



UNFCCC Race to Zero Annual Plan Carbon Reduction Plan 2022

Assessed by

Introduction

When redthread was founded in 2020, one of the first commitments was to ensure the company had a positive impact. For the people who work here, for our clients, for disadvantaged people around the world and – importantly – for our planet. We developed our first ethical manifesto in 2021, and now have developed our baseline carbon emissions report and carbon reduction plan.

This marks the beginning of our commitment to achieving net zero by 2050, and we hope to encourage others along the journey with us. You'll see from reading this report that, as a remote-first business, most of our emissions are associated with our supply chain. We've clearly got work to do in subsequent years to better understand the carbon emissions of our suppliers. But our baseline report makes positive reading, and shows that we're heading in the right direction.



Not taking action is no longer an option.



“

As the Founder and Managing Director, I make a public commitment to always being transparent about our emissions and carbon reduction plan. We'll publish updates annually on our website, alongside our impact reports. And we hope others will join us in similar levels of transparency, and focus on reducing their carbon emissions too.

NICK LEACH, MANAGING DIRECTOR

”



OUR AMBITION

Company overview

Our net zero commitment



CARBON REPORTING

Reporting scope

About redthread

Carbon emissions

Carbon offsetting

Business commentary

Emissions data summary



PATH TO NET ZERO

Our roadmap to net zero

Carbon reduction activities



METHODS & DECLARATION

Assessment methods

Declaration and sign-off

Our ambition



CONTENTS



GLOSSARY

Our mission at **red**thread is to help pharmaceutical and biotech companies develop brilliant written communications for payers and ensure access to their therapies.



Our market access and value communications specialists blend incisive strategic insights and market access expertise with brilliant writing, to ensure our clients' payer communications tell a story. It sounds simple but brilliant market access writing is uncommon. Endless dreary slide decks with no hook. Dossiers that affiliates can't use. Content with no visual flair. Overworked teams prioritising getting your work out of the door, rather than getting it right. In short, not good enough.

And we founded **red**thread to show that you can expect better. That it's possible to deliver extraordinary work. Prioritise people. And take responsibility for a sustainable future for our planet.

Doing business the right way is – and always has been – part of our core ethos. And we take action to ensure that we live up to our commitments and our values every day.

Red Thread Market Access is a Limited Company registered in England & Wales, company number 12339757, with a registered address of 2 Sweetmans Road, Oxford, England, United Kingdom, OX2 9BA.



CONTENTS



GLOSSARY

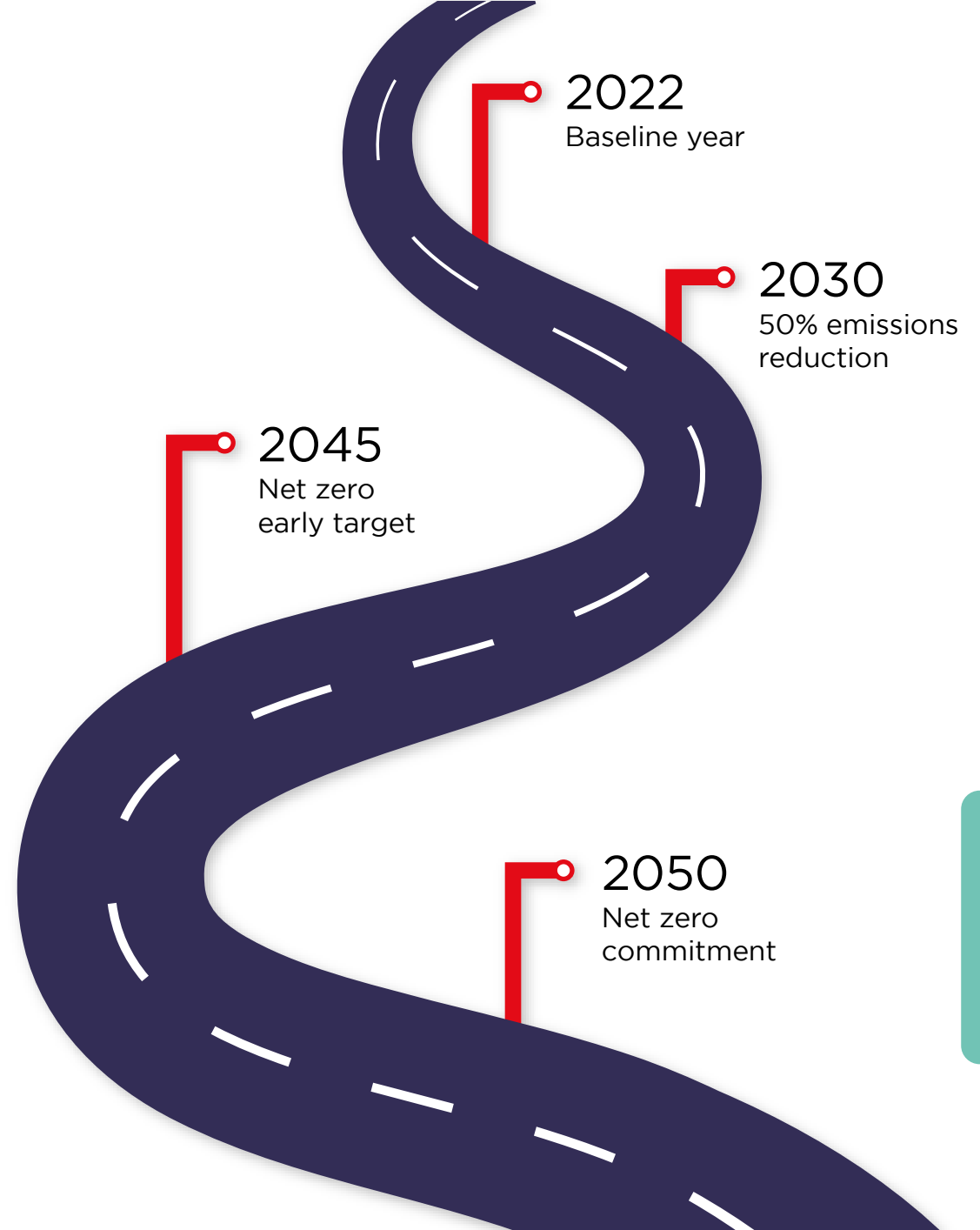
Our net zero commitment

At redthread we continue to recognise the importance of making a full and lasting commitment to reducing the greenhouse gas emissions from our activities, in support of the wider commitment of the world to limit global temperature increases and the impact on the planet.

As a signatory member of the Network Net Zero Community, we commit to the following:

- For our company to achieve net zero in line with the Science-Based Targets set out by the UNFCCC i.e., to achieve net zero no later than 2050 and target a 50% reduction in emissions by 2030.
- To set realistic short- and long-term targets that are designed to achieve our net zero commitments.
- To report the total greenhouse gas emissions of our business, at a minimum, on an annual basis.

redthread made its pledge to the Race to Zero via the Net Zero Nation Community on 7th June 2023. The record of the pledge can be found at www.futurenetzero.com/un-race-to-zero.



Carbon reporting



CONTENTS



GLOSSARY

Current Reporting Period

January 2022 to
December 2022

Baseline Year

As this is the first time redthread has formally measured and reported on its carbon emissions, January 2022 to December 2022 represents the baseline year.

Organisational Boundary

This report has been developed using the Operational Control Approach

Operational Scopes

Emissions from Scope 1 & 2 have been measured along with certain Scope 3 emissions. The Scope 3 emissions that have been included are those that have been practical to measure with available data, namely:

- Employee Commuting and Business Travel
- Transmission & Distribution of Electricity
- Hotel Stays
- Purchased Goods & Services
- Staff Training
- Pensions & Insurance
- Office Supplies, Postages & Computer Equipment
- Working from Home Electricity Consumption



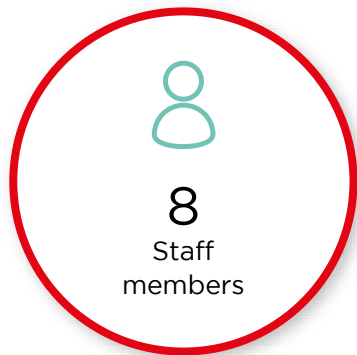
CONTENTS



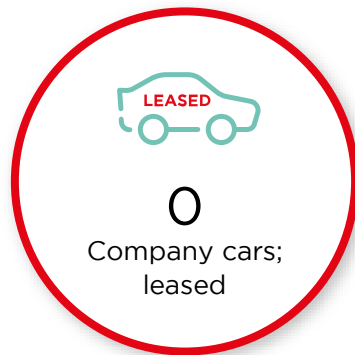
GLOSSARY

redthread operates a fully remote working model across multiple UK home-working locations

Organisational data for January 2022–December 2022



2022 BASELINE: 8



2022 BASELINE: 0



2022 BASELINE: 1



2022 BASELINE: 0



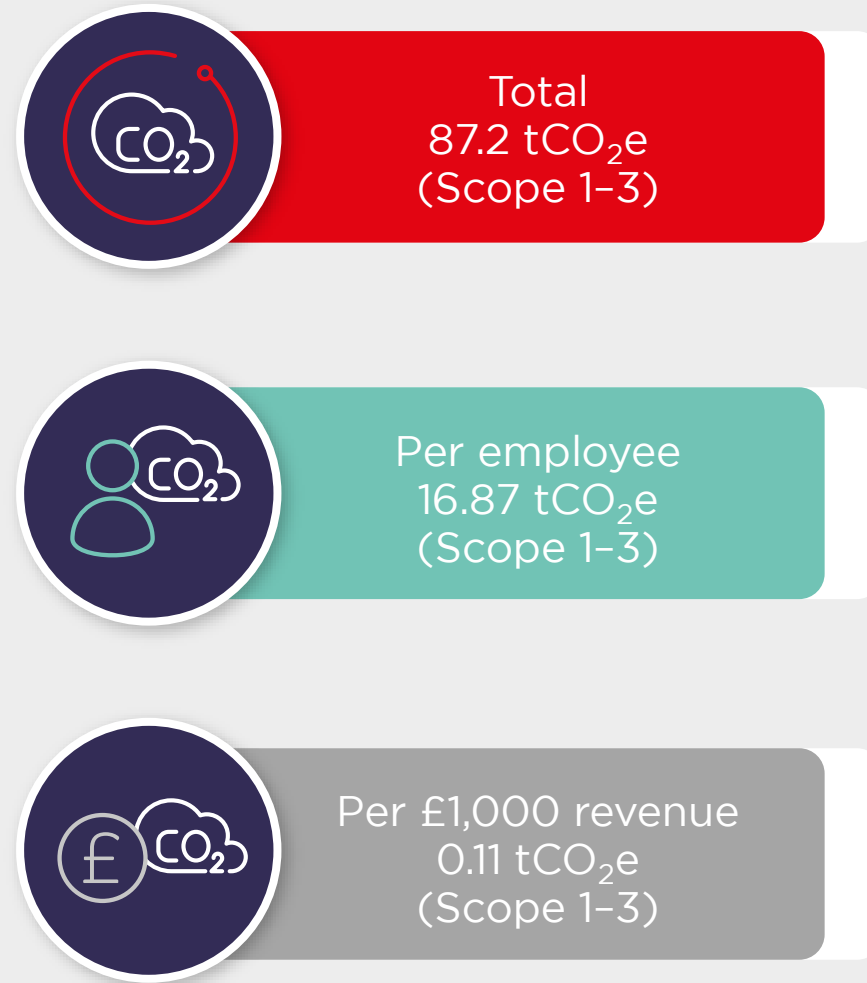
2022 BASELINE: 0

Carbon emissions

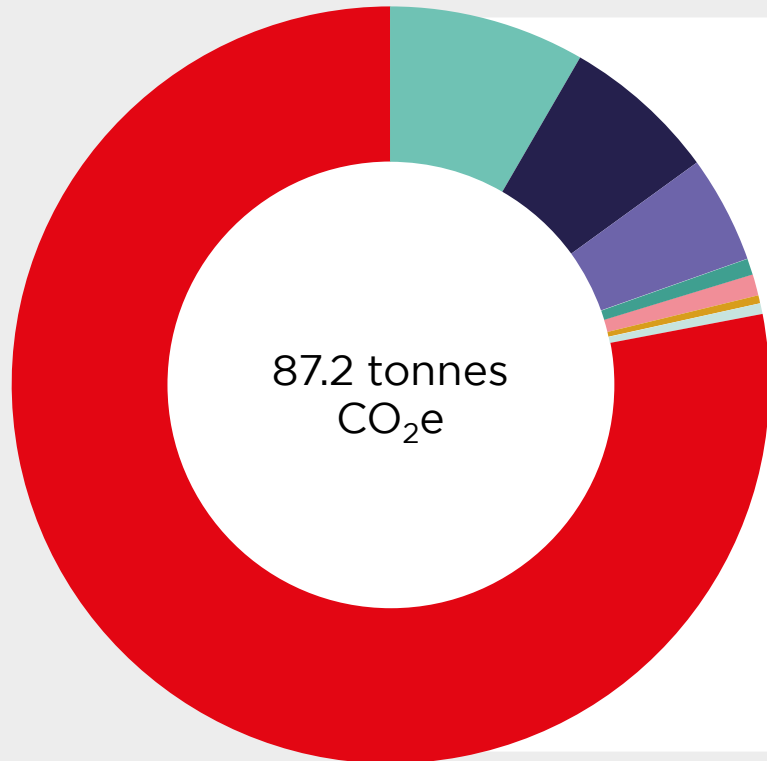
The total calculated emissions for redthread during 2022 are 87.2 tCO₂e. This is the first year redthread has measured its carbon emissions. As such this is the baseline year and the breakdown of emissions are analysed throughout this report.

redthread will aim to improve the accuracy of our data reporting for Scope 3 emissions and we're committed to reducing our emissions.

The intensity metrics which redthread measure are per employee and per £1,000 of revenue. The business headcount averaged 5 people during the baseline period. redthread will continue to grow in the coming years, and revenue is likely to be the best emissions intensity metric to apply given the use of non-employed freelancers to deliver client work.



Carbon emissions breakdown



Pensions and insurance* | 8.4%

Medium confidence

Staff training* | 4.6%

Medium confidence

Business travel† | 0.9%

High confidence

55% flights
19% rail
14% car | Petrol
12% car | Electric

Hotel stays‡ | 0.4%

High confidence

Office and computer equipment* | 6.7%

Medium confidence

Office supplies and postage* | 0.7%

Medium confidence

WFH‡ | 0.3%

Medium confidence

Smallest contributor
(0.3 tCO₂e)

Purchased goods and services* | 78.0%

Medium confidence

Largest contributor
(68.0 tCO₂e)

*Medium data confidence, from EEIO spend analysis (recognised carbon accounting principle).

†High data confidence, from company records.

‡Medium data confidence, from employee survey (recognised carbon accounting principle).



CONTENTS



GLOSSARY

Carbon offsetting

During 2022, redthread funded the prevention of 76.7 tCO₂e from being emitted through verified carbon avoidance projects through Ecologi.

While the biggest impact redthread can make is to reduce our own emissions, carbon avoidance projects provide complementary climate solutions to prevent greenhouse gas emissions, restore nature, and support local communities.

Ecologi only supports projects certified by either the Gold Standard or Verra's Verified Carbon Standard (VCS). Additional certifications for VCS certified projects indicate their contribution to sustainable development and the co-benefits they offer to local people and nature, such as the Climate, Community and Biodiversity Standard (CCBS) and the Sustainable Development Verified Impact Standard (SD VISTA).

Ecologi also use third-party platforms, including the carbon intelligence platform Sylvera, to ensure their projects our community supports are of the highest standard.



Total carbon offsets
76.7 tCO₂e



CONTENTS

GLOSSARY

Business commentary



Travel

Our business travel increased in 2022 as life returned to normal following the COVID-19 pandemic and more face-to-face meetings resumed. We also welcomed 5 new members of staff to the team during 2022, which also contributed to the increased levels of travel. Flights were kept to a minimum (four in total) and alternative means of transport were explored in each case. Employees were encouraged to car share or take public transport when travelling to our May and November all-team offsite meetings.



Electric car

One company car was purchased in 2022, a Škoda Enyaq iV. The Enyaq not only produces zero local emissions on the road, Škoda also committed to delivering its new electric flagship to customers with a CO₂-neutral balance sheet. The Czech car manufacturer documented all CO₂ emissions throughout the production process to ISO standards and effectively reduced the release of carbon dioxide during production through a wide range of measures. Škoda also offset any unavoidable CO₂ emissions during production through certified climate protection projects.



Cycle to work

redthread introduced a Cycle to Work scheme towards the end of 2022. One employee has taken up the scheme so far, using the bike to travel to and from a co-working space and replacing the equivalent number of car journeys.



Tree planting

Healthy trees sequester CO₂, making them climate champions from the moment they're planted. They also help to restore healthy ecosystems, sequestering and storing even more carbon in soils and plant biomass, as well as boosting biodiversity.

Reforestation projects provide co-benefits for local people which can promote employment, gender equality, new income streams, more diverse food sources to support a healthier diet, and improved community facilities.

At redthread we plant 500 trees every time a new employee joins the company; in 2022, 5 new employees joined redthread, and we planted 2,500 trees – via Ecologi – to celebrate. Alongside these trees, we also plant 10 trees per employee per month as part of our Climate Positive initiative with Ecologi. As of July 2023, we have 10,222 trees planted in our redthread “forest”, across locations in Africa and South America.



Carbon offsetting

At redthread we offset 5 tonnes CO₂e every time a new employee joins the company; in 2022, 5 new employees joined redthread, and we offset 25 tonnes CO₂e via Ecologi. Alongside these offsets, we also offset 9 tonnes CO₂e per employee per year as part of our Climate Positive initiative with Ecologi. As of July 2023 (when this report was prepared), we have offset 210.77 tonnes CO₂e. Carbon sequestered as part of our tree-planting initiative is not counted towards our carbon offsetting total. Offsetting was only conducted via projects certified by either the Gold Standard or Verra's Verified Carbon Standard (VCS).



CONTENTS



GLOSSARY

Carbon emissions

The data contained in the table represents total emissions calculated and is consistent with SECR requirements. All sources of emissions that have been measured are included in the totals below. Emissions from key activities are summarised in the previous sections.

Scope	Category	Baseline 2022 tCO ₂ e		Data Confidence	Methodology
Scope 1	Fuels	-	0.0%	High	No Activities in this Scope
	Electricity Used - Non-renewables (kWh)	0	0.0%		
	Electricity Used - Renewables (kWh)	0	0.0%		
Total Scope 1 Emissions (tCO ₂ e)		-	0.0%		
Scope 2	Electricity Method	Market	-	High	No office space
	Electricity Used - Non-renewables (kWh)	0	0.0%		
	Electricity Used - Renewables (kWh)	0	0.0%		
Total Scope 2 Emissions (tCO ₂ e)		-	0.0%		
Scope 3 - Upstream	Purchased Goods & Services	73.0	83.8%	Medium	EEIO Spend Analysis
	Capital Goods	5.8	6.7%	Medium	EEIO Spend Analysis
	Fuel & Energy Related Activities	-	0.0%		Not Applicable
	Transportation and Distribution	-	0.0%		Not Applicable
	Waste Generated from Operations	-	0.0%		Not Applicable
	Business Travel	0.9	0.9%	High	Company Data
	Employee Commuting (home-working electricity)	0.3	0.3%	Medium	Working From Home - Company Data
Scope 3 - Downstream	Upstream Leased Assets	-	0.0%		Not Applicable
	Transportation & Distribution	-	0.0%		Not Applicable
	Processing of Sold Products	-	0.0%		Not Applicable
	Use of Sold Products	-	0.0%		To Be Determined
	End-of-Life Treatment of Sold Products	-	0.0%		Not Applicable
	Downstream Leased Assets	-	0.0%		Not Applicable
	Franchises	-	0.0%		Not Applicable
Total Scope 3 Emissions (tCO ₂ e)		7.3	8.4%	Medium	EEIO Spend Analysis
Total Emissions Scopes 1, 2 & 3 (tCO ₂ e)		87.2	100.0%		
Emissions per employee*		16.9			
Emissions per £1,000 turnover		0.1			
Carbon Offsets		76.7			
Total Annual Net Emissions (tCO ₂ e)		10.4			

*Average number of people employed by redthread during the assessment period (based on total head count; part time working or maternity leave were excluded from calculation).

Note: numbers may not sum due to rounding.

Path to net zero



CONTENTS



GLOSSARY

Our roadmap to net zero

Ambition: To become a Net Zero organisation in line with Science-Based Targets (SBTs)

- Cut most of our emissions
- Balance any remaining emissions that cannot be eliminated with technology or other solutions



Carbon reduction activities

redthread is committed to following initiatives that will support our strategy to meet Science-Based Targets.

As we continue our journey to net zero, we plan to implement further measures in the short, medium and long term. These will drive down emissions and help us to meet our 2050 target. We are also committed to improving the quality and accuracy of our data and reporting, to aid in the reduction of emissions and progress measurement. This will remain a key objective throughout the lifetime of our carbon reduction plan.



Sustainability policy

To create and implement a redthread sustainability policy based on the World Wildlife Fund's UK sustainable office guide.



Employee engagement

Communicate our net zero definition and plan with our team and engage and educate on how their decisions and choices can impact our net zero journeys, both at work and at home.

To get involved in local initiatives (i.e., litter picking, educational sessions).



Supplier and client influencing

Review our supply chain and encourage large Suppliers and Clients to commit to plans for 2050, and work with SMEs to guide and support them on their path to Net Zero.

Request carbon emissions reporting and reduction plans from all suppliers and their own emissions and the role we play in them.

Commit to using sustainable suppliers and working with sustainable clients, with a view to only doing business with organisations who have committed to net zero and are taking steps to reduce their emissions.



Data quality

To improve the quality and accuracy of data to ensure more accurate measurement of our emissions, particularly for Scope 3 emissions.



CONTENTS



GLOSSARY

Assessment & Declaration



CONTENTS



GLOSSARY

Assessment methods



Standard and Methodology Used

redthread categorises its Greenhouse Gas (GHG) Emissions as Scope 1, 2 or 3 as referred to in the WBCSD – WRI Greenhouse Gas Protocol (revised edition, dated March 2014). Emissions in Carbon Dioxide equivalent (CO₂e) for all scopes are calculated using the conversion factors listed in DESNZ Greenhouse Gas Conversion Factors for the relevant 12-month period over which the Carbon Footprint is calculated. Procured renewable electricity and gas is calculated in accordance with the WBCSD – WSI Scope 2 Guidance on procured renewable energy (2015).



Data Quality/Confidence

The data used to generate this report has been collected from various sources from both within the company and using assumptions gathered by Net Zero International. These emissions have been converted to CO₂e using GHG Protocol and BEIS frameworks and conversion factors for the relevant period.



Offsetting

As part of redthread's commitment to target reductions in its GHG emissions and attain net zero the company will review and report all offsetting that it enters. All offsetting options will be considered and reported, including formally certificated schemes (e.g., Gold Standard) as well as more informal schemes. Where offsetting is done against informal schemes, details of the calculation logic will be reported.



CONTENTS



GLOSSARY

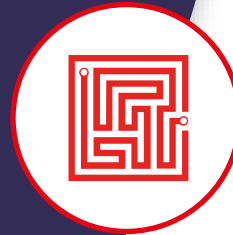
Declaration and sign-off

This Carbon Reduction Plan has been completed in accordance with SECR, PPN 06/21 and associated guidance and reporting standard for Carbon Reduction Plans.

Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Reporting Protocol corporate standard and uses the appropriate Government emission conversion factors for greenhouse gas company reporting.

Scope 1 and Scope 2 emissions have been reported in accordance with SECR requirements, and the required subset of Scope 3 emissions have been reported in accordance with the published reporting standard for Carbon Reduction Plans and the Corporate Value Chain (Scope 3) Standard.

This Carbon Reduction Plan has been reviewed and signed off by the Board of Directors (or equivalent management body).



Signed on behalf of redthread
Nick Leach | Managing Director
Date: October 2023



Signed on behalf of Net Zero International
David Hawes | Co-Founder
Date: October 2023



CONTENTS



GLOSSARY

Glossary

Baseline Data

The chosen 12-month period that sets the calculated emissions that need to be mitigated and/or offset.

Carbon Reduction

Reduction in measured CO₂e emissions

Carbon Reduction Plan

Plan to reduce CO₂e emissions over a period of time, updated annually

Carbon Emissions (Gross)

CO₂e emissions from Company activities

Carbon Emissions (Net)

CO₂e emissions from Company activities minus verified carbon offsets the Company purchases

Carbon Neutral

When emissions are fully offset including those emissions that could be mitigated.

Carbon Offset

A removal or reduction of carbon emissions through a verified scheme.

CO₂e

All greenhouse gases expressed in terms of Carbon Dioxide equivalent (CO₂e) for consistency of reporting.

DESNZ

Department of Energy Security and Net Zero (<https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting>)

EEIO

Environmentally Extended Input Output – Emissions estimated on spend (<https://ghgprotocol.org/>)

GHG Protocol

Greenhouse Gas Protocol (<https://ghgprotocol.org/>)

Greenhouse Gases

Carbon Dioxide (CO₂), Methane (CH₄), Nitrous Oxide (N₂O), Chlorofluorocarbons (CFCs and HCFCs), Hydrofluorocarbons (HFCs), Perfluorocarbons (PFCs), Sulphur Hexafluoride (SF₆)

Greenhouse Gas Conversion Factors

Annually published conversion factors normally published by relevant government departments. Converts activity into CO₂e emissions.

Greenhouse Gas Emissions (GHG)

Gases in the atmosphere that absorb and radiate heat

Intensity Metric/Ratio

A metric that measures carbon emissions per relevant unit of activity in a business.

Market Reporting v Location Reporting

Market is based on specific tariffs. Location is based on the country from which you are reporting.

Net Zero

GHG emissions are mitigated and those that cannot are offset

Renewable Tariff

An energy tariff that is 100% powered by renewable energy and is certified.

SBT

Science-Based Targets – reducing emissions by 50% by 2030 and by 90% by 2050 and offsetting the remaining amount.

Scope 1

The fuels that are burnt (gas, transport the company owns, refrigerant gases)

Scope 2

The energy that is bought (electricity from the grid, purchased heat)

Scope 3

Emissions embedded in everything a company buys and emitted as a consequence of everything a company sells.

SECR

Streamlined Energy & Carbon Reporting

tCO₂e

Metric tonnes of CO₂ equivalent emitted.

WBCSD

World Business Council for Sustainable Development (<https://www.wbcsd.org/>)

WRI

World Resource Institute (<https://www.wri.org/>)



CONTENTS



GLOSSARY