



## ATRenew Releases 2023 ESG Report

June 26, 2024

SHANGHAI, June 26, 2024 /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 2023 environmental, social, and governance ("ESG") report (the "Report"). This marks the fourth consecutive year of disclosing the Company's steadfast commitment to advancing the circular economy and promoting sustainable consumption. The Report 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 [ir.atrenew.com](https://ir.atrenew.com). Highlights of the Company's ESG efforts include:

### Green Operations and Environmental Protection through Energy Conservation and Emissions Reduction:

- **Continuing to Optimize Energy Management and Greenhouse Gas Emissions Performance:** During the reporting period, ATRenew's greenhouse gas emissions intensity (scope 1 + scope 2) was recorded at 0.28 tons of CO2 equivalent per million RMB, a decrease of approximately 6.67% compared to 2022. This marks the fourth consecutive year of reduced carbon emissions, demonstrating the Company's effective energy conservation and emissions reduction initiatives.
- **Systematically Identifying and Assessing Climate Risks and Opportunities:** Following the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), the Company established an "identify-assess-manage-monitor" climate risk management process, and conducted Central Banks and Supervisors Network for Greening the Financial System (NGFS) 1.5°C and 3°C scenario analyses. This was the first systematic identification of climate risks and opportunities, significantly enhancing climate risk management.
- **Expanding Reuse of Packaging Materials:** ATRenew procured more environmentally friendly and durable packaging materials, promoting circularity and reducing the usage of packaging materials. The Company's B2B business reused 24 tons of packaging filler materials during 2023, while the B2C business reused 192,000 packaging units during the same period.
- **Responsibly Disposing of Electronic Waste:** ATRenew collaborated with third-party recyclers qualified in the recovery of renewable resources. In total, through ATRenew, qualified recycler partners dismantled 111,700 electronic devices in an eco-friendly way, reducing electronic waste pollution by 17.83 tons. Additionally, the Company's suppliers were required to categorize, recycle, and reuse metal materials during the dismantling process to reduce the environmental impact of heavy metals.

### Developing Policies and Practices to Give Back to Customers, Employees, and Society:

- **Enhancing Information Security and Privacy Protection:** ATRenew understands the importance of protecting its users' privacy, and continuously addresses concerns from consumers, governments, and regulatory bodies regarding information security and privacy protection. The Company is constantly taking steps to strengthen its internal controls and technical capabilities.
- **Improving Customer Experience and Accessibility:** ATRenew expanded its door-to-door service coverage based on the frequency of delivery orders, enhancing its face-to-face transaction and service capabilities. The coverage rate of cities with access to door-to-door trade-in service via JD.com increased to 94%. This has improved customers' access to safe and convenient recycling services.
- **Emphasizing Talent Development and Diversity:** By the end of 2023, ATRenew had a talent headcount of 6,288 people, including full-time employees, outsourced staff, and part-time personnel. The Company maintained sustainable talent development by exercising compliant hiring practices, adopting diverse training approaches, holding specialized training programs, and embracing projects to promote employee health and wellness. The proportion of women in senior management increased from 22.58% at the end of 2022 to 28.13% at the end of 2023. ATRenew has also been active in providing employment opportunities for people with disabilities.
- **Boosting Employee Satisfaction Through Effective Communication:** ATRenew implements various initiatives to foster open communication, including weekly "Listener Program" surveys and "Treasure Box" activities. ATRenew aims to create a more open and inclusive work environment. ATRenew's 2023 employee satisfaction survey showed an overall satisfaction score of 4.64 out of 5, a 4.5% increase from 2022.
- **Engaging in Social Welfare and Volunteer Activities:** In 2023, ATRenew donated approximately RMB100,000 worth of educational devices through its ongoing public welfare project, "AHS Charity and Love • Digital Education Aid Program for

Rural Children." 2023 marked the sixth year the program had been active. By the end of 2023, the project had supported 60 schools in building digital teaching platforms, completed 3,032 lessons, and provided enriched educational resources to 11,770 rural children. ATRenew's employees also participated in the Company's "AHS Clean Trails" initiative, cleaning 9.64 kgs of plastic waste during a 12-kilometer hike and demonstrating their commitment to protecting the environment.

#### **Strengthening Governance to Support Sustainable Development:**

- **Building Robust Ethical Standards:** ATRenew adheres to high ethical standards, complies with all relevant laws and regulations, and conducts anti-corruption and anti-bribery compliance management. The Company has strengthened its operational standards and institutions to ensure healthy and compliant development. Throughout 2023, 342 anti-corruption training sessions were held, with 3,491 total participants, and no corruption lawsuits occurred during the reporting period.
- **Maintaining a Diverse Board Structure:** The Company's board of directors consists of eight members, including two female directors and three independent directors. The directors bring extensive experience from industries such as AI, big data analysis, the circular economy, the Internet and retail, capital markets, strategic management, and sustainable development. This diversity provides an array of insights for the benefit of the Company's governance.
- **Enhancing Internal Control and Audit Systems:** ATRenew has continuously improved its internal control systems in accordance with the Sarbanes-Oxley Act ("SOX"). During the reporting period, 23 internal control processes and nearly 600 control points were identified, with a 100% correction rate for SOX internal control project deficiencies. Four special audit projects were also conducted.
- **Fortifying Intellectual Property Protections:** ATRenew obtained 46 new intellectual property authorizations and 36 patents during 2023. The Company used its industry influence to enhance intellectual property protection education in line with regulatory standards, and raised awareness of these requirements among its platform merchants.
- **Strengthening International ESG Governance:** ATRenew joined the United Nations Global Compact (UNGC), committing to corporate responsibility initiatives. As the first company in the Chinese second-hand industry to join the UNGC, ATRenew is deeply committed to implementing international ESG standards.

#### **Driving Innovation for High-quality Development of the Circular Economy:**

- **Expanding Recycling Services Through Multi-Category Recycling:** ATRenew advanced its multi-category recycling strategy during 2023. Beyond its core second-hand smartphone and other consumer electronics business, the Company introduced recycling services for bags, watches, gold, fine wines, and clothing in certain offline stores to 252 stores in 27 cities as of the end of 2023. ATRenew delivers enhanced service capabilities for users' green, circular consumption.
- **Expanding Brand Collaborations and User Scenarios:** During 2023, ATRenew partnered with Apple to provide official recycling and trade-in services in mainland China, catering to user needs for trade-ins on Apple's website and its offline official stores. In addition, the Company entered into a repair authorization agreement with Huawei. Bolstered by these partnerships, ATRenew has systematically enhanced its capacity for compliant refurbishment of second-hand electronic products, refurbishing 496,035 units in 2023.
- **Upgrading Automated Quality Inspection Standards:** ATRenew has been at the forefront of introducing automated systems, consistently upgrading and elevating the standards of automated quality inspection technology. The Company's proprietary Matrix 3.0 automated quality inspection system improved inspection accuracy by 10% and boosted efficiency by 50%, further enhancing digitalization of the quality inspection system.

#### **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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