

Summary of carboNZero certification: carboNZero

Trade Me Limited

Online Services International Limited

Old Friends Limited

Trade Me Limited meets the requirements of carboNZero^{Cert™} certification having measured its greenhouse gas emissions in compliance with the requirements of ISO 14064-1, 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 the operational activities of its organisation including Online Services International Limited and Old Friends Limited.



Introduction¹ – Trade Me Limited is the management company for the Trade Me website (www.trademe.co.nz). Trade Me is the largest e-commerce website operating in New Zealand. The company was founded by Sam Morgan in 1999 and following dramatic growth, sold to Fairfax Media in 2006. The organisation also operates several sister websites including Find Someone, Old Friends, Travelbug and Safe Trader. Trade Me has its head office in the Wellington CBD. Since August 2007, Trade Me has had an office in Parnell, Auckland.

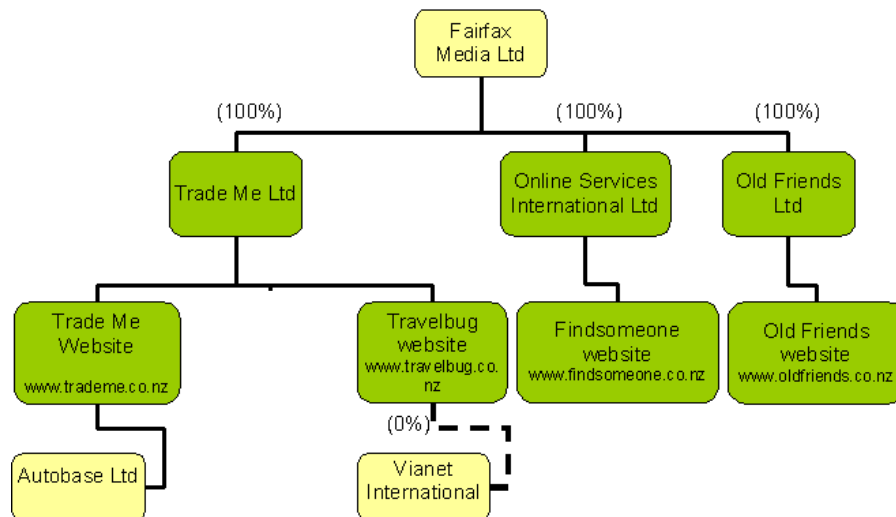
Boundary – the diagram below shows the organisational structure used for describing Trade Me Ltd, Online Services International Ltd and Old Friends Ltd's greenhouse gas (GHG) emissions inventory, and what business units were included in the carboNZero certification. Yellow business units were excluded from the certification.

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.

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Trade Me outsources data storage and server requirements to two independent companies. Emissions have been estimated from the associated data server electricity consumption and included in the GHG emissions inventory. Trade Me does not have financial or operational control of Autobase Ltd and is therefore excluded. Trade Me worked with Vianet International Ltd (Vianet) to provide online accommodation bookings on Travelbug and purchased the Vianet assets in May 2009.

carboNZero certification is in respect of the companies Trade Me Ltd, Online Services International Ltd and Old Friends Ltd. Certification does not encompass emissions generated through the public's use of the websites and services (for instance, freight associated with purchase and sale of goods through the Trade Me website). This is in accordance with current international practice and carboNZero requirements.

Consolidation approach – operational control

Base year – 01/01/2008 to 31/12/2008

Note: the base year was previously 01/01/2007 to 31/12/2007 and has been changed due to a significant change in business structure.

Measurement period – 01/01/2009 to 31/12/2009

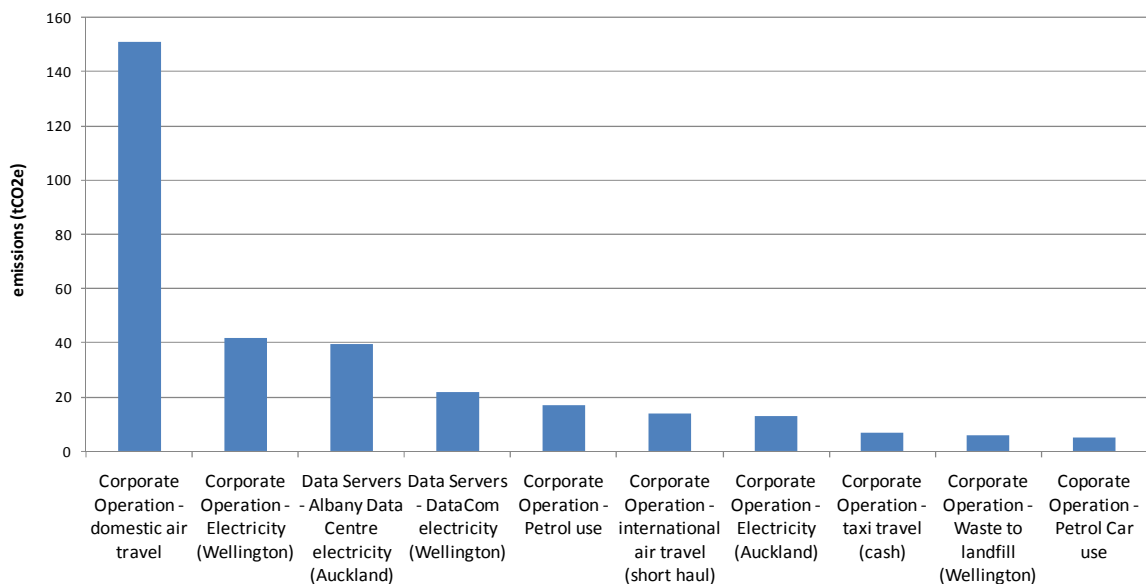
GHG emissions source inclusions – the diagram below shows the operational GHG emissions for Trade Me Ltd by emissions source. Trade Me Ltd's total emissions for this period were 322.11 tonnes carbon dioxide equivalents (CO₂e) comprising 24.52 tonnes CO₂e Scope 1, 54.66 tonnes CO₂e Scope 2 and 242.93 tonnes CO₂e Scope 3 emissions.

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GHG emissions source exclusions – There are no business activities, which are excluded from the inventory.

GHG emissions reduction commitments – Trade Me has developed a GHG emissions reduction plan. Some projects in this plan include:

- continued technology changes to improve the energy efficiency of data servers and other equipment
- initiatives to reduce air and other travel, such as greater use of video-conferencing
- Implementing a rental car policy that requires employees to select cars, where possible, with an engine size below 2 litres cc.
- a range of waste minimisation measures, including recycling and greater use of soft rather than hard copies of documents.

GHG emissions reduction report against last year's plan – Overall, Trade Me has increased their GHG emissions. However, without a change in emission factors, Trade Me would have reduced its emissions by 3.18 tCO₂e or 1%. The total distance flown domestically decreased by 4%, while emissions increased by 17% due to a significant change in the emissions factor.

Total GHG emissions for the current reporting period were 322.11 tonnes of CO₂e compared to 310.57 tonnes of CO₂e for the base year. This is an increase of 4% (11.54 tCO₂e). Scope 1 emissions increased by 56% from 15.71 to 24.52 tCO₂e, due largely to an increase in the use of rental cars. Trade Me's Scope 2 emissions, resulting from electricity consumption in offices, decreased by 14% from 63.79 to 54.66 tCO₂e. The

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5% increase in Scope 3 emissions from 231.08 to 242.93 tCO₂e is mainly due to increased domestic and international air travel emissions factor.

In terms of changes in the emissions intensity of the organisation, Trade Me's emissions have decrease for all metrics, due to different reductions that have occurred. For example, for the KPI based on average server traffic, emission intensity decreased by 37% from 2.86 tCO₂e to 2.36 tCO₂e per megabits per second.

Offset – 267 tonnes CO₂e. 23 VERs² from PRE³ Awapuni landfill gas recovery project. Serial numbers 2074976-2074998 have been cancelled (or equivalent) on Markit Environmental Registry and 244 VERs from Meridian Gold Standard windpower projects serial numbers 413929-414161 cancelled on the carboNZero registry. Carbon credits were not required to offset 55.38 tCO₂e emissions from electricity that was purchased from Meridian Energy and taxi trips taken with Wellington Combined Taxis.

Verified by – Deloitte

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

Level of assurance – reasonable assurance

Certification status – carboNZero certified “organisation” covering building electricity consumption, third party data server electricity consumption, domestic road and air transport, international air travel and landfilled waste.

Certificate number – 2010114J

Valid until – 30 April 2013

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