



carboNZero^{Cert™} programme

Management plan/report template
version 1.2

GHG Emissions Management & Reduction Plan

Trade Me Limited

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1 Introduction

This report is the second annual greenhouse gas (GHG) emissions¹ management/reduction plan prepared for Trade Me Limited and forms the management part of their application for carboNZero certification.

2 Management commitment

This Plan sets out how Trade Me plans to manage its carbon emissions in 2009. While Trade Me is continuing to grow as an organisation, in staff, services, and in its overall membership base, it is also committed to continuing to be carbon neutral and to reducing its emissions intensity.

3 Significant GHG emissions sources

Trade Me's main sources of emissions are the electricity required to run data servers (23%), business-related air travel (47%) and office electricity (20%). The rest is made up of owned and rented vehicle fuel use (5%), business taxi travel (2%) and waste to landfill (1%).

Trade Me has already undertaken significant work to minimise the emissions from its data servers and office electricity, and beyond these measures is limited in its ability to influence these emissions. Travel related emissions are able to be influenced to an extent, but some travel also plays an important part in Trade Me's ability to meet with its clients around the country, and ensuring staff in Trade Me's Auckland office are part of and closely connected with Trade Me's main operation based in Wellington.

4 Targets for GHG emissions reduction

Trade Me's GHG emission reduction targets are:

- Reduce emissions intensity over the first 5 years of Trade Me being carboNZero certified, in relation to outbound network traffic (network growth) – responsibility General Counsel. Baseline: 2007 data server emissions. Progress to be measured at end of each calendar year in tCO₂e / average monthly mbps;
- Reduce data server emissions intensity year on year in relation to outbound network traffic (network growth) – responsibility Head of Infrastructure. Baseline: 2007 data server emissions. Progress to be measured at end of each calendar year in tCO₂e / average monthly mbps.

These growth measures have been selected as representative of the overall output and service that Trade Me provides.

Trade Me continues to grow as a business, both in membership and usage and continues to add new business lines, such as online travel services. Therefore it is expected that with this greater activity, its overall emissions will continue to grow in

¹ Throughout this document "emissions" means "GHG emissions".

coming years. However through a range of initiatives, Trade Me aims to ensure that its emissions will grow at less than the growth in the online services it provides.

Network growth measured in outbound network traffic has been selected as the best measure of growth in online services provided by Trade Me.

5 GHG Emissions source inclusions

Data Servers – 23%

Trade Me's data servers, network equipment and disk storage in Wellington and Auckland are mostly housed in data hosting centres, where we have little influence on the cooling systems used, or choice of electricity provider. However we will explore the possibility of a change of provider with our data centres. We also have some housed in our Wellington office, where we can make, and have made more changes.

Trade Me has made and continues to make a range of significant technological changes to increase efficiency and reduce the power consumption required to serve the Trade Me website and internal network systems.

These include:

- Virtualisation, which hides the physical characteristics of our server environment and allows for multiple "virtual" servers to run on a reduced number of physical servers. This enables applications to run more efficiently over fewer physical servers than would otherwise be required;
- Blade Servers, which see high density servers residing within an enclosure and sharing common hardware such as power supplies, media devices and network interfaces, and thereby reduce power use and overall cooling requirements;
- Refreshing hardware according to energy efficient guidelines including those adopted from the Ministry for the Environment's ICT equipment sourcing guidelines; and
- Consolidation of servers enabling us to reduce the number of physical servers required to run applications.

Trade Me has experienced considerable growth in the ten years since it began. For example, in 2000, Trade Me had 20,152 unique visitors a month, 6,046 auctions per month, and 8,496 registered users. Today (May, 2009) Trade Me has 4,909,231 unique visitors per month, 5,445,153 auctions per month, and 2,606,094 members. Bandwidth has grown 40% between December 2007 and December 2008. During 2008, Trade Me was able to accommodate this 40% growth in traffic without increasing the energy consumption by its servers, due to several upgrades that increased energy efficiency.

Some growth is expected to continue during 2009, and it is estimated that Trade Me may need to increase its infrastructure capacity to accommodate this growth. However, through the initiatives outlined above, Trade Me will serve this increased activity more efficiently, and is confident of keeping power consumption growth from servers, storage and networks at less than the growth in capacity anticipated.

During 2009, Trade Me will continue to plan its infrastructure development to ensure that power consumption growth is less than proportional to growth in capacity.

Business-related Air Travel – 47%

Business-related travel is another significant source of emissions, now making up the greatest portion of Trade Me's overall emissions. This has been partly due to the large number of Trade Me's staff being Wellington-based, with a significant portion of clients and business partners being based in Auckland, Christchurch and throughout the country. Another reason is the need for periodic travel between Trade Me's Auckland and Wellington offices and to Fairfax in Australia.

With growth in staff numbers during 2008, this has increased. As Trade Me's number of clients continues to grow, the need to travel is expected to continue to grow during 2009. However, Trade Me has already begun to address this by:

- Further growing our Auckland office, where a number of customer facing staff (for Property, Jobs and Advertising) are now based;
- Employing a staff member in Christchurch, during 2008, accommodated with The Press;
- Increased and very frequent use of video-conferencing in both the Wellington and Auckland offices for internal and external meetings;
- Installing video-conferencing on PCs
- Combining appointments as much as possible when travelling to maximise efficiencies.

Electricity – 20%

Another significant source of emissions is Trade Me's office electricity use (20%). As stated above, Trade Me's staff grew considerably in 2007 and 2008. Therefore, Trade Me's office electricity has also grown. However, through efficient use of existing space, and other measures, Trade Me managed to reduce electricity intensity per person. The same level of staff growth is not anticipated for 2009.

Lighting: We already have very energy efficient lighting, which includes some motion sensor lighting. In addition we automatically turn off lights and remind staff to turn off lights in rooms and other parts of the floor when not in use.

Equipment: Where practical, we configure our PC's to use powersave mode as a default, and most people turn off PC's when they go home, and we will continue to remind staff to do so as appropriate. A recent server upgrade and decommissioning of the old hardware means our server platform is now more powerful and more energy efficient. We consider energy efficiency when upgrading other equipment.

A consultation with EECA confirmed that Trade Me's office electricity use was very efficient and there were few opportunities for improvement, other than lighting circuit changes which have since been made.

Other Business-related Travel – 7%

Another source of emissions, although at 7% of overall emissions, significantly less than air travel, is taxi, hire car and vehicle fleet travel. Trade Me has experienced considerable recent growth in staff numbers, particularly in its sales and customer-facing teams. There has been a related increase in vehicle travel.

The Trade Me vehicle fleet currently consists of a:

- 2L Ford Mondeo
- 1.5 L Honda Civic
- 1.8 Mazda 3
- 1.8L Toyota Corolla
- 1.8L Holden Viva
- 1.8L Lancer

No further car purchases are anticipated.

Trade Me is taking the following steps to manage vehicle travel:

- When going to external meetings, staff consider walking where it's practical to do so instead of taking taxis or driving;
- Considering fuel efficiency when buying new vehicles;
- Using taxi companies that are taking steps to reduce and offset their carbon footprint;
- More teleconferencing and video-conferencing rather than face to face meetings;

We have also purchased a bicycle, and non-motorised scooters for staff to use when they want, and encourage staff to use them.

Waste and recycling – 1%

Trade Me keeps most documents electronically and during 2008 had only one photocopier. We recently purchased a single multi-function printer, scanner and photocopier for the Auckland office to replace 4 older printers, which should reduce electricity use. We have co-mingled (glass, plastics, cans and aluminium), paper and cardboard recycling in place. We already sell most reusable items (like our old couches and hardware) on Trade Me and recycle toner cartridges. We receive faxes as scanned images by email rather than as print-outs.

We also encourage staff to:

- Only print as required
- Use the double-sided and other efficient printing options where possible
- Recycle paper by putting it in the blue bin for shredding, or the yellow paper bins at their desks
- Use scanners so that document copies are made and sent electronically.

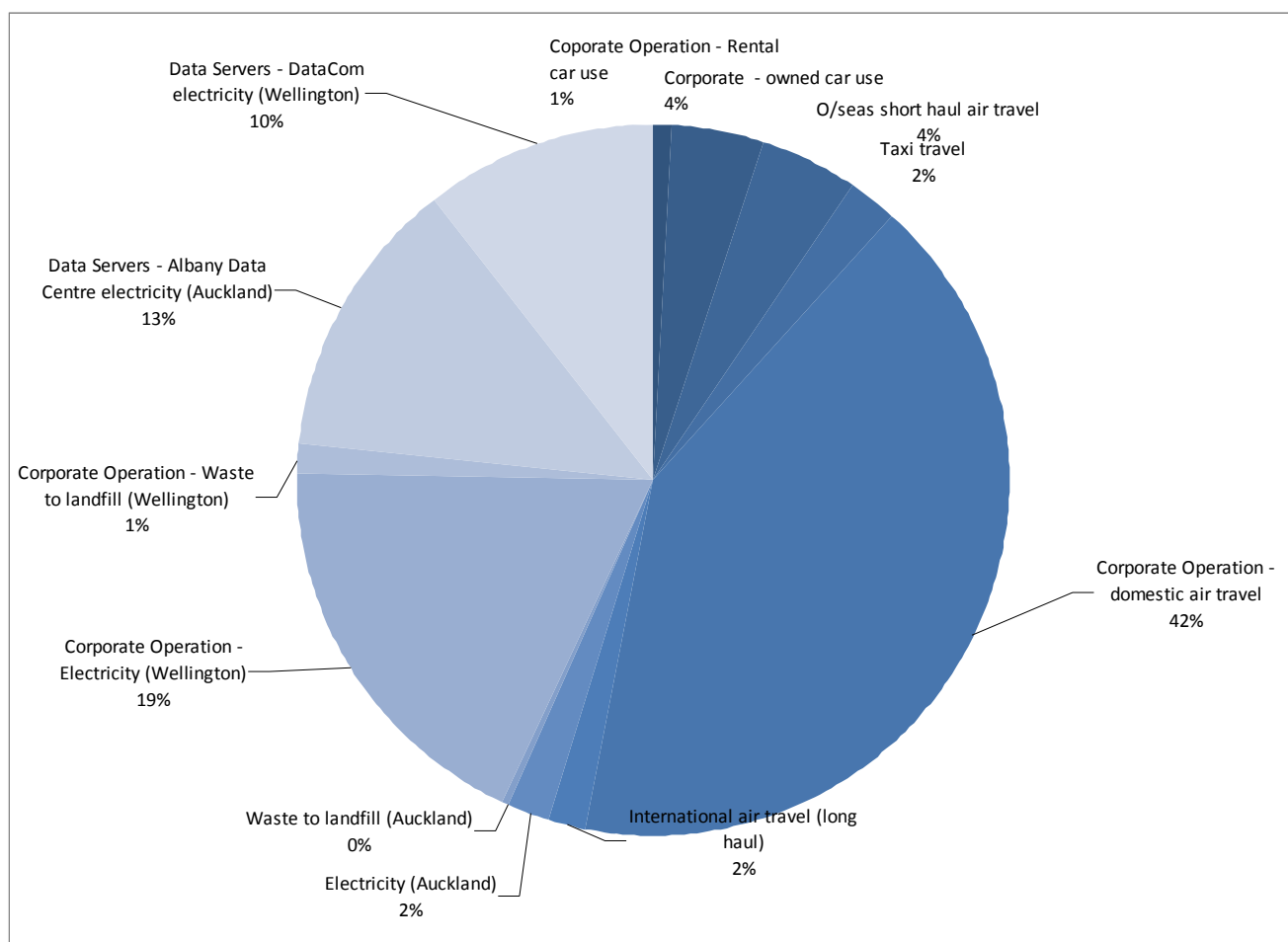
6 Monitoring & reporting

GHG emissions reductions will be monitored by the Finance team and reports based on this data will be prepared by Landcare Research as part of ongoing carboNZero certification to Trade Me's General Counsel.

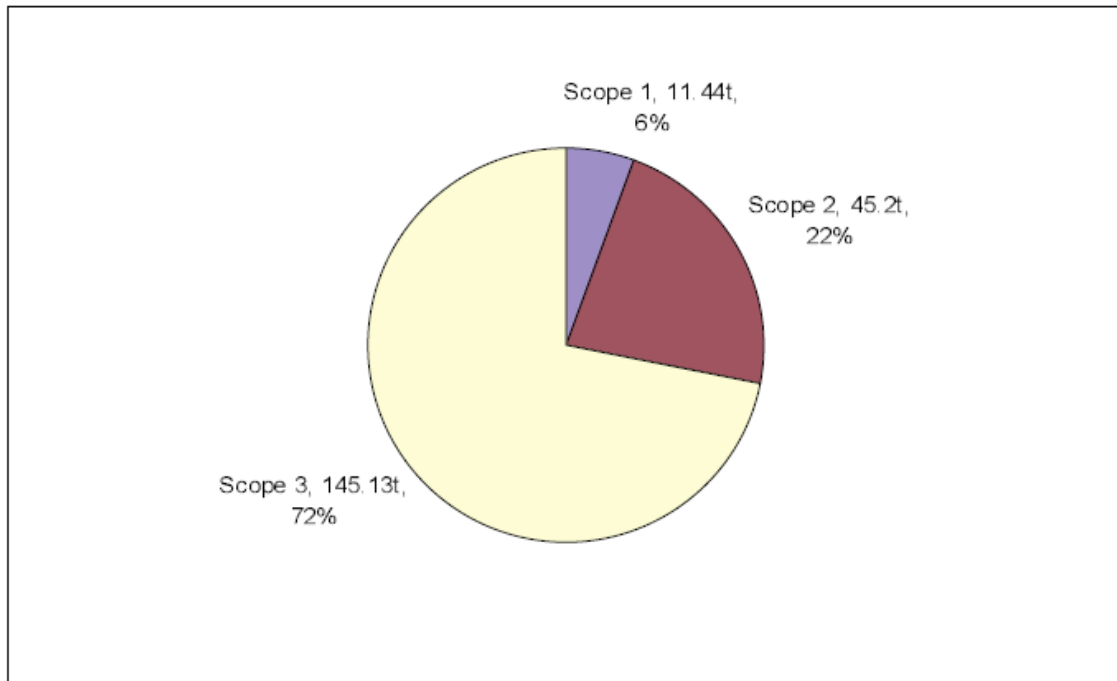
7 GHG emissions management and reductions

The key change between Trade Me's 2007 and 2008 emissions was growth in domestic air travel due to growth in business customers in Trade Me's Jobs, Property, Business Partners, New Cars, Travel and Advertising areas, together with growth in FTEs to service these customers. This resulted in an increase in total emissions from 202 tCO₂e in 2007 to 310.5 tCO₂e in 2008.

Trade Me's 2008 emissions profile:



Trade Me's 2007 emissions profile:



The table below details Trade Me's emissions intensity for the current and previous emissions inventory reporting periods.

KPI	Reading 2007	Reading 2008	Emission intensity 2007	Emission intensity 2008	intensity change
full time employees	84.92 FTE	95.04 FTE	2.38 tCO ₂ e per FTE	3.27 tCO ₂ e per FTE	+38%
server traffic	56.50 mbps	82.70 mbps	3.57 tCO ₂ e per mbps	3.76 tCO ₂ e per mbps	+5%

Other emissions sources and environmental issues

In addition to managing and reducing emissions that fall within the scope of Trade Me's carbon footprint measurement, Trade Me is taking a number of other steps to manage and reduce its emissions and overall environmental footprint. Some of these are detailed below.

Commuting

We are working with staff to improve our commuter footprint. In particular:

- We provide parking for motor-scooters, motorbikes and bikes at work, but not for cars.

Engaging with Trade Me members

Trade Me has over 2.2 million members, and around 537,255 people visit the site each day, and spend about 17 minutes per session. During 2008 Trade Me members traded over 6 million second-hand items on the site.

Through engaging with Trade Me members, we can promote and encourage them to adopt environmental initiatives. Examples of things we have done recently include:

- Supporting eDay.
- Developing a donation partnership with the Royal Forest & Bird Protection Society.
- Promoting, participating in, and winning the overall Driver prize, in the EECA Energywise Rally 2008.
- Promoting Bikewise Week, Earth Hour and other environmental events and initiatives on the site and in newsletters.
- Developed an Environment page to help our members reduce their environmental impacts, including include how to safely dispose of non-saleable electronic waste, and setting your PC to powersave mode.
- Added a trial Environment forum to the message boards where members can discuss environmental issues.
- Made vehicle fuel efficiency information available on our Motors and New Cars sites.
- Facilitating and promoting carbon credit trading on the site.
- Working with Landcare to promote the carboNZero programme.
- Participating in and working with UNEP to promote the Climate Neutral Network programme.

During the rest of 2009, we will continue to promote these and a range of other environmental initiatives.