



# Carbon Reduction Policy

Last Updated 31/01/2026

We make more possible.

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# Version Control



Date	Version Number	Updated By	Reason for Change
30/05/25	1	Andrew Young	First issue as standalone document
31/01/26	1.1	Andrew Young	Annual review

The 1.5°C pathway is a global climate target to limit warming to 1.5 degrees Celsius above pre-industrial levels, as agreed in the 2015 Paris Agreement. Achieving this requires rapid, deep reductions in greenhouse gas emissions, aiming for net-zero CO<sub>2</sub> by around 2050. This pathway involves transitioning to renewable energy, improving energy efficiency, and transforming industries, transport, and land use. Scientific research shows that following the 1.5°C pathway is crucial to avoid the most severe impacts of climate change, including extreme weather, sea-level rise, and biodiversity loss. It serves as a critical benchmark for urgent and sustained climate action worldwide.

Businesses have a critical role to play by setting science-based targets and driving emissions reductions across their entire value chain, including Scope 1, 2, and 3 emissions. As such the 1.5°C pathway is central to an effective carbon reduction plan.

APS fully recognises the urgency of the climate crisis and the responsibility we hold as a business to take decisive action. In line with Sustainable Development Goal 13: Climate Action, we are committed to leading by example through meaningful, science-aligned decarbonisation. Our actions support not only climate mitigation but also the creation of a more resilient and low-carbon economy.

This commitment sits at the heart of our environmental strategy and underpins our net zero ambition by 2040. We are focused on delivering absolute emissions reductions through operational changes, renewable energy sourcing, and value chain engagement. Our efforts are reinforced by transparent data, verified reporting, and an ongoing commitment to accountability and improvement.

This policy sets out our approach to carbon reduction, detailing how we will reduce greenhouse gas emissions and accelerate the transition to a climate-resilient, sustainable business model.

## Ownership

This document is owned and maintained by the Head of Sustainability who is responsible for its content, implementation, and updates.

The document is reviewed and approved by the Board of Directors to ensure alignment with strategic objectives and compliance with governance standards with the Chief Commercial Officer acting as the designated Board representative who holds board-level accountability for environmental matters in general and APS' carbon reduction initiatives. Carbon performance is regularly reviewed by the Board to ensure competency, alignment with our corporate strategy, and continuous improvement.

The Board has demonstrated competency in climate governance through regular training, scenario planning exercises, and ongoing consultation with sustainability experts. A structured mechanism is in place to ensure board knowledge remains current.

Classification

External

This policy applies to:

- APS Group's global operations, including manufacturing, logistics, and office-based activities
- All Scope 1, 2, and material Scope 3 emissions sources, as defined in our annually reviewed Scope 3 Screening Document
- All employees, supplier partners, and third-party contractors who contribute to our operational value chain or work on behalf of APS Group
- All clients receiving services from APS Group, where carbon performance data is shared via reporting tools

APS Group adopts the Operational Control approach to emissions boundary setting, in line with the GHG Protocol. Both our emissions boundaries and Scope 3 screening methodology are reviewed annually as part of our formal environmental management review process.

Current Scope 3 Categories included:

1. Purchased Goods and Services
2. Capital Goods
3. Fuel- and Energy-Related Activities (Not Included in Scope 1 or Scope 2)
4. Upstream Transportation and Distribution
5. Waste Generated in Operations
6. Business Travel
7. Employee Commuting
8. Upstream Leased Assets
9. Downstream Transportation and Distribution
12. End-of-Life Treatment of Sold Products

# Purpose



The purpose of this policy is to:

- Provide a strategic framework for reducing greenhouse gas emissions in line with a 1.5°C science-based pathway
- Embed emissions reductions into operational decisions, procurement, product development, and client delivery
- Drive accountability across APS Group and our partners, with transparent and independently verified data
- Educate and engage internal and external stakeholders to make more carbon-efficient choices
- Support our clients in reducing their emissions, particularly in Scope 3 categories, and meeting their net zero targets

APS Group is committed to achieving net zero greenhouse gas (GHG) emissions across our value chain by 2040. This commitment is rooted in scientific evidence and aligns to the Science Based Targets initiative (SBTi) and the principles of the Greenhouse Gas (GHG) Protocol. Our approach prioritises absolute emissions reduction, with residual emissions addressed through verified, high-quality carbon removals and offsetting.

We acknowledge the role that both operational transformation and informed decision-making by clients, colleagues, and suppliers play in reaching our decarbonisation goals. As such, our strategy centres on embedding climate responsibility across our operations, energy use, and value chain partnerships — while enabling those we work with to make choices that actively support carbon reduction.

Our decarbonisation efforts are focused on:

- Reducing emissions from our direct operations (Scope 1 and 2) through energy efficiency and the shift to renewable electricity.
- Strengthening the integrity, granularity and transparency of data across our Scope 3 emissions.
- Engaging with suppliers, partners and clients to co-develop sustainable alternatives and shared decarbonisation pathways.
- Using robust data to identify waste, inefficiency and reduction opportunities across the business.
- Supporting colleagues and clients to take part in our climate goals — from low-carbon material selections to participation in voluntary schemes such as green travel.

APS will continue to apply the GHG Protocol as the foundation of our emissions reporting and performance tracking. This includes annual disclosure of Scope 1, 2, and 3 emissions and progress against our science-aligned targets. We will make targeted use of verified offsetting only as a final step for residual emissions, and report these separately.

## Qualitative Targets

- Fully align with SBTi and submit for target validation in 2026, including near-term and net zero targets.
- Enhance primary data collection across Scope 3, working in partnership with suppliers and customers to improve traceability, completeness and consistency of emissions data.
- Empower clients and colleagues to support carbon reduction through their decisions — including sustainable product alternatives, carbon dashboard insights, and participation in additional low-carbon initiatives such as green travel schemes.
- Actively seek and eliminate sources of waste and carbon hotspots across materials, energy, logistics and manufacturing by applying circular and efficiency-first principles at the design and planning stages.

- Engage with a verified carbon offsetting solution to support ongoing offset initiatives, while prioritising direct carbon reductions and actively encouraging colleagues and clients to participate in and promote these schemes.
- Publish an annual public report detailing our carbon reduction progress through multiple transparent channels, including our Carbon Reduction Plan, Sustainability Report, CDP disclosure, and EcoVadis carbon reporting

## Quantitative Targets

- Engage with at least 50% of our upstream suppliers by spend by 2028, to encourage them to set science-based targets and improve transparency within our Scope 3 emissions.
- Improve carbon efficiency of our production operations by 50% by 2028, measured as kg CO<sub>2</sub>e per tonne of output across our manufacturing sites (against 2020/21 baseline)
- Deliver carbon impact data to 100% of clients by 2027, via our Sustainability Dashboard, enabling collaborative action planning to reduce shared emissions
- Maintain a minimum 95% third-party verification rate for our Scope 2 emissions annually from 2025
- Achieve 100% renewable electricity across all APS-controlled operations by 2030, through a combination of on-site generation and certified green procurement.
- Emission reduction targets by scope:

Target	Reduction	Baseline	Deadline
<b>Scope 1</b>	Absolute 50%	2020/21	2030
	Absolute 90%	2020/21	2035
<b>Scope 2 (location-based)</b>	Absolute 50%	2020/21	2030
	Absolute 90%	2020/21	2035
<b>Scope 3</b>	Absolute 25%	2024/5	2030
	Absolute 50%	2024/5	2035
	Absolute 90%	2024/5	2040
<b>Net zero</b>	Achieve net zero across all Scopes (1, 2 and 3)	2040	

## **Internal Communication**

Regular updates on sustainability initiatives will be shared through employee newsletters, APS' quarterly Social Value Forum and training sessions. The SVF includes a dedicated section for environmental updates from operational and supply chain activity.

## **External Communication**

The company will produce an annual Sustainability Report, alongside submissions to external accreditation platforms including CDP (Carbon Disclosure Project) and EcoVadis, and an annual Communication on Progress (CoP) to UN Global Compact.

## **Training**

This policy is reviewed with all APS employees during their induction. Where applicable, additional training materials are provided to reflect the specific responsibilities of individual roles. Ongoing support is also available to suppliers to ensure they understand and align with this policy. Employees receive training and tools to help them integrate environmental responsibility into their roles. Environmental responsibilities are embedded within job descriptions and considered as part of performance reviews.

# Reporting & Review



We will report progress against this policy in our annual Sustainability Report and Carbon Net Zero Report.

## Review Period

This policy will be reviewed annually to ensure alignment with evolving standards and stakeholder expectations.

# Supporting Documents

This policy directly supports the deliverance of APS' overarching Sustainability Policy.

This policy is directly supported and referenced by the following:

## **Tier 2 Documents:**

- Waste Management & Reduction Policy
- Water Management Policy
- Biodiversity & Deforestation Policy
- Travel & Transport Policy
- Energy Management Policy
- Digital Responsibility Policy

## **Tier 1 Documents:**

- Environmental Policy
- Sustainable Procurement Policy

## **Risk Assessments & Other:**

- ISO 14001 Environmental Management System
- APS Environmental Risks & Opportunities Report
- Organisational Boundaries & Scope 3 Category Screening Report

# Declaration



Signed

A handwritten signature in black ink, appearing to be 'A Young', written over a horizontal line.

**Andrew Young**  
**Head of Sustainability**  
**Date: 31/01/2026**