

Modern Slavery Statement

Introduction

This is Air Traffic Management Services Limited's (Aquila) slavery and human trafficking statement for the financial ending 31 March 2025, pursuant to the Modern Slavery Act 2015. Aquila fully supports the principles of the UK Modern Slavery Act of 2015 (Modern Slavery Act) and we are absolutely committed to preventing slavery and human trafficking in our corporate activities and through our supply chains.

As an integral part of the provision of services and assets to Ministry of Defence (MOD) Air Traffic Management (ATM) Service Provision, we acknowledge our responsibility to take a zero-tolerance approach to slavery and human trafficking.

We continue to implement this approach by adhering to our internal and supply chain practices and policies which incorporate within them appropriate preventive measures.

(A) Business Structure and Supply Chains

Aquila's Business Scope

Aquila is a joint venture owned 50:50 by NATS and Thales UK.

We have approximately 324 staff, most of whom are based in the United Kingdom. More than 99% of our staff are directly employed with the remainder seconded from NATS or Thales UK. They are not in the category which is generally seen to be vulnerable to modern slavery, so our focus is mainly to ensure there are suitable policies and procedures in place for our contractors and suppliers.

We are contracted to supply the Ministry of Defence military ATM capability, goods and services at all MoD-operated airfields and flying ranges in the UK and at permanent RAF bases overseas. The permanent overseas RAF bases are in Gibraltar, Cyprus, Ascension Island and the Falkland Islands.

We also provide limited military ATM mitigation services to the UK windfarm industry and similar services to other UK companies, as well as support services for other MoD requirements.

Our customers are required to comply with the Modern Slavery Act and are therefore obliged to highlight any practices they suspect may have human trafficking connotations to us directly.

Our Ethics Officer is responsible for ensuring compliance with our obligations under the Modern Slavery Act 2015 and with our rules under our Modern Slavery Policy. Compliance is reviewed formally, annually. The Ethics Officer is an additional role held by a member of the executive team reporting directly to our Chief Executive Officer. The current incumbent is the Chief Commercial Officer.

Aquila's Supply Chain

Our supply chain contracted with 187 suppliers of goods and services during 2024/2025. Goods and services were received from eight countries outside of the United Kingdom, namely USA, Austria, Denmark, Cyprus, Germany, Italy, Norway and France. These non-UK suppliers accounted for less than 8% of the goods and services we procured.

Our Supply Chain department engages with our suppliers on all standards of quality, safety, environmental responsibility and human rights. Our Supply Chain department is also responsible for investigations and due diligence in relation to any suspected instances of slavery or human trafficking within the supply chain.

Our Supply Chain undertakes due diligence in its tender processes when considering taking on new suppliers and regularly reviews our existing suppliers.

One of the key benefits of our shareholding structure is that we are able to leverage our shareholders' processes, levels of engagement, due diligence and auditing for suppliers.

Resourcing of Staff

We continue to have a carefully controlled single source supply strategy for staff:

- 79% of Aquila recruitment for permanent staff is conducted through recruitment specialists Copello, we also have access to Thales HR resourcing team;
- A small number of specialist recruiters carry out the recruitment of contractors and temporary staff who undertake sourcing, including statutory employment checks; and
- Our shareholders NATS and Thales HR carry out the recruitment of secondees for their own employees.

In addition to the checks that the resource suppliers are contracted to undertake, we also verify for ourselves an employee's right to work in the United Kingdom before they are actively engaged in meaningful employment whether on a temporary or permanent basis – this is also necessary for security clearances.

Once an employment offer is made, all new employees are processed and documented by Thales HR using an online Human Resources Information System tool called 'Workday'.

Internal Aquila Policies

To ensure we minimise the risk of modern slavery activities within our own business and our supply chain, we have policies and practices that:

- Promote fair employment practices;
- Promote fair and competitive wages; and
- Prevent harassment, bullying, discrimination, the use of child or force labour or trafficking people for any purpose.

All of the following policies have been signed off by the Board of Directors:

- **Modern Slavery Act policy:** which is reviewed annually and sets out a list of initiatives that we have already implemented to meet and maintain the principles of the Modern Slavery Act;
- **Fair employment practices:** covering flexible working, maternity leave, and performance reviews;
- **Prevention of harassment, bullying, and discrimination:** policy on anti-harassment and bullying and disciplinary and grievance procedures;
- **Whistleblowing policy:** designed to enable employees to make disclosures without fear of recrimination;
- **Code of conduct and Ethics policy:** both clarifying the high standard of actions and behaviours expected of employees when representing the organisation; and
- **Recruitment policy:** we have a Primary Resource Partnering Agreement with recruitment agency Copello who undertake 79% of our recruitment.

We continue to make our staff aware that breach of the Modern Slavery Policy may lead to disciplinary action and serious breaches may lead to immediate dismissal.

(B) Due Diligence Processes in Relation to Slavery and Human Trafficking

As a business we are audited annually against ISO9001 accreditation by Lloyds Register Quality Assurance, and for compliance against other standards.

Before we set up any new relationship with potential suppliers, we always undertake checks to make sure the potential supplies values align with ours in the context of modern slavery.

Our Supply Chain department is responsible for assessing the information submitted by suppliers and always carries out a risk assessment specifically focused on modern slavery. Should a supplier fail to provide the information requested or to meet our expectations, we will take appropriate action, which may include not entering into a relationship or terminating the relationship with the supplier concerned. In the first instance we would seek to work with the supplier to identify the issues and remedy the situation.

We utilise a Pre-Qualification Questionnaire or JOSCAR which directly addresses a prospective supplier's approach to modern slavery. As part of the questionnaire our prospective suppliers are required to demonstrate that they will not use any form of slave, bonded, forced, involuntary or prison labour nor engage in human trafficking or exploitation.

During the term of the contract, we continue to monitor each supplier in our supply chain and carry out audits of our supply chain.

Each year we revalidate our key suppliers either through JOSCAR or asking specifically if they can:

- Reconfirm their adherence with the UK Modern Slavery Act 2015;
- Advise on what steps they have taken during the past 12 months to minimise any opportunity for Modern Slavery to occur within their Supply Chain; and
- Confirm whether there have been any breaches of the Modern Slavery Act within their Supply Chain in the previous financial year.

Where we believe that a supplier may be at risk, we undertake further due diligence as is necessary.

Risk Assessment and Management

Aquila's ongoing risk management process involves identifying any internal and supply chain practices that may unintentionally increase the risk of or permit modern slavery abuses, doing all it can to prevent such abuses, and mitigate and account for any such abuses.

Aquila continues to review performance for the past 12 months at the end of each financial year and the review for the 2024/25 financial year has given no current major concerns.

Our top 10 suppliers provide us with 77% of the goods and services we procure.

Having specifically reviewed our own practices and the practices of these key suppliers, we continue to assess our business and activities to be a very low risk in relation to slavery or human trafficking. For example:

- We do not do business in a high-risk sector;
- We do not do business with countries with questionable human rights reputations;
- We do not have complex employment arrangements; and
- We do not have vulnerable workers.

We manage the risks associated with our procurement process to reduce the potential failures using monthly key performance indicator analysis e.g. cost, quality and delivery risks.

(C) Progress and Effective Action Taken to Address Modern Slavery

We have not identified any examples of modern slavery or human trafficking in the 2024/25 financial year and we are confident that our suppliers have a good awareness of the dangers of modern slavery.

We undertook an internal compliance review in May 2025 and the review made no additional recommendations in relation to the Modern Slavery Act.

We have incorporated an environmental protection eLearning training within our staff training programme.

We continue to work collaboratively with suppliers to improve our supply chain standards.

(D) Training on Modern Slavery and Trafficking

We continue to raise awareness of modern slavery and human trafficking issues internally throughout the organisation by distributing our modern slavery policy and ensuring our staff understand:

- The basic principles of the Modern Slavery Act;
- How employees can identify and prevent slavery and human trafficking;
- What action employees can take to flag up potential slavery or human trafficking issues to the relevant parties within the organisation; and
- What external help is available, for example through the modern slavery helpline or modern slavery website for online disclosure.

(E) Conclusion and Looking Forward

Aquila is fully committed to the combat of modern slavery and human trafficking both within our supply chains and in treating our own employees with equality, dignity and respect in accordance with our Ethics Policy.

We have assessed our services and activities in the UK and overseas and consider our activities to carry a very low risk in relation to slavery or human trafficking. In reaching this conclusion we have assessed both our own practices and the practices of our suppliers; an assessment which will be repeated throughout the lifetime of the business.

We are confident that we have appropriate measures in relation to our immediate supply chain, but we recognise that further development and refinement will be required to address all our supply chain risks, particularly at 2nd and 3rd tier levels and in all the countries where we purchase goods and services.

We will particularly focus on suppliers who have lengthy and complex supply chains as we recognise that they are at higher risk relation to slavery or human trafficking. We continue to review the contractual requirements we have in place for suppliers with complex supply chains to ascertain whether further provisions are required to reduce our supply chain risks.

We will consider whether additional staff outside our supply chain department should undertake formal training on modern slavery and human trafficking prevention. We will also consider whether to bring in an e-learning course for all our employees to cover modern slavery, which many of our suppliers are already doing with their employees.

We will continue to report on developments and improvements to our modern slavery programme on an annual basis.

Approval

This Modern Slavery statement has been approved by the Board of Directors of Aquila in June 2025.

Signed for and on behalf of the Board of Aquila Air Traffic Management Services Limited.

A handwritten signature in dark ink, appearing to read 'PH', is positioned above the signature line.

Signed

Dated : June 2025

Peter Hitchcock
CEO, Aquila Air Traffic Management Services Limited