

Becoming Sustainable in Every Way

Tradera's Sustainability Strategy



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Our Mission: Driving the Transition to Sustainable Shopping

For over 20 years, Tradera has enabled products to be loved and owned more than once. Our online marketplace brings sellers and buyers of used goods together in a safe, reliable and easy way. By enabling people to consume pre-loved items and resell what they no longer need, our business model is built on circularity.

Our new company mission is to Drive the Transition to Sustainable Shopping by shifting the way we as a society consume, from linear production* to circular consumption. This will both reduce carbon emissions and waste less resources. Our mission consists of four visionary focus areas: Build the Best Second-hand Shopping Experience, Drive Change in Consumers' Buying Habits, Be Sustainable in Every Way, and Stay Creative and Curious in Everything We Do. This sustainability strategy aims to support the third focus area and set the course to become Sustainable in Every Way by 2023.

*Linear production is the current system of producing, consuming and disposing of products, as opposed to a circular system.



Our Vision Statement

Our mission to Drive the Transition to Sustainable Shopping consists of four focus areas. These are:

Build the Best Second-Hand Shopping Experience

We believe that people deserve a smooth way to care about the planet. Tradera will provide a safe, easy, engaging and beautifully designed shopping experience for its users. Combining state-of-the-art technology and a huge, rich offering of pre-loved goods, we strive to exceed customer expectations.

Drive Change in Users' Buying Habits

Shopping is fun, we know. We are not saying no to shopping, but we are saying yes to smart, sustainable shopping. We want to make people aware of how our consumption today impacts climate change, and help them make more sustainable choices for their shopping needs.

Be Sustainable in Every Way

Our business model is all about sustainability, but we want to do more. We want to promote sustainable initiatives that meet our cause at all levels - from strategic collaborations, down to how we can make our daily life at the office more planet-friendly. With strong leadership commitment and widespread employee engagement, we want to take sustainability to the next level in all aspects of our business.

Stay Creative and Curious in Everything We Do

We believe in constant learning, a growth mindset and to cherish creativity while still having a business focus. In order to drive change, we need to stay curious, work as one team and always put our users first.



CEO's Vision: Our Business and Beyond

Overconsumption is a major contributor to the current climate crisis. It is also one of Sweden's largest environmental impacts, more than twice the size of our flight emissions. The average Swede buys 13 kilos of new clothes and textiles every year, a third of which are never used. Producing a 169 gram mobile phone causes 86 kilos of waste and many of us use our phones for less than two years.

This is where I believe Tradera can make a real difference. We prolong the lifespan of products by enabling them to find new owners. By reusing clothes, instead of recycling them to produce new textiles, we save ten times more carbon. Buying a used laptop instead of a brand new one saves 80 kg of carbon - equal to flying from Stockholm to Copenhagen or driving 600 km by car. Shopping is a necessary part of life, but it needs to be done in a more sustainable way.

Our mission is to *drive the transition to sustainable shopping*. With two and a half million users, we have the capacity to spread awareness, transform consumption, and set an example for our industry. We want to make sustainable shopping fun, safe and easy.

To solve the climate crisis and reach the Global Goals for Sustainable Development, action is required from both industries and individuals. We are all part of the problem and therefore have a responsibility to be part of the solution. That is why we are becoming a carbon neutral company by 2020 and *Sustainable in Every Way* by 2023.



Stefan Öberg, CEO Tradera, wearing pre-loved clothes

About Tradera

Founded in 1999, Tradera is one of the biggest re-commerce platforms in Sweden. Over two and a half million users sell their pre-loved items through auctions or fixed prices at Tradera, in addition to a number of commercial sellers operating on the platform. In 2006, the company was acquired by Ebay and since 2015 it is owned by PayPal.

Sustainable in Every Way

Through our business model, we recognize that we can have a positive impact on society and the environment. We continuously develop new solutions and offerings to enhance circularity and strive to become *Sustainable in Every Way* by 2023. We will therefore, in addition to the external effects generated by our business model, take a number of actions within all aspects of sustainability: environmental, social and financial (called Planet, People and Profit in this report). To make our commitments tangible and actionable, we have developed a comprehensive *Roadmap to 2023* (p. 8) that will guide us in everything we do for the upcoming four years. The roadmap is a dynamic tool that will continuously be updated and evaluated to ensure that we stay true to our vision until 2023 and beyond.

We recognize that we can have the most immediate positive impact in regards to the environment. Therefore, we are committed to become carbon neutral as soon as 2020 - but our ambitions do not stop there. We will work to reduce our emissions further by continuously screening where we can optimize our use of energy, procurement of material, waste management, way of travelling as well as our offering of shipping.

We are also committed to act in areas of social and economic sustainability, prioritizing the well-being of our employees, having a discrimination-free workplace as well as to enable financial inclusion. To become sustainable in every way, we will look beyond our own direct operations with the aim to promote circularity and changed customer behaviour. Here, we believe that we can drive real change and shift the way we as a society consume.



The Global Goals

The Global Goals were agreed upon by all member countries of the United Nations in 2015. Through these goals, 193 nations are committed to create a better, more sustainable future by 2030. As a company, we can have the most positive impact in regards to Goal 12, *Responsible Consumption and Production*, as well as to a number of the Global Goals' targets.



Targets:



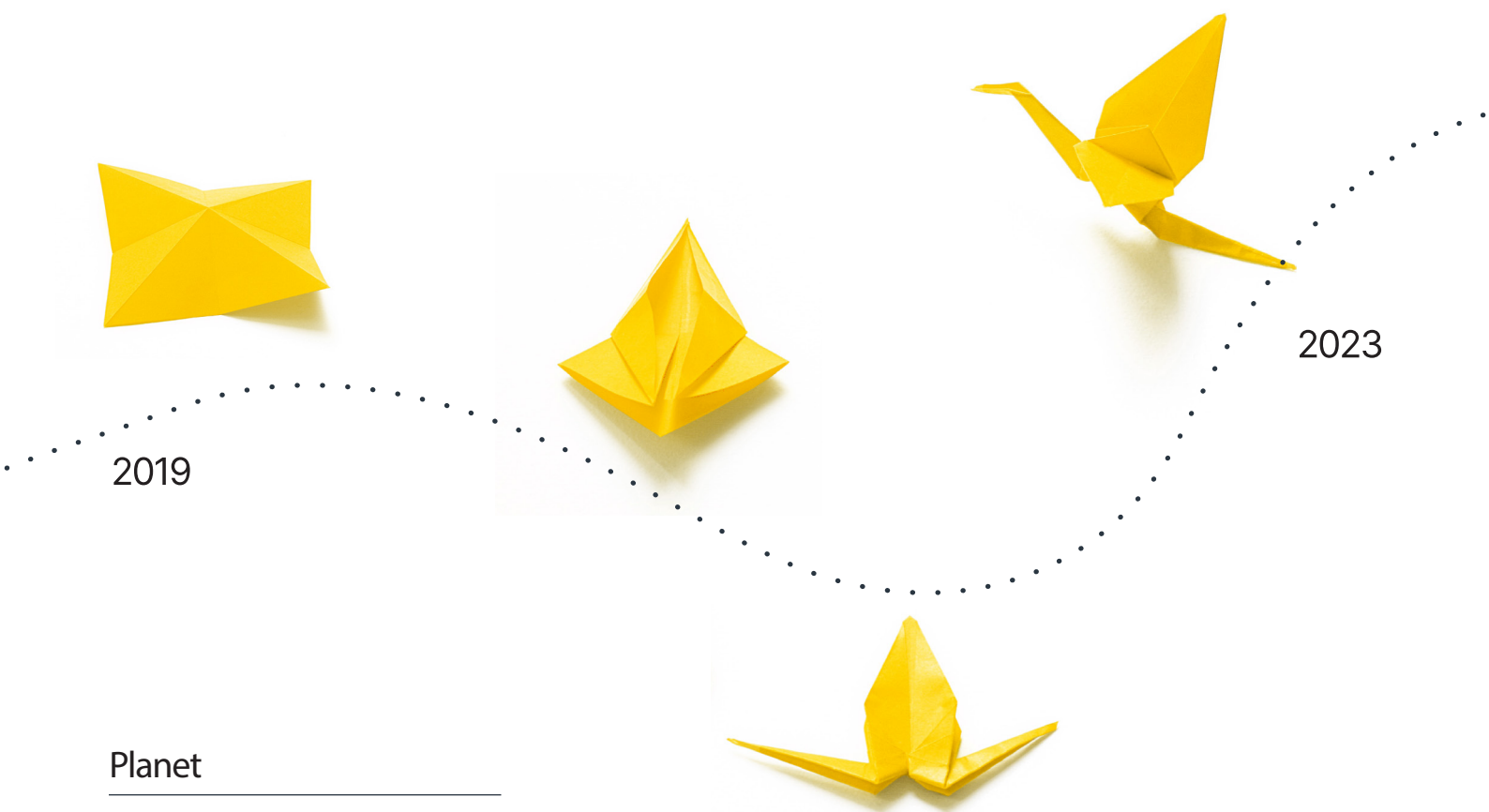
How we contribute:

By enabling the shift in consumption behaviour, from newly produced to pre-loved goods.

By raising awareness about sustainable shopping and being an example of how businesses can become positive forces for the planet.

By implementing policies for diversity, gender equality and equal treatment and arranging mandatory training for all staff, promoting the Tradera values.

Roadmap to 2023



Planet

- Plan to Become Carbon Neutral by 2020
- Compensate for All Shipping Created Through Tradera
- CO₂ Emissions Calculator for Users
- Fast Fashion Impact Campaign for Users
- Yearly Reduction of Carbon Emissions Per Employee
- Report on Circular Consumption
- Shared Shipping Solution for Users
- Fashion Industry Partnership
- Only Allow Items that are Pre-loved, Crafted or Curated on Our Platform
- Recurring Customer Sustainability Survey
- Introduce Recyclable or Reusable Packaging Options
- Offer Packaging, Shipping & Caring Instructions for Users
- Green Policy for the Procurement of Energy
- Green Travel Policy

People

- Female Representation in Management Positions Equal to Overall Staff
- Reach an Overall Employee Satisfaction Rate of 90-95%
- Diversity, Gender Equality & Equal Treatment Policy
- Values & Sustainability Training for All Staff
- Discrimination-Free Recruitment Education for All Hiring Staff
- Internal Sustainability Engagement Programme
- Yearly Sustainability Review with Employees
- Environmentally Certified Office

Profit

- Halve our Bad Buyer Experience Rate
- Implement Sustainability Demands for Partnerships
- Education on Sustainable Placement of Pensions for All Staff



The Three Areas of Sustainability:

Planet

People

Profit

Planet

Linear production, over-consumption and waste generation are pressing challenges, increasingly affecting our environment and climate.

We have the capacity to make a positive contribution by *driving the transition to sustainable shopping*, with a circular model that uses less resources and generates less waste.

Through the use of our platform, we reduce the need for newly produced goods. The environmental aspect of sustainability is where we can have the largest positive impact, including well beyond our own operations.



Becoming Carbon Neutral - Our 2020 Plan

Our business model enables circularity, a vital prerequisite for sustainable consumption. As a company that promotes this shift of how to shop, we must look at our own operational impact and take full responsibility for the carbon emissions we produce. Having done so, we pledge to become carbon neutral by 2020.

This plan encompasses the five fields where we have our largest footprint. In all of these areas, carbon compensation is currently needed. Acknowledging that compensation cannot replace the reduction of emissions, we will continue to work to reduce our carbon footprint, and thereby also the amount we need to offset, post our 2020 goal.

Energy

Since Tradera is a platform-based tech company, our carbon footprint is to a large extent comprised by our energy consumption. We will:

- Implement a green policy for the procurement of energy.
- Implement an optimization programme for our site's energy consumption, including decreasing the number of physical servers.
- Keep the increase of energy usage lower than our business growth.
- Make the office energy efficient by installing LED lights, movement detectors and sleep mode on all devices.
- Compensate for all energy consumption. Today, 98.6% of our office's consumption is sourced from renewable energy.

Shipping

Our platform enables a prolonged lifespan of goods, as products find new owners. However, this often requires shipping. We will:

- Educate and encourage our users to ship sold items together when possible.
- Compensate for all shipping created through Tradera

Travel

We take pride in doing business digitally but some occasional travelling remain. We will:

- Introduce a green travel policy. Conferences will only be held at locations reachable by train to avoid flights within Sweden.
- Offer bike repairs twice a year as well as bike helmets to encourage our employees to safely ride our electric bikes to meetings.
- Compensate for all business related travel.

Purchasing

As a small organisation, we purchase relatively few items. Yet, what we acquire to the office sends an important signal about our sustainability engagement. We will:

- Make vegetarian food the norm at our conferences and events.
- Introduce a purchasing policy, ensuring that organic products and goods with lower carbon emissions are prioritized.
- Compensate for our consumption.

Waste

As circularity is at the core of our business model, waste management is important to us at Tradera. We will:

- Introduce a new recycling system at our office.
- Introduce a Sustainable Waste Policy, including electronic waste.
- Compensate for generated waste.





Circular Economy

Circular economy is at the core of everything we do, and it is important for us that the products available at Tradera adheres to our core ideas and values. As a result of this, during 2019 we closed down 700 stores at our website that sold products which did not meet our standards of circularity. We are also establishing partnerships with the fashion industry, aiming to support clothing companies in prolonging the life-span of items through re-selling and re-using. We will establish a report on circular consumption as well as launch a consumer campaign, informing about the impact of fast fashion. To track our user's awareness regarding sustainability, we will send out a recurring user survey about consumer behaviour.

During 2020, we will launch a carbon emissions calculator for all goods sold at Tradera. This will enable our users to see the amount of carbon saved by buying a product second-hand compared to buying it brand new. This calculator will encompass all categories of items sold at Tradera, apart from collectors' items and the category "Other". We will also introduce a number of policies regarding travels, partnerships and carbon reduction and compensation, as well as our commitment to become climate neutral by 2020.

- Plan to Become Carbon Neutral by 2020
- Fast Fashion Impact Campaign for Users
- Launch CO₂ Emissions Calculator for Users
- Only Allow Items that are Pre-loved, Crafted and Curated on Our Platform
- Launch of Recurring Customer Sustainability Survey
- Launch Fashion Industry Partnership
- Establish a Report on Circular Consumption
- Yearly Reduction of Carbon Emissions Per Employee

Energy and Data Storage

As a digital company, our energy consumption is one of our largest environmental impacts. Although we carbon offset at least 90% of our usage, we strive to minimize our consumption while continuing to grow. Most of our energy consumption comes from data storage and running our site. As part of minimizing our footprint, we plan on phasing out one of our servers during 2020.

- Implement a Green Policy for the Procurement of Energy

Logistics and Packaging

Our largest environmental impact beyond our own operations is generated by the transportation needed for items bought at our site. We can have a large positive effect in this area by informing and encouraging customers to ship multiple items together, pack smarter and by offering reusable or recyclable packaging options. The “close to you” function at our site allows our customers to see which products are close enough to be collected manually. By 2023 at the latest, we will offer shared shipping through our website. We will also carbon compensate for all shipping created through our platform.

- Compensate for All Shipping Created Through Tradera
- Offer Packaging, Shipping & Caring Instructions for Users
- Introduce Recyclable or Reusable Packaging Options
- Shared Shipping Solutions for Users

Travels

We strive to minimize travel by implementing a green policy for business trips. Most of our travels take place within the Stockholm region and we encourage our employees to take our electric bikes to external meetings. Our new travel policy will direct that our conferences only take place at locations reachable by train. We rarely travel outside of Sweden, and when we do, these trips will be compensated.

- Implement a Green Travel Policy



The Three Areas of Sustainability

Planet

People

Profit



People

Our team is at the center of everything we do. We always work to stay creative, curious and keep learning. We believe that the best solutions and ideas come from diversified groups, and that a fun and welcoming work environment is reached through equality. We are therefore stepping up our social sustainability efforts.

Diversity, Gender Equality and Equal Treatment

To secure a diverse and highly merited staff, all our recruiting managers will be educated in prejudice-free recruiting. We have an ongoing programme on discrimination that ensures that competence is the sole deciding factor in recruitment. We monitor wages at all levels to assure gender equal payments.

We will launch new guiding policies for diversity, gender equality and equal treatment. These will secure that we live our values, from office culture to promotion processes. To make Tradera an accessible workplace for potential employees who do not speak Swedish, English is our official language. We offer internship opportunities to people with difficulties in accessing the labour market.

Regarding social sustainability, a challenge that we have yet to tackle is the share of women in management positions. To date, we have 12,5% female representation in management positions, compared to 35% of women in the overall organization. By 2023 at the latest, we will have reached a share of female leadership equal to the share of women in the organisation.

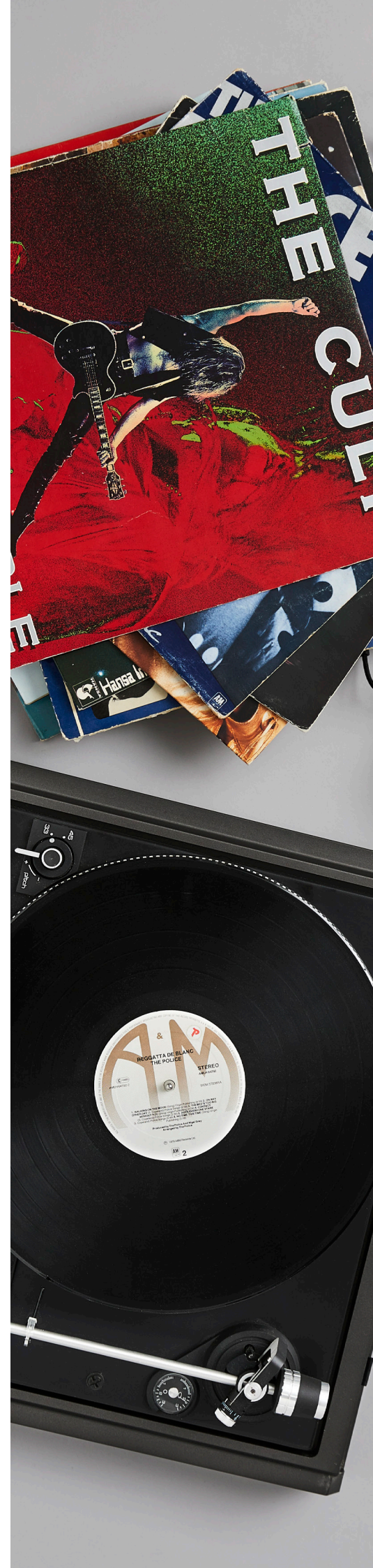
- Diversity, Gender Equality & Equal Treatment Policy
- Discrimination-Free Recruitment Education for All Hiring Staff
- Female Representation in Management Positions Equal to Overall Staff

Work Environment and Employee Engagement

We believe that a good work environment improves results and attracts the best employees. One of our core values is continuous learning and we have adopted a policy where each employee is on average granted a yearly budget of 25 000 SEK for attending courses. At our office, we also host "Lunch and Learn" sessions where lecturers and speakers are invited to spread new insights, knowledge and inspiration. We offer two workout opportunities per week during work hours and encourage staff to not schedule meetings during these classes. Our employees have an expanded health insurance that guarantees that they will receive care within 24 hours and all prescription based medicine is covered. As a part of our benefits, we also have a massage therapist and a naprapath in the office on a weekly basis. We are working towards having our office environmentally certified.

To encourage participation and employee engagement on our sustainability journey, we are introducing Values & Sustainability Training for all staff as well as an Internal Engagement Programme where we evaluate our sustainability efforts on an annual basis. We will also arrange an Employee Sustainability Engagement Input conference. Sustainability will be included in our internal surveys where we aim to reach a 90-95% overall employee satisfaction rate. Together, these employee engagement activities will establish Sustainable in Every Way as our driving force.

- Values & Sustainability Training for All Staff
- Launch of Internal Sustainability Engagement Programme
- Yearly Sustainability Review with Employees
- Reach 90-95% Overall Employee Satisfaction
- Environmentally Certified Office



The Three Areas of Sustainability

Planet

People

Profit

Profit

We believe that profit should not be made on the planet's expense and are convinced that for every pre-loved item sold through our platform, the demand for a newly produced item goes down. As we keep our financial stability and grow as a business, we continuously step up our sustainability efforts for the good of our employees, users and partners. We also recognize our potential in increasing financial inclusion as our business model gives people access to clothes and goods at affordable prices.



Safety and Security

As an online trading platform, security is of highest importance. Our existence is dependent on our users' trust and we put a lot of effort into counteracting fraud and advancing safety. We have systems in place for ensuring fair bidding and for confirming the authenticity of branded goods. In order to prevent the selling of illegal products, the website is frequently screened. This spans from ensuring that branded watches are not forged to taxidermied animals not being endangered. We continuously work against identity theft and our Buyer Protection guidelines safeguards the rights of the buyer. Currently, our Bad Buyer Experience rate is at 1,5%, a number we aim to decrease further.

- Halve our Bad Buyer Experience Rate

Partnerships, Supporting Entrepreneurs and Financial Inclusion

Helping small businesses thrive is part of our business model, and we have around 700 stores at our site that we offer assistance from our staff. For long-term small businesses, we make face to face visits in case they need extra assistance.

By offering a way to find items to more affordable prices, Tradera supports financial inclusion. We have also put efforts into making the process of setting up a Tradera account easy. We offer the possibility for our users to set up accounts even if they do not have a Swedish social security number. To ensure the security at our platform, this requires contact with our customer service. Our website is also available in English.

Tradera has multiple partners with contracts exceeding 3 MSEK/year. Recognizing the growing importance of sustainability and that we can make a greater difference together, we are introducing sustainability demands for all partnerships exceeding 3 MSEK/year.

- Introduce Sustainability Demands for Our Partnerships

Compliance

We report our financial activities on a monthly basis and pay taxes in Sweden. We actively work against corruption and educate all our employees in sustainable placement of pensions.

- Education on Sustainable Placement of Pensions for All Staff



Get in Touch

Want to find out more about our sustainability work?
We would love to hear from you!

Contact Tradera PR Manager Sofia Hagelin:
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Thank you!



tradera