

ISLABIKES

August 2022

Re-Imagining our Future



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01

Introduction

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We had early successes and disappointments, and we learned a great deal.

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Introduction



One evening in 2015 our founder, Isla Rowntree, stopped to scribble some notes whilst making her way home from a sustainable manufacturing conference. These notes included a business idea which in 2016 would become “The Imagine Project”. This became our first attempt to work out how to make and supply bicycles to families in a way that was not only viable for the future, but in the face of the climate crisis, address the negative impacts we have on the environment.

Inspired by the concept of a circular economy, the Imagine Project was ambitious. The numerous challenges in making it happen were often daunting in their complexity, with many requiring solutions that were beyond reach at the time. We knew this from the start; but we also knew we had to try anyway. We had some early successes and disappointments, and we learned a great deal.

By the end of 2019 we had come to recognise that whilst engaged in the Imagine Project, our small team were not able to devote the attention needed by our main business to address our more immediate sustainability responsibilities and take action in areas where we could potentially make a more rapid impact. Against the backdrop of growing media rhetoric around the rising urgency of the climate crisis, and a now practically universal acceptance across society that “this is really happening” and “we must act now”, the future felt much closer. We took the difficult decision to mothball the Imagine Project and refocus our attention and resources where we had more immediate control.

What has happened since then?

Ironically, the Covid-19 pandemic has invoked many of the conditions for businesses which are expected to arise as a side effect of ever-growing pressures on our environment and climate. The volatile pricing and availability of materials accompanied by widespread disruption to complicated global supply chains are just a couple of the challenges to be faced, and this is all before we even factor in the resulting irreversible effects on our planet’s climate if things don’t change.



The question is, “how do we solve this?”

Islabikes’ negative environmental impact in the grand scheme may be low, and the bicycles we produce can enable more environmentally sustainable behaviour, but this does not absolve us of the responsibility of taking action or prevent us from committing to making a positive impact. Creating this document has been difficult, and not just because of the gaps in data when we set about trying to quantify our emissions. We’ve had to acknowledge that there are significant parts of our supply chain which we have limited visibility of.

In the following pages we will detail where we are today and how we intend to move forward.

How does our business impact people?

Islabikes is an SME, employing 15 members of staff from within a 35-mile radius of our base in Ludlow, Shropshire.

Our reach and impact extends far beyond this, and we take that responsibility in the community seriously:

			
<p>Annual Equality & Diversity training for the whole team.</p>	<p>Real Living Wage employer with base starting rate of £9.90.</p>	<p>45% of our total team and 50% of the representation at board level identify as female.</p>	<p>Ground breaking paternal leave policy with equal benefits for both parents.</p>
			
<p>£2 / journey paid for each commute made by bicycle or on foot.</p>	<p>Cultural mission to remove any discriminatory behaviour / language.</p>	<p>Supporting grass-roots organisations to make positive change.</p>	

This doesn’t just apply internally to Islabikes. We only work with suppliers that mirror these values for goods, services and training.

But what about our suppliers in Asia?

We are fortunate to have a strong and longstanding relationship with our Vietnamese factory stemming from a friendship between our founders.

We consider this team an extension of our family and pride ourselves on treating them with the same level of care and respect.

We regularly share our aspirations for running a business with a net-positive impact with the team in Asia; however, we also recognise our responsibility to prove its merits.



Active travel for all!

Since the inception of Islabikes in 2005, we have led the way in human-centred bicycle design.

Often copied, but never matched, we have a core skillset in understanding people's needs and providing a bicycle that caters for them with unparalleled finesse and style.

Over that time, we have designed, engineered and manufactured solutions for:

Children

Non-enthusiast riders

Older enthusiast riders

People with Dwarfism

Adults of short stature

And we aren't finished yet...

Whilst there are a wealth of options to engage with active travel if you are white, average and male; there are still many members of our society that don't have the same opportunity afforded to them.

We will continue to use our expertise in ergonomic bicycle design alongside our ever-maturing understanding of sustainable manufacturing practice to provide active travel solutions.

Offering genuinely effective cycling solutions, and thereby enabling more people to take journeys by bike, is perhaps the greatest contribution to halting the advance of the climate crisis that Islabikes can make.

A bicycle is still one of the cleanest ways to get around, even when you include the emissions from charging an electric bicycle.

Our e-Icons electric bikes emit an estimated 0.2 grams of CO₂e/mile, which is just 1.25% of the smallest car, according to DEFRA's emissions database². Of course, these same low-emission benefits open up exciting possibilities in the commercial logistics sector.



Each child that cycles to school could save up to 247 Kg CO₂e* from being emitted annually.¹



References:

* CO₂e (e=equivalent) is a standardised metric which helps to simplify equivalent volumes of all greenhouse gases produced against the equivalent volume of carbon dioxide.

¹ Figures based on an average school journey of 2.3 miles each way in 2015/19 (figures from ethnicity-facts-figures.service.gov.uk) for all 190 UK school days in place of travelling via DEFRA's "average car" with an EF of 0.27108 Kg Co₂e/mile.

² Based on an average battery life of 40 miles, an electricity EF of 0.21233 Kg CO₂e/kWh and an DEFRA's EF for a 'Mini' car of 0.17108 Kg CO₂e/Mile.



02

Our carbon profile

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Through collaboration with our peers we can collectively push for better industrial practice.

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How does Islabikes produce carbon emissions?

To understand where our emissions come from, you really need to see the life stages (also referred to as the 'value chain') of one of our bikes, from production to disposal at the end of its life, or "cradle to grave".

Information Barrier

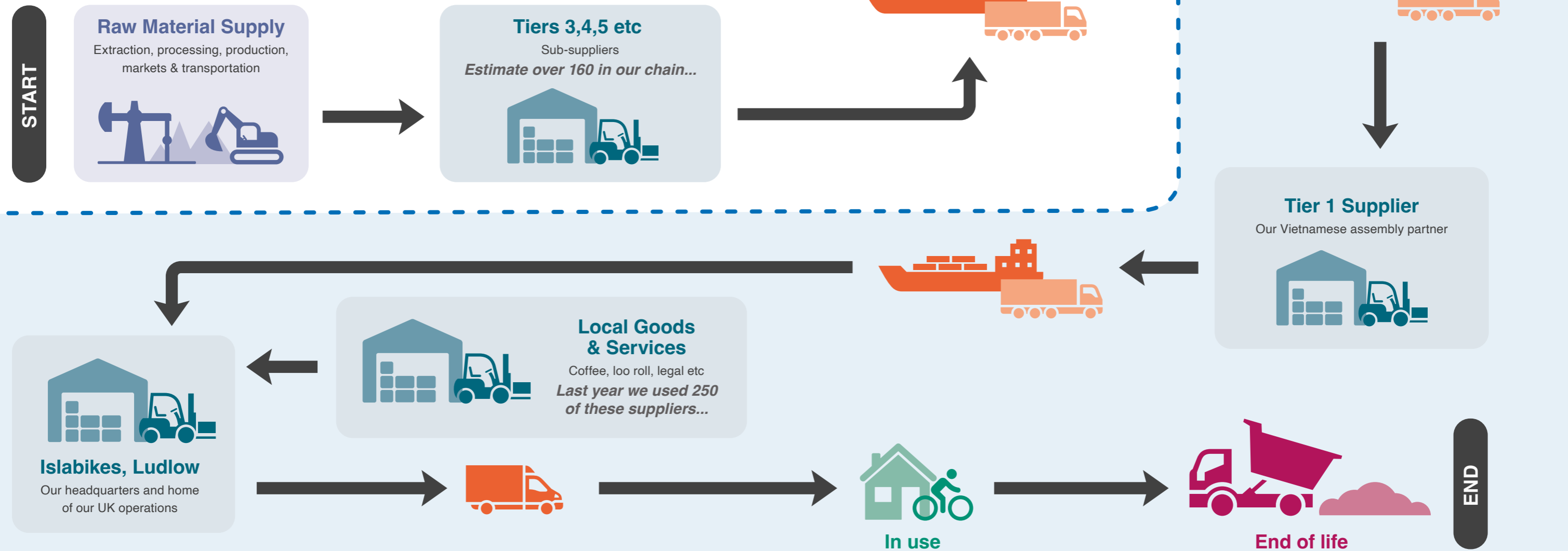
Although we use reputable manufacturers and suppliers, we have very limited access to information behind the information barrier.

With the complexity and wide distribution of our supply chain, it is very challenging to obtain data from lower tier sub-suppliers that we have little or no direct contact with, and whom for commercial reasons are sometimes reticent to share it.

As a small business, it can be difficult to influence or leverage change beyond this barrier.

This is one of the reasons that we have signed the **Shift Cycling Culture Climate Commitment** - so that through collaboration with our peers we can collectively push for better industrial practice.

Key: - - - Information barrier



Carbon Emissions

How are we performing?

We have less than 8 years of the ‘decisive decade’ remaining for us to make significant and demonstrable reductions to our carbon emissions.

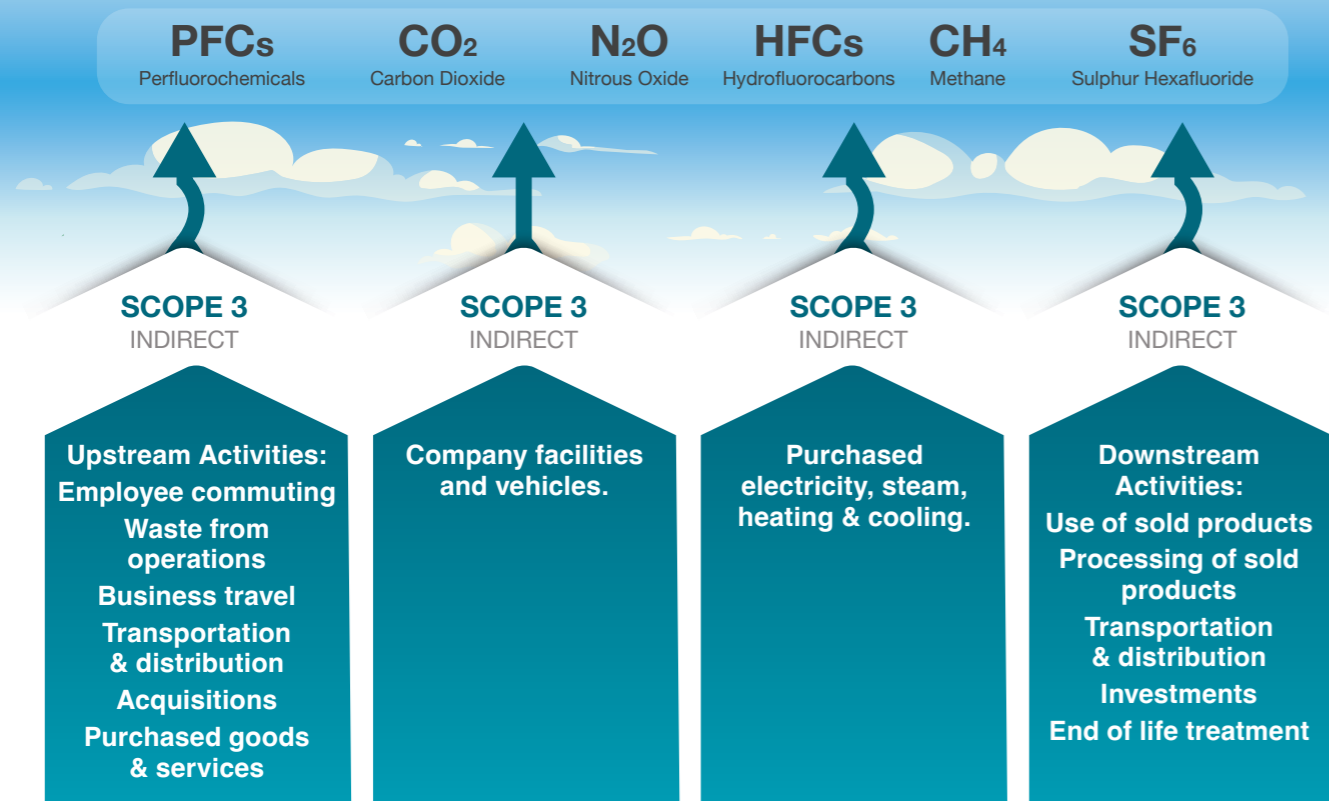
The makeup of our value chain is complex and so is characterising its emissions. That doesn't mean we can ignore it; we still have a responsibility to ultimately have a net-positive impact on the planet.

So, here's what we do know

Green house gas (GHG) emissions are typically categorised under 3 'scopes' which are defined in the Greenhouse Gas Protocol - a global standardised framework for measuring and managing GHGs:

GHG

Green House Gas

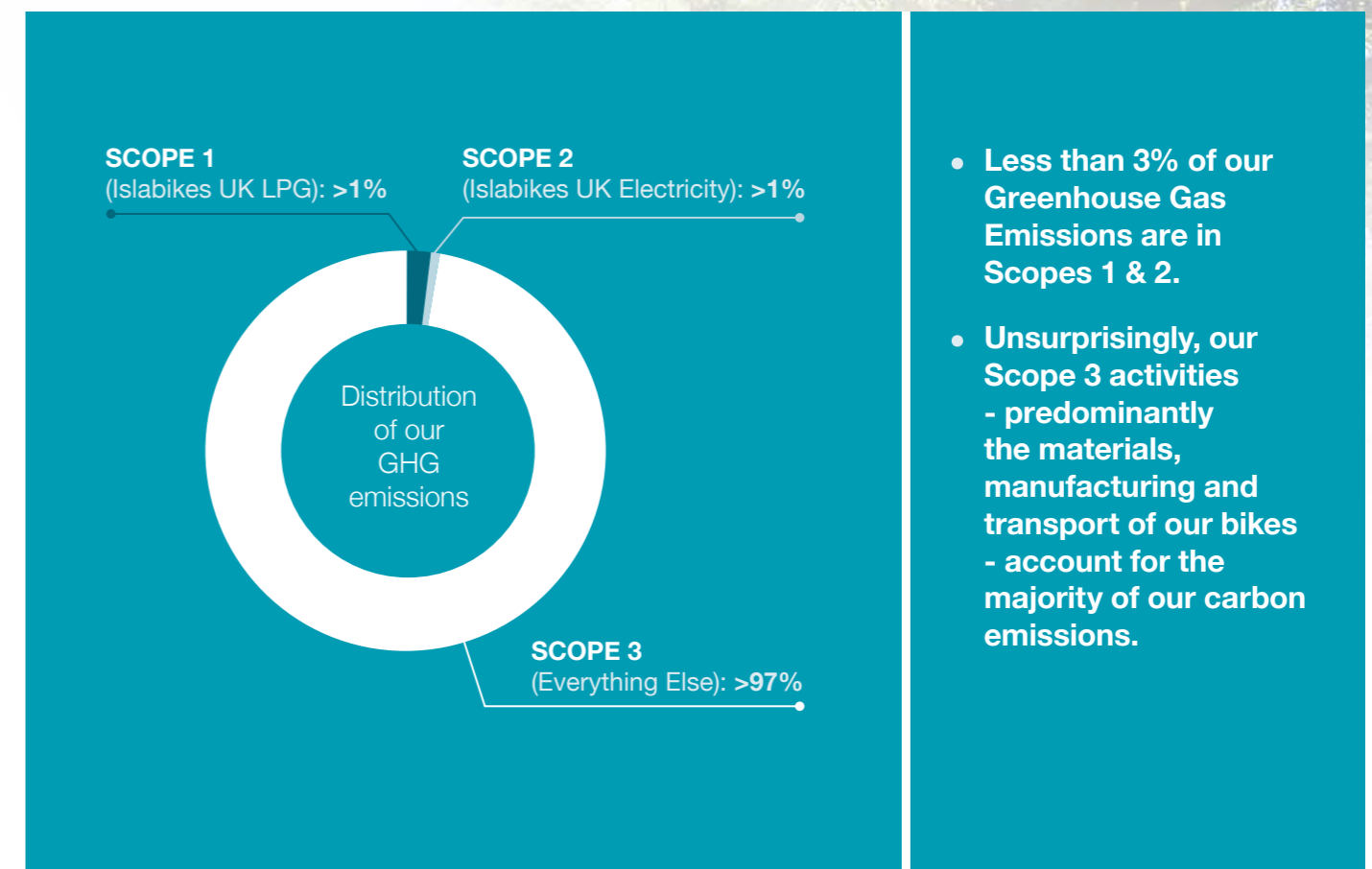


Our Greenhouse Gas Emissions: (tonnes CO₂e)

SCOPE 1: Direct emissions	18
SCOPE 2: Indirect emission	6.5
SCOPE 3: Value chain emissions	>953

(Baseline year = Oct 2020 - Oct 2021)

The distribution of our GHG emissions in our baseline year looks like this





03

Our bikes and CO₂

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A bicycle may be a clean form of transport, but that doesn't exempt it from having a clean supply chain.

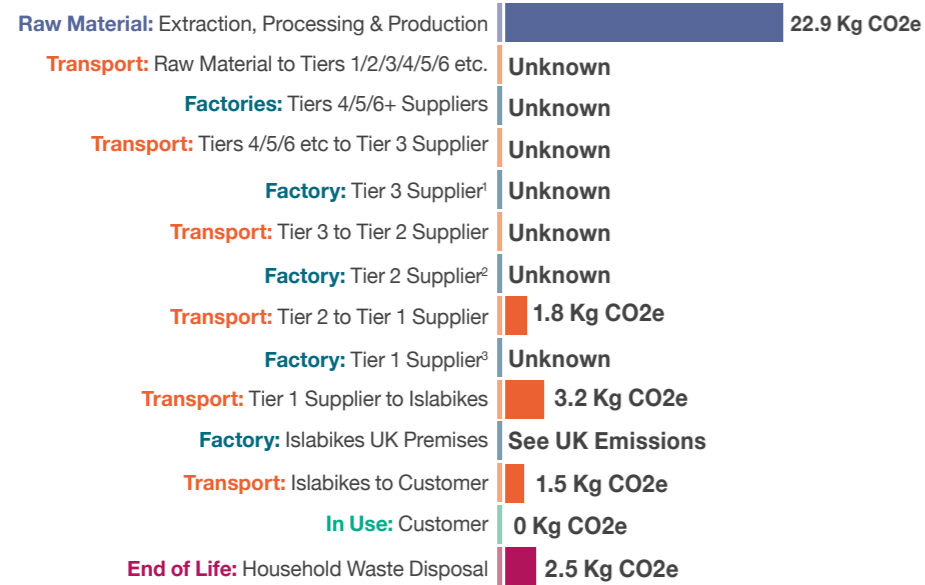
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Rothan 14

Balance bike



Green House Gas Emissions



The materials and transport involved in making a Rothan 14 are responsible for in excess of **35 Kg CO2e alone**. Currently we do not know the emissions associated with the production processes themselves.

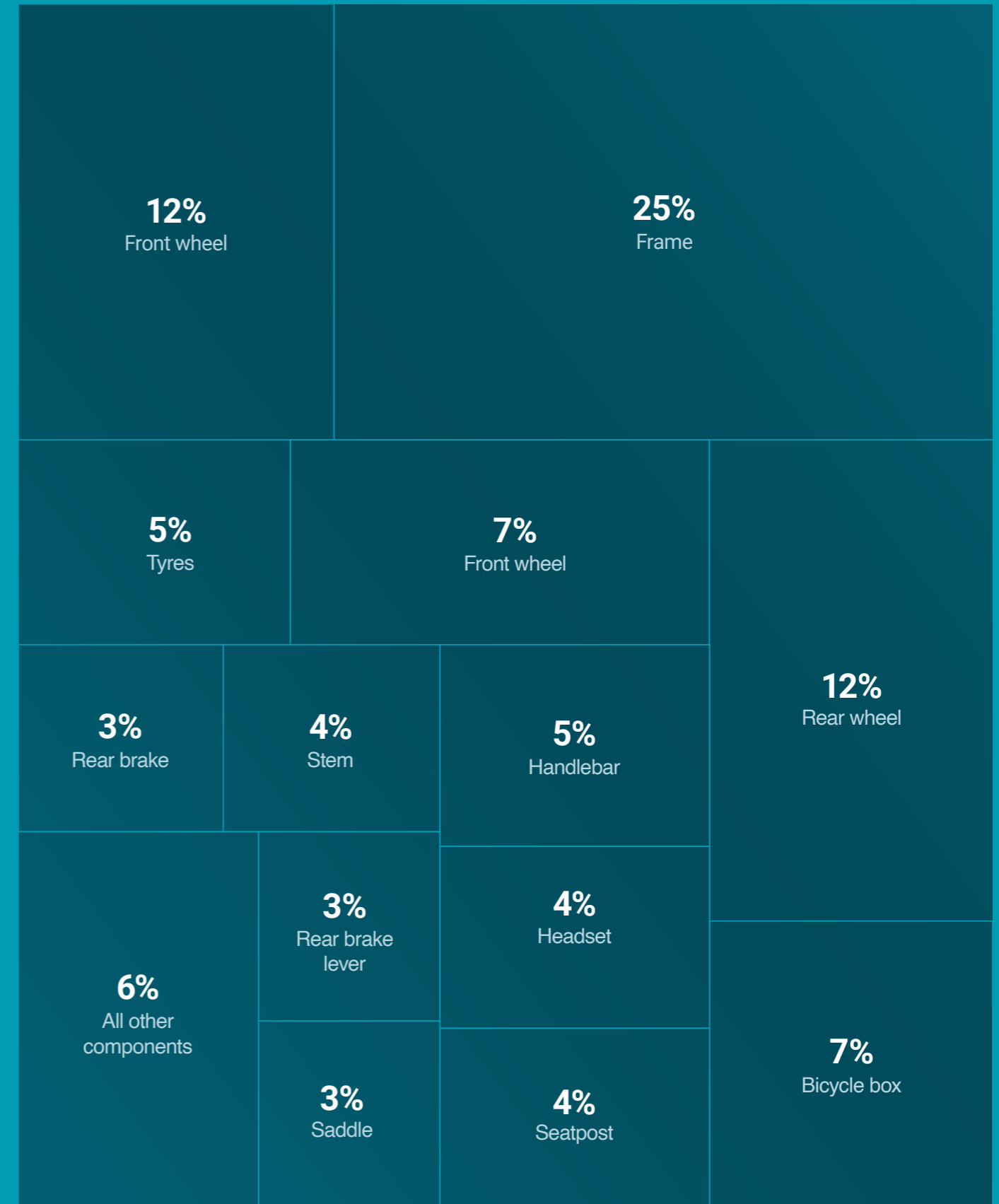
¹Sub-suppliers ²Component Manufacturers ³Vietnam Factory



Key: ● Raw materials ● Factory ● Transport ● In use ● End of life

Rothan 14 consists of 335 parts

Proportion of material extraction emissions per component



Cnoc 16

First pedal bike



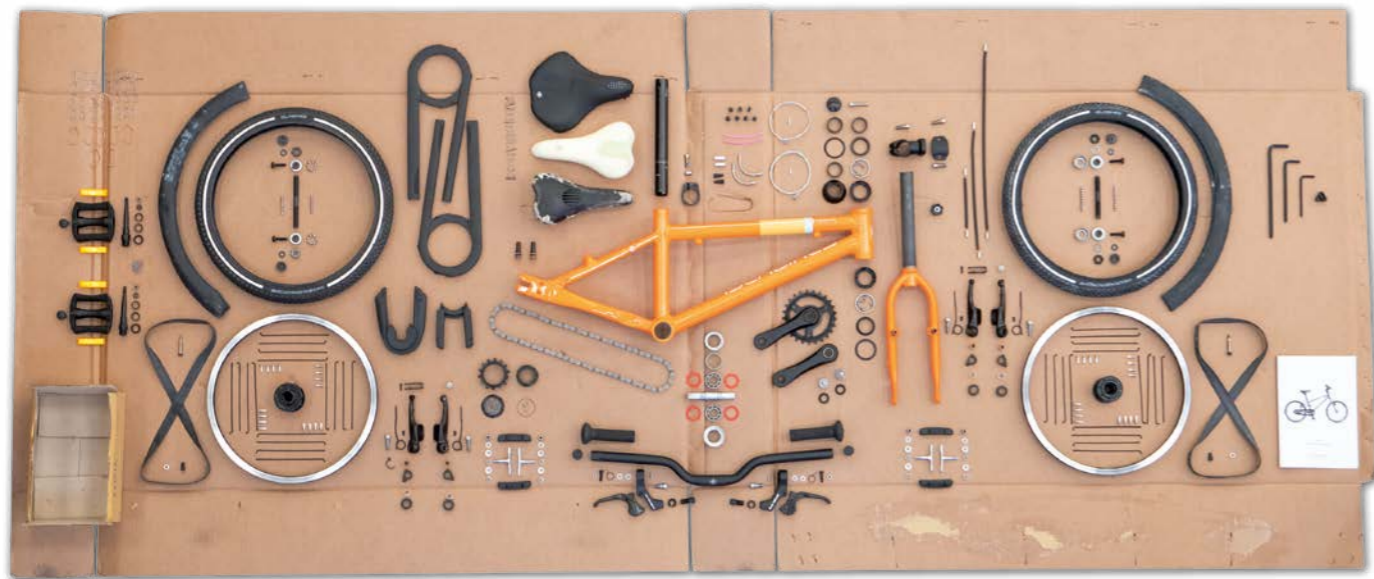
Green House Gas Emissions

Raw Material: Extraction, Processing & Production | 37.1 Kg CO2e

- Transport: Raw Material to Tiers 1/2/3/4/5/6 etc. | Unknown
- Factories: Tiers 4/5/6+ Suppliers | Unknown
- Transport: Tiers 4/5/6 etc to Tier 3 Supplier | Unknown
- Factory: Tier 3 Supplier¹ | Unknown
- Transport: Tier 3 to Tier 2 Supplier | Unknown
- Factory: Tier 2 Supplier² | Unknown
- Transport: Tier 2 to Tier 1 Supplier | 3.5 Kg CO2e
- Factory: Tier 1 Supplier³ | Unknown
- Transport: Tier 1 Supplier to Islabikes | 5 Kg CO2e
- Factory: Islabikes UK Premises | See UK Emissions
- Transport: Islabikes to Customer | 2.4 Kg CO2e
- In Use: Customer | 0 Kg CO2e
- End of Life: Household Waste Disposal | 4 Kg CO2e

The materials and transport involved in making a Cnoc 16 are responsible for in excess of **51.8Kg CO2e alone**. Currently we do not know the emissions associated with the production processes themselves.

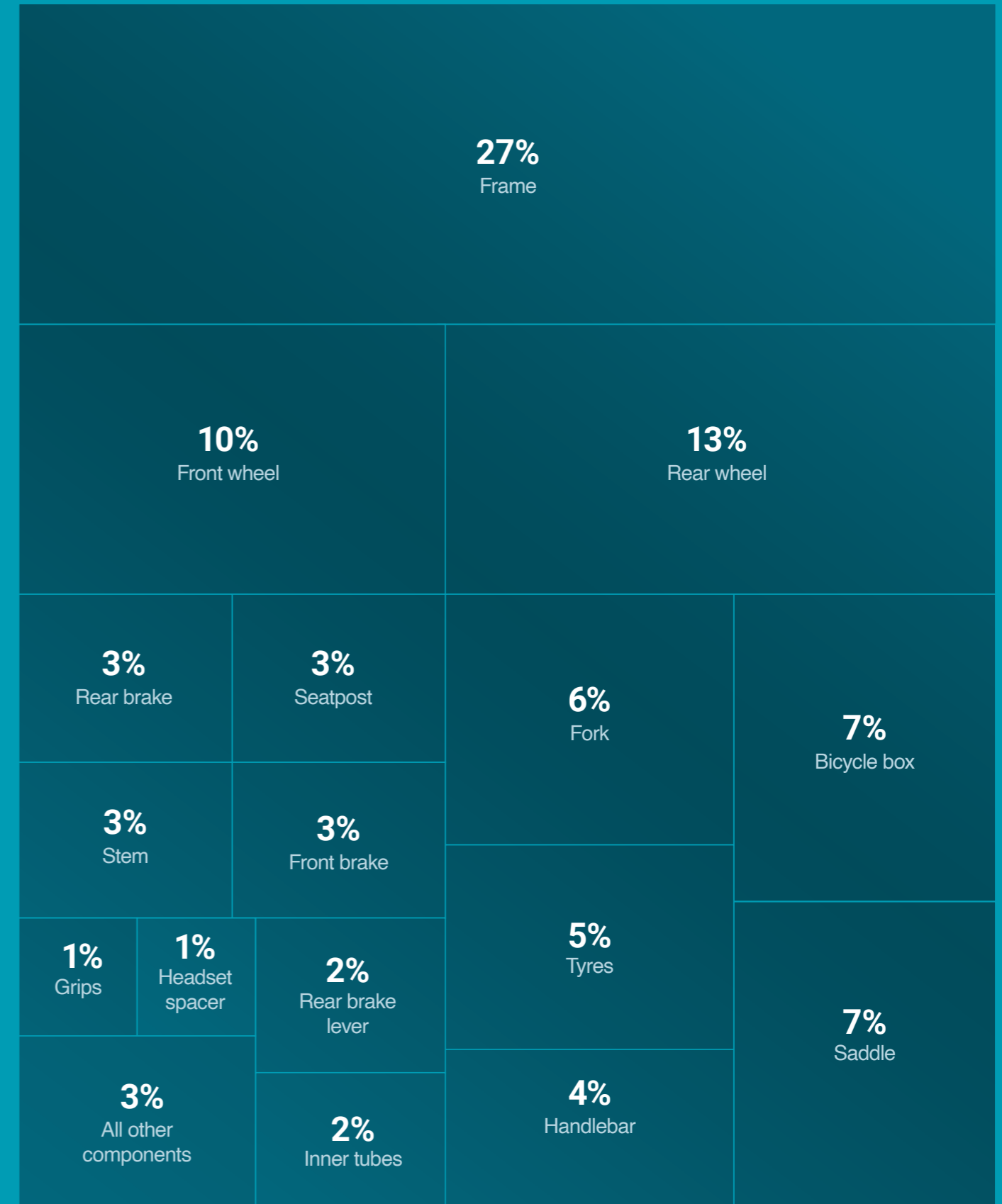
¹Sub-suppliers ²Component Manufacturers ³Vietnam Factory



Key: ● Raw materials ● Factory ● Transport ● In use ● End of life

Cnoc 16 consists of **816** parts.

Proportion of material extraction emissions per component

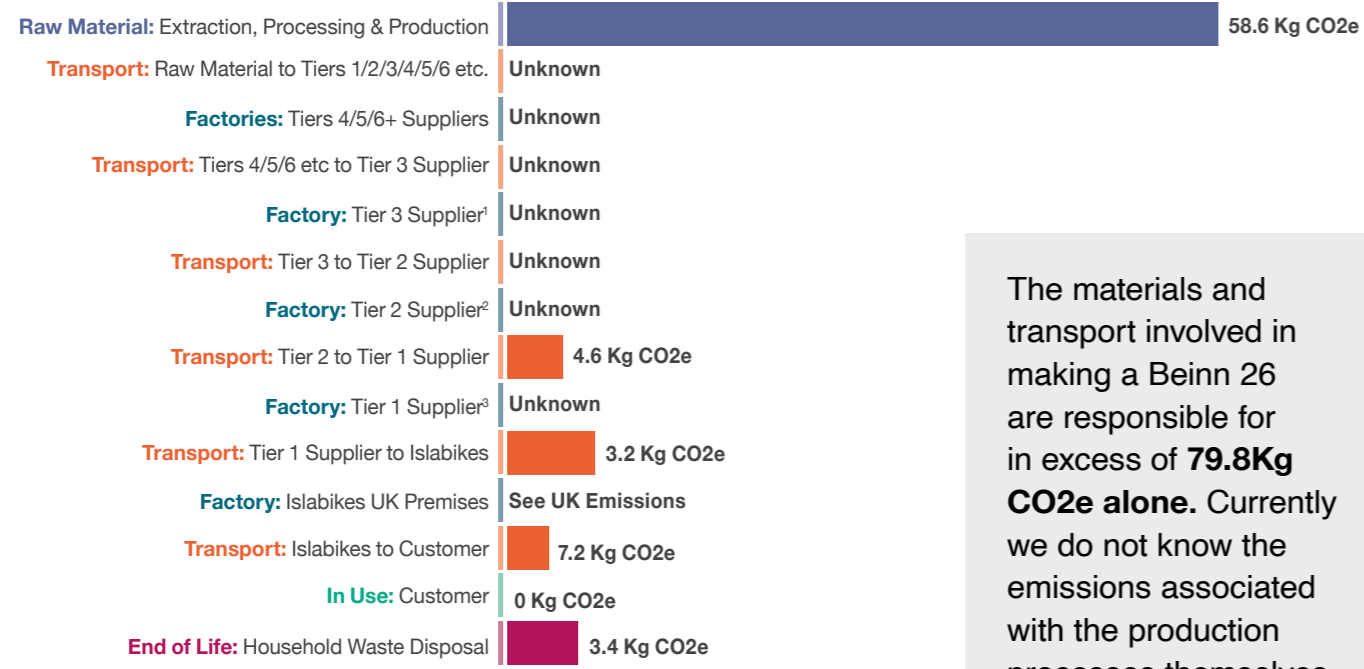


Beinn 26

Multi-Purpose bike



Green House Gas Emissions



The materials and transport involved in making a Beinn 26 are responsible for in excess of **79.8Kg CO2e alone**. Currently we do not know the emissions associated with the production processes themselves.

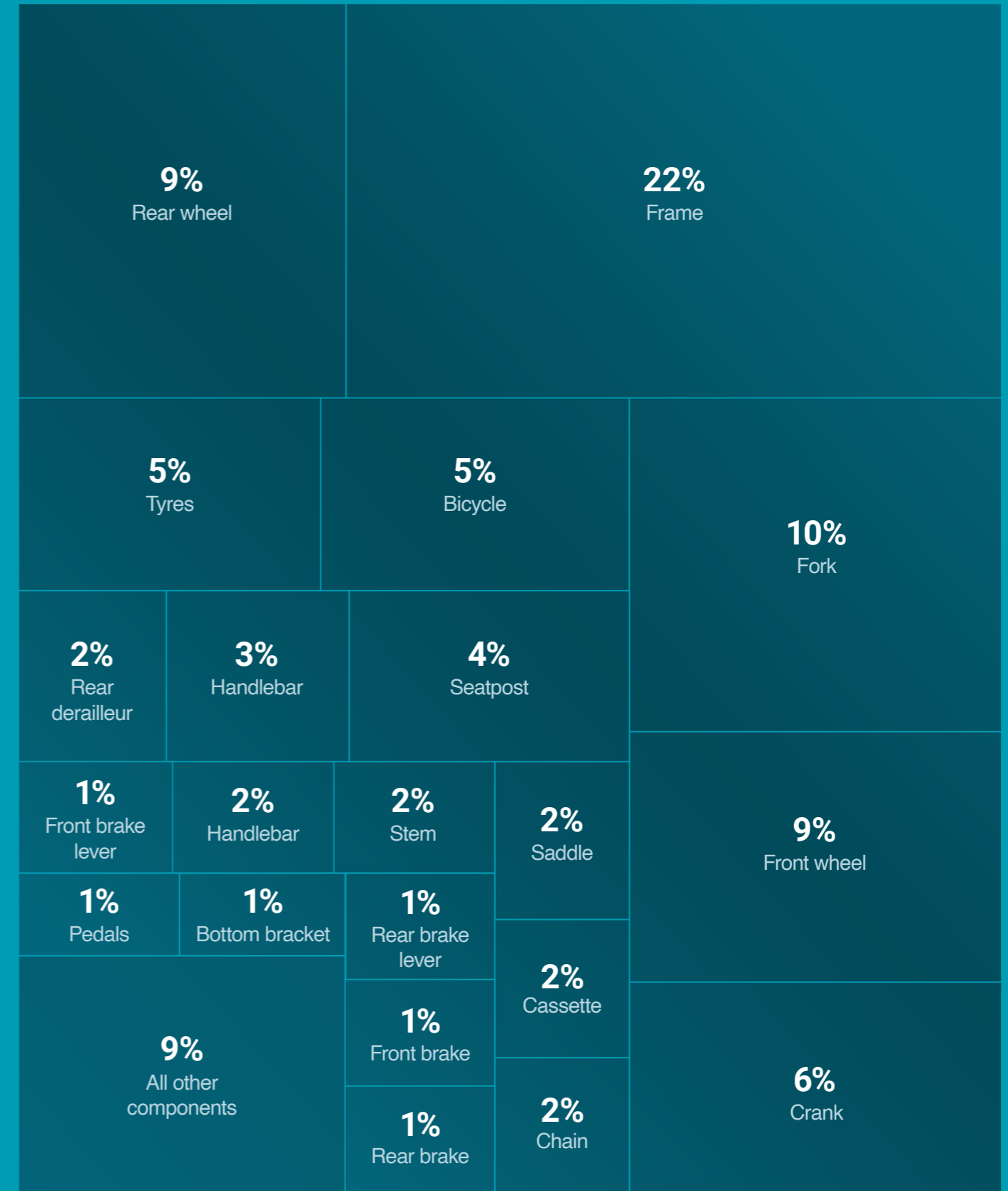
¹Sub-suppliers ²Component Manufacturers ³Vietnam Factory



Key: ● Raw materials ● Factory ● Transport ● In use ● End of life

Beinn 26 consists of 1,087 parts

Proportion of material extraction emissions per component





04

Our commitments

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We aspire for the existence of the Islabikes business to have a net-positive impact on the planet.

”

Commitments

Eliminating our carbon emissions is a key step in becoming net-positive. Here are our commitments:

With each of the net-zero targets below, we will provide details on how we intend to realise them. Equally, if we don't yet know how we can achieve it, we'll tell you.

December
2023

What??

- Achieve net-zero on our Scope 1 & 2 emissions.
- Lobby for change amongst our supply chain.
- Collect an inventory of all of our UK suppliers' emissions data.

How?

- 100% renewably sourced electricity for our UK premises.
- We will only offset scopes 1 & 2 if this is unsuccessful.
- Contact each supplier individually with resources, tools and offers of support.
- Participate in industry groups to contribute to communal initiatives.

December
2025

What?

- Sunset any UK suppliers not achieving net-zero Scope 1 & 2 emissions.
- Begin sunseting Asian suppliers not disclosing their emissions.

How?

- We will sunset all suppliers that don't disclose their Scope 1 & 2 emissions.
- Where a supplier doesn't know how, we will share resources, tools and learnings with them to support them on this transition.

December
2030

What?

- Reduce our carbon emissions by at least 55% from the 2019/20 baseline year, in accordance with our Shift Cycling Culture Climate Commitment.

How?

- We are currently exploring options on how to achieve this.



Here are some of the initiatives that we will focus on



Open Collaboration

We will share the techniques and tools that we learn so other stakeholders in the cycling industry can upskill and make change.

We have joined the Shift Cycling Culture - Cycling Industry Climate Commitment, to work with other brands to collectively call for action and hold each other to account.



Sunsetting

We will immediately begin phasing out local suppliers that either:

- Refuse to engage with the climate crisis and the actions required.
- Refuse to phase out the use of single use plastic packaging.

So that we can begin to better understand our true carbon impacts, all new suppliers will need to disclose their Scope 1 & 2 emissions and commit to zero single use plastics in our packaging.



Material Consumption

Focus our efforts on responsible material usage and material separability to maximise the ease of end of life recovery.



Responsible Transport

We will use the lowest carbon footprint option commercially available for our journeys.

Wherever possible, we will reduce the distance that components travel.



Localisation

For a number of reasons, localised manufacture is not always a better option when it comes to emissions. However, where there is a clear benefit, we will take the required action to move to a local alternative.



Eco-Costs

We will use the eco-cost methodology to understand the overall impact of the supply chain decisions that we make - not just the carbon emissions.

Cleaning up our UK operations

Whilst the current UK portion of our business operations accounts for a small percentage of our overall emissions, it is one area where we have direct influence and control.



Waste Disposal

- **In Progress** Remove all single use plastics from our packaging.
- **In Progress** Phase out all local suppliers still using single use plastics.

Business Travel

- No air freighting of goods.
- Public transport wherever possible for UK work travel.
- ***NEW*** No flights within the UK or EU
- ***NEW*** Use techniques learnt through COVID to work with our factories remotely; minimising our trips to Asia.

LPG

- ***NEW*** Revisit our staff uniform to reduce the need for our fan heaters.
- ***NEW*** Investigate whether BioLPG is a suitable alternative.

Electricity

- ***NEW*** Explore options around renewable energy supply with our landlord.

Employee Commuting

- Pay staff £2/journey to cycle
- Competitive Cycle-to-Work scheme
- Free Bikeability training
- ***NEW*** Hybrid working

Resources and links

We found these helpful

Industry Working Groups:

1. Shift Cycling Culture's Climate Commitment
<https://www.shiftcyclingculture.com/climatecommitment>
2. UK Bicycle Association
<https://www.bicycleassociation.org.uk/>

Podcasts:

1. Outrage & Optimism
globaloptimism.com

Video Content:

1. Design Council: Design for Planet (Replay)
<https://www.designforplanet.org/>
2. WaterBear
<https://join.waterbear.com/>

Circular Economy:

1. Ellen Macarthur Foundation
<https://ellenmacarthurfoundation.org/>

Calculating GHG Emissions:

1. IPCC Report - AR6 Climate Change 2021: The Physical Science Basis
<https://www.ipcc.ch/report/ar6/wg1/>
2. DEFRA Guidance on how to measure and report your greenhouse gas emissions
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/69282/pb13309-ghg-guidance-0909011.pdf
3. DEFRA GHG Reporting - Conversion Factors 2021
<https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2021>
4. GHG Protocol - Corporate Value Chain (Scope 3) Accounting and Reporting Standard
https://ghgprotocol.org/sites/default/files/standards/Corporate-Value-Chain-Accounting-Reporting-Standard_041613_2.pdf
5. Pinkbike - Are bike brands greenwashing? We asked an expert
<https://www.pinkbike.com/news/are-bike-brands-greenwashing-we-asked-an-expert.html>
6. Maersk Sustainability Highlights Report 2020
<https://www.maersk.com/sustainability-highlights-2020>
7. Royal Mail Net Zero Webpage
<https://www.royalmailgroup.com/en/responsibility/our-environment/net-zero/>
8. Trek's Sustainability Report
https://www.trekbikes.com/gb/en_GB/sustainability/



www.islabikes.co.uk

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