



AiHuiShou International Co. Ltd. Publishes First ESG Report

August 17, 2021

SHANGHAI, Aug. 17, 2021 /PRNewswire/ -- AiHuiShou International Co. Ltd. ("ATRenew" or the "Company") (NYSE: RERE), a leading technology-driven pre-owned consumer electronics transactions and services platform in China, published its first environmental, social, and governance ("ESG") report on August 17, 2021, highlighting the company's long-term initiatives focused on improving its environmental impact and furthering its social contributions in 2020.

Established in 2011, ATRenew's mission is to "give a second life to all idle goods," addressing the environmental impact of pre-owned consumer electronics by facilitating recycling and trade-in services while distributing the devices to prolong their lifecycle. The Company is committed to improving the sustainability and standardization of the consumer electronics industry by mitigating the environmental impact of discarded consumer goods, integrating sustainable business practices and corporate social responsibility into its daily operations.

Mr. Kerry Xuefeng Chen, Founder and Chief Executive Officer of ATRenew, commented, "ESG framework is at the very core of our mission. As one of the first movers in the global circular economy and pre-owned consumer electronics industry, we took the initiative to release our first ESG report in response to the Chinese government's peak carbon emissions and carbon neutrality goals to strive for a pace of sustainable development on par with international markets. We are confident that we can make a difference not only as an industry leader, but also as a socially responsible organization that continuously allocates resources to achieving continued improvements in reducing the environmental impact of consumer electronics, achieving sustainability across our entire value-chain, and making greater contributions to the society."

ESG Report Highlights:

1. Prioritize user privacy and strengthen data security

At ATRenew, protecting personal data and privacy for consumers is a top priority. The Company's collection and use of personal data is in strict compliance with the Law of the People's Republic of China on the Protection of Consumer Rights and Interests, the Data Security Law of the People's Republic of China, the Measures for the Determination of the Collection and Use of Personal Information by APPs, and other relevant national laws and regulations. In addition, the Company's internal service protocols, such as the *AiHuiShou^[1] Privacy Policy*, have been further optimized to effectively protect the "notice and consent" rights of our users. As a tangible step to further safeguard the personal information and privacy of customers, the *AiHuiShou Data Grading and Classification Standards* stipulates the methods of classifying user data by level of sensitivity and the criteria for storing and accessing data.

To address user concerns on information protection during the device recycling process, ATRenew independently developed AiQingChu, a system that performs fast and thorough data wiping. The system repeats multiple overwriting and wiping processes on all consumer electronics recycled through the Company's self-operated stores and other collection channels, including JD.com, to prevent potential leaks and malicious recovery of user data during the circulation process. Research and development for AiQingChu began in 2018, and the system was put into use a year later. Since then, it has successfully wiped data on over 6 million mobile phones, tablets, and laptops.

2. Promote recycling and strive to become a leader in carbon reduction

Over the past decade, ATRenew has been unceasing in its efforts to further the recycling and reuse of consumer electronics to promote sustainability and lower carbon emissions across the industry. The Company's business model is structured as an end-to-end model for a circular economy. It is in line with China's 14th Five-Year Development Plan for the Circular Economy, which proposes to "vigorously develop a circular economy, promote resource conservation and recycling, and build a recycling system for waste materials and foster a recycling-oriented society." The Company makes every effort to contribute to the national goal of achieving peak carbon emissions and carbon neutrality by leveraging the Company's platforms and technologies.

The Company regards the national pledge to peak emissions and carbon neutrality as its own responsibility, as well as an opportunity for the development of the pre-owned consumer electronics industry. The Company endeavors to build a greener supply chain with a lower carbon footprint. While becoming a leading carbon-neutral company and a benchmark of carbon footprint management in the industry, the Company intends to use its services across the supply chain to inspire a wider range of business partners to jointly fulfill the target of carbon neutrality.

3. Establish a high-caliber ESG Committee

The ESG Committee has been established to systematically manage the Company's environmental, social and governance initiatives, and reports to the board of directors. The Company aims to maintain transparent and timely communication regarding its efforts to reduce greenhouse gas emissions and the carbon footprint of entire product life cycle; improve human resource management, products, and services; and enhance information security. The Company aspires to integrate its operations into the circular economy through its C2B, B2B, and B2C closed-loop value chain for pre-owned consumer electronics transactions and services. Considering the Company's current operations, strategic development goals, and best practices from third-parties, the Company has identified the following priorities for ESG management at the current stage: 1) Environmental: carbon emissions reduction and pre-owned electronic devices recycling; 2) Social: industry self-discipline, employee development, and social welfare; and 3) Corporate Governance: top-level governance and information security management. The list of ESG priorities will be evaluated and updated at the beginning of each year.

The Company looks forward to using its influence in the supply chain to impact more business partners and industry participants to jointly promote the sustainable development of the pre-owned consumer electronics industry.

To view the report in full, please visit the ESG/Sustainability section on ATRenew's Investor Relations website at ir.aihuishou.com. Both English and Simplified Chinese versions are available. The Company welcomes comments and questions at ir@aihuishou.com as the Company aims to improve future ESG performance and reporting.

[1] The Company rebranded itself from "AiHuiShou" to "ATRenew" in 2020. As a result, internal policies and standards made prior to this were named under the brand "AiHuiShou".

About AiHuiShou International Co. Ltd.

Headquartered in Shanghai, AiHuiShou International Co. Ltd. ("ATRenew") (NYSE: RERE) operates a leading technology-driven pre-owned consumer electronics transactions and services platform in China under the brand ATRenew, which stands for "All Things Renew." Since its inception in 2011, ATRenew has been on a mission to give a second life to all idle goods, addressing the environmental impact of pre-owned consumer electronics by facilitating recycling and trade-in services, and distributing the devices to prolong their lifecycle. ATRenew's open platform integrates C2B, B2B, and B2C capabilities to empower its online and offline services. Through its end-to-end coverage of the entire value chain and its proprietary inspection, grading, and pricing technologies, ATRenew sets the standard for China's pre-owned consumer electronics industry.

Safe Harbor Statement

This press release contains statements that may constitute "forward-looking" statements pursuant to the "safe harbor" provisions of the U.S. Private Securities Litigation Reform Act of 1995. These forward-looking statements can be identified by terminology such as "will," "expects," "anticipates," "aims," "future," "intends," "plans," "believes," "estimates," "likely to" and similar statements. Among other things, quotations in this announcement, contain forward-looking statements. ATRenew may also make written or oral forward-looking statements in its periodic reports to the U.S. Securities and Exchange Commission (the "SEC"), in its annual report to shareholders, in press releases and other written materials and in oral statements made by its officers, directors or employees to third parties. Statements that are not historical facts, including statements about ATRenew's beliefs, plans and expectations, are forward-looking statements. Forward-looking statements involve inherent risks and uncertainties. A number of factors could cause actual results to differ materially from those contained in any forward-looking statement, including but not limited to the following: ATRenew's strategies; ATRenew's future business development, financial condition and results of operations; ATRenew's ability to maintain its relationship with major strategic investors; its ability to provide facilitate pre-owned consumer electronics transactions and provide relevant services; its ability to maintain and enhance the recognition and reputation of its brand; general economic and business conditions globally and in China and assumptions underlying or related to any of the foregoing. Further information regarding these and other risks is included in ATRenew's filings with the SEC. All information provided in this press release is as of the date of this press release, and ATRenew does not undertake any obligation to update any forward-looking statement, except as required under applicable law.

Investor Relations Contact

In China:
AiHuiShou International Co. Ltd.
Investor Relations
Email: ir@aihuishou.com

In the United States:
ICR, LLC
Email: aihuishou@icrinc.com
Tel: +1-212-537-0461

 View original content: <https://www.prnewswire.com/news-releases/aihuishou-international-co-ltd-publishes-first-esg-report-301356588.html>

SOURCE AiHuiShou International Co. Ltd.