



UK SUSTAINABILITY FRAMEWORK REPORT

2023

MESSAGE FROM OUR MD

"Amidst a global awakening to environmental consciousness, we are proud to unveil our inaugural Sustainability Framework Report—a pivotal milestone in our unwavering commitment to protecting our planet for future generations.

For the very first time, we have undertaken a rigorous assessment of our carbon footprint, employing scientifically-backed methodologies to establish a credible baseline for mitigating our environmental impact.

This report transcends a mere testament of our dedication; it serves as a dynamic roadmap and foundation for future innovations to continuously improve our sustainability, outlining comprehensive strategies that span every facet of our operations. It invites each member of our team to embrace this challenge as an opportunity for collective responsibility and conscious personal choices.

Together, we will transform our commitment to sustainability into tangible actions, resulting in a substantial reduction of our carbon footprint. This journey is a testament to our steadfast pledge towards a more sustainable future that benefits us all and leaves a lasting positive impact on the planet."

#RestoreThePlanet



MARK MCMULLEN
MANAGING DIRECTOR
RAINBOW RESTORATION UK

TABLE OF CONTENTS

04

Introduction

05

Emissions Assessment

08

**Operations Focus &
Carbon Neutralisation**

11

**Carbon Neutral Supply
Chain**

11

**Becoming Net Zero -
Develop Long-Term Emission
Reduction Strategy**

17

**Conclusion - Our Pledge to
Sustainability**

18

Acknowledgements

INTRODUCTION

Companies across all industries are recognising the imperative to reduce their carbon footprints as consciousness around environmental sustainability continues to grow.

As a leader in the restoration industry, Rainbow Restoration UK is committed to embedding comprehensive sustainability practices throughout our business strategy and operations.

This report lays out a sustainability plan that will allow Rainbow Restoration UK to reduce our environmental impact, while enhancing our competitive position and reputation.

The roadmap is structured around the following framework:

STEP 1: EMISSIONS ASSESSMENT

Identify and understand scopes 1, 2 & 3 emissions. This will enable setting realistic carbon reduction targets to meet sustainability ambitions.

STEP 2: OPERATIONS FOCUS & CARBON NEUTRALISATION

Implement immediate improvements to reduce carbon from existing business activities and invest in carbon offsetting to counteract the longer-term challenges. As part of a wider operations project, achieve ISO14001 and ISO50001 status.

STEP 3: CARBON NEUTRAL SUPPLY CHAIN

Working with our own supply chain to advocate carbon neutralisation and reduce the indirect emissions caused by our own business.

STEP 4: BECOMING NET ZERO

Create a long-term emission reduction strategy that will enable the pathway to Net Zero including SBT (Science Based Targets) commitments.

STEP 1: EMISSIONS ASSESSMENT

With the expert support from RSK Group Limited, we conducted a thorough carbon inventory to identify major emissions sources across Scope 1, 2 and 3. This revealed high-impact reduction opportunities.

Rainbow Restoration UK GHG summary metrics CY2021

Metric	GHG emissions (tCO ₂ e)
Total GHG emissions (market)	4955.6
GHG emissions per job (market)	0.265

- GHG - Greenhouse Gas.
- tCO₂e - tonnes (t) of carbon dioxide (CO₂) equivalent (e). Also known as 'Carbon dioxide equivalent', tCO₂e is a standard unit for counting GHG emissions.
- Market-based emissions approach - The market-based approach considers information from contractual energy procurement. Rather than applying local grid conditions to energy usage, a market-based approach takes into account the sources of purchased energy based on arrangements an organisation may have with its suppliers.
- GHG emissions from drying and air scrubber equipment was estimated to be an additional 4,857.1 tCO₂e per year, equivalent to an additional 0.260 tCO₂e emissions per job.



Scope 1

44% of total emissions from owned sources such as natural gas and fleet.



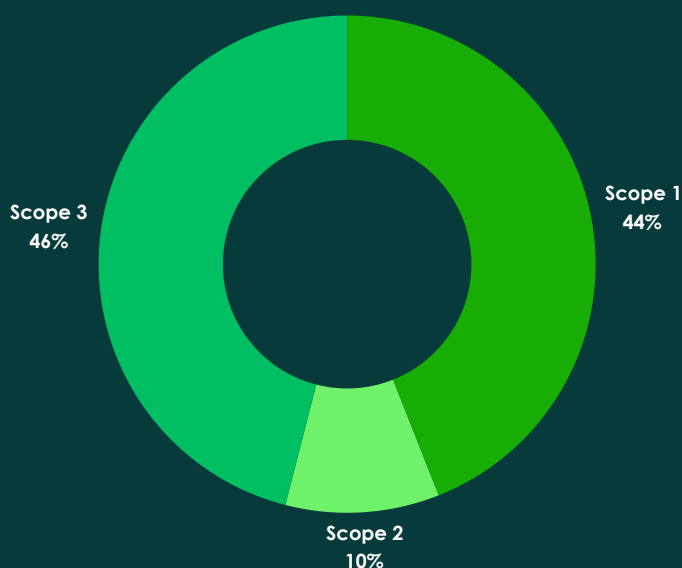
Scope 2

10% of total emissions from purchased electricity.



Scope 3

46% of total emissions from indirect emissions such as the supply chain.



GHG emissions by source category, 2021

Description	Central Office (tCO2e)	National Branches (tCO2e)	Total (tCO2e)	% of Total
Scope 1: Mains gas	6.5	49.8	57.3	1%
Scope 1: COV	11.1	2637.5	2651.7	43%
Scope 2: Electricity	7.0	530.7	552.4	10%
Scope 3.1: Purchased goods and services	239.6	219.0	458.6	9%
Scope 3.1: Capital goods	77.8	319.3	397.1	8%
Scope 3.3: Fuel and energy related upstream (WTT & T&D)	8.5	578.1	586.6	12%
Scope 3.5: Waste	14.1	389.3	403.4	8%
Scope 3.6: Business travel	15.00	-	15.0	<1%
Scope 3.7: Commuting & homeworking	40.2	397.8	438.0	9%
Total	419.8	4543.5	4955.6	100%

- Transmission and Distribution (T&D) and Well To Tank (WTT) emissions involves not just considering the direct emissions (Scope 1 emissions), but also the additional emissions associated with the transmission and distribution of energy (T&D) as well as emissions related to the production and distribution of fuel.

Major emissions sources are fleet vehicles, purchased goods/services, electricity, and waste.

The carbon assessment provides critical visibility into where we can make the most impact. It enables us to set science-based reduction targets and prioritise operational initiatives, supply chain engagement and other carbon mitigation plans according to emissions contribution. With a precise view of our carbon footprint, we can deploy resources for maximum effect as we work towards ambitious sustainability goals.

STEP 2: OPERATIONS FOCUS & CARBON NEUTRALISATION

Implement immediate improvements to reduce carbon from existing business activities and as part of a wider operations project, achieve ISO14001 and ISO50001 status.

With visibility into our carbon footprint, we can begin to implement targeted initiatives across departments and aspects of our business to reduce emissions from our current business activities.



Transportation

Our fleet vehicles represent our largest emission source at 53% of our total footprint. Commuting also makes up another 9%, meaning at least 62% of our total carbon footprint is determined by our approach to transportation.

- Continuously improve and invest in the digitalisation of the group's claim management system, reducing the need for on-site visits. This minimises travel emissions, thereby contributing to lowering Scope 1 emissions.
- Optimise the adoption of remote monitoring technology for drying jobs, decreasing vehicle travel for on-site monitoring, leading to lower Scope 1 emissions.
- Optimised project management with national coverage for Major Complex Loss to reduce vehicle mileage and associated fuel consumption and emissions. Reduced mileage lowers Scope 1 emissions along with Scope 3 emissions from well-to-tank fuel production and vehicle manufacturing.
- Encourage better commuting practices amongst our employees by offering a 'Cycle to Work' scheme as well as supporting carpooling. More responsible commuting amongst our team members will lower Scope 3 emissions.
- Increased flexibility for office-based employees to allow more working from home, reducing Scope 3 emissions.
- Promote digital communications where appropriate, reducing business travel and therefore Scope 3 emissions.



Facilities

Purchased electricity accounts for 11% of our emissions.

- Install smart lighting and better heating controls to improve efficiency in our offices and warehouses. These measures reduce Scope 1 and 2 emissions.
- Switch to cloud base solutions where possible and upgrade IT hardware. More efficient equipment will lower Scope 2 electricity emissions.
- Employee awareness and engagement will foster a culture of energy consciousness. Launching awareness campaigns and providing resources to encourage energy-saving behaviours will help drive reductions across all scopes of emissions. A collective effort contributes to reducing both Scope 1 and Scope 2 emissions associated with facilities.



Waste

Waste generation creates 8% of our carbon footprint.

- Commit to a 'Paperless Office' by implementing a 'print only when essential' policy to reduce paper consumption and Scope 3 emissions.
- Improve recycling education amongst team members, as well as only using biodegradable bin bags. Proper waste management reduces Scope 3 emissions.
- Adopt paperless technologies such as tablets and Rocketbook® to cut consumption. This avoids emissions from paper production in our Scope 3 supply chain.
- Continuously adopting monitoring technology within our drying processes, allowing technicians to precisely manage equipment and strategies, minimising resource waste and Scope 3 emissions associated with waste generation and disposal.

- Continuously improving and investing in the digitalisation of the group's claim management system, reducing the need for on-site visits and paperwork. This minimises resource consumption, paper usage, and travel emissions, thereby contributing to waste reduction and lowering Scope 3 emissions associated with waste generation and disposal.
- Adopt sustainable marketing materials and leverage digital alternatives to reduce material use. This decreases Scope 3 emissions associated with purchasing.



Targets

By defining specific objectives that align with our broader environmental goals, we can channel our efforts effectively and engage stakeholders in a shared mission to mitigate climate change and reduce our carbon footprint.

- Achieve ISO 14001: Environmental Management System (2023)
- Achieve ISO 50001: Energy Management System (2024)
- SBTi (2023) - Ensure emissions reduction targets are validated by SBTi and publicly announce the commitment.
- Collaborating with the SBTi commits us to a 42% reduction in Scopes 1 & 2 from a 2021 base year by 2030.
- Green Apple Awards (2023 / 24) - An internationally recognised environmental body that honours and promotes sustainability initiatives across various industries.



STEP 3: CARBON NEUTRAL SUPPLY CHAIN

Purchased goods and services represent 9% of emissions, offering opportunity to engage suppliers on sustainability.

- Advocate carbon neutralisation within the supply chain to address indirect emissions (78%) from purchased goods and services through marketing and partnerships.
- Achieve Supply Chain Sustainability School 'Gold Status'. Supply Chain Sustainability School is a platform that provides accreditation, resources, tools, and guidance to enhance sustainability practices throughout the supply chain. By adhering to gold-standard practices, we aim to drive positive change, promote ethical sourcing and minimise the environmental impact of our purchased goods and services.

STEP 4: BECOMING NET ZERO - DEVELOPING LONG-TERM EMISSION REDUCTION STRATEGY

In this phase of our sustainability roadmap, we delve into a multi-faceted approach that acknowledges the complexities of our business and industry while envisioning a greener future.

Our long-term emission reduction strategy is underpinned by several key elements, each contributing to our collective efforts to become Net Zero.



Transitioning to Electric Vehicles

Transitioning to electric vehicles (EVs) has emerged as a paramount priority. Our fleet vehicles, responsible for 53% of our total emissions, present a significant opportunity for positive change. By embracing EV technology, we not only mitigate Scope 1 emissions but also make substantial contributions to our broader sustainability goals.

Recognising the rapid advancements in infrastructure over the past 12 months and the promising trajectory ahead, we are encouraged by the evolving landscape of charging stations. These improvements bolster our confidence that our infrastructure needs will be met efficiently.

Research underscores our optimism, overwhelmingly showing that vehicle purchase prices are expected to fall compared to fossil fuel derivatives in coming years. This encouraging projection makes the transition to EVs a more cost-competitive choice.

We have proudly partnered with Drive Electric, a market expert in the corporate EV market. Their invaluable insights and capabilities empower us to navigate this transformative journey strategically.

As of September 2023, our progress speaks volumes. Our fleet includes 5 full EVs, as well as one PHEV, with two more EV cars on order. Excitingly, our first full EV commercial vehicle is expected to join our fleet in Q4 2023.

Furthermore, we have made significant investments in facilitating EV adoption among our team members. We have installed 5 home charging units and 5 charging units at our Central Office, with one charger allocated per every 8 Central Office team members.

Challenges

One primary challenge in embracing EVs is the requisite infrastructure investment. The installation of charging stations throughout our Network is imperative, albeit accompanied by significant costs. Nonetheless, it's worth noting that infrastructure improvements over the past year and the promising trajectory provide assurance that our needs will be met efficiently.

EVs often command a higher upfront purchase price than traditional vehicles, even with government incentives. Balancing this initial cost differential within our budgetary constraints poses a challenge. Encouragingly, reputable research suggests that vehicle purchase prices are expected to align with fossil fuel counterparts in the near future.

EV technology limitations, such as limited mileage range, pose potential obstacles to full adoption. Some branches may need to travel longer distances for work, which may be impractical with the current state of EV technology. To address this, we are exploring solutions like portable backup battery chargers and solar panels, albeit with associated costs.

Installing charging points at employees' residences for personal company-owned vehicles presents its own set of challenges, including navigating property rental agreements, accommodating space limitations, and ensuring an adequate power supply. We are committed to working closely with our team members to overcome these hurdles and provide convenient charging solutions.

For business travel, the availability and reliability of charging infrastructure can vary significantly across different regions. While some areas boast well-developed charging networks, others lack sufficient support. This variability can impact the practicality of EV adoption in specific locations. However, we are actively collaborating with local authorities and partners to enhance charging infrastructure in these regions.



Green Energy Tariffs

To accompany Central Office's transition to Green Energy Tariffs, implementation across the whole company allows us to exclusively source electricity from renewable energy sources, significantly reducing carbon emissions tied to our electricity consumption, effectively addressing the 10% attributed to purchased electricity.

Analysing our GHG emissions by source category, it is evident that mains gas and electricity are prominent contributors to our total emissions.

Additionally, a green tariff would work in conjunction with our commitment transition to electric vehicles, effectively tackling the 44% of emissions originating from Scope 1 by sourcing mostly from renewable energy.

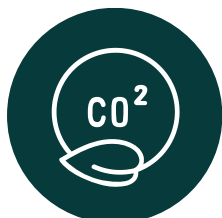
Challenges

Firstly, implementing green tariffs may entail higher upfront costs compared to traditional energy procurement. Striking a balance between our environmental goals and financial feasibility is a key challenge.

Operating under a franchise structure adds complexity to the adoption process. Ensuring uniform adoption across our network and addressing the support and readiness of each branch presents logistical challenges.

Negotiating and managing contracts for green tariffs can be intricate, given the unique terms and conditions of renewable energy providers. Additionally, the evolving landscape of government policies and regulations related to renewable energy demands vigilant monitoring and adaptation.

The accessibility of renewable energy sources also varies by location. Some branches may have better access to these resources than others, necessitating tailored strategies to ensure a consistent commitment to renewable energy across our network.



Carbon Offsetting

We acknowledge that certain emissions are inherent to our industry and operations. To address these unavoidable emissions, we will invest in carbon offsetting initiatives.

Carbon offsetting allows us to counteract residual emissions by supporting projects that capture or prevent an equivalent amount of greenhouse gas emissions elsewhere.

Challenges

Carbon offsetting, while a valuable strategy to mitigate greenhouse gas emissions, is not a 'magic bullet'. Ensuring that offset projects are 'additional' to natural occurrence and that their emission reductions are permanent can be challenging to verify and monitor over time. Other challenges such as delayed impact or ensuring quality and credibility requires robust standards and transparency.



Sustainability Initiatives

Our commitment to ISO certifications, collaboration with the SBTi, and participation in the Green Apple Awards highlights our dedication to sustainability and positions us as a responsible leader in the restoration industry.

Now that we have set our target with the SBTi, we have taken an important step to formalise and advance our sustainability efforts. However, we know that meaningful progress requires translating commitments into tangible action.

As we move forward, this framework will serve as a guiding light to Net Zero, ensuring that we remain on track to achieve our ambitious goals and make a meaningful contribution to a more sustainable and resilient future.

Challenges

Pursuing ISO certifications, collaborating with external initiatives, and participating in award programs can require a significant allocation of resources, including time, personnel, and financial investments.

By the very nature of these initiatives, they also often necessitate cultural and organisational changes. Overcoming resistance to change and ensuring that sustainability becomes an integral part of the organisational culture can be a long-term challenge with long term solutions, such as education and marketing.



BER Standards

Collaborating with insurers to reduce industry waste and establish sustainable BER (Beyond Economic Repair) management standard operating procedures is a key aspect of our sustainability commitment.

By addressing the efficient management of items that are deemed uneconomical to repair, it reduces waste generation, relieving the burden on landfills, and promoting resource sustainability. It also fosters cost efficiency. Optimised BER item management cuts down on unnecessary expenses related to disposal, storage, and replacement, benefiting both insurers and policyholders.

Many BER items still contain valuable resources, and efficiently salvaging and re-purposing them diminishes the need for new raw materials, contributing to resource preservation and the promotion of a circular economy.

Furthermore, embracing BER standards enhances the sustainability reputation of insurers and restoration companies. It positions them as responsible, environmentally conscious industry leaders, attracting like-minded customers and partners.

Leading efforts to establish industry-wide BER standards also encourages cooperation, knowledge sharing, and a collective commitment to sustainable practices.

Challenges

The BER standards initiative faces several obstacles due to the fragmented nature of the industry. Insurers and restoration companies have their own processes for managing items beyond economic repair, making it challenging to achieve a consensus for standard operating procedures.

Ensuring policyholder security is paramount in this effort, limiting community-based solutions that may have been easier otherwise. Allowing just anyone to pick up BER items could pose risks, so striking a balance between efficiency and security is crucial.

For branches to store items that are classed as BER, they would be required to increase Scopes 1 & 2 emissions, making their efficient management a logistical challenge.

Determining who takes possession of BER items, who restores them, and who profits from them can be complex issues to navigate. Clear guidelines are needed across the industry to ensure equitable distribution of responsibilities and benefits.

However, convincing various industry stakeholders to work together towards a common goal can be a lengthy process. Addressing these challenges will require not only dedication but also innovative solutions and a commitment to fostering industry-wide cooperation.



Technology and Innovation

We will continue to invest in research to identify cutting-edge technologies and best practices that facilitate emission reductions across our organisation.

By staying at the forefront of technological advancements, we aim to find innovative solutions that can substantially decrease our carbon footprint. This includes exploring new energy-efficient technologies, process improvements, and sustainable digital practices that minimise digital waste and align with our commitment to environmental sustainability.

We are also embracing AI technology as a company, integrating it into various aspects of our operations to enhance efficiency. Through monitoring new technologies, we can explore AI applications such as data analysis, machine learning, and predictive modelling. This would allow us to better optimise our processes, identify patterns, and make informed decisions that minimise resource consumption and emissions.

Challenges

Adopting new technologies often requires significant investments, both in terms of financial resources and time. Additionally, the rapid pace of technological change means that we must continually evaluate and adapt our strategies to ensure they remain effective.

Furthermore, integrating new digital solutions, AI and other advanced technologies requires a skilled workforce capable of leveraging these tools to their full potential. Adequate training and ongoing education for our employees are essential to successfully navigate this technological transformation.

CONCLUSION - OUR PLEDGE TO SUSTAINABILITY

We are steadfast in our pursuit of sustainability excellence. With a clear understanding of our carbon footprint and a focused approach to emissions reduction, we are poised to lead by example in the restoration industry.

Our journey towards becoming Net Zero is underpinned by a dedication to innovation, technology, and collaboration. While challenges abound, we embrace them as opportunities to drive positive change and pioneer sustainable practices.

As we move forward, our participation in ISO certifications, collaboration with external initiatives, and our efforts to establish industry-wide BER standards reflect our ambition to be a responsible, environmentally conscious industry leader.

Rainbow Restoration UK is not just shaping its own future but also contributing to a more sustainable and resilient world. Our commitment to sustainability is unwavering, and we invite all stakeholders to join us on this transformative journey towards a greener, more sustainable future. Together, we can make a meaningful impact, one step at a time.



ACKNOWLEDGEMENTS

We extend our gratitude to all individuals and organisations contributing to Rainbow Restoration UK's Sustainability Framework. Special thanks to RSK for their essential assistance in conducting the carbon inventory and emissions assessment. Our dedicated employees have embraced sustainability initiatives with enthusiasm.

Additionally, we acknowledge Drive Electric for their support in our journey towards sustainability, as we transition to electric vehicles and reduce our carbon footprint.

We appreciate all of our suppliers, partners, and stakeholders for their commitment to advocating carbon neutralisation within our supply chain. Thanks to the SBTi for guidance and recognition.

Together, we progress towards a sustainable future, your support is invaluable.

We thank you for your continued support in our efforts to reduce our carbon footprint.

Contact

Rainbow Restoration

Spectrum House, Lower Oakham Way,
Oakham Business Park, Mansfield
NG18 5BY

www.rainbowrestoration.co.uk
marketing@rainbowrestoration.co.uk

