

Year 2023

GHG emissions report Axilone Asia Shunyue





Foreword

Congratulations on pursuing your climate journey. Greenly is proud to contribute to Axilone Asia - Shunyue's climate strategy, and support you on a path towards Net Zero.

This report synthesizes the results of your greenhouse gas (GHG) emissions assessment. It is a first step toward identifying reduction actions and helping you plan for the energy transition.

While offering some benchmarks to compare with other companies, a GHG emissions assessment is mainly used to identify ways to improve your global impact and to help you define a reduction trajectory. Achieving your decarbonization targets involves engaging your ecosystem of employees, customers and suppliers who will need to align with your new targets.

The evaluation of your emissions is in line with carbon accounting international standards as standardized by the GHG Protocol.

We are happy to support you on your journey. The entire Greenly team would like to thank you for your outstanding commitment.



Alexis Normand
CEO of Greenly

Overview

Introduction

- Carbon accounting methodology
- GHG emissions assessment parameters
- Executive summary

Emissions report

- Results by scope
- · Results by activity
- Focus by activity

Focus on action plans

- Estimated impact
- Estimated costs
- Implementation step by step

Conclusion - What's next?

- Summary of reduction actions
- Next steps

About Greenly

Our vision & team

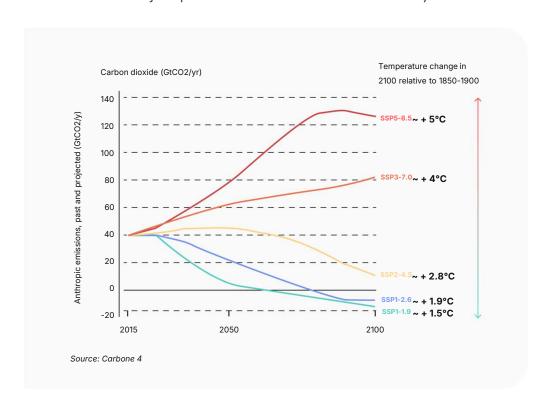
Appendix

- Scope 1-2 details
- Scope 3 details



Why care about the energy transition

Regardless of our management of the environmental crisis, organizations and individuals are heading towards major upheavals that will affect entire ecosystems.



Physical risks and constraints Transition risks and opportunities Impacted sectors Supply chain Market Legislation

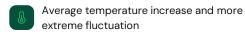
AXILONE

LUXURY BEAUTY PACKAGING

| Physical risks...

Definition

Risks related to exposure to the physical consequences of global warming



Intensification of extreme weather events (rain, heat waves/droughts, etc.)

Sea level rise

Scarcity of resources (especially energy), food and water insecurity

Biodiversity collapse

What are the consequences if I don't commit?

- 1 Deterioration of infrastructure, value chain losses
- 2 Direct economic consequences
- Low resilience to future events and physical constraints (e.g. natural disaster)
- Dependence on an increasingly fragile supply chain (availability and cost of resources, flexibility, fluctuation of fossil fuels)
- Disruptions in living conditions (housing, food, health, transport, etc.)



| Transition risks (and opportunities)

Definition

Risks related to the transition to a low-carbon economy



Regulatory developments and mitigation policies



Markets and sectors migrating towards promoting low-carbon value creation:
Opportunities to seize
Associated market risks



Growing stakeholder demands on environmental commitments



Shifting employee mindsets and expectations regarding the environmental reputation of their employer

What are the opportunities if I commit?

- 1 Optimization of flows and costs
- 2 More sustainable business activity and corporate strategy
- 3 Increased competitiveness within my ecosystem
- Resilience and autonomy of activities in the face of the new socio-economic paradigm
- 5 Lower exposure to legal and financial constraints and sanctions



It is critical to set a course for Net Zero

REACHING PLANETARY DECARBONIZATION GOALS IMPLIES THAT ALL BUSINESSES TRACK THEIR EMISSIONS, REGULATIONS ARE KICKING IN

Historical emissions **EU Emissions Trading System** Only **25%** of global ■ ≈ 1.5°C path 2005 NET CO2 EMISSIONS (GTCO2/YR) 50 Current path **GHG** emissions* are **SECR** tracked and managed 40 2019 30 **SFDR & Taxonomy** 20 2022 10 Carbon emissions **NFRD & CSRD** Jan. 2024 0 Carbon removal -10 **SEC Disclosure Regulation** Jan. 2027

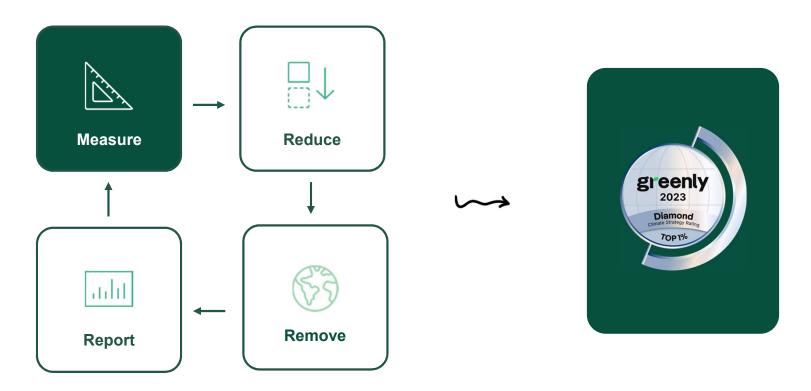
Source: *Carbon Pricing Leadership Report



Applicable Regulations

| Solving the Climate Equation

MEASURING EMISSIONS IS THE FIRST STEP TO SETTING A PATH TOWARDS NET ZERO





| Carbon accounting methodology

Scope 1 | Direct emissions

GHG emissions generated directly by the organization and its activities.

Examples: combustion of fossil fuels, refrigerant leaks, etc.

Scope 2 I Indirect emissions related to energy consumption

Emissions related to the organization's consumption of electricity, heat or steam.

Example: electricity consumption, etc.

Scope 3 I Other indirect emissions

Emissions related to the organization's upstream and downstream operations and activities

Example: transportation, purchased goods and services, sold products, etc.



| How are emissions computed?

ANALYZING EMISSIONS, AUTOMATING TRACKING

90% of your emissions of 2023 are calculated using activity data

	Activity metrics x Emissions factors = CO2 Eq. Emissions			
Expense based	S Total Expense 80 CNY	1.75 kgCO2e/CNY	140 kgCO2e	
Increasing Accuracy* Activity based	Total Distance 600 miles	0.2 kgCO2e/mile	120 kgCO2e	
	Total Fuel 40 gallons	2.8 kgCO2e/gallon	112 kgCO2e	

Emission Factor Sources			
ADEME COP ICOP International Energy Agency			
eurostat BA defra defra			
exiobase ಶ Fraunhofer			
European Commission JOINT RESEARCH CENTRE European Commission Department for Business, Energy 8 Industrial Strategy			



^{*}depending on the availability of data

| GHG emissions assessment scopes

Entity

Axilone Asia - Shunyue From January 2023 to December 2023

-

Primary data

Accounting data Buildings data

Activity data from the following modules: Travels, Coal Heating Network, Inbound freight, Fuel Consumption, Machine Inventory, Product & Raw Material Inventory, End-Of-Life Treatment of Sold Products

Methodology

Official and approved GHG Protocol methodology; GWP 100

Emissions generated in and outside the country of operation are accounted for. The methodological details of the calculation of each carbon footprint source are available on the Greenly platform.

Measurement scope

✓ Category includedOategory excluded

All emissions under operational control

Scope 1

- ✓ 1.1 Generation of electricity, heat or steam
- ✓ 1.2 Transportation of materials, products, waste, and employees
- ✓ 1.3 Physical or chemical processing
- √ 1.4 Fugitive emissions

Scope 2

- √ 2.1 Electricity related indirect emissions
- ✓ 2.2 Steam, heat and cooling related indirect emissions

Scope 3

- ✓ 3.1 Purchased goods and services
- √ 3.2 Capital goods
- ✓ 3.3 Fuel- and energy- related activities not included in Scope 1 or Scope 2
- ✓ 3.4 Upstream transportation and distribution
- √ 3.5 Waste generated in operations
- √ 3.6 Business travel
- √ 3.7 Employee commuting
- ∡ 3.8 Upstream leased assets
- 3.9 Downstream transportation and distribution
- ∡ 3.10 Processing of sold products
- ₹ 3.11 Use of sold products
- ₹ 3.12 End-of-life treatment of sold products
- ✓ 3.13 Downstream leased assets
- √ 3.14 Franchises
- √ 3.15 Investments







Location-based vs Market-based





Location-based vs. Market-based



Location-based

Method for calculating CO2e emissions from electricity consumption: Use emissions factors based on the average electricity mix in the company's region for grid electricity, and emissions factors based on the specific production method for on-site electricity generation.

Physical approach based on the undifferentiated circulation of electrons on the network.



Market-based

Method of calculating CO2e emissions linked to electricity consumption, using emissions factors related to the supplier from whom the company buys its electricity.

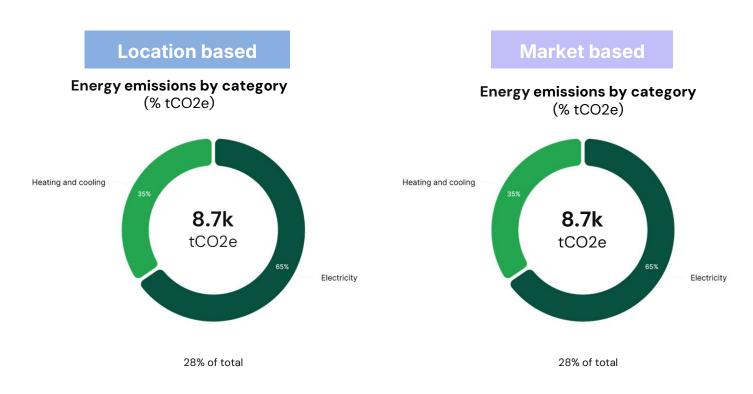
Market approach based on the system for purchasing guarantees of origin

The following report shows the results following both methodologies: first, the location-based one; then, the market-based one.

i More information can be found in this article.

I Emission variation: Location vs Market based

For Axilone Shunyue, emissions are identical in both market-based and location-based approaches, as the electricity is sourced either from the grid or generated on-site.







Emissions Report



| Executive summary

This report summarizes the results of Axilone Asia – Shunyue's 2023 GHG emissions assessment based on the information collected and subject to its completeness, correct categorization and validation. This assessment is useful in identifying the main areas for mitigating your environmental impact.



GHG emission assessment result



Results subject to the correct categorization and validation of expenses of Axilone Asia - Shunyue - categorization score of 100% on this report.



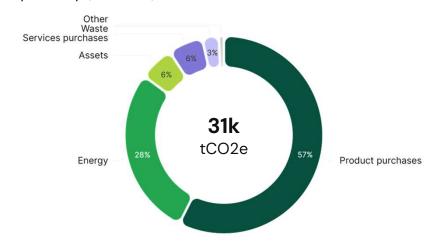
Scope 3

| General overview

RESULTS BY ACTIVITY

Total emissions of Axilone Asia - Shunyue,

by activity (% tCO2e)



Is equivalent to:



The amount of CO2 sequestered annually by 2.9k hectares of growing forest*

000

The annual emissions of 3.3k French Residents*

F

17k Paris - New York round trips*

	Absolute tCO2e	Per employee tCO2e/employee
Product purchases	18k	43
Energy	8.7k	21
Assets	1.8k	4.2
Services purchases	1.8k	4.2
Waste	850	2
Freight	164	0.4
Others**	98	0.2

^{*}Sources: Labos1Point5, ExioBase, French National Forests Office

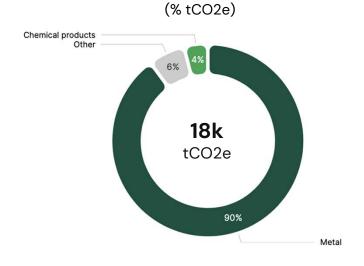
^{**}Travel and Commute, Food and drinks, Activities and events





| Focus on Product purchases

Product purchases emissions by category



57% of total

Activity data 18k tCO2e (99%) Expense data 106 tCO2e (1%)

What is included in this category?

CO2 emissions from purchased products, covering raw material extraction and manufacturing. Excludes transport and end-of-life emissions.

How to reduce the impact of this category?

You can adopt the following measures:

- Ecodesign your product by conducting comparative LCAs
- Purchase recycled raw materials

Further details on the climate strategy will be provided following the dedicated workshops.

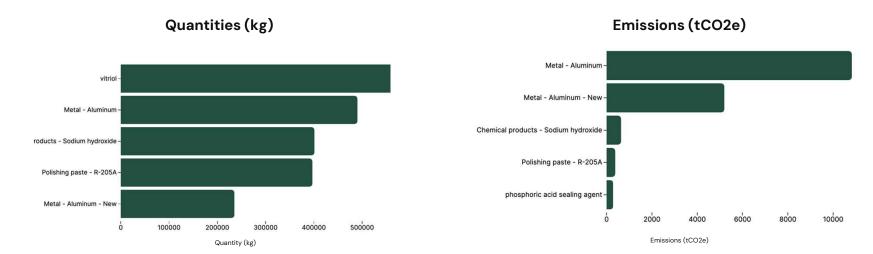
- 1. Emissions calculated using activity and expense data, by multiplying a quantity by an emission factor.
- 2. The emission factors used for this category come from the following databases: Base Carbone Ademe 22.0, Base Empreinte Ademe 23.1, Company Product LCA 1.0, Ecoinvent 3.10, Ecoinvent 3.7.1, Exiobase 3.8.1, Greenly 1.0, IPE China Products Carbon Footprint Factors 2024, Research Paper 1.0
- 3. Details of the methodology used to calculate each carbon footprint source are available on the Greenly platform.



| Focus on Product purchases

Activity data 18k tCO2e (99%)

ACTIVITY DATA ANALYSIS: PRODUCT & RAW MATERIAL INVENTORY



This module covers 57% of total emissions.

This represents 18k tCO2e.

Methodology

- 1. Emissions are computed by multiplying the physical data with emission factors (in kgCO2e, for instance).
- 2. Emission factors used for this category come from the following databases: Base Carbone Ademe 22.0, Base Empreinte Ademe 23.1, Company Product LCA 1.0, Ecoinvent 3.10, Ecoinvent 3.7.1, IPE China Products Carbon Footprint Factors 2024, Research Paper 1.0
- 3. The specific steps involved in calculating the carbon footprint for each source can be found in the methodological details provided on the Greenly platform.

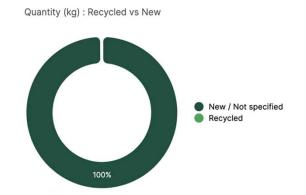
4. Only the 5 most emissive categories are displayed. Visit Greenly's platform to view all results.

| Focus on module Product & Raw Material Inventory

ACTIVITY DATA: share of recycled products and supplier specific emission factors

Recycled vs New

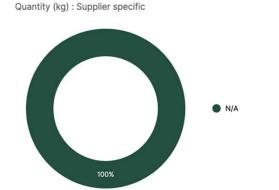
No recycled material purchased.

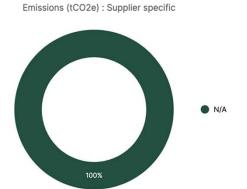




Supplier specific emission factors

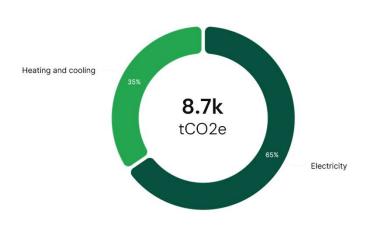
No supplier specific emission factor.





| Focus on Energy

Energy emissions by category (% tCO2e)



28% of total

Activity data 8.7k tCO2e (100%)

Expense data 0 tCO2e (0%)

What is included in this category?

CO2 emissions from energy production and consumption, covering fossil fuels and renewables. Varies by energy source type, efficiency, and carbon intensity.

How to reduce the impact of this category?

You can adopt the following measures:

- Purchase renewable electricity
- Set up on-site solar energy production
- Implement an energy savings program

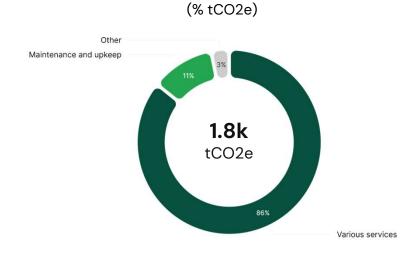
Further details on the climate strategy will be provided following the dedicated workshops.

- 1. Emissions calculated using activity data, by multiplying a quantity by an emission factor.
- 2. The emission factors used for this category come from the following databases: Base Empreinte Ademe 23.1, Base Empreinte Ademe 23.2, Uk GHG Conversion Factor 2023
- 3. Details of the methodology used to calculate each carbon footprint source are available on the Greenly platform.



| Focus on Services purchases

Services purchases emissions by category



5.6% of total

Expense data 1.8k tCO2e (100%)

What is included in this category?

Activity data

0 tCO2e (0%)

CO2 emissions from service purchases, covering professional services. Primarily from upstream energy/material use and energy consumed during service provision.

How to reduce the impact of this category?

You can adopt the following measures: No actions selected for this category

Further details on the climate strategy will be provided following the dedicated workshops.

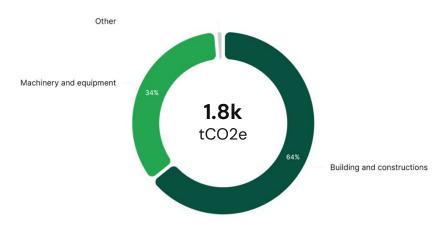
- 1. Emissions calculated using expense data, by multiplying a quantity by an emission factor.
- 2. The emission factors used for this category come from the following databases: Company Report 1.0, Exiobase 3.8.1
- 3. Details of the methodology used to calculate each carbon footprint source are available on the Greenly platform.



| Focus on Assets

Activity data 532 tCO2e (30%) Expense data 1.2k tCO2e (70%)

Assets emissions by category (% tCO2e)



5.7% of total

What is included in this category?

CO2 emissions from capital assets, covering construction, operation, and maintenance. Excludes energy consumption during use and end-of-life emissions.

How to reduce the impact of this category?

now to reduce the impact of this categor

You can adopt the following measures:

• Extend the lifetime of equipment by ensuring maintenance and repair

Further details on the climate strategy will be provided following the dedicated workshops.

- 1. Emissions calculated using activity and expense data, by multiplying a quantity by an emission factor.
- 2. The emission factors used for this category come from the following databases: Base Carbone Ademe 22.0, Company Report 1.0, Exiobase 3.8.1
- 3. Details of the methodology used to calculate each carbon footprint source are available on the Greenly platform.







Conclusion



Conclusion

The GHG assessment made it possible to identify Axilone Asia – Shunyue's main GHG emission sources so as to frame the company's carbon strategy and identify the items that need to be studied in greater depth with the aim of continuously improving the company's environmental impact.

It has been established that direct emissions (Scope 1) and energy-related indirect emissions (Scope 2) represent a small part of a company's impact. It is therefore essential to mobilize our company's suppliers and employees.

To meet the 2015 Paris Agreement target of a 50% reduction in GHG emissions between 2020 and 2030, we need to achieve a 5.9% reduction in emissions within one year (-1.1k tCO2e).

The recommended next steps in Axilone Asia - Shunyue's carbon strategy are:

- Study key emission sources in greater depth, if you opt for that. Your Climate Expert can help you decide between the different options available!
- 2 Establish GHG emission reduction targets and implement an action plan in order to achieve these targets.
- 3 Engage your suppliers using the Greenly supplier engagement tool.
- 4 Engage your employees using the interactive Greenly training quizzes.
- 5 Communicate with your stakeholders about your commitment and carbon footprint, your reduction targets and the action plan considered.
- 6 Contribute to certified GHG reduction / sequestration projects available on the Greenly platform.





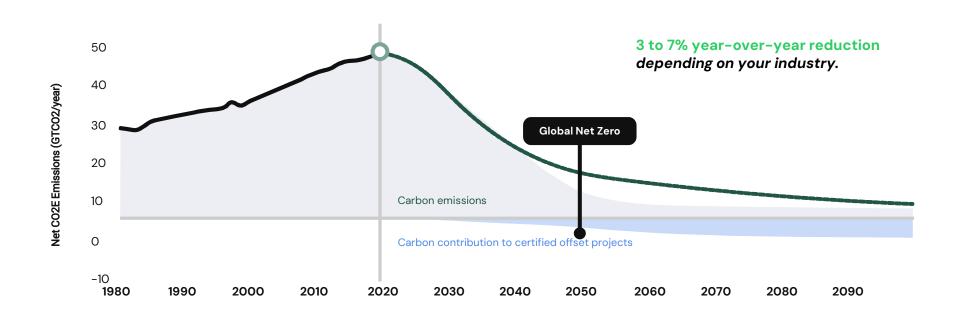


What's next?



| Committing to a multi-year decarbonization strategy

A SUSTAINED EMISSIONS REDUCTION BASED ON THE LEVELS REQUIRED BY THE PARIS AGREEMENT





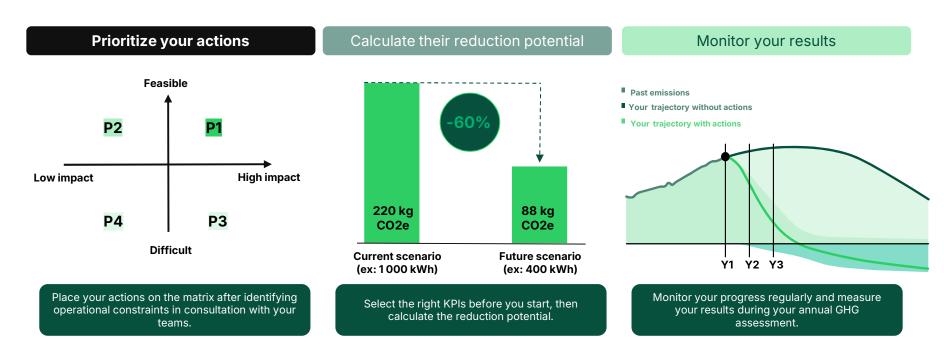
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How can I build my reduction trajectory?

THE 4 KEY STAGES IN DEFINING AND FOLLOWING YOUR TRAJECTORY

Refine your greenhouse gas emissions assessment

Your 2023 assessment is based on **84**% of physical data, the rest being financial data. We recommend that you regularly improve the accuracy of your greenhouse gas assessment by adding more physical data. You will be able to quantify and monitor your reductions with precise targets in km, kg, kWh, etc.



The 5 Pillars of a Climate Strategy

DISCOVER THE 5 PILLARS BASED ON THE NET ZERO INITIATIVE

1. Measure

- Track emissions annually
- Go deeper in the analysis of your main emission sources
- Carbon data analysis
- © CSRD
- & LCA

2. Reduce

- Choose an action plan in line with the Paris Agreement
- Quantify your action plan to build a carbon trajectory
- Action Plan Tab

3. Educate

- Engage your suppliers in your strategy
- Train your employees
- Supplier engagement
- Employee training

4. Commit

- Commit to an objective
- Communicate transparently

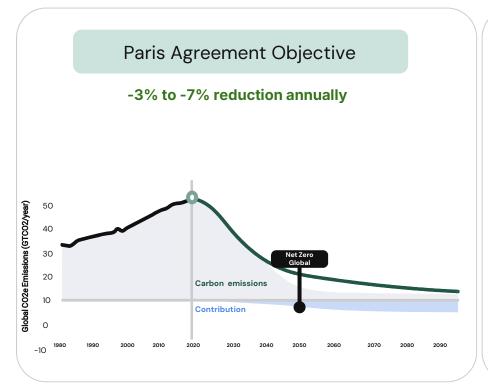
Communication kit

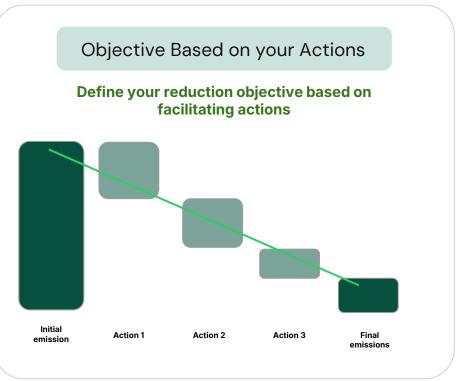
5. Contribute

- Contribute in carbon sequestration & avoidance projects to cover non compressive emissions
- Carbon contribution

| Commit to a Multi-year Carbon Trajectory

A LONG-TERM REDUCTION IN EMISSIONS IN LINE WITH THE OBJECTIVES OF THE PARIS AGREEMENT OR YOUR PERSONAL OBJECTIVES





| Build Your Carbon Reduction Trajectory

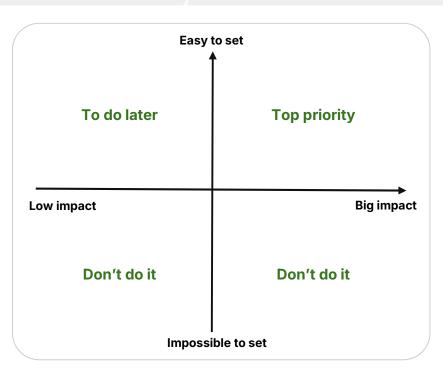
3 KEY STEPS TO BUILD YOUR TRAJECTORY

Prioritize your actions

Calculate their reduction potential

Optimize your trajectory

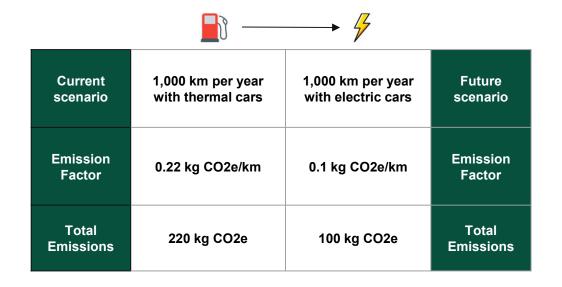
- Bring together the stakeholders in your climate strategy
- Place the action suggestions from the Greenly report on the matrix after identifying their constraints
- Keep all feasible actions and prioritize those with the greatest impact

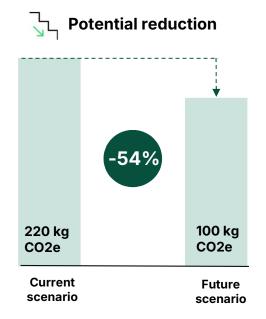


| Build Your Carbon Reduction Trajectory

3 KEY STEPS TO BUILD YOUR TRAJECTORY

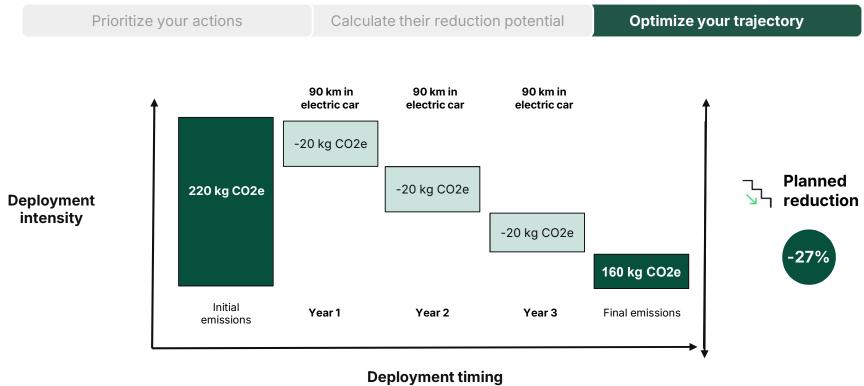
Prioritize your actions Calculate their reduction potential Optimize your trajectory





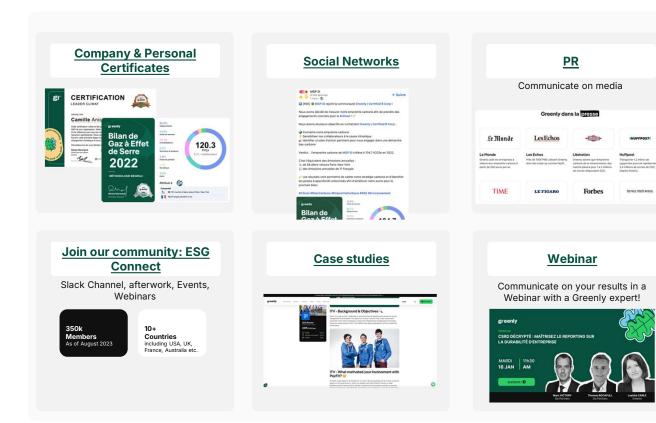
| Build Your Carbon Reduction Trajectory

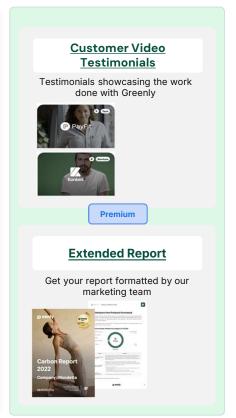
3 KEY STEPS TO BUILD YOUR TRAJECTORY



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| Greenly's communication support to highlight commitment





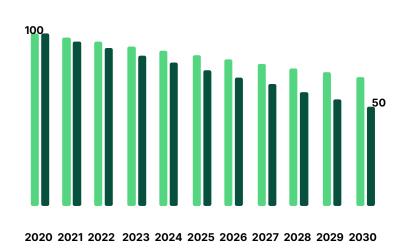


I Engaging suppliers to align with the company's Net Zero targets

ENGAGE SUPPLY CHAIN VIA A DEDICATED SUSTAINABLE PROCUREMENT STRATEGY



Reduction Trajectory Science Based Targets Aligned with 1.5°C & Well below 2.0°C







| Maturity of climate strategy

YOUR GREENLY CLIMATE SCORE

Greenly score criteria



Pioneers in the climate transition

< 1% of companies (Score ≥ 75)



Responsible companies

5% of companies (Score 55 - 74)



Building a company in transition

15% of companies (Score 30 - 54)



Beginners committed to the transition

30% of companies (Score 5 - 29)

Enthusiasts to awaken

10% of companies (Score 0 - 4)

Lack of interest in the climate

40% of companies

The statistics are drawn from the Greenly supplier and customer database, which includes several thousand companies of all sizes, sectors and geographies. For more similar statistics, consult the CDP corporate climate tracker.



The intermediate Greenly Climate Score of Axilone Asia - Shunyue is 40 points

Points are distributed as follows:

Creating & fine-tuning the Greenhouse Gas report: 36/40

Action plans: **4**/36 Climate targets: **0**/4

Involving your teams: **0**/10 Carbon contributions: **0**/10

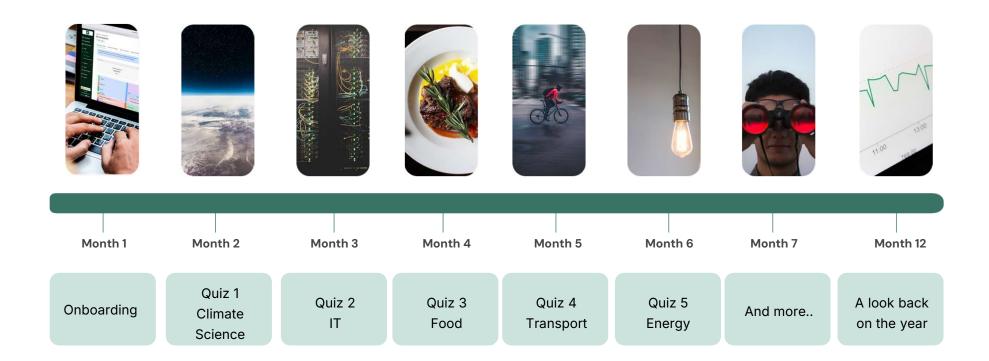
The Score will be updated at the Climate Strategy follow-up meeting.

More information on the Score calculation method <u>here</u>
Statistics were computed on the Greenly supplier database



| Engaging employees on Climate Change

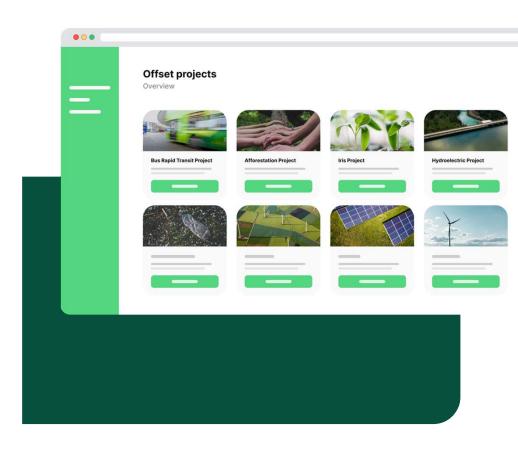
OUR MONTHLY TRAININGS





Net Zero Contribution - What to Expect

SOURCING ONLY VERIFIED & CERTIFIED PROJECTS



Ensure projects are certified

We source projects that meet criteria of additionality, permanence, auditability and measurability

Contribute to Net Zero

Ensure you are responsible for more emissions capture that what your organization is emitting





| Become a Referral Partner

Refer customers to Greenly and use your commissions to reduce the cost of your future GHG reports.

10% 15%

Commission or partner discounts directly more advantageous for Greenly customers.



COMMUNICATE

Leverage our resources to communicate to your network



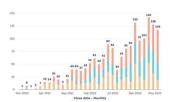
REFER LEADS

Send leads to the Greenly Sales Team



EARN REVENUE

Receive quarterly payments for your business and amortize the cost of your future reports



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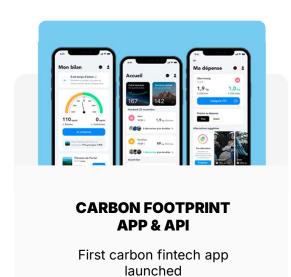
About Greenly

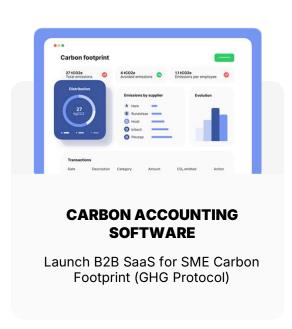


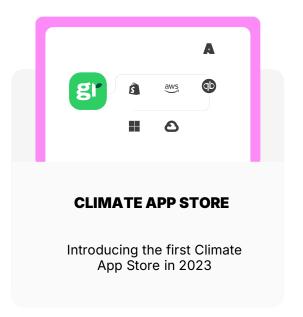
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| The Greenly Vision

MAKING CARBON ANALYTICS UNIVERSAL









| Building up a global tech leader to scale carbon accounting

FOUNDER VISION: HELPING ALL COMPANIES START THEIR CLIMATE JOURNEY TO FAST-TRACK THE ENERGY TRANSITION







Arnaud Delubac CMO & Co-Founder

Alexis Normand Matthieu Vegreville
CEO & Co-Founder CTO & Co-Founder

INSEEC, Essec - Centrale Digital Comm at Prime Minister Office, & Ministry of Digital HEC, Sciences-Po Ex Head of B2B & Boston Office at Withings, Techstar w/Embleema Ecole Polytechnique -Telecom Ex Data Science & B2B SaaS at Withings



withings 2013-2018

techstars_ 2018-2019

Everyone should strive to achieve Net-Zero, not just the elite.

Consumers want all companies to implement sustainable changes

Greenly is instigating a bottom-up climate revolution making it simple for all companies & employees to start their climate journey

Working with our initial 1,000 customers, we see that early adoption of carbon initiatives boosts growth and profitability, while helping companies start their climate journey

As regulations make carbon disclosure mandatory, Greenly is building highly-scalable tech to address the enormous influx of mid-market businesses joining the energy transition.

Greenly's product-led growth rests on three pillars: 1- a techenabled end-to-end carbon platform; 2- an outstanding UX to cultivate a growing community of climate leaders: 3- Lastly, a global ecosystem of partners who leverage Greenly to scale carbon accounting over their network.



I Greenly is the world's fastest growing carbon management platform

WE ARE SCALING OUR TECH, OUR CUSTOMERS BASE & CLIMATE TEAM

150+

Team with Climate Experts Data Scientists, Data analysts, Data Engineers, DevOps Engineers

50k

Emissions sources aggregated from customers & industry databases

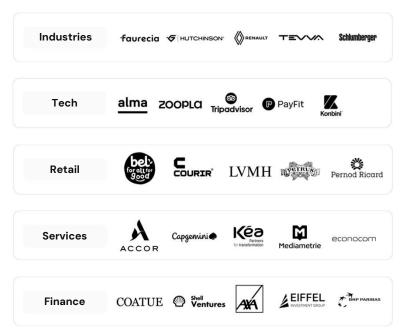
1000+

Customers in Tech, Industry, Energy, Logistics, Construction, Real Estate etc.

10+

Geographies covered with customers in the US, UK, France, Italy, Germany, Nordics...

These companies are tracking their carbon footprint with Greenly





| Scientific council

INDUSTRY, AI & EXPERTS CLIMAT









Nicolas HOUDANT



Peter FOXPENNER



Pr. Yann LEROY



Pr.Antoine DECHEZLEPRÊTRE



Pr. Rodolphe DURAND

Sociologist HEC -Corporate organisation

CEO Énergies demain Ex GreenNext Professor
BU University
Electricity grids
& Carbon expert

Professeur Centrale-Supelec -Carbon Product Life-Cycle Professeur
LSE
Climate change
policies

Professeur HEC -Corporation transformation





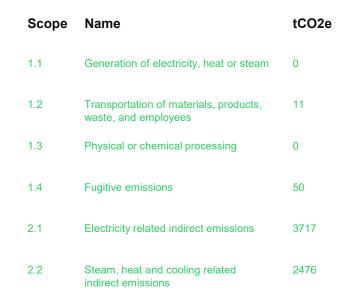


Appendix



greenly

Scope 1&2







Scope 3

100% accounted



Scope	Name	tCO2e
3.1	Purchased goods and services	7824
3.2	Capital goods	1786
3.3	Fuel- and energy- related activities not included in Scope 1 or Scope 2	2399
3.4	Upstream transportation and distribution	157
3.5	Waste generated in operations	0
3.6	Business travel	5
3.7	Employee commuting	121
3.8	Upstream leased assets	0
3.9	Downstream transportation and distribution	0
3.10	Processing of sold products	0
3.11	Use of sold products	0
3.12	End-of-life treatment of sold products	850
3.13	Downstream leased assets	0
3.14	Franchises	0
3.15	Investments	0
4.1	Other emissions - Emissions from biomass (soil and forests)	0



Scope 1&2

Scope	tCO2e	tCO2b	CO2f*	CH4f*	CH4b*	N2O*	Other GHGs*
1.1	0	0	0	0	0	0	0
1.2	11	0	7	1	0.3	2	0
1.3	0	0	0	0	0	0	0
1.4	50	0	0	0	6	44	0
2.1	3717	0	3159	194	186	178	0
2.2	2476	0	1696	221	59	500	0



^{*} Results expressed in tons of CO2e



Scope 3

Scope

tCO2e

tCO2b

			_			_	
3.1	7824	0	6772	694	0	257	77
3.2	1786	0	1786	0	0	0	0
3.3	2399	0	1660	509	30	201	0
3.4	157	0	152	3	0	3	0
3.5	0	0	0	0	0	0	0
3.6	5	0	4	0.3	0	0.3	0
3.7	121	0	104	3	1	12	0
3.8	0	0	0	0	0	0	0
3.9	0	0	0	0	0	0	0
3.10	0	0	0	0	0	0	0
3.11	0	0	0	0	0	0	0
3.12	850	0	621	66	0	163	0
3.13	0	0	0	0	0	0	0
3.14	0	0	0	0	0	0	0
3.15	0	0	0	0	0	0	0
4.1	0	0	0	0	0	A ^Q XILONE ASIA SHUNYUE	greenly

CO2f*

CH4f*

CH4b*

N2O*

LUXURY BEAUTY PACKAGING

Other GHGs*

euſλ

^{*} Results expressed in tons of CO2e

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Contact us

support@greenly.earth

www.greenly.earth