AZTEC Carbon Reduction and Net Zero Policy

Policy Title: Carbon Reduction and Net Zero Policy

Policy Owner: Sustainability & Compliance Department

Date Issued: 09-01-2026

Next Review Date: Annually

Version: 1.0

1. Purpose

This policy sets out Aztec's commitment to reducing its greenhouse gas (GHG) emissions and achieving Net Zero carbon emissions by 2050, in alignment with the UK Climate Change Act and the global goals outlined in the Paris Agreement. It provides a strategic framework for identifying, reducing, and mitigating carbon emissions across our operations, supply chain, and project delivery.

2. Scope

This policy applies to all employees, subcontractors, and operations of Aztec, including:

- Head office and site-based operations

- Company-owned and leased assets

- Projects and supply chain partners

- Design, procurement, and construction activities

3. Commitments

Aztec is committed to:

- Achieving Net Zero carbon emissions by 2050.

- Reducing Scope 1, 2, and 3 emissions year-on-year.

- Embedding sustainability and low-carbon practices into all business activities.

- Working collaboratively with clients, suppliers, and stakeholders to reduce environmental impact.

4. Definitions

- Net Zero: A state where GHG emissions are balanced by removals from the atmosphere.

- Scope 1: Direct emissions from owned or controlled sources (e.g., fuel use on-site).

- Scope 2: Indirect emissions from purchased electricity.

- Scope 3: All other indirect emissions (e.g., material supply chain, subcontractor emissions).

5. Strategy and Plan

5.1 Baseline Assessment

- Conduct annual carbon audits to identify current GHG emissions across Scope 1, 2, and 3.

- Establish a 2024 baseline using GHG Protocol standards.

5.2 Reduction Targets

- Short Term (2025): 20% reduction in Scope 1 and 2 emissions from baseline.

- Medium Term (2030): 50% reduction in all scopes.

- Long Term (2050): Net Zero emissions.

5.3 Implementation Actions

- Transition to electric and hybrid plant, tools, and vehicles.

- Source 100% renewable electricity for all operations by 2027.

- Reduce on-site diesel use through hybrid generators and battery storage.

- Implement low-carbon construction methods (e.g., offsite modular, MMC).

- Specify and procure low-embodied carbon materials (e.g., recycled steel, cement substitutes).

- Enforce waste reduction and circular economy practices on all sites.

- Provide sustainability training for all staff and subcontractors.

5.4 Supply Chain Engagement

- Work with suppliers to measure and reduce embodied carbon.

- Prioritise contractors with verified carbon reduction plans and ISO 14001 certification.

- Introduce carbon performance as a selection criterion for procurement.

5.5 Innovation & Offsetting

- Invest in R&D for carbon-negative materials and construction techniques.

- Where emissions are unavoidable, use high-quality verified carbon offsets as a last resort.

6. Monitoring and Reporting

- Annual carbon footprint report published on company website.

- Regular internal reporting to the Board on progress towards Net Zero.

- External verification of emissions data by an accredited body.

7. Governance

- The Sustainability & Compliance Department is responsible for implementation and monitoring.

- Senior Management will review and update the policy annually.

- All departments must ensure adherence to this policy within their scope of work.

8. Communication

- This policy will be communicated to all staff, supply chain partners, and clients.

- Displayed on all sites and published on the company website.

9. Review

This policy will be reviewed annually or in response to significant changes in legislation, company operations, or external guidance.

Approved by:

Director’s Name: Tony Pyper

Date: 09-01-2026