

First Direct Limited

First Direct Limited meets the requirements of carboNZero^{Cert™} certification having measured its greenhouse gas emissions in compliance with the requirements of ISO 14064-1:2006 including additional life cycle emissions associated with the taxi services, committed to managing and reducing its emissions and neutralised its remaining unavoidable emissions through the cancellation of an appropriate number of verified carbon credits in respect of its organisation and taxi services.



Introduction¹ – First Direct is a taxi company established in 1990. It has been owned and operated by the Jackman family since 1992. It has a growing fleet of over 135 vehicles, including the largest fleet of wheelchair-accessible taxis in the South Island. The bulk of the fleet is owned by self-employed owner-operators who work under the umbrella and control of the company and pay a monthly subscription fee. The company owns around 25% of the fleet, including most of the wheelchair vehicles. First Direct provides taxi transport services for numerous clients in Christchurch including hotels, airlines, health providers, education providers, central and local government, and many other large and small businesses and organisations. The company is a member of the New Zealand Taxi Federation.

Since 2007, carbon reduction has been a strong focus for the company and it has launched a number of sustainability initiatives. First Direct was the first Christchurch company to establish a hybrid fleet in 2007 and it has actively encouraged its members to switch to low-emission vehicles. The hybrid fleet currently makes up 33% of the total car fleet. A maximum CO₂ rating of 200 grams per km for all new and replacement cars entering the fleet was recently written into the company's vehicle policy. Education of drivers on environmental issues is an important part of First Direct's sustainability policy. The company has worked with the Sustainable Business Network's Greenfleet Programme on a Sustainable Driving course for small passenger service vehicle drivers that highlights issues around fossil fuel usage and demonstrates ways to reduce fuel consumption. Ongoing education at meetings and in newsletters has also raised awareness of environmental issues considerably in the company. Another initiative to reduce fuel consumption was a review in 2008 that resulted in a reconfiguration of First Direct's GPS dispatch system to change driver behaviour and reduce dead miles for operators travelling to pickup points.

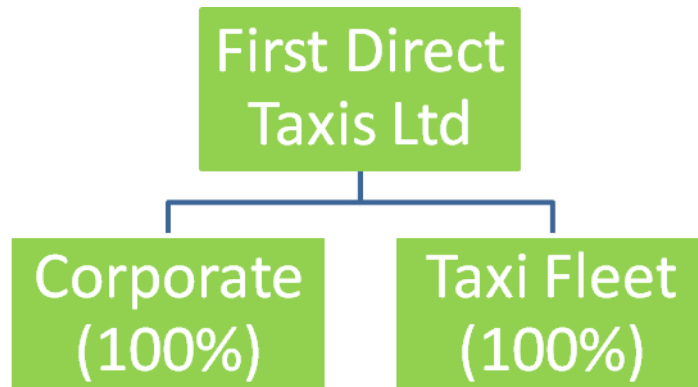
¹**Disclaimer:** This Disclosure Statement is a summary of the verified information considered for certification and the certification decision. It should not be taken to represent the full submission for certification. While every effort has been made to ensure that the information in this Disclosure Statement is accurate and complete, Landcare Research does not, to the maximum extent permitted by law, give any warranty or guarantee relating to the accuracy or reliability of the information.

Summary of carboNZero certification

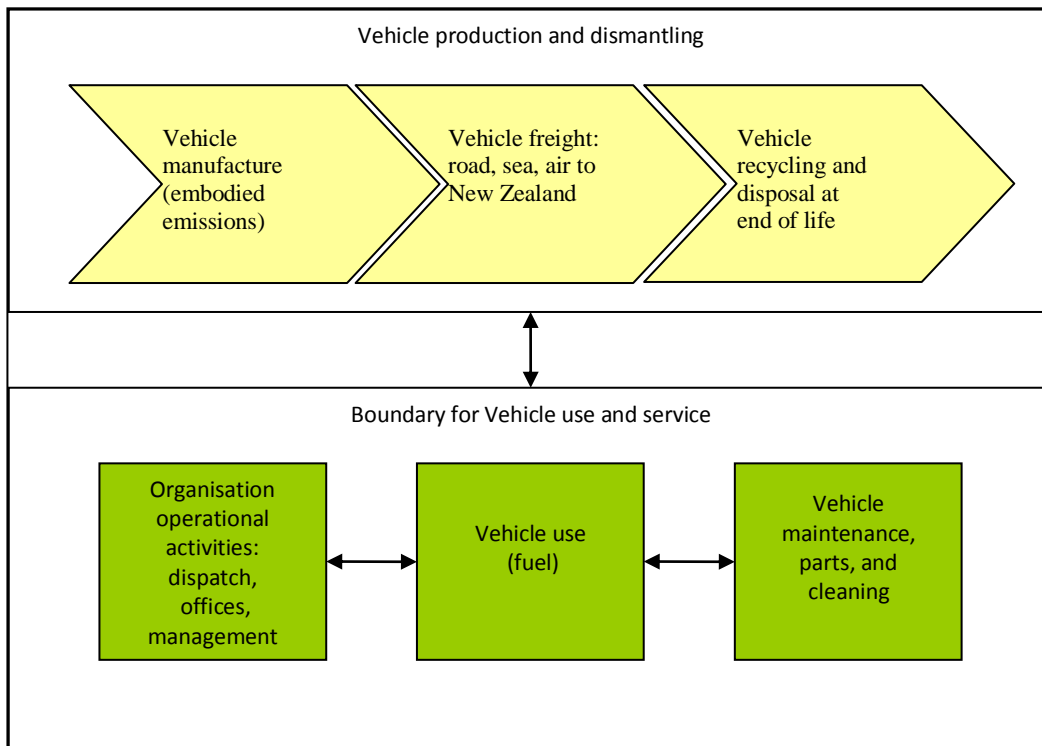


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Boundary – the diagram below shows the organisational structure used for describing First Direct Taxis greenhouse gas (GHG) emissions inventory, and what business units were included in the carboNZero certification.



For the certified service, the diagram below shows the additional GHG emissions sources associated with the life cycle of the taxi service. The green boxes indicate activities included in the certified service, whilst the yellow boxes indicate the emissions sources not included in the certified service.



Consolidation approach – Operational control.

Base year – 01/12/2008 to 30/11/2009.

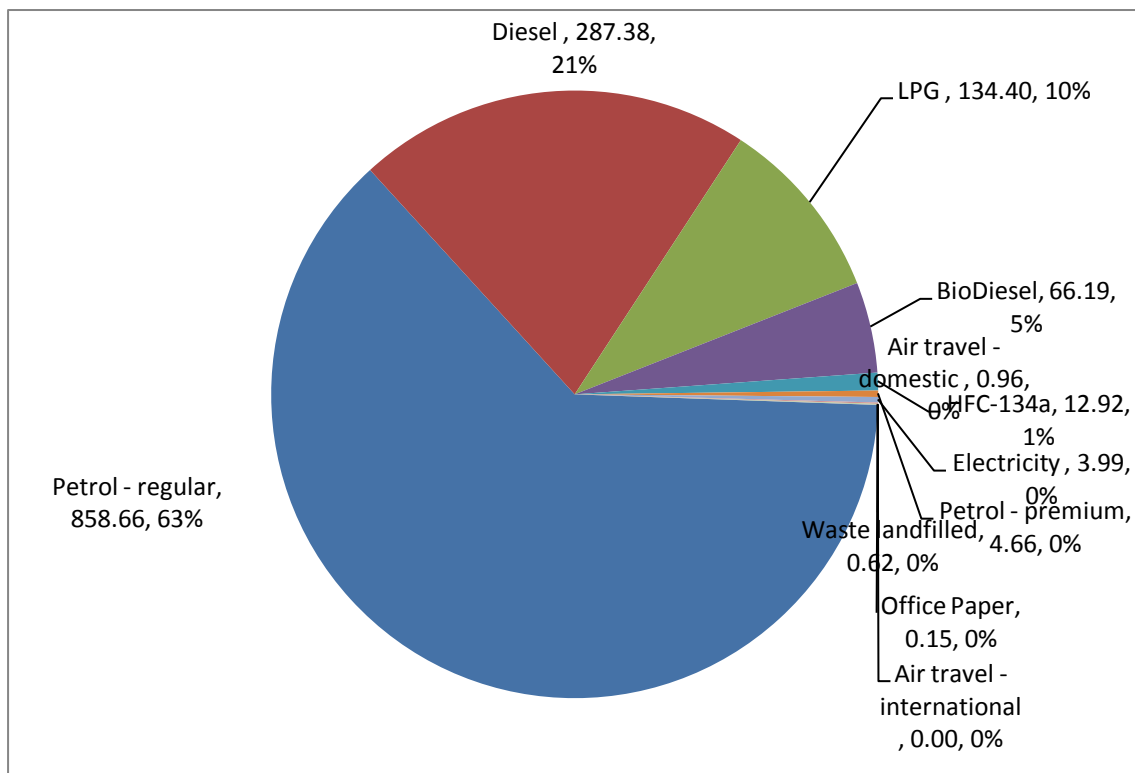
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Measurement period – 01/12/2009 to 30/11/2010.

Emissions source inclusions – The diagram below shows the operational GHG emissions for First Direct Taxis by emissions source. First Direct Taxis' total emissions for this period were 1369.94 tonnes carbon dioxide equivalents (CO₂e) comprising 1364.23 tonnes CO₂e Scope 1, 3.99 tonnes CO₂e Scope 2 and 1.72 tonnes CO₂e Scope 3 emissions. The following graph shows GHG emissions from each activity (tCO₂e, %).



Emissions source exclusions –

- Electricity for offsite/contracted grooming. This was estimated to be less than 1% of the entire inventory and is therefore *de minimis*.
- Vehicle Maintenance and grooming – lack of data and initial analysis based on assumptions has shown to be *de minimis*
- Accommodation (Hotel nights). This was calculated to be less than 1% of the entire inventory and is therefore *de minimis*.

Emissions reduction commitments – First Direct Taxis has developed a GHG emissions reduction plan. Some projects in this plan include:

- Continue the use of B20 biodiesel in diesel vehicles owned by the company and encourage its use by First Direct members who own diesel vehicles.
- Continue the maximum carbon dioxide rating of 200 grams/km (as per rightcar.co.nz data) for all new and replacement cars

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- Expansion of the First Direct/Sustainable Business Network Sustainable Driving Course which aims to teach the skills and knowledge to enable drivers to reduce fuel consumption.
- Implement aspects of the review of First Direct logistics to reduce “dead miles” (distances travelled without a passenger on board) from the total operation.

Emissions reduction report against last year’s plan –

- Total emissions increased by 3.3%, but business activity measured by kilometres of taxi travel increased by a larger amount, 6.4%.
- This resulted in a 2.9% reduction in emissions intensity from 224 grams of CO₂e per kilometre to 217 gCO₂e/km. This is a 2.9% improvement over our base measurement period.
- We are thrilled with this especially given the full impact of the switch to biodiesel will be seen in the next year’s inventory.

Offset – 1,369 tonnes CO₂e. Carbon credits are as follows: 664 Brazil Mascarenhas (hydropower), serial numbers 609251-609894, cancelled on the Markit Environmental Registry. 556 Brazil Ceno & Telha Forte Ceramics Switching Fuel Project, serial numbers 700045-700600, cancelled on the Markit Environmental Registry. 169 EBEX 21 PSFI Compliance credits (native forest regeneration), serial numbers 802684-802852, cancelled on the New Zealand Emissions Unit Register. Carbon credits were not required to offset emissions from part of the purchased electricity because it was purchased from Meridian Energy while they were carboNZero certified for their electricity (1.7 tonnes).

Verified by – carboNZero Strategic Business Unit.

Threshold of materiality – Excluded emissions do not exceed 5% of the total footprint for organisation and product boundary stated.

Level of assurance – Organisation - reasonable assurance; Service – limited assurance.

Certification status – carboNZero certified “organisation” and “service” covering the taxi vehicle fleet, office administration, and staff air travel.

Certificate number – 2011106J.

Valid until – 31 March 2014.