

NATS

Pay Gap Report 2025

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This report sets out the gender, ethnicity and disability pay gaps at NATS.

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Foreword by Chris Last

We continue to strive to strengthen representation throughout NATS.

We want to develop a pipeline of talented employees, who continue to progress their careers in the organisation. While we have taken positive steps towards long-term change across the year, we are yet to see this translate into improvements in our pay gaps.

We are seeing more women in senior roles, which is encouraging. However, our gender pay gap has not reduced, and this underlines the need to continue focusing on female progression and retention.

Our ethnicity mean pay gap has decreased, which is positive. This shift is largely attributable to internal promotions, moving employees from ethnic minority backgrounds through pay bands, which has meant that the middle pay quartiles have experienced an increase in representation.

Encouragingly, we are seeing colleagues feel comfortable to share their diversity data which helps us better understand and support the needs of our people. Our pay gap has increased as most of those colleagues who have declared a disability are in the lower pay quartiles.

With the roll out of our new HR data system, colleagues will have more options to describe disabilities and long term health conditions, which we hope will help more people to share their data.

Equality, Diversity and Inclusion remain a priority for us and this year we moved up to 11th place in the UK Top 50 Inclusive Companies list from 27th last year. We were also recognised for our work to introduce a menopause policy and support, the first business in aviation to do so, winning a number of awards including the globally recognised Stevie Award.

These achievements demonstrate our ongoing commitment and the dedication and support of our colleagues and networks to create a workplace where everyone can thrive.

We know there is more to do; we are seeing progress, but it is clear we must sustain our focus on equality, diversity and inclusion in the long term if we are to close our pay gaps.

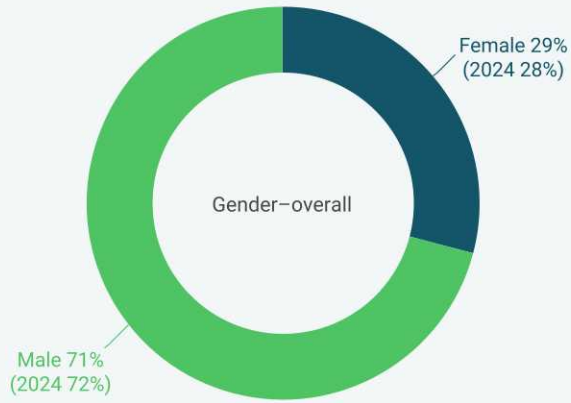
A handwritten signature in blue ink, appearing to read 'Chris Last'.

Chris Last
HR Director

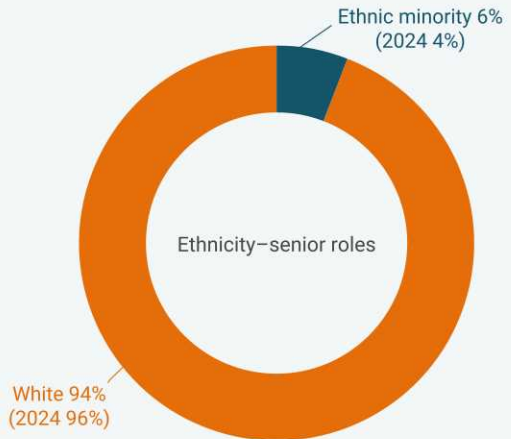
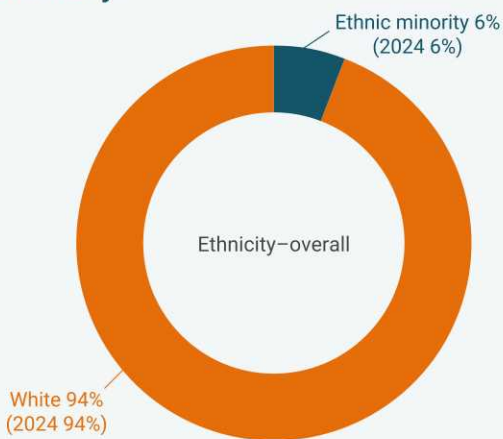


Employee demographics

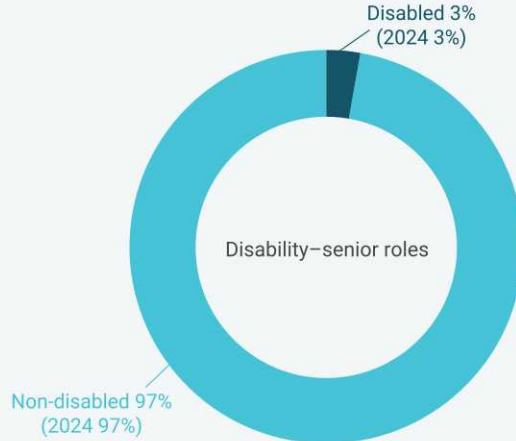
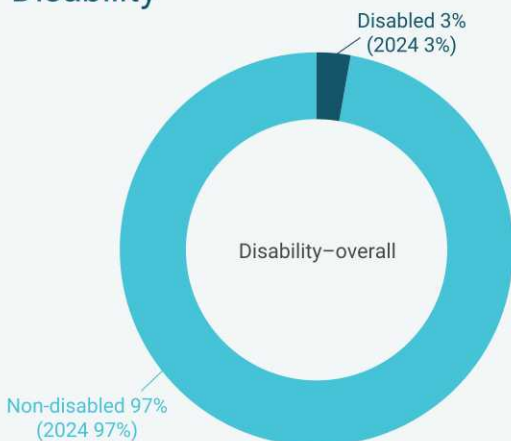
Gender



Ethnicity



Disability



Gender pay gap

Why we have a gender pay gap

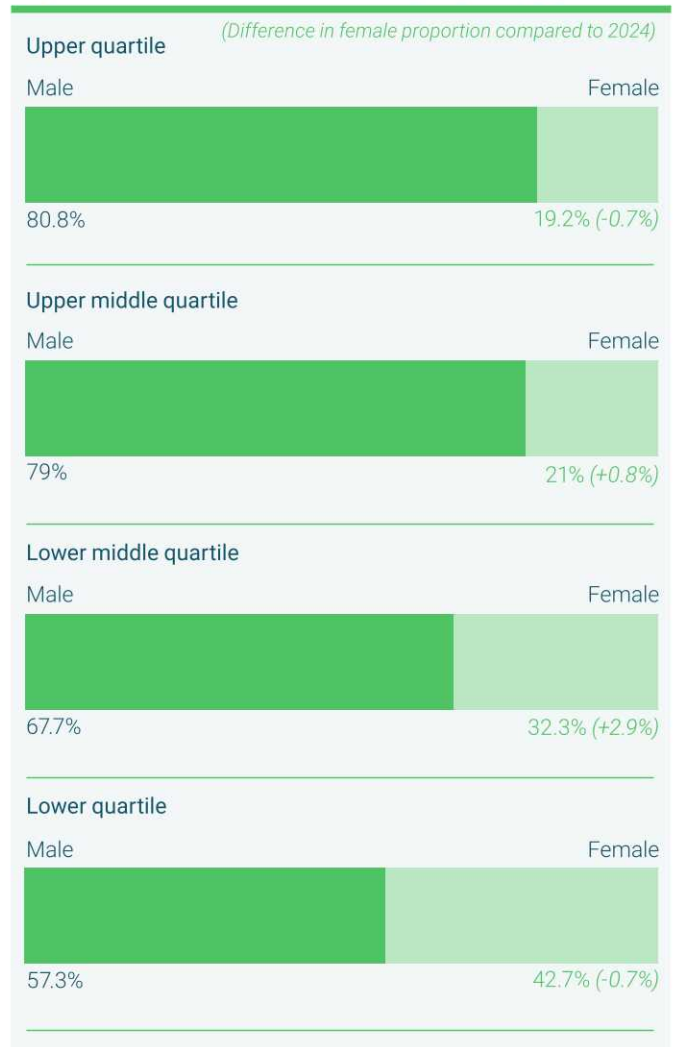
The overall representation of females within the workforce has shown a slight improvement, increasing from 28% to 29%. Similarly, the proportion of females in leadership roles has risen from 27% to 29%, indicating progress in gender diversity at senior levels. In terms of pay, hourly rates for males have increased by 3% more than those for females. This variance is primarily attributable to two factors: males generally have a longer average tenure and, on average, occupy higher positions on the pay scale compared to their female counterparts.

While the increase in female representation is a positive step toward greater diversity, the growth in pay gap highlights an ongoing structural challenge. Longer tenure and higher pay scale positioning among males suggest that career progression and retention strategies for females may need further focus. Addressing these factors could help reduce pay disparities over time and support a more balanced workforce at all levels.

Gender pay gap



Proportion of male and female employees by quartile



Ethnicity pay gap

Why we have an ethnicity pay gap

Our workforce remains predominantly white, with colleagues from ethnic minority backgrounds largely concentrated in the lower pay quartiles. While there has been a slight overall improvement in representation, this progress has primarily occurred within the middle quartiles. Both the lower and upper quartiles have experienced a reduction in ethnic minority representation. This shift is largely attributable to internal promotions moving employees through pay bands and the departure of individuals in higher-paid roles.

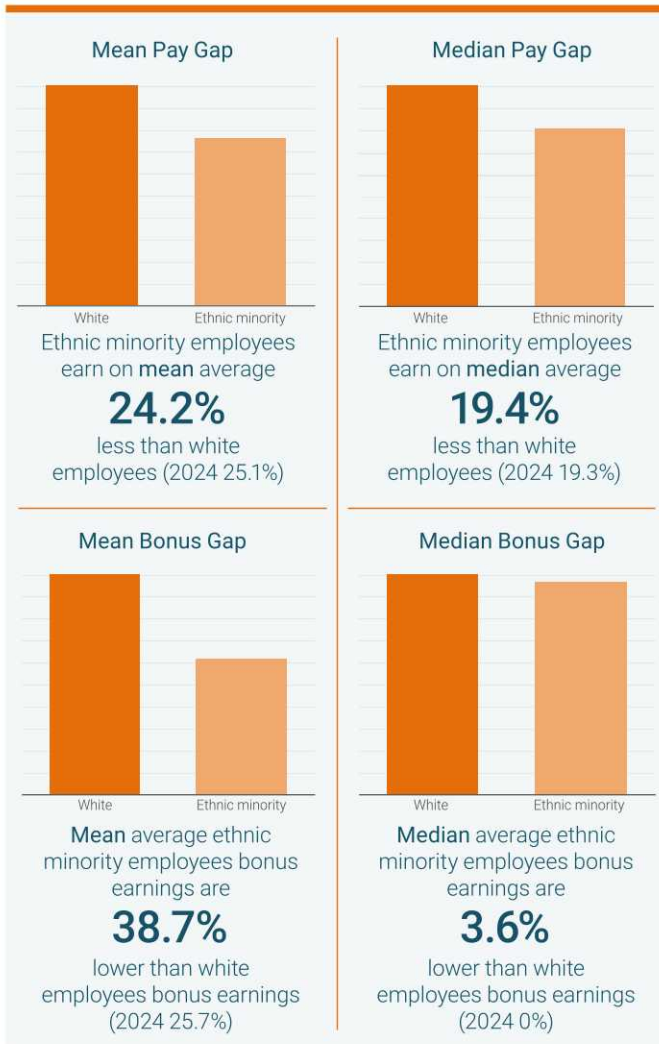
In our data analysis, we have used the terminology drawn from our ethnicity data and the categories used are as follows:

- > White - those who recorded 'white'.
- > Ethnic minority includes:
 - > Arab
 - > Bangladeshi
 - > Black/African

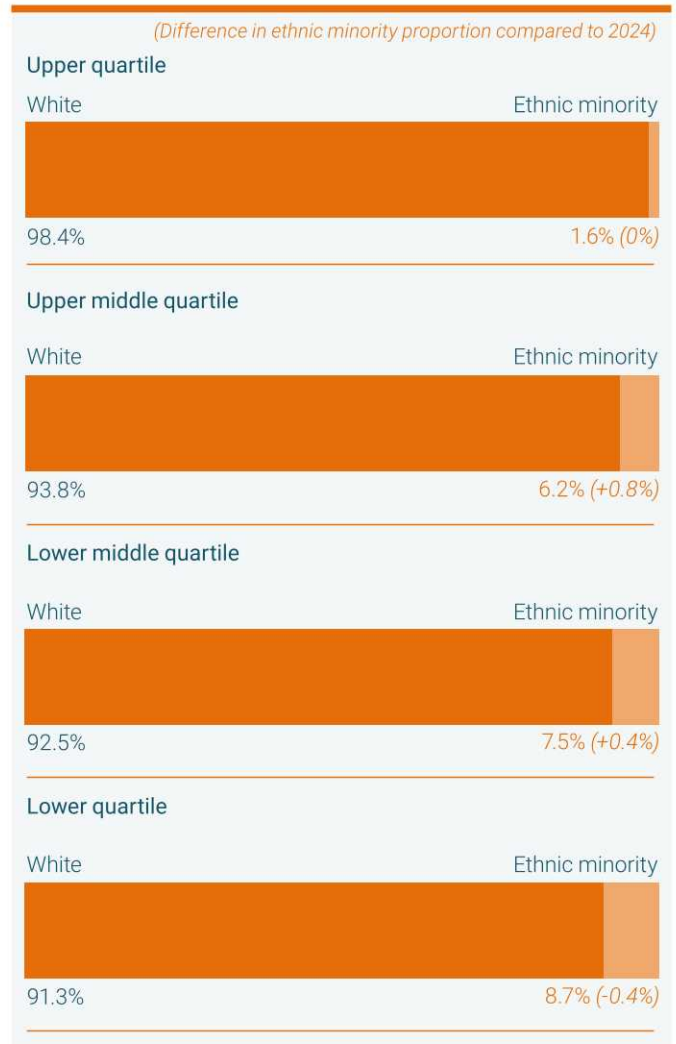
- > Black/Caribbean
- > Chinese
- > Indian
- > Mixed - White and Asian
- > Mixed - White and Black African
- > Mixed - White and Black Caribbean
- > Other Asian Background
- > Other Black/African/Caribbean Background
- > Other Ethnic Group
- > Other Mixed/Multiple Ethnic Background
- > Other White Background
- > Pakistani

Any employee who did not provide data or chose 'prefer not to provide' was excluded.

Ethnicity pay gap



Proportion of white and ethnic minority employees by quartile



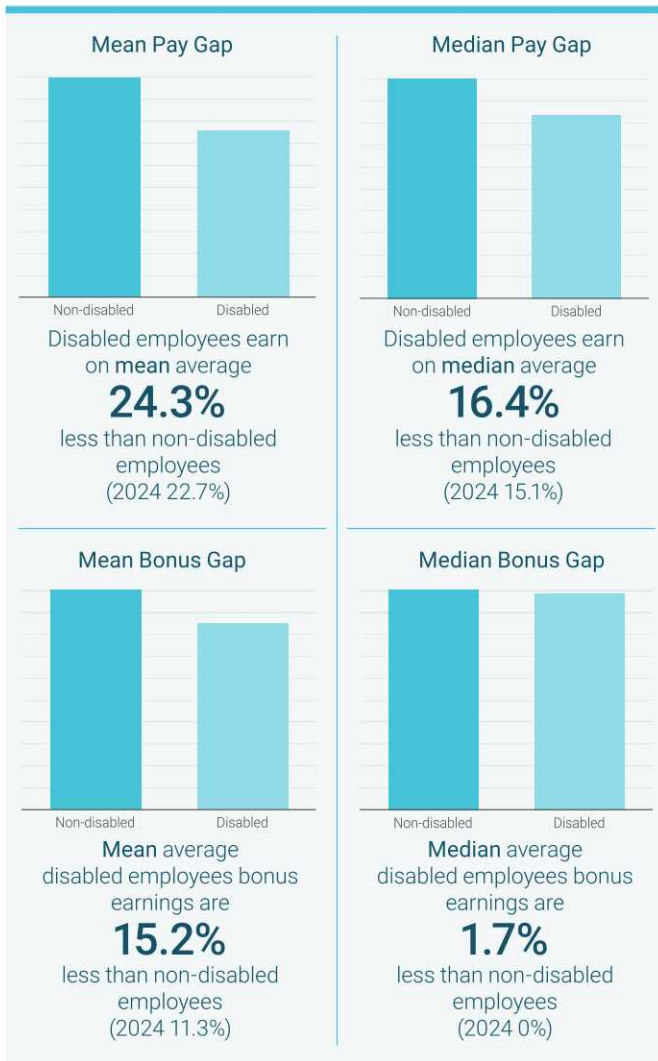
Disability pay gap

Why we have a disability pay gap

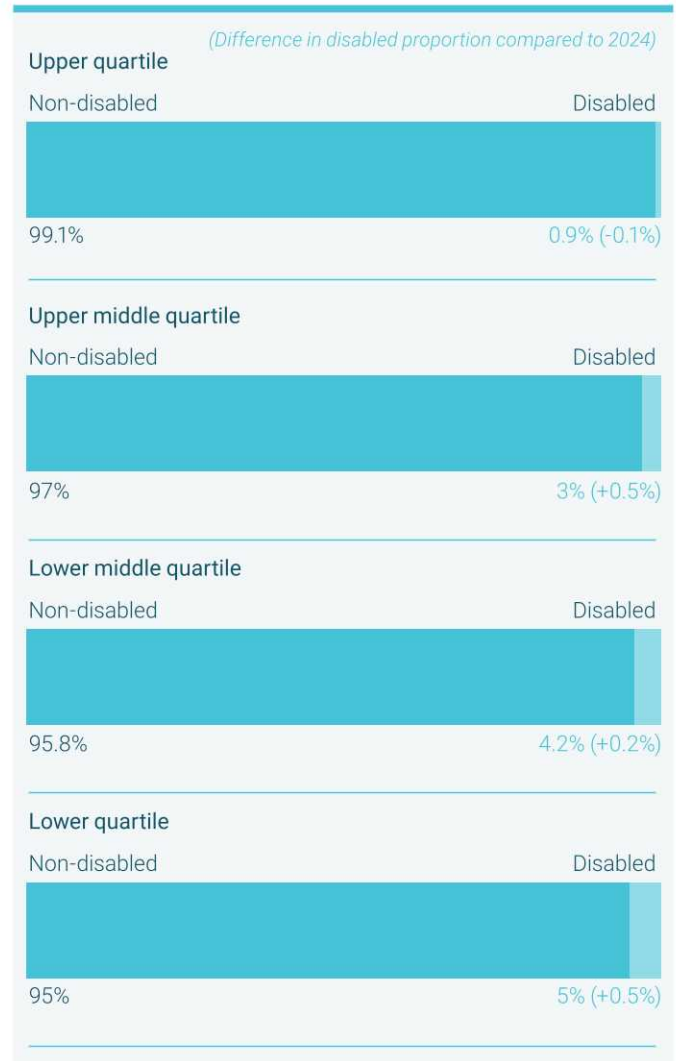
Our disability pay gap is primarily driven by representation: a higher proportion of colleagues who have declared a disability are in the lower pay quartiles. While only 3.3% of our workforce has declared a disability, this relatively small group means that even minor changes in representation can significantly influence the pay gap.

Employees who did not provide data or chose 'prefer not to provide' were excluded.

Disability pay gap



Proportion of disabled and non-disabled employees by quartile



Calculating our ethnicity and disability pay gaps

In the absence of any government guidance on how to calculate our ethnicity and disability pay gaps, we have mirrored the rules we use for our gender pay report. Our report includes colleagues employed under our NATS En Route and NATS Services entities, which both have over 250 employees. Colleagues employed under our smaller entities of less than 250 employees are not included in these figures.

Review of actions from 2024

Our actions focused on three key Equality, Diversity and Inclusion (EDI) related activities which can help to reduce an organisation's pay gaps.

- > Encouraging more people from diverse backgrounds to join the organisation.
- > Supporting colleagues from underrepresented groups to develop and progress in the organisation.
- > Creating an inclusive environment where our colleagues feel they belong, so we retain diverse talent.



Encourage more people from diverse backgrounds to join our organisation

Actions we have taken

Work to attract women: Campaigns dedicated to inspiring women to join our organisation have included real stories and personal journeys from our female Engineers, Air Traffic Controllers, Graduates and Apprentices. By showcasing their achievements and experiences we encourage women to envision themselves at NATS and take the first step towards a rewarding career with us.

Trainee Air Traffic Control selection: A full review of our methodology has been undertaken to ensure that selection centres purely on skills and competence. Quality assurance has also been designed into our selection process to review any risk of bias to ensure that our selection is fair and inclusive.

Partnerships: We have continued to broaden and develop our partnerships. We actively support the Equal Skies charter and commit to accessibility in aviation and continue to work with Fantasy Wings, Elevate Her and Vercida to promote opportunities at NATS.

Longer term STEM outreach: In addition to the work we've done to attract people from diverse backgrounds to roles at NATS, we have also carried out STEM (Science, Technology, Engineering, Maths) outreach to inspire future generations to explore the opportunities in aviation and STEM. In 2024 we launched our Future Minds programme, to support disadvantaged communities and tackle a national STEM talent shortage threatening aviation. We have over 180 passionate NATS volunteers who lead formal presentations, tailored experiences in schools and community settings and host work experience and structured events for students.

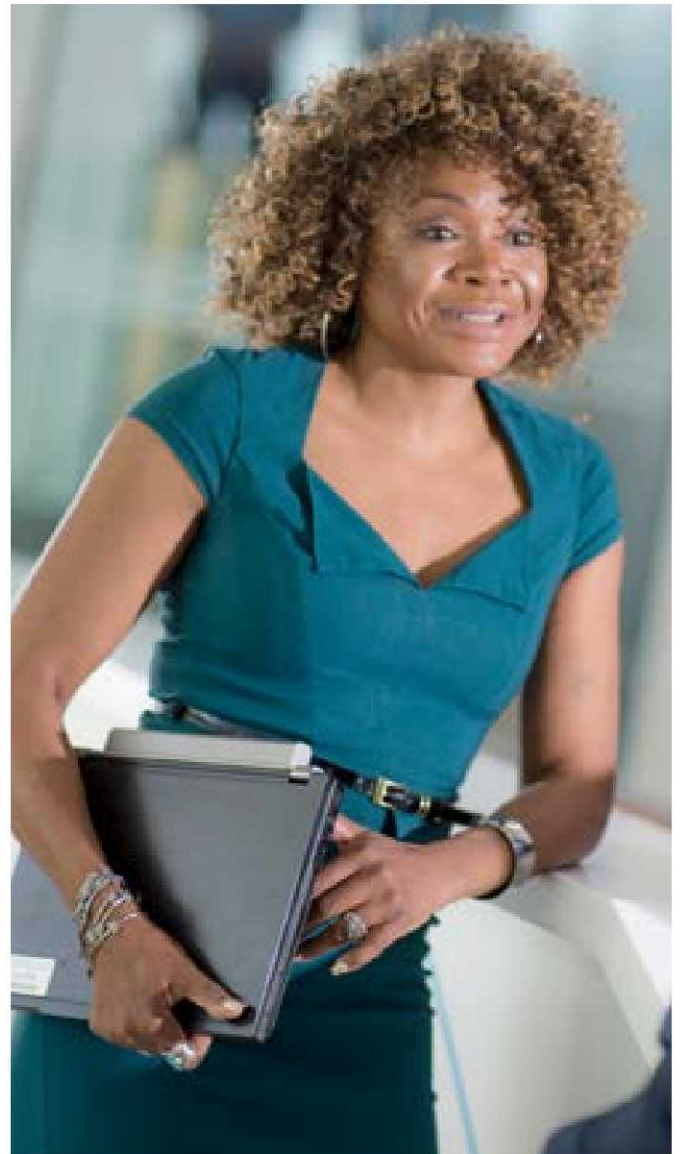
We focussed on involving young people from low socio-economic backgrounds, young women, and ethnic minority communities. Guided by the Social Mobility Commission's "State of the Nation" report, the programme actively targets geographic and economic cold spots through a combination of national partnerships and grassroots delivery from NATS volunteers across the UK.

Support colleagues from underrepresented groups to develop and progress in our organisation

Actions we have taken

Representation: Internally, we have seen a positive shift in the representation of females in more senior grades in the organisation highlighting our focus on development and progression.

Leadership Development: As part of our Lead workstream to develop inclusive leadership, in 2024, we secured a place for a team of four leaders from NATS to take part in the Royal Academy of Engineering's Inclusive Leadership programme; a new and ambitious programme, to increase inclusivity within the engineering industry and develop leaders who are role models of inclusive leadership. As part of the programme, we developed and piloted a learning journey to develop our leader's inclusive leadership and understanding of psychological safety. This has been delivered to leaders within our engineering function. We are exploring how to roll this out further as not only do the content and the themes of the learning support our wider aims for leadership development, but also our strategic goal to increase the diversity in our talent and succession.



Create an inclusive environment where our colleagues feel they belong, we retain diverse talent

Actions we have taken

Upskilling employees: We are committed to upskilling employees and fostering an inclusive culture. In September 2024, we revamped our mandatory Respect Matters training focused on our Respect at Work policy and reporting discrimination. To comply with the Worker Protection (Amendment of Equality Act 2010) Act 2023, we have taken proactive steps to prevent sexual harassment, having updated our policy and introduced training for managers to help them recognise sexual harassment and mitigate workplace risks.

Inclusive Environment workstream: The Inclusive Environment workstream was introduced to our EDI Programme in 2024 and aims to make NATS more inclusive by improving both built and digital environments to support all employees to have the tools they need to perform to the best of their ability. We also launched a new Workplace Adjustments process for non-operational colleagues so that we have a consistent, centrally accessible process for workplace adjustments, as well as a central budget.

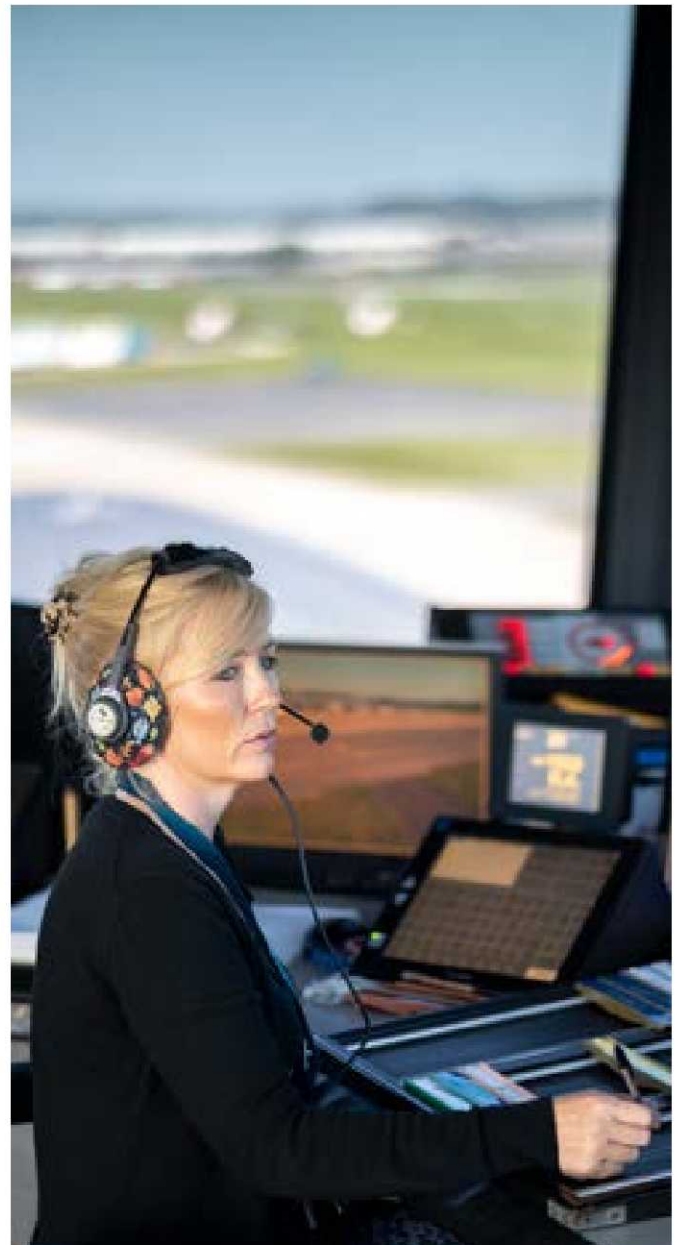
Facilities Management: Our facilities management team now have a new 'customer experience manager' role who works closely with our ED&I Programme Manager. This role is a key conduit between facilities management and our employee networks, to consult on future plans and any potential impacts. We conduct equality impact assessments to identify accessibility and sensory issues in planned spaces, to improve access and reduce amendment costs.

Workplace Adjustments: We offer adjustments at every stage of the interview process and give new starters the chance to request adjustments before their first day. Our internal offering of assistive technology software packages reduces waiting times for adjustments. We have upskilled our HR Business Advisors as the point of contact for adjustments. They work with individuals and managers to discuss preferred ways of working to help the individuals work at their best.

External recognition: Over the past year, we continue to achieve external recognition which highlights our continued progress in EDI. We increased our position from 5th to 3rd place in the Religious Freedom & Business Foundation's 2nd annual U.K. Faith-Friendly Workplace REDI Index survey. We also improved our position in the UK Top 50 Inclusive Companies list from 27th in 2024 to 11th in 2025 which was a huge testament to all the hard work from our colleagues who support our inclusion journey.

Improving menopause support: Over the last few years, our Reward, Occupational Health Services (OHS), HR, and Operations teams have worked collaboratively to evolve our menopause support. NATS is the first business in aviation to introduce policy and support around menopause as well as leading industry-wide change. NATS won the 'Best Benefits to Support Menopause' award and the judges' most prestigious 'Grand Prix Award' at the Employee Benefits Awards 2025. In addition, NATS was awarded the globally recognised 'Stevie Award' and won the 'Equality, Diversity and Inclusion Award - Smaller Employer' at the Personnel Today Awards.

Research by Dr Sarah Ewer in our OHS team contributed to changes to the Civil Aviation Authority's aeromedical guidance. As a result, the unfit period of starting or changing HRT was reduced from 2 weeks to just 48 hours, meaning those affected can continue working, minimising the impact on the individual and the business. This licensing guidance applies to the entire aviation industry, benefiting pilots and airlines.





Close from Martin Rolfe

At NATS, we believe that diversity and inclusion are essential to our success. It helps us attract and retain the best talent, foster innovation and creativity, and reflect the communities we serve.

While we've made progress this year and have been recognised as a UK Top 50 Inclusive Company, our pay gap data shows that positive change doesn't translate immediately into pay gap improvements. Closing these gaps will take time and continued focus.

In support of this, we will centre on the following areas:

- Encouraging more people from diverse backgrounds to join the organisation.
- Creating an inclusive environment where our colleagues feel they belong, so we retain diverse talent.
- Supporting colleagues from underrepresented groups to develop and progress in the organisation.

Our Employee Networks continue to help create our culture of inclusion with a collective voice to influence business change. Without this passion, drive and commitment and the support of all our colleagues we would not be able to make such a significant difference in this area.

We remain committed to creating an environment where everyone can thrive and reach their full potential.

A handwritten signature in black ink, appearing to read 'M Rolfe'. The signature is fluid and cursive.

Martin Rolfe
Chief Executive Officer

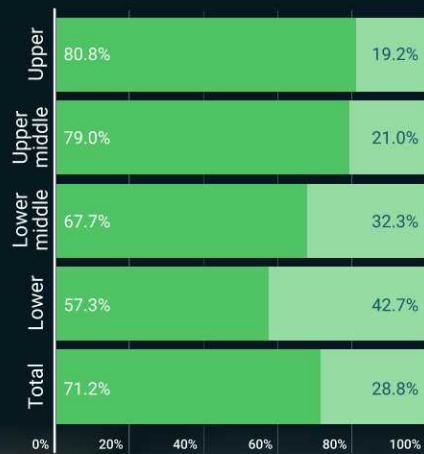


Our statutory declaration

Gender pay figures snapshot 5 April 2025

	Overall	NATS En route	NATS Services
Mean hourly pay gap	20.2%	20.4%	17.5%
Median hourly pay gap	20.9%	20.9%	14.3%
Mean bonus pay gap	27.6%	33.4%	-8.2%
Median bonus pay gap	1.3%	-4.2%	1.6%
Proportion of men and women who received bonus pay	13.2% Male 9.5% Female	12.9% Male 9.9% Female	14.2% Male 7.5% Female

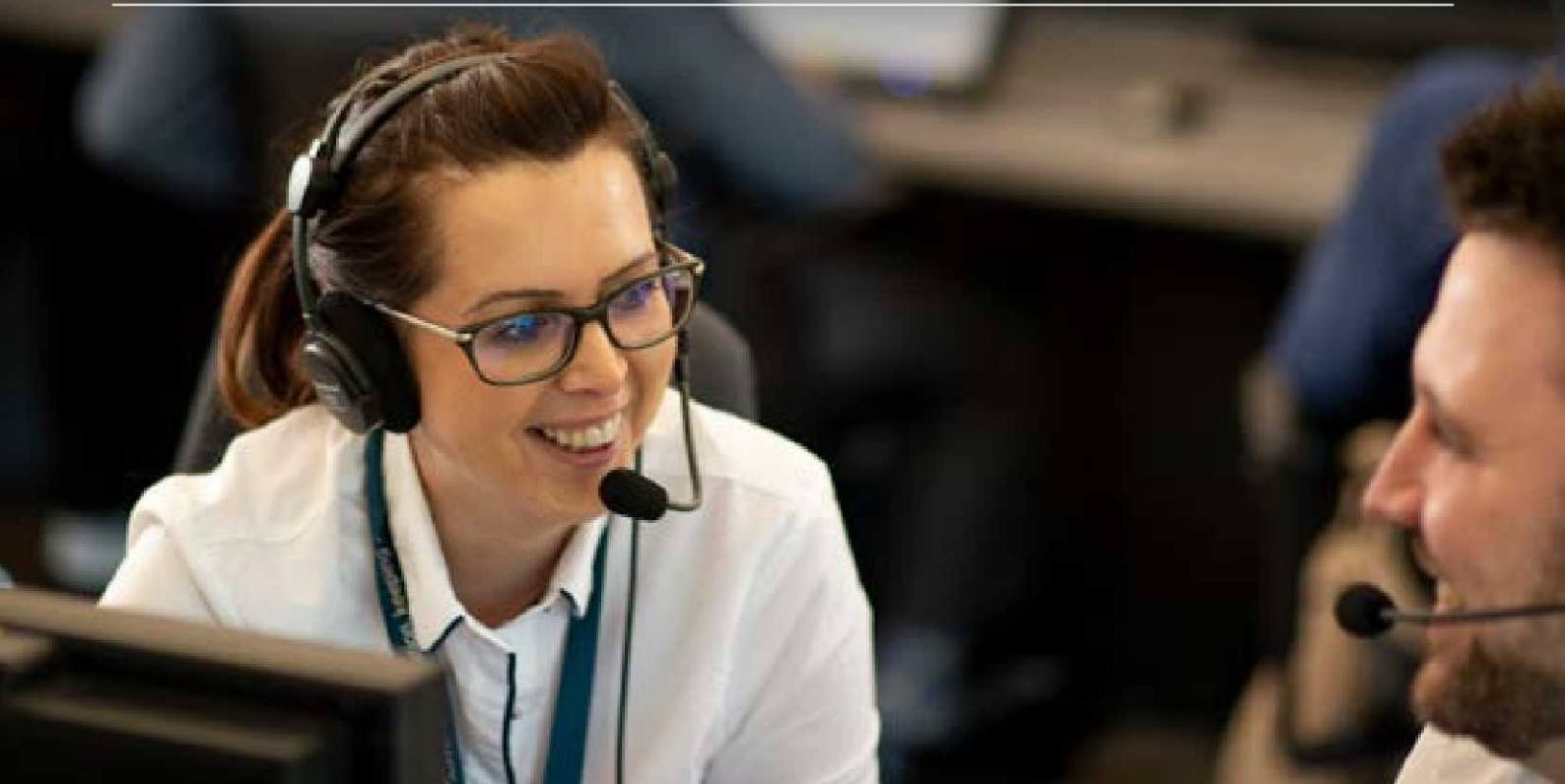
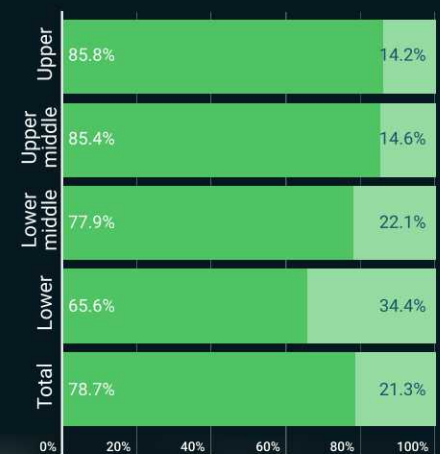
Overall pay quartiles



NATS En route pay quartiles



NATS Services pay quartiles



Useful definitions

Unequal pay vs. Gender pay gap

While both unequal pay and the gender pay gap deal with the difference in pay women and men receive in the workplace, they are two different measurements:

Unequal pay refers to the pay difference between two individuals or groups of workers carrying out the same comparable work. Under the Equal Pay Act 1970, it is unlawful to pay people unequally because they are a man or woman.

The gender pay gap however is a measure of the difference between men's and women's average earnings across an organisation. It is expressed as a percentage of men's earnings. There are a number of potential reasons for gender pay gaps, in our case it is the historic imbalance between the number of higher paid men and women employed in the company.



Pay quartiles*

Pay quartiles reflect the balance of employees in four equal sized groups based on their hourly pay. The groups are calculated by listing all employees from the lowest hourly pay rate to the highest and then dividing the entire group into four equal parts. Each quartile reflects the percentage of male and female or white and ethnic minority employees.

Pay quartiles are a useful way to give an indication of women's or ethnic minority representation at different levels of the organisation.

Mean average*

The mean pay gap figure uses hourly pay of all employees to calculate the difference between the mean hourly pay of men or white employees, and the mean hourly pay of women or ethnic minority employees.

A mean involves adding up all the numbers and dividing the result by how many numbers were in the list.

Mean averages are useful because they place the same value on every number they use, giving a good overall indication of the pay gap. But very high or low hourly pay can 'dominate' and distort the figure.

Median average*

This is the difference between the hourly pay of the median man or white employee and the hourly pay of the median woman or ethnic minority employees. The median for each category who is in the middle of a list of hourly pay ordered from highest to lowest paid.

A median involves listing all the numbers in numerical order. If there is an odd number of results, the median is the middle number. If there is an even number of results, the median will be the mean of the two central numbers.

Medians are useful to indicate what the 'typical' situation is. They are not distorted by very high or low hourly pay (or bonuses). However, this means that not all pay gap issues will be picked up. They could also fail to pick up as effectively where the pay gap issues are most pronounced in the lowest paid or highest paid employees.

*Definitions based on gender-pay-gap.service.gov.uk

NATS

