

Responsible Business report 2018-19

CEO introduction

I see employees every day fulfilling NATS' ambition to be a responsible business; a company with a clear purpose that makes a positive contribution to the world around us. We strive to innovate, develop and find new ways of doing what we do for the benefit of all.



Our purpose is to advance aviation and keep the skies safe. I see a fundamental social good in keeping people safe and always seeking to improve aviation. Achieving it with increasing efficiency into the future and minimising air traffic management related CO₂ emissions is important to us, to our stakeholders and underpins the future of our business.

Concerns about climate change are increasingly driving societal and political action. The recent UK Committee on Climate Change report and the UN Global assessment report on biodiversity and ecosystem services reinforced the need for societies to do things differently. The UK Government has declared a climate change emergency and committed to net

zero emissions by 2050, to try limit global temperature increases to 1.5°C above pre-industrial levels. This will require us all to decarbonise our activities. We are making progress to reduce our CO₂ emissions from business activities, minimise air traffic related CO₂ and are working with airports and airlines to achieve a cleaner and quieter future for the industry.

As an island nation, aviation is key to our role in the global marketplace and isn't likely to be replaced in the foreseeable future. Our industry therefore has to find a way to reduce our impact on the natural world and it falls to every company to minimise the environmental and social impact of what we do.

This report outlines what we're doing to improve the world around us, as we continue to build a responsible business.

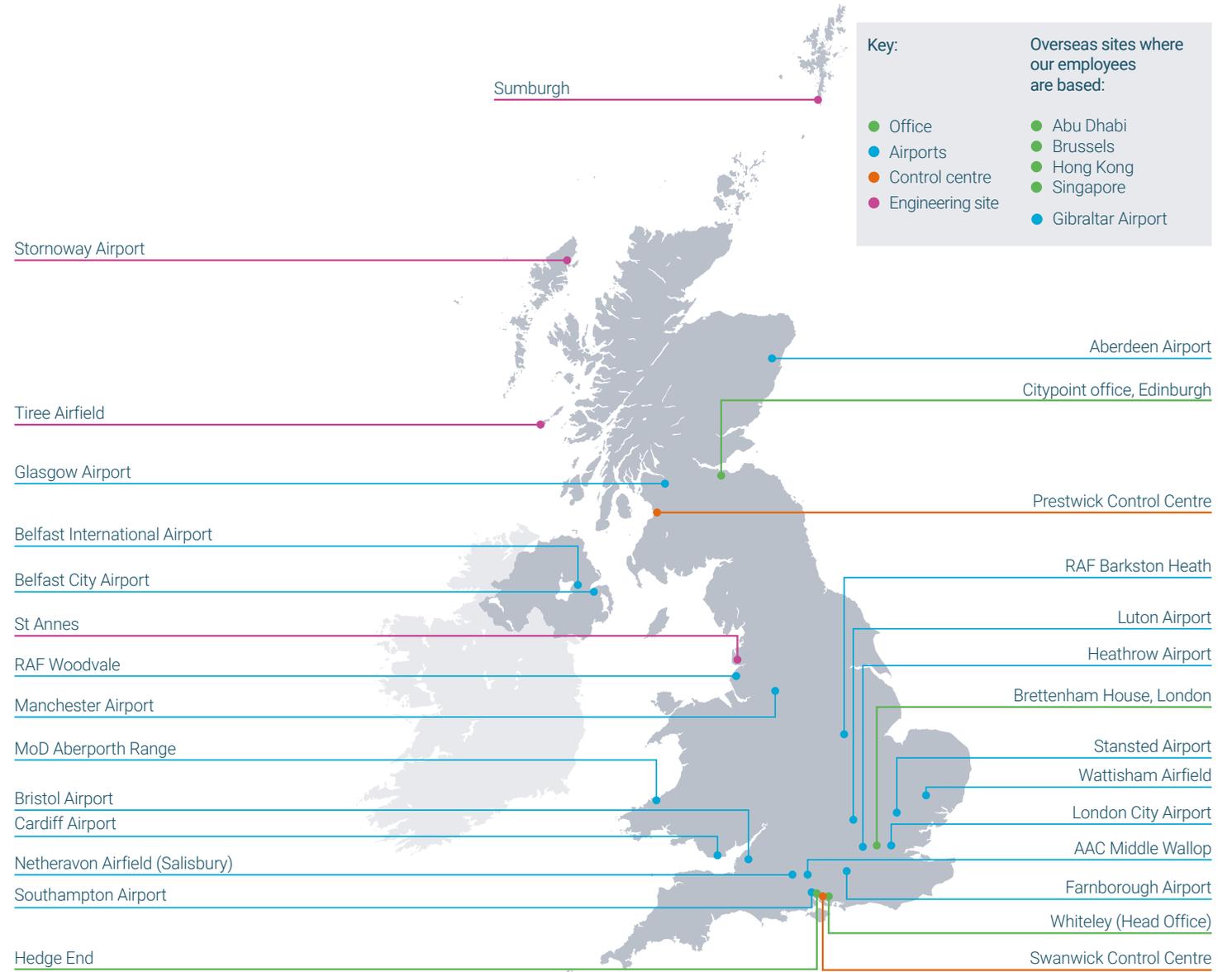
A handwritten signature in black ink, appearing to read 'Martin Rolfe'. The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Martin Rolfe
Chief Executive Officer

NATS in numbers

Highlights from 2018-19

Where our employees are based



Governance & materiality

Our governance ensures we set and meet responsible business ambitions.

Our Chief Executive is accountable for our responsible business policy and our Board will monitor and review performance in 2020 following changes to the UK Corporate Governance code. Our responsible business policy comprises a set of core principles which cover a wide range of non-financial matters and are supported by appropriate business objectives. Oversight from the NATS Executive includes our environmental performance, employee relations, anti-bribery and corruption, prevention of modern slavery and human trafficking.

In addition we have an Environment Panel responsible for overseeing delivery of projects in support of environmental targets, while an Environment Management Group manages

environmental risks, compliance and ground-based environmental strategy setting. A people and organisation strategy is reviewed by the Board twice a year and an Oversight Group monitors our commitment to minimising the risk, and proactively addressing any suspicions of, modern slavery and human trafficking in our business activities and supply chain.

We have adopted a number of management systems to mitigate business risks, many of which are certified, such as: ISO9001 (quality), ISO14001 (environment), ISO27001 (information security), ISO55001 (asset management) and OHSAS18001 (health and safety). Governance processes are in place to ensure oversight for these management systems.

We have identified the most material issues, taking account of the views of our customers, suppliers and employees, including key performance areas subject to regulatory targets and key responsible business issues subject to mandatory reporting. Some of these are addressed in our [Annual Report & Accounts](#) and our [Customer Report](#).

Responsible Business and the Sustainable Development Goals

In 2018 we refreshed our approach to responsible business, bringing together activities from across our operation. These are highlighted in the following pages under our four areas of focus:

- > Supported employees
- > Strong communities
- > Healthy environment
- > Good business practice

We have mapped how our activities contribute towards the UN Sustainable Development Goals (SDGs), highlighted at the bottom of the following pages. This will likely evolve over time and we recognise that all SDGs are connected and we endeavour to use them to inform future change.

The United Nations has defined 17 SDGs in recognition of economic, social and environmental challenges facing us all, with priorities and aspirations to 2030. The SDGs call for worldwide action among governments, business and civil society. The SDGs explicitly call on all businesses to apply their creativity and innovation to solving sustainable development challenges.





Supported employees

We rely on the competencies, capabilities and experience of our employees in all aspects of our business - whether it is managing air traffic, our facilities, or our finances.

We are working hard to actively encourage an inclusive working environment that is welcoming to all. We are also striving towards an increasingly diverse, resilient and expert workforce committed to a programme of transformational change for the business.

Listening to our employees

Workplace effectiveness

For the past four years NATS has used the Leesman Workplace Effectiveness survey to gather objective data and comments on our employees' experience of using their workplace. The data is used to make tactical changes and inform strategic decisions on our workplace. Our overall workplace effectiveness score has increased year on year and is now close to the benchmark across all businesses that have been surveyed.

NATS has also taken part in a practical study looking at the impact of indoor office environments to improve wellbeing. The two-year research initiative was led by academics at Oxford Brookes University and LCMB Building Performance, supported by Innovate UK. The project explored the relationship between internal environmental qualities and productivity. The study has given us new insights and demonstrated the importance of workplace design on productivity.



I am keen to apply what we've learned by continuing to closely monitor the complex environment in which we work; making the interventions needed to support the wellbeing and performance of our people in their workplace.

Sean Allen
Head of Facilities Management



Supported employees

(continued)



Dr Alison Roberts, SESAR Contribution Manager, sits (centre) on a the “Women in Aviation” panel at the SESAR Joint Undertaking Innovation Day, Salzburg.

Working together with our Trade Unions

Our annual employee relations survey showed a steady improvement in the relationship between union representatives and managers – plus some ideas for further improvement. Our union representatives and managers talk regularly to try to manage change and resolve problems. The better we are at this, the more our employees’ voices are heard and the more we can move the business forward based on constructive challenge and feedback. Last year we jointly delivered with trade union colleagues a range of skills programmes to both managers and TU representatives as part of our ‘working together’ commitment.

Your Voice employee opinion survey

As part of the business transformation process and the key role employees play in it, we introduced a new employee opinion survey in January 2019. The ‘Your Voice’ survey focused both on areas identified as key to company success and on employees’ priorities for follow-up actions that will positively impact organisational effectiveness including engagement.

Diversity & inclusion

Respect at work

NATS is committed to improving inclusivity and diversity within our workforce. We want to create an environment which is welcoming and inclusive for everyone, where our employees can thrive. This means respecting differences, valuing opinions, welcoming diversity of thought and listening to others. This is reflected in our new respect at work policy and activity we are doing to embed a more inclusive culture. This is a key part of our priority to show continued focus on our people; together we can make NATS an even better place to work.

Commitment to gender diversity

We strive to create an environment where everyone is rewarded equitably for their contribution; addressing our gender pay imbalance through our gender pay gap action plan is an important part of this. We have made some progress, but we acknowledge that making meaningful improvements to our gender pay imbalance is a long-term commitment. Our gender pay report is available on our website [here](#).



It’s great to see an improvement in the key areas of the employee relations survey. This is testament to the work we have been doing based on last year’s survey – building our employee relations capability, refocusing our meetings and interactions and investing in conflict resolution.

Julie Elder

Human Resources and
Corporate Services Director



We welcome diversity and actively encourage an inclusive working environment, promoting respect for individuals and equality of opportunity and reward.



We are clear about our expectations and commitment to dealing with inappropriate and unacceptable behaviour seriously and as quickly as possible.

Supported employees

(continued)



Students aged between 13-18 enjoy a day of interactive talks, tours and activities aimed to inspire the next generation of female engineers.

Some of the steps we are taking to embrace the benefits of gender diversity, now and in the future, are bespoke STEM activities for young women, provision of development and training opportunities through our new women's network and we are one of more than 50 aviation and aerospace companies to have signed the Women in Aviation and Aerospace Charter through which the UK's aviation and aerospace sectors are making a commitment to work together to build a more balanced and fair industry for women. For more information see [here](#).

Employee networks

Our employees currently lead three networks - an LGBT+ network (SkyPride), a Women's network and a Young Professionals' network. These networks provide peer support, as well as a forum to understand how our business can better support these employees.

Recruitment

As our recruitment drive to attract the next generation of air traffic controllers and engineers continues we are especially keen to attract more women and a diverse range of ethnic backgrounds. We have taken several steps to broaden our engagement and appeal to potential candidates, including as part of our science outreach activities. In addition to air traffic controllers, our business relies on many other roles as well. We provide access to these through three different schemes; apprenticeships, industrial placements and our graduate scheme. Last year we recruited 265 people across each of the above schemes.



Your Voice provided a practical view of the things that matter most to people across the business and has given everyone the chance to work together on improving them.

Simon Warr
Communications Director



8 DECENT WORK AND ECONOMIC GROWTH



We recognise and reward the contribution our employees make to our success and are actively seeking the next generation of engineers and controllers.



Strong communities

As a large company with multiple sites across the UK and overseas, we play a positive role in the socio-economic development of the communities in which we operate, creating highly skilled and paid roles, as well as secondary employment, in addition to supporting a range of charities and other good causes.



Between May and June 40 students take part in a week-long work experience programme at our Swanwick and Whiteley Centres.

Promoting science

We have continued to promote Science, Technology, Engineering and Mathematics (STEM) subjects in schools and colleges, attending 48 different events in Hampshire and other areas, from careers roadshows to specific classroom-based learning activities, as well as providing sponsorship for several educational projects.

Our relationship with the Gosport and Fareham Multi-Academy Trust and the Portsmouth University Technical College near our Swanwick and Whiteley Centres has also continued to develop. Meanwhile, we work with Ayrshire schools, near our Prestwick Centre, including designing a Dragon's Den-type exercise. They have been so well received we are now looking at ways that these can be rolled out to a wider audience.

Bring Your Daughter to Work Day has continued to encourage female participation in STEM-related careers and events, further developing this year to offer the opportunity to a wider group of girls. We are also investing in future talent by sponsoring an Arkwright Scholar through their A-levels.

Working with communities on Our Future Skies

Our Future Skies is an industry-wide campaign to build public awareness of the need to modernise UK airspace.

We have coordinated this campaign with the Airport Operators Association and airports. We are continuing a dialogue with communities, continuing to work with those very close to airports who are engaging in airspace change, but also reaching out to those that are less aware of the complexities of planning for an airspace change. For more information see www.ourfutureskies.uk.



We are continuing to reach out to schools and colleges in our locations to encourage interest in STEM subjects that are so important to growing our future employee base.

Vicky Newhouse
Direct Entry Graduate and
Industrial Placements Manager



We have a number of strategies which underpin our engagement with customers, the public, industry stakeholders, suppliers and regulators.

Strong communities

(continued)



Children from Brune Park School take part in the JET Inspiration Day at our Swanwick control centre.



Employees at Swanwick celebrate reaching their fundraising target to buy a new support vehicle for Hampshire and Isle of Wight Air Ambulance.

Inspiring young people with the Jon Egging Trust

Last year we launched a new partnership with the Jon Egging Trust (JET), a charity which delivers accredited learning programmes to develop young people who face life-challenges for many reasons. It aims to improve their confidence, life and work skills, with a focus around aviation, engineering and science. For more information see www.joneggingtrust.org.uk.

Supporting charities

Inspired by employees long-standing support for the Ayrshire Hospice at our Prestwick Centre, employees at our other main centres at Swanwick and Whiteley took on the fundraising challenge for their own charities, Hampshire & Isle of Wight Air Ambulance and the Southampton branch of Cancer Research UK respectively. Employees at all three sites raised funds throughout the year from a 24-hour bike ride, a six-ferry cycle challenge, walking race, escape room challenges, auctioning a coveted car parking space, pub quizzes, sponsored head shaves and a 300 square lottery, among other things. Fundraising targets of £50,000 to buy a new land-based support vehicle for the air ambulance and £70,000 for the Southampton Cancer Research Centre were both achieved.



JET's Blue skies programme, which involves a 3-year commitment from the young people, has such a positive life-changing effect and to be a part of their journey is really rewarding for everyone involved. The content and delivery of these days has gone from strength to strength and the youngsters all leave Swanwick with a real sense of achievement and a great amount of enthusiasm.

Martin Smith
Safety Manager



Strong communities

(continued)



NATS staff take part in the 6 ferries challenge to raise money for CRUK.



Dreamflight delivered the trip of a lifetime to several seriously ill and disabled children in October.

Additional employee and corporate philanthropy include our payroll giving and our Footprint Fund schemes. The Footprint Fund is open to all employees involved in charitable or other worthy causes, offering up to £500 for fundraising efforts locally. Last year £31,000 was donated, supporting 65 projects including; a duck house for a farm school in Hampshire, the set-up of new ParkRun groups, beach cleaning equipment and the installation of a community defibrillator. Payroll giving enables employees to make regular donations to their chosen charities through salary sacrifice. Last year 12% of enrolled employees donated £187,992 to various charities and we maintain our Gold quality mark award first received in 2017.

Aerobility

Aerobility is a registered charity founded in 1993 offering disabled people the opportunity to fly an aeroplane, some of whom continue their training and earn a Private Pilot Licence. We have worked with Aerobility for a number of years supporting the charity, fundraising for new aircraft and our employees continue to volunteer in a number of ways.

Dream flight

We continue to support Dreamflight who offer once-in-a-lifetime trips to Orlando Florida for children suffering from terminal illness. Since 2002 we've waived air traffic control fees and given them priority to low altitude routes helping the flight to avoid areas of turbulence. For more information see www.dreamflight.org.

4 QUALITY EDUCATION



We focus on talent and leadership development, training and education, to ensure we have the right people with the right skills at the right time.



Healthy environment

We are committed to protect our natural world, biodiversity and ecosystems. For over a decade we have reported on how we impact on the environment, including our progress on managing airspace efficiently and our reductions in greenhouse gas emissions and other resource use associated with running our buildings and infrastructure.

We are proud of our challenging commitments and targets to address our performance and we work hard to minimise the negative environmental impact of our operations, particularly for those living around airports where we provide a tower service. Our partnerships with airport operators and their communities help to build trust in our efforts to modernise airspace and minimise aircraft noise.

Climate change

Context to aviation mitigation

As individuals and businesses, we face unprecedented challenge in responding to the climate change crisis locally, nationally and globally. The Paris Agreement in 2015 strengthened commitments to limit global temperature increases to 1.5°C above pre-industrial levels. The Intergovernmental Panel on Climate Change (IPCC) estimate that human activities have already caused average temperatures

to rise by 1°C and have high confidence 1.5°C will be exceeded by 2050 without significantly stronger action. In response, the UK Government has recently declared a climate change emergency and committed to net zero emissions by 2050. This will require us all to decarbonise our activities and find ways to deal with unavoidable CO₂e emissions.

Aviation, which currently has limited alternatives to kerosene fuel, faces a significant challenge. We are working hard to understand how we can play our part in meeting the net zero target. We are working with Sustainable Aviation partners to minimise and where possible reduce aviation CO₂ emissions and will publish an update to the industry's 2050 roadmap in late 2019. For more information see www.sustainableaviation.co.uk.

Since 2006, the industry's investment in more efficient aircraft and engines, operational improvements and airspace

modernisation have helped decouple traffic growth from CO₂ emissions i.e. the total distance flown by aircraft under our control has increased by 39%, while CO₂ emissions have grown by 20%.

Part of the response to mitigating the aviation sector's climate impact has been the inclusion of intra-European flights in the EU Emissions Trading Scheme since 2012, while from 2020 airlines enter a new voluntary international initiative, known as CORSIA, where they can offset any growth in CO₂ emissions. The price of offsets is likely to increase in future and our role is to support our airline and airport customers in reducing their CO₂ emissions as far as possible, while ensuring we are reducing the impacts we have direct control over.

In 2018-19 we helped airlines avoid the purchase of EU ETS carbon allowances worth €316,000, as a result of our initiatives outlined in the following sections.

Healthy environment

(continued)

Climate change adaptation

The impact from climate change arises from more frequent and severe extreme weather events, increased turbulence, jet stream variation and impact on aircraft performance, which will affect airspace, in addition to other risks to our ground-based infrastructure and corporate activities. In 2018, DEFRA made a request that we update our climate change adaptation plan, along with several airport operators and as a result we collectively plan to adopt a common sector approach. Separately, the Civil Aviation Authority modified our licence in 2018 requiring us to prepare a resilience plan. We expect to publish our updated climate change resilience plan in 2021.

Airspace

Progress on reducing aviation CO₂ emissions

Our commitment, launched in 2008, was to reduce UK aviation's CO₂ emissions by an average of 10% per flight. Our work in this area continues to be unmatched by any other air traffic control organisation globally. We made good progress by 2015 achieving our interim milestone of 4% per flight and we expected our

plan for 2015-2020 to have met our 10% reduction target. However, partly due to increased concerns about the negative environmental and social impact from aircraft noise, particularly in the south east of England, the plan was delayed pending further evaluation of how it could be delivered with a balanced approach to noise impacts. Alternative options were considered, with priority given to small scale initiatives that did not affect noise, leaving more complex opportunities to feed into our 2020-2025 plan.

We have still made good progress in reducing aviation CO₂, reaching 6.9% towards our 10% commitment. This has been the result of benefits delivered in three main areas:

- > savings enabled by changes to airspace infrastructure, big and small;
- > savings enabled by network management, and;
- > advanced air traffic controller tools and savings realised from controller intervention on a day-to-day basis.

Last year we delivered 18 initiatives which affected aviation CO₂ emissions, most of which were designed specifically to reduce CO₂ emissions. A small number resulted in an increase of CO₂

emissions due to changed operational performance, or their primary purpose was to improve capacity or safety, for example causes of dis-benefit outside of our direct control last year included increased aircraft taxi time due to taxiway works and increased movements, the expansion of a military training area in the North Sea and increased usage of military training/danger areas which requires re-routes by civil aircraft.

While not expecting to meet our commitment to reduce aviation CO₂ emissions by 10% by 2020, we are proud of the progress we have made and will continue to work towards our 10% challenge.

The table below highlights the progress we have made in recent years on our airspace environmental performance, plus the value of these savings in terms of fuel, and our regulatory target which measures airspace efficiency (3Di).

In 2018-19 we enabled a reduction of 113,500 tonnes of CO₂ emissions from our airspace operations and saved airline customers £18.4 million in fuel costs.



We are working with other aviation stakeholders to strengthen resilience and adaptive capacity to climate related hazards.

Healthy environment

(continued)

Airspace efficiency

While our 10% commitment provides us with a measure of how structural changes improve network efficiency, our controllers have the important job of ensuring that we tactically give the most efficient service on the day, by giving pilots opportunities for more direct routings and more efficient flight levels.

We are set annual targets by the CAA on airspace efficiency, as measured by a metric known as the three-dimensional inefficiency score, or 3Di. These become more challenging each year, but at the end of 2018 we remained within the regulator's target range (at 29.2) and are on track to do the same in 2019. Efficiency improvements last year included a focus on traffic management

and tools for reduced holding e.g. [ExCDS](#) and [eTBS](#), (particularly in London Terminal Control), identification of differences in air traffic control watch performance, working with airlines for improved airline flight planning, airspace changes and the introduction of electronic flights strips which improved overall efficiency in London Terminal Control. For more information see our website [here](#).



We have achieved a huge amount both across our estate and in the airspace we manage to minimise and reduce CO₂ emissions.

Martin Donnan
Director Prestwick Centre



	2015-16	2016-17	2017-18	2018-19	Change since 2006 baseline
Progress against 10% commitment	4.3%	5.0%	6.4%	6.9%	6.9%
Enabled CO ₂ emission reductions (scope 4)	155.5 kT	59.8 kT	273.6 kT	113.5 kT	8.4 mT
Fuel saving for airlines	£15.4 m	£5.9 m	£36.1 m	£18.4 m	£1.3 billion
3Di score (calendar year)	30.1	30.3	29.6	29.2	n/a

Healthy environment

(continued)

Improved descents

Continuous Descent Approaches (CDAs), a technique to reduce aircraft noise and emissions, have increased in the UK from an average of 56% of arrivals in 2006 to over 79% last year. This has been a long-standing area of focus for NATS and Sustainable Aviation. Since 2014 NATS has led a campaign across 22 airports and 15 airline partners further increasing the uptake of these low noise and emissions approaches leading to 54,737 additional CDAs per year. The campaign continues to operate and has been recognised by the Princes charity, Business in the Community. Separately, our controllers focus every day on helping aircraft continuously climb to their most efficient cruise levels. The combined impact of these initiatives has reduced annual CO₂ emissions by 50,000 tonnes and reduced our 3Di score by 0.6 points since 2015. For more information see [here](#).

Gatwick low noise arrivals trial

Over the past year NATS has worked with Gatwick Airport, Helios and the airlines to define a trial to test reduced noise approaches for aircraft landing during the night. We are planning a new arrivals procedure to keep these arrivals higher for longer with a planned implementation date set for early 2020. In the interim, Gatwick airport will be baselining the existing noise impact and then measuring the difference under the new procedure.

In addition to the night noise work, NATS and the CAA are working on modelling and assessing a low noise approach metric, to accompany the current Continuous Descent Approach measurement at UK airports. Because of modern aircraft technologies and wing design, the quietest approach for some 'slippery' aircraft may be an approach angle profile being shallower than older types of aircraft. This study hopes to determine the optimum quiet descent profile for certain types of aircraft which predominantly operate at UK airports.



We are making good progress on airspace efficiency and we continue to look for new ways that we can tactically make adjustments that provide an even more efficient service for our customers.

Paul Turner
Manager 3Di Performance



We encourage innovation in new products & services and are focused on improving the resilience of our operations, infrastructure and network.

Healthy environment

(continued)

Ground operations

Our ground operations emissions and energy performance since 2015 is outlined in the table below. Overall, our scope 1 and 2 emissions have reduced, largely the result of improvements to the efficiency of grid electricity. While numerous energy efficiency projects have been completed, the dual running of new operational equipment with older systems shows that our total energy consumption is stable. We have energy reduction targets in place to ensure that we remain focused on reducing our energy demands in 2020-2025 and our energy intensity metric per flight handled has steadily improved over the last four years.

Our continued work in this area was recognised last year when we were awarded a B grade by CDP for our disclosure of climate information, awareness and management of environmental risks, rising from a C grade previously. Out of the 6,800 companies scored worldwide, our high score puts us among the best performing companies in the aviation sector.

Recycling - it's not rubbish

Across the NATS estate we have reduced single use plastics and removed plastic cutlery and cups from kitchen areas. We stock reusable Costa coffee cups and last year we gave 28,000 discounts on drinks purchased with these reusable cups. We have also introduced coffee cup recycling with Simply Cups.



Our aim is to promote waste prevention and re-use ahead of recycling and, as a last resort, other disposal. We've had a splendid response from our 1,000 reusable rCUPs give-away, made from used disposable plastic cups at our sites - which is us exploring some circular economy solutions.

Nick Worricker
Environmental Manager



	2015-16	2016-17	2017-18	2018-19	Change since 2006 baseline
Scope 1 emissions (tonnes CO ₂ e)	3,183	3,480	3,982	4,094	+1,434
Scope 2 emissions (location-based tonnes CO ₂ e)	27,934	24,964	21,223	16,561	-33,683
Total scope 1 + 2 emissions (tonnes CO ₂ e)	31,117	28,444	25,205	20,655	-32,219
Energy consumption (MWh)	71,793	72,368	71,697	71,262	-36,042
Scope 1 + 2 intensity metric (kg CO ₂ e per flight handled)	14	12	10	8	-15
Water consumption (m ³)	49,645	48,657	54,624	64,285	-29,662

Healthy environment

(continued)



Chris Packam opening Swanwick Lakes in 1993.

More than a million plastic water cups were used per annum and have been replaced with glasses across our largest sites. We decided we could live without plastic straws and these have been removed, our cake bags are now biodegradable and our deli counters no longer uses plastic bags - just paper packaging. The introduction of food waste recycling in all kitchen areas means we are sending more to create bio-gas for energy generation and fertiliser. We've made other changes too and continue to work with our suppliers to completely remove single use plastics from our sites.

Celebrating 25 years partnership at Swanwick Lakes

The nature reserve adjacent our Swanwick control centre was created through an innovative partnership between NATS and the Hampshire & Isle of Wight Wildlife Trust that began in the early 1990s when we moved from West Drayton to the site of the old brick works at Bursledon. Together we turned what was an abandoned clay pit into one of the Trust's most popular reserves and a haven for wildlife and people to enjoy. Twenty-five years later, the reserve continues to be a place where our teams can get together to work on projects to enhance the biodiversity of the area. The 35-hectare site boasts incredible lakes, woodland and wildlife-rich meadows that are home to an array of birds, butterflies and dragonflies, as well as stunning orchids and woodland flowers. For more information see the H&IWWT website [here](#).



We have already made a big difference and must continue to look for opportunities to do more. It's great to see an increasing number of reusable cups and water bottles being used and I hope that continues.

Vicki Smith

Head of Corporate Services



We have a close relationship with Hampshire & Isle of Wight Wildlife Trust, who manage a 35 hectare reserve adjacent to our Swanwick control centre.

Healthy environment

(continued)

Recognition at the National Transport Awards

Our environmental programme was awarded for Contribution to Sustainable Transport at the National Transport Awards in 2018. Supported by the Department for Transport, the award celebrates the successes that have been achieved across the entire transport sector. Winning projects are picked based on evidence to the judges of the tangible results they've achieved, improving the experience for their transport users and ultimately adding to the successful development of the nation's transport infrastructure. In a category with strong competition, winning the award was great recognition of our work over the last 10 years as part of our Acting Responsibly programme, particularly focussed on the airspace efficiency improvements we have made.



James Deeley, Deputy Head of Environment & Community Affairs and Dr Holly Edwards, Environmental Specialist, collect the award for Contribution to Sustainable Transport at the 2018 National Transport Awards.



I'm delighted that we have been recognised for the work of people across NATS to improve sustainability and reduce CO₂ emissions. We have further to go but the work we have done so far has been exceptional.

Ian Jopson
Head of Environmental & Community Affairs



We are committed to delivering a safe, efficient and reliable service every day.



Good business practice

Our business is built on our partnerships. The engagement, collaboration and support of our stakeholders sustains us. These relationships strengthen our commercial partnerships with airlines which trust us to deliver the safest and most reliable service possible.

We are working more closely with suppliers to recognise and value their own responsible business practices and ensuring we conduct deeper due diligence for compliance with fraud, anti-bribery and corruption, modern slavery and human trafficking standards.

Business ethics

Taking a proactive approach to business ethics, last year we updated our ethics training so employees can easily understand the standards we set ourselves, focusing on modern slavery risks, anti-bribery and corruption and criminal finance.

Health and Safety award

We have a wellbeing strategy which demonstrates our commitment to the health and wellbeing of our employees. The Royal Society for the Prevention of Accidents awarded NATS the Gold Medal in their Health & Safety awards for the eighth time, this time for our wellbeing strategy and implementing the stress assessment.

A significant amount of work has been undertaken during 2018 to improve the management of health and safety in NATS, as well as providing independent oversight across the business. The Quality, Health, Safety and Wellbeing team provide support, expert advice and guidance to managers and employees to ensure they can meet the needs of the business in its compliance with legislation and fulfils its commitment as a responsible business relating to all aspects of quality, health, safety and wellbeing.



This award is no mean feat and everyone at NATS plays their part around health and safety. These awards are not given easily – we have to consistently demonstrate an excellent and continuously improving performance.

Marie Chandler

Head of Quality, Health, Safety & Wellbeing



16 PEACE, JUSTICE AND STRONG INSTITUTIONS



We are committed to ensuring our business and employee ethics strategies are robust and effective.

Good business practice

(continued)



NATS SME Supplier of the Year is awarded by Supply Chain Director Tim Bullock and HR & Corporate Services Director Julie Elder to Rob Demain, founder and CEO of e2e-assure.

Human trafficking and slavery

We are committed to preventing slavery and human trafficking in our corporate activities and supply chains and this is underpinned by internal policies, risk assessments, supplier due diligence and training. Our annual slavery and human trafficking statement is available on the homepage of our website [here](#).

Being small business friendly

Small and Medium Sized Enterprises (SMEs) can often offer us greater levels of flexibility, innovation, creativity and access to new knowledge and ideas that are not widespread. As a responsible business we strive to ensure that our procurement processes make us an attractive customer to SMEs, and do not create unnecessary barriers which deter SMEs from competing for our contracts or inhibit them when tendering.

We continue to develop our SME-friendly policy launched last year, which sets out the principles by which we trade with smaller organisations at our recent annual supplier conference several of the SMEs we already work with were invited to showcase their capabilities to both internal NATS staff and supplier attendees, a lot of whom are prime contractors and who themselves could benefit from working with those SMEs.

Review of key performance data

We measure and report on several sources relating to direct CO₂ emissions (scope 1) e.g. from onsite heating & cooling and in our vehicles, etc. we control, indirect CO₂ emissions (scope 2) e.g. from electricity generation and other indirect (scope 3) greenhouse gas emissions. We also report other environmental performance metrics, including water and energy consumption. The most material of these are set out in the table of KPIs below.

Non-financial performance 2018-19 (financial year unless stated otherwise)	2017-18	2018-19
Direct scope 1 emissions: from fuel used for heating, power generation, transportation and fugitive emissions from air conditioning (tonnes CO ₂ e)*	3,982	4,094
Indirect scope 2 emissions: from purchased electricity (location based tonnes CO ₂ e)*	21,223	16,561
Indirect scope 2 emissions: from purchased electricity (market based tonnes CO ₂ e)*	20,628	21,024
Intensity metric: scope 1 + 2 emissions tonnes CO ₂ e per £m revenue	27.6	23.3
Intensity metric: scope 1 + 2 emissions tonnes CO ₂ e per full time employee	5.9	4.6
Intensity metric: scope 1 + 2 emissions Kg CO ₂ e per flight handled	10.0	8.1
Scope 3 category 1 emissions: from indirect emissions from the supply and treatment of water (tonnes CO ₂ e)*	57	68
Scope 3 category 3 emissions: from fuel and energy related activities not included as scope 1 & 2 emissions (tonnes CO ₂ e)*	6,140	4,566
Scope 3 category 4 emissions: from upstream transport and distribution (tonnes CO ₂ e)*	5	7
Scope 3 category 6 emissions: from business travel (tonnes CO ₂ e)*	5,792	5,641
Scope 3 category 11 emissions: from use of sold ATM services in UK domestic airspace (tonnes CO ₂)	14.6 m [^]	15.1 m
Scope 4 avoided emissions: Modelled enabled ATM related CO ₂ emission reduction (kT CO ₂)**	273.6 [^]	113.5
Progress against 10% enabled ATM-related CO ₂ emissions reduction target	6.4%	6.9%
Water consumption (m ³)*	54,624	64,285
Energy consumption gas and electricity (MWh)	71,697	71,262
3Di (calendar year)	29.6	29.2

[^] restated for newly available benefit assessments, improvements to modelling and data quality, updated traffic forecasts and changes to NATS' airport portfolio.

Certain metrics have been verified in accordance with ISO 14064-3 standard on GHG quantification, monitoring and reporting, by DNV GL, a quality assurance and risk management company, to a reasonable (*) or limited (**) level of verification. A verification statement and Greenhouse Gas (GHG) report is available at www.nats.aero/environment/cr.



We are committed to improving airspace efficiency, reducing ATM-related CO₂, minimising noise and other waste streams and reporting sustainability information.

Modelled enabled ATM-related CO₂ reductions represent the saving in CO₂ emissions from improvements to the ATM network, such as technical changes which enable us to provide more fuel-efficient flight profiles, based on projections of the volume of flights likely to take advantage of the improvements. The enabled reduction in CO₂ emissions is reported in full in the year in which the improvement is made. This is modelled based on industry best practice and is outlined in detail in our GHG report.

Contact

Your views matter to us, please let us know if you have any feedback.

For more information visit or email:



nats.aero/environment



responsible@nats.co.uk

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