-hazardous waste generated per employee	ton/ employee	0.12	0.17	0.14
Disposal of expired drugs	ton	120.4	79.07	75.41

5 RESPONSIBLE TECHNOLOGY

Leveraging its technological capabilities and platform resources, Alibaba Health continues to deepen long-term strategic collaboration with its supply chain partners, promoting collaborative industry development on the basis of mutual trust and shared benefits. Meanwhile, the Company is deeply involved in integrating its professional capabilities in internet healthcare with social resources, actively carrying out industry-specific public welfare initiatives, continuously fulfilling its corporate social responsibilities, and working together with all stakeholders to create sustainable shared value.

5.1 SUPPLY CHAIN MANAGEMENT

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

Alibaba Health continues to strengthen supplier quality management by relying on standardized screening, classification, supervision, and evaluation mechanisms to systematically improve the quality of supplier products and services, while establishing long-term, trust-based strategic partnerships with high-quality suppliers. The Company has established a clear responsibility system for supplier management, with a focus on enhancing audit and evaluation during the onboarding stage, covering key elements such as certification qualifications, records of violations and penalties, and anti-bribery risks. At the same time, based on the characteristics of suppliers of different business categories, Alibaba Health implements a graded and categorized management strategy, continuously optimizing the supplier onboarding mechanism to enhance supply chain management efficiency and risk control capabilities.

Table: Supplier Types of Alibaba Health in FY2026

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

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

5 RESPONSIBLE TECHNOLOGY

The Company continuously optimizes its supplier onboarding management mechanism, strictly implementing a standardized qualification review process. All newly engaged suppliers are required to undergo an initial qualification review, which comprehensively verifies essential documents such as business licenses and annual reports. Suppliers failing to meet the qualification standards are categorically excluded from cooperation. For suppliers of non-pharmaceutical products, the Company engages third-party agencies to conduct comprehensive warehouse audits, where warehouses that fail to meet standards are subject to rectification followed by reinspection or termination of cooperation. The Company continuously strengthened its supply chain quality and compliance management. During FY2026, Alibaba Health completed the pre-qualification review of 217 suppliers in non-core business categories, achieving a coverage rate of 100%. Meanwhile, the Company continuously strengthened its supplier behavioral code constraints, requiring all suppliers to sign the *Integrity and Honesty Agreement Letter* (《廉潔誠信約定函》) to secure the fairness and transparency in the cooperation process. The Company encourages suppliers to jointly adhere to high standards in labor rights, human rights protection, environmental responsibility, and business ethics through the *Supplier ESG Code of Conduct* (《供應商ESG行為準則規範》), while continuously enhancing supply chain compliance and responsible management.

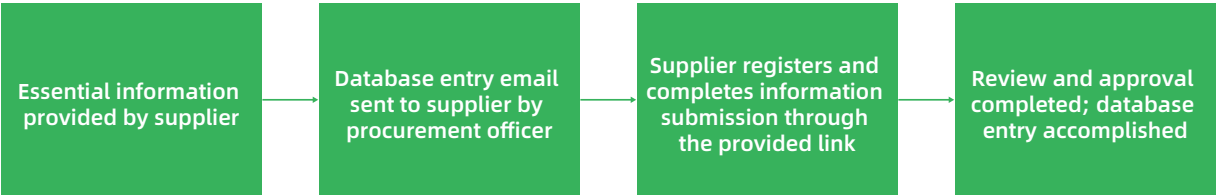


Chart: Supplier Admission Process of Alibaba Health

Alibaba Health has established and continuously implemented a strict audit and evaluation system for suppliers, who are managed according to different procurement categories. The Company ensures suppliers continuously meet the relevant qualifications and cooperation requirements through comprehensive assessments on suppliers from prospective of creative evaluation, execution quality, and service capability, combined with on-site visits and post inspection scoring. At the same time, in addition to operating in strict compliance with the standard operating procedures related to medical devices, food, and health products, Alibaba Health has also formulated and implemented the *Alibaba Health Non-Pharmaceutical Warehouse Checklist* (《阿里健康非藥倉檢查表》) as the important audit basis for spot inspections. In FY2026, we implemented comprehensive quality control for non-pharmaceutical suppliers, newly onboarded more than 300 suppliers, added 97 warehouses, and re-assessed 5 warehouses among existing suppliers. Throughout the year, a total of more than 400 warehouse acceptance inspections and spot audits were completed.

5 RESPONSIBLE TECHNOLOGY

Table: Supplier Audit and Evaluation Management Measures of Alibaba Health in FY2026

Procurement type	Management measures
Commercial procurement	- The Company has established a segmented supplier admission, evaluation and elimination mechanism for categories such as pharmaceuticals, medical devices and food: In accordance with the requirements of the <i>Drug Administration Law</i> (《藥品管理法》), the <i>Regulations on the Supervision and Administration of Medical Devices</i> (《醫療器械監督管理條例》), the <i>Food Safety Law</i> (《食品安全法》) and other applicable regulations, the Company has implemented a complete supplier quality management mechanism covering supplier classification review standards, admission audit, dynamic assessment, tiered control and exit mechanism, which is operating effectively; - The Company implemented closed-loop quality control for OEM¹⁵ products in self-operated warehouses, covering the entire process from raw material warehousing, production flow, storage management to end delivery, and conducted regular full-chain audits of suppliers' production bases to continuously ensure product quality and supply stability.
Non-commercial procurement	- Used MBR¹⁶ to quantitatively score suppliers and publicly rank them; settlement coefficients were directly linked to rankings; - The Company conducted monthly/quarterly assessments of customer service outsourcing suppliers, ranked them, and imposed financial rewards or penalties on settlement amounts based on their scores, with a coverage rate of 100%; - Through the QBR¹⁷ service data, the Company conducted key assessments and evaluations of suppliers on multiple dimensions such as delivery quality and site health status, and formulated targeted improvement plans based on the evaluation results to continuously enhance supply chain service quality and operational performance; - The Company dynamically adjusted cooperation terms and allocated shares for new demands based on the annual evaluation results, thereby motivating suppliers to continuously improve their service quality and performance capability.

¹⁵ OEM, Original Equipment Manufacturer

¹⁶ MBR, Monthly Business Review

¹⁷ QBR, Quarterly Business Review

5 RESPONSIBLE TECHNOLOGY

Alibaba Health remains committed to building a sustainable supply chain, integrating environmental and social risk management throughout the entire supplier management process and embedding ESG principles into supplier admission, assessment, and day-to-day management. The Company requires our suppliers to strictly comply with both national and local environmental protection laws and regulations, gives preference to suppliers with strong environmental performance and sound environmental management systems and policies, and encourages them to adopt energy-saving, emission-reduction and environmentally friendly practices. At the same time, the Company continues to conduct risk assessments on supplier safety management and business ethics, aiming to continuously enhance suppliers' ESG management standards.

In response to supplier misconduct, the Company has established a classification and evaluation mechanism. Based on contract terms and integrity commitments, we implement several grade-based control measures, including blacklisting, termination of cooperation, business suspension, written warnings, and order suspension, aiming to continuously strengthen conduct compliance among suppliers. For suppliers that pose risks or fail to meet cooperation requirements, the Company's procurement department, together with relevant departments such as the demand user, the demand user's supervisor, finance, and internal control, jointly evaluates and makes a decision to terminate the cooperation. The Company then engages in communication and negotiation with the relevant supplier to effect the termination upon mutual agreement.

Alibaba Health supplier communication system:

- **Written communication:** Conduct day-to-day written communication with suppliers via email, letters and other means to ensure the timely transmission of cooperation information and management requirements.
- **Regular remote meetings:** Maintain day-to-day contact through phone, video conferences and other forms, with mechanisms established for monthly and quarterly scheduled communication to continuously strengthen business coordination.
- **On-site interaction:** Organize on-site supplier visits and participation in face-to-face exchange activities, such as industry exhibitions and seminars to deepen collaboration and facilitate experience sharing.

5 RESPONSIBLE TECHNOLOGY

Alibaba Health places great importance on collaborative development with suppliers, continuously supporting their capability building through various forms such as dedicated training programs and supplier conferences. The Company designs tailored training plans for different business scenarios. During the supplier onboarding stage, it provides systematic training covering areas such as quality control responsibilities, operating standards, and penalty rules. In daily operations, we organize timely interpretation of newly issued regulations and communicate compliance requirements, while further strengthening quality risk awareness and service guarantee requirements at major promotional events and other key occasions. Through continuous empowerment, Alibaba Health continuously improves suppliers' management capability and compliance awareness, driving steady improvement in supply chain collaboration efficiency and coordination quality.

Table: Number of Suppliers by Geographical Region of Alibaba Health in FY2026

By geographical region	Direct business	Non-operating business	Total
Chinese Mainland	1,931	545	2,476
Hong Kong SAR, Macau SAR, Taiwan and overseas	315	3	318

Meanwhile, Alibaba Health maintains an open and collaborative approach to continuously build a transparent communication mechanism for suppliers. By utilizing multiple channels, it strengthens daily contact and collaborative exchange with suppliers to continuously consolidate stable and mutually trusted partnerships.

5.2 HEALTH ASSISTANCE

Alibaba Health has always regarded safeguarding public health as its corporate responsibility. The Company remains focused on the health needs of rare disease patients and grassroots populations. Leveraging its resources and platform connectivity in the pharmaceutical and healthcare industries, it collaborates with public service organizations, medical institutions, and caring enterprises to carry out public service initiatives, promote the implementation of pharmaceutical assistance, the allocation of medical resources to the grassroots, patient care, and health management services. Through concrete actions, it helps to improve the accessibility of healthcare services, contributing to building a more inclusive and sustainable public health ecosystem.

5 RESPONSIBLE TECHNOLOGY

Case study: Rare Disease Care Initiative

In FY2026, Alibaba Health upgraded the “Care campaign for Lemon Babies¹⁸” to the “Rare Disease Care Initiative”, focusing on challenges faced by rare disease patients in accessing affordable medications. Leveraging its platform connectivity capabilities, the Company collaborates with ecosystem partners including public service organizations and medical institutions to build an integrated service center covering “screening, diagnosis, treatment, and rehabilitation management”. The project has partnered with leading experts to provide clinical technical training to over 900 healthcare professionals across the national newborn screening system, and distributed Rare Disease Care Kits to more than 1,300 children with inherited metabolic rare diseases, thereby enhancing regional diagnostic and home care capabilities.

In parallel, the project established a dedicated philanthropic fund and introduced a multi-party cost-sharing mechanism under which “companies helping a part, patients paying a part, and public welfare donating a part”. Working with over ten compassionate enterprises, it provides special discounted supply services for dozens of essential products, including special medical purpose products for infants (SMPPi) and levocarnitine, while offering financial assistance to disadvantaged families. As of the end of the Reporting Period, the initiative had covered 18 types of rare diseases, with more than 2,500 patients receiving support through the “Rare Disease Care Platform”. Thanks to the dedicated support of compassionate enterprises, nearly RMB 7 million in medical expenses had been saved for patients cumulatively. On this basis, the project has accumulated over RMB 10.76 million in philanthropic funding, effectively improving disease diagnosis and treatment while reducing the overall financial burden on patients.



Picture: Launch Event of the Alibaba Health Rare Disease Care Card

¹⁸ Lemon Babies is an affectionate nickname that refers to children suffering from the two rare disorders of Methylmalonic Acidemia and Propionic Acidemia.

5 RESPONSIBLE TECHNOLOGY

Case study: “Xiao Lu Lantern” Children’s Serious Disease Relief Public Service Project

Alibaba Health continued to pay attention to the health of children in rural area, steadily advancing the implementation and deepening of the “Xiao Lu Lantern” (小鹿燈) children’s serious disease relief program. During the Reporting Period, the “Xiao Lu Lantern – A Healthier Future” (“小鹿燈 – 愈見未來”) Zhejiang Children’s Health Protection Plan (浙里兒童健康守護計劃) won the 8th Zhejiang Charity Award. The “Xiao Lu Lantern” project was also recognized as a Category I Funded Project at the 2025 China Public Welfare Charity Project Competition. Furthermore, the project has conducted “Xiao Lu Lantern: Future Without Limits – Pro Bono Medical Consultation for Children with Birth Defects” in locations including Aohan Banner in Inner Mongolia, Jialing District in Sichuan, Lancang County in Yunnan, Cangxi County in Sichuan, Qingjian County in Shanxi, and Qinglong County in Hebei, bringing quality medical resources and public welfare assistance to local children with serious illnesses. As of the end of the Reporting Period, the “Xiao Lu Lantern” project had proactively extended support to 2,662 children with critical illnesses across 59 key counties in 16 Chinese provinces, with a cumulative charitable contribution of over RMB 54 million.



Picture: Free Clinic of the “Xiao Lu Lantern” Public Service Project for Children with Serious Disease

5 RESPONSIBLE TECHNOLOGY

Case study: “Xiao Lu Mama” Maternal Health Protection Initiative

Alibaba Philanthropy and Alibaba Health Philanthropy, in collaboration with the “China Birth Defects Intervention and Relief Foundation” (中國出生缺陷干預救助基金會), have continued to implement the “Xiao Lu Mama” maternal health protection initiative. This public service project aims to safeguard the health of pregnant and postpartum women through a service mode that combines public interest insurance, regular prenatal check-ups, and health education. As of the end of the Reporting Period, the initiative had provided insurance coverage to 126,000 women of childbearing age in areas such as Kangding in Sichuan and Leishan in Guizhou. It has also managed over 5,700 registered pregnant women through dedicated teams, provided examination fee reimbursements to more than 700 pregnant and postpartum women, and accumulated a charitable contribution of nearly RMB 2 million.

The project achieved full promotional coverage across towns and villages in the target counties, with over 500 offline awareness events conducted in more than 149 villages. Furthermore, through ultrasound training, expert free clinics, and health science awareness campaigns, the project has enhanced pregnant women’s willingness to undergo prenatal check-ups and their health awareness, helping to reduce the birth rate of children with severe birth defects.



Picture: “Xiao Lu Mama” Maternal Health Protection Initiative

5 RESPONSIBLE TECHNOLOGY

5.3 PUBLIC SERVICE ACTIVITIES

Alibaba Health actively fulfils its corporate social responsibilities by staying attuned to public livelihood and healthcare needs. The Company has continued to improve its public service management system, supporting and promoting diverse social public service actions around the two dimensions of employee engagement in public welfare and ecosystem collaborative empowerment. In FY2026, Alibaba Health devoted a total of 18,766.8 hours to community service projects, donating an aggregate of RMB 1,476,800.

Alibaba Health consistently puts into practice the “3 Hours for Everyone” (人人3小時) philosophy in its public service initiatives, and encourages all employees to actively participate in public welfare actions. The Company offers internally organized, themed volunteering opportunities, shares information on external initiatives, and promotes a culture of giving through both online and offline channels to inspire broader engagement. Alibaba Health continuously improves the mechanism for employee participation in public welfare, effectively connecting volunteer service with social needs, and promoting the transformation of employees’ goodwill into sustained and tangible social value.

Case study: Alibaba Health Public Welfare Forest – Forest No. 2

In FY2025, Alibaba Health announced that for every three hours of volunteer service completed by an employee, the Company would plant a tree on behalf of the employee, and officially launched the “Alibaba Health Public Welfare Forest”. In FY2026, Alibaba Health continued to translate employees’ volunteer service into green action. In April 2025, employee representatives planted the “Alibaba Health Public Welfare Forest – Forest No. 2” and several honorary forests for public service projects in Aohan Banner, Inner Mongolia. A total of 3,820 apricot trees from Forest No. 1 and Forest No. 2 not only contributed to windbreak and sand fixation, but also stood as a powerful testament to the caring Alibaba Health people and the thriving high-impact public service projects.



Picture: Alibaba Health Public Welfare Forest – Forest No. 2 (Donation Planting)

5 RESPONSIBLE TECHNOLOGY

Case study: “Silver Age Care • Health Guardian” Initiative

On July 8, 2025, Alibaba Health joined forces with the China Ageing Development Foundation and multiple caring pharmaceutical companies to launch the “Silver Age Care • Health Guardian” initiative. This public welfare project aims to support the health protection of elderly people in rural areas through three core measures: medication donations, expert outreach programs, and healthcare talent incubation. The project also donated to the Qingjian County Health Bureau a supply of related medications from pharmaceutical companies including Novartis, Haleon, and Roche, which target common chronic and infectious diseases in the elderly.



Picture: “Silver Age Care • Health Guardian” Initiative

Case study: “Health Benefit Club” Public Welfare Cloud-Based Pharmacy Initiative

On December 26, 2025, the “Health Benefit Club” Public Welfare Cloud-Based Pharmacy Initiative was launched in Foping County, Shaanxi Province. Through a “demand-based donation” approach, the project precisely donated 1,330 boxes of urgently needed medicines to grassroots medical institutions in Foping County, while promoting the allocation of high-quality medical resources to the grassroots level, serving the “last kilometer” of rural health, and directly benefiting over 40,000 grassroots residents.



Picture: Wang Bo, village doctor at Shaping Village, Foping County & Beneficiary of the Health Benefit Club Public Welfare Cloud-Based Pharmacy Initiative

5 RESPONSIBLE TECHNOLOGY

Case study: “Hearing Support” Public Service Project

To help elderly individuals with hearing impairments address health challenges, Alibaba Health, in collaboration with Alibaba Philanthropy and the China Ageing Development Foundation, jointly launched the “Hearing Support” public service project. The project provides awareness campaigns, community hearing screenings and free consultations for hearing-impaired seniors, as well as subsidies for hearing check-ups for economically disadvantaged elderly individuals. The initiative aims to achieve early detection, early diagnosis and early intervention, thereby preventing the worsening of hearing loss and the risk of cognitive decline among the elderly. In FY2026, the project was officially launched in Fuyang, Hangzhou, and established the first public service site providing hearing screenings and consultations for the elderly.



Picture: Launch of the First Public Service Site for Elderly Hearing Screening and Consultation

ESG INDEX

Scope of Environmental, Social and Governance, General Disclosures and Key Performance Indicators (KPI)			Chapter(s)
Environmental			
A1: Emissions	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air emissions, discharges into water and land, and generation of hazardous and nonhazardous waste. Note: Air emissions include nitrogen oxides, sulfur oxides, and other pollutants regulated by national laws and regulations. Hazardous waste refers to those defined by national regulations.	4.4 Waste Management
	A1.1	The types of emissions and respective emissions data.	4.4 Waste Management
	A1.3	Total hazardous waste produced (in tons) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	4.4 Waste Management
	A1.4	Total non-hazardous waste produced (in tons) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	4.4 Waste Management
	A1.5	Description of emission target(s) set and steps taken to achieve them.	4.1 Tackling Climate Change
	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.	4.4 Waste Management

Scope of Environmental, Social and Governance, General Disclosures and Key Performance Indicators (KPI)			Chapter(s)
A2: Use of Resources	General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials. Note: Resources may be used in production, storage, transportation, buildings, electronic equipment, and other purposes.	4.2 Green Operation
	A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	4.2 Green Operation
	A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	4.2 Green Operation
	A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	4.2 Green Operation
	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.	4.2 Green Operation
	A2.5	Total packaging material used for finished products (in tons) and, if applicable, with reference to per unit produced.	4.2 Green Operation
A3: Environmental and Natural Resources	General Disclosure	Policies on minimizing the issuer's significant impact on the environment and natural resources.	4.2 Green Operation
	A3.1	Description of the significant impact of activities on the environment and natural resources and the actions taken to manage them.	4.1 Tackling Climate Change 4.2 Green Operation 4.3 Green Logistics 4.4 Waste Management

ESG INDEX

Scope of Environmental, Social and Governance, General Disclosures and Key Performance Indicators (KPI)			Chapter(s)
Social			
B1: Employment	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	3.1 Compliance Employment
	B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	3.1 Compliance Employment
	B1.2	Employee turnover rate by gender, age group and geographical region.	3.1 Compliance Employment
B2: Health and Safety	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards	3.3 Employee Health & Safety
	B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	3.3 Employee Health & Safety
	B2.2	Lost days due to work injury.	3.3 Employee Health & Safety
	B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	3.3 Employee Health & Safety
B3: Development and Training	General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. Note: Training refers to vocational training and may include both internal and external courses funded by the employer.	3.2 Talent Development & Training
	B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	3.2 Talent Development & Training
	B3.2	The average training hours completed per employee by gender and employee category.	3.2 Talent Development & Training

Scope of Environmental, Social and Governance, General Disclosures and Key Performance Indicators (KPI)			Chapter(s)
B4: Labor Standards	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labor.	3.1 Compliance Employment
	B4.1	Description of measures to review employment practices to avoid child and forced labor.	3.1 Compliance Employment
	B4.2	Description of steps taken to eliminate such practices when discovered.	3.1 Compliance Employment
B5: Supply Chain Management	General Disclosure	Policies on managing environmental and social risks of the supply chain.	5.1 Supply Chain Management
	B5.1	Number of suppliers by geographical region.	5.1 Supply Chain Management
	B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	5.1 Supply Chain Management
	B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	5.1 Supply Chain Management
	B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	5.1 Supply Chain Management

ESG INDEX

Scope of Environmental, Social and Governance, General Disclosures and Key Performance Indicators (KPI)			Chapter(s)
B6: Product Responsibility	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	2.1 Product Quality & Safety
	B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	2.1 Product Quality & Safety
	B6.2	Number of products and service-related complaints received and how they are dealt with.	
	B6.3	Description of practices relating to observing and protecting intellectual property rights.	2.5 Management of Intellectual Property
	B6.4	Description of quality assurance process and recall procedures.	2.1 Product Quality & Safety
	B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	2.4 Management of Information Security
B7: Anti-corruption	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	1.3 Integrity Management
	B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	1.3 Integrity Management
	B7.2	Description of preventive measures and whistleblowing procedures, how they are implemented and monitored.	1.3 Integrity Management
	B7.3	Description of anti-corruption training provided to directors and staff.	1.3 Integrity Management

Scope of Environmental, Social and Governance, General Disclosures and Key Performance Indicators (KPI)			Chapter(s)
B8: Community Investment	General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	5.2 Health Assistance 5.3 Public Service Activities
	B8.1	Focus areas of contribution (e.g. education, environmental concerns, labor needs, health, culture, sport).	5.2 Health Assistance 5.3 Public Service Activities
	B8.2	Resources contributed (e.g. money or time) to the focus area.	5.2 Health Assistance 5.3 Public Service Activities

FEEDBACK FORM

Dear Reader,

Greetings!

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

Please answer the questions as follows by marking “√”

1. In relation to Alibaba Health, which of the following applies to you?
☐ Government ☐ Investor ☐ Employee ☐ Customer ☐ Supplier/Contractor ☐ Partner
☐ Peer ☐ Community & Public ☐ Media ☐ NGO ☐ Others (please specify)
2. How would you rate the overall ESG performance of Alibaba Health?
☐ Excellent ☐ Good ☐ Average ☐ Poor
3. What's your overall rating for the report?
☐ Excellent ☐ Good ☐ Average ☐ Poor
4. How would you rate the quality of ESG information disclosed in the report?
☐ Excellent ☐ Good ☐ Average ☐ Poor
5. How would you rate the structure of the report?
☐ Highly reasonable ☐ Relatively reasonable ☐ Average ☐ Less than reasonable
6. How would you rate the layout and presentation of the report?
☐ Excellent ☐ Good ☐ Average ☐ Poor
7. What are your expectations regarding Alibaba Health's ESG effort?



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