



ATRenew Releases 2022 ESG Report

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SHANGHAI, June 20, 2023 /PRNewswire/ -- ATRenew Inc. ("ATRenew" or the "Company") (NYSE: RERE), a leading technology-driven pre-owned consumer electronics transactions and services platform in China, today released its 2022 environmental, social, and governance ("ESG") report (the "Report"). The Report discloses the Company's commitment and efforts towards cultivating the circular economy and promoting sustainable consumption. It addresses the concerns of key stakeholders, including users, employees, investors, regulatory agencies, and communities, regarding sustainable development.

To view the report in full, please visit https://www.atrenew.com/2022_ESG_Report_EN.pdf. Highlights of the Company's ESG efforts include:

Taking Proactive Steps Towards Green Operations While Promoting Energy Conservation and Efficiency:

- **Implementing proactive measures towards green operations, conserving energy, and reducing emissions:** During the reporting period, ATRenew's greenhouse gas emission intensity (scope 1 + scope 2) was recorded at 0.30 tons of CO₂ equivalent per million RMB, achieving a decrease of 18.9% compared with 2021. Over the past three years, ATRenew's carbon emissions have consistently decreased, demonstrating concrete results from the Company's energy conservation and emissions reduction efforts.
- **Enhancing the reuse of packaging materials:** ATRenew has procured more environmentally friendly and durable packaging materials to reduce material usage and promote packaging circularity. In 2022, the Company reused 18 tons of packaging fillers for B2B parcels, and recycled and reused 36,000 packaging boxes for B2C parcels.
- **Taking responsibility for green electronic waste disposal:** ATRenew dismantled 270,000 electronic devices in an environmentally-friendly way, reducing electronic product pollution by 43.2 tons. As part of the Company's commitment to environmentally-responsible operations, suppliers are required to classify, recycle, and reuse metal materials at the end of the dismantling process, minimizing the environmental impact of heavy metals.

Broadening the Circular Economy Ecosystem Through Innovation and Service:

- **Expanding the circular economy's service scope through multi-category recycling:** Since the second quarter of 2022, ATRenew has offered multi-category recycling services to cater to a wider range of recycling needs for AHS Recycle users. These services have shifted the linear model of non-electronic products from "make-use-dispose" to the circular cycle of "make-use-recycle-reuse". By the end of 2022, ATRenew's multi-category recycling services covered 63 stores in 14 cities across China.
- **Continuously improving service accessibility:** At the end of 2022, ATRenew operated a total of 1,920 offline stores nationwide, with a net addition of 612 stores during the year. This expansion improved access to safe and convenient recycling services in China's mid-to-low-tier cities. In 2022, the Company also installed self-service recycling kiosks for pre-owned mobile phones in Japan, empowering its partners and facilitating the efficient turnover of pre-owned mobile phones overseas.
- **Strengthening product quality control:** ATRenew obtained ISO 9001 certification for its quality management system. The Company has continuously enhanced its platform's quality control capabilities within the pre-owned electronics ecosystem.
- **Contributing to the pre-owned electronics industry's standardized development:** ATRenew has been active in soliciting opinions on industry standards for compliant refurbishment. The Company has engaged in the compliant refurbishment of electronic products based on the first pre-owned electronic refurbishment guidelines released by the People's Procuratorate of Shenzhen.
- **Empowering industry participants in their digital development:** ATRenew provided specialized training to 8,047 PJT merchants, helping them effectively digitize and professionalize their online trading operations and management.

Enhancing Governance Structure and Measures, Solidifying a Foundation for Sustainable Development:

- **Creating a more inclusive board structure:** The Company's board of directors consists of eight members, including two female directors. Three out of the eight members are independent directors. The directors possess extensive industry experience, and provide corporate governance insights from professional fields including internet and retail, capital markets, marketing, and sustainable development.
- **Strengthening internal control and internal audit system:** ATRenew's Internal Control and Internal Audit Department

conducted a self-assessment on internal controls related to financial reporting and promptly rectified the shortcomings in accordance with the requirements of the Sarbanes-Oxley Act. In 2022, the Company held 11 Risk Management Committee meetings, discussed 34 risk issues, and rectified 27 issues. ATRenew also planned and executed a series of audit projects, including anti-fraud investigation, inventory management and procurement management, while rectifying nearly 90% of the identified deficiencies.

- **Bolstering intellectual property protection:** During 2022, ATRenew obtained 53 new intellectual property authorizations and 43 new patents. While upholding rigorous standards and norms, the Company made efforts to enhance education and reinforce requirements for the protection of intellectual property among platform merchants by leveraging the influence of the industry chain.
- **Improving ESG rating:** In the reporting year, ATRenew received an ESG rating of 17.6 out of 100 from Morningstar Sustainalytics, which assessed the Company to be at "Low Risk" of experiencing material ESG factors. The Company ranked fourth out of 85 companies in the "online and direct retail" sector globally, a significant improvement compared to its pre-IPO rating.

Putting People First, Focusing on Employee Development, and Giving Back to Employees and Society:

- **Emphasizing talent cultivation and development:** At the end of 2022, including full-time employees, outsourced staff and part-time personnel, the Company had a talent headcount of 5,211 people. Through compliant recruitment, diverse training approaches, specialized training programs, and initiatives promoting physical and mental well-being, the Company ensures the sustainable development of its employees.
- **Enhancing employee satisfaction through effective communication:** ATRenew's "Listener Program" feedback channel received 697 suggestions from employees in 2022. By effectively resolving issues, addressing employee feedback, and utilizing methods such as quarterly performance reviews, ATRenew ensured smooth communication between the Company and its employees. These efforts yielded a 4.47% improvement in the results of the Company's 2022 employee satisfaction survey.
- **Engaging in philanthropy and supporting education through digital devices:** In 2022, ATRenew made philanthropic donations totaling RMB1 million. The Company also donated pre-owned electronic learning devices through its "AHS Charity and Love · Digital Education Aid Program for Rural Children" program. These donations benefitted a total of 10,770 students in rural villages, improving their access to educational resources.

About ATRenew Inc.

Headquartered in Shanghai, ATRenew Inc. operates a leading technology-driven pre-owned consumer electronics transactions and services platform in China under the brand ATRenew. 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 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.

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