

UK Pay Gap Report 2025



Contents

Foreword



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VP Human Resources
Thales UK

I'm proud to share our 2025 Pay Gap Report, which reflects our continued commitment to transparency, fairness, and equity across our organisation.

At Thales, we understand that a strong workplace culture is one where everyone feels respected, supported, and empowered to be their authentic self. Equity, Diversity, and Inclusion (EDI) remain central to how we work, helping us to value every voice, draw on diverse perspectives, and better reflect the communities we serve.

This year, I'm pleased to report further positive progress in closing our Gender Pay Gap. Both our mean and median Gender Pay Gaps have continued to narrow, reducing from **9.1%** to **8.8%** and from **9.1%** to **7.6%** respectively. This sustained improvement demonstrates that our focused efforts are delivering meaningful and lasting change, and it is a testament to the collective commitment of our people across the organisation.

For the fourth consecutive year, we are publishing our Ethnicity Pay Gap. Over this time we've built an insightful dataset that enables us to continue tracking progress and to better understand where our initiatives are having the greatest impact.

This year also marks an important milestone as we publish our Disability Pay Gap for the first time. This is a significant step in strengthening our understanding of fairness and opportunity across our organisation. Disability data helps us to identify barriers, shape future priorities, and guide meaningful improvements that support equitable access to development, progression, and success.

Progress takes time, trust and sustained effort and we're pleased to share our journey of how we're building a workplace where our shared responsibility and EDI initiatives are closing our pay gaps.

As we look ahead, we remain committed to listening, learning, and measuring our progress transparently. By doing so, we will continue to strive to create an environment where every colleague feels valued, supported, and able to thrive.

Terminology

This section provides a short explanation of the methodology behind pay gap calculations. The wording refers primarily to Gender, as this is the only Pay Gap reporting currently legislated. However, the methods described also apply to Ethnicity and Disability Pay Gap reporting.

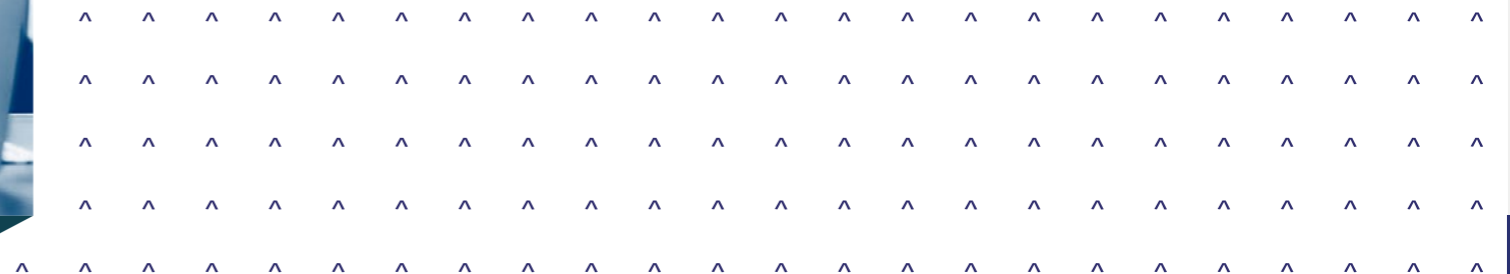
We recognise that mandatory Gender Pay Gap reporting does not currently represent our trans and non-binary colleagues. We do carry out pay gap analysis within these groups, which shows no concerning trends, but do not report at this time. As the population being analysed is proportionately small, it is important to ensure privacy and avoid identification risk.



Having a Gender Pay Gap doesn't mean that men and women at Thales aren't receiving equal pay. The Gender Pay Gap is different to equal pay.

Equal pay ensures that any pay differences between individuals in the same role reflect fair factors, such as experience, skills, or capability, rather than gender, age, or ethnicity. The Gender Pay Gap, on the other hand, is different. It considers everyone's pay from the highest to the lowest earner, with the 'gap' being the difference between the mean and median pay of all men compared to that of all women. Gender Pay Gap is largely a measure of gender demographics. For example, if a company has more male employees in senior, higher-paid roles and more female employees in junior, lower paid roles, the pay gap will be wider.

To underpin the annual pay gap analysis, we conduct fair pay reviews across the organisation at appropriate intervals, assessing salaries in comparable roles and trends in pay practices. Undertaking this analysis illustrates our commitment to fair pay, while the resulting output ensures that our confidence in equitable pay practices is supported by data. We are confident in our approach to equitable pay, without influence of gender, ethnicity, or other characteristics.

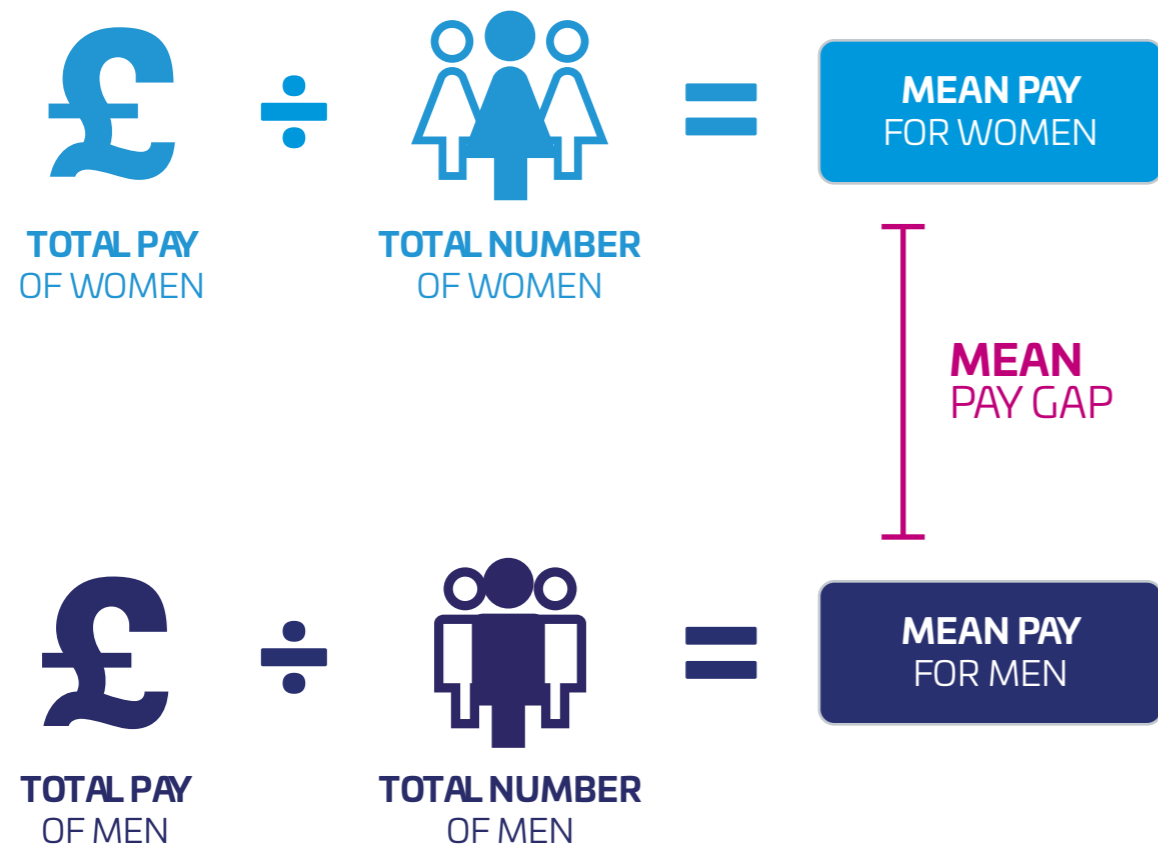


Terminology (continued)

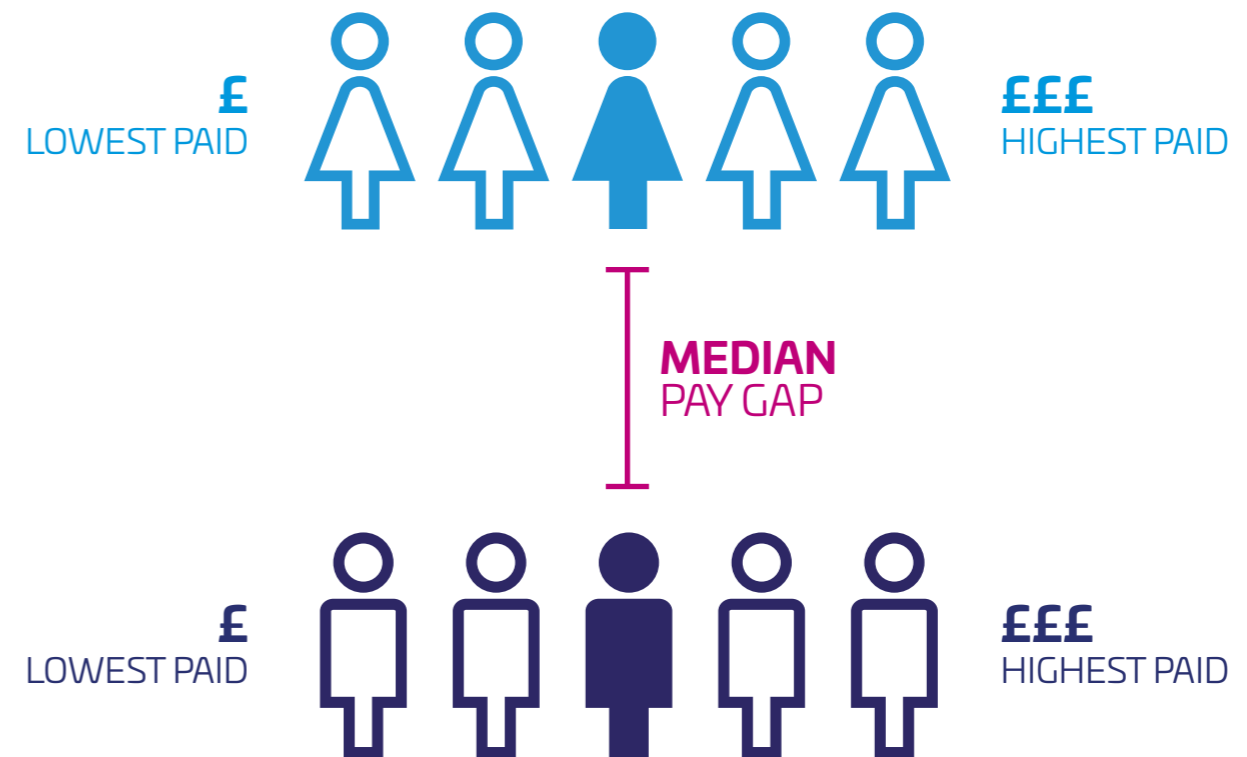
The pay gap is measured in two ways – the mean and the median.

If we lined up all women and men in the organisation by pay and compared the midpoint for each gender, this would represent the **median** pay gap. The **mean** pay gap is calculated by dividing the total pay for all women by the number of women and comparing that with the same calculation for men. In both cases, the 'gap' reflects the difference between male and female results, expressed as a percentage of the male result.

How we calculate the **mean** pay gap:



How we calculate the **median** pay gap:



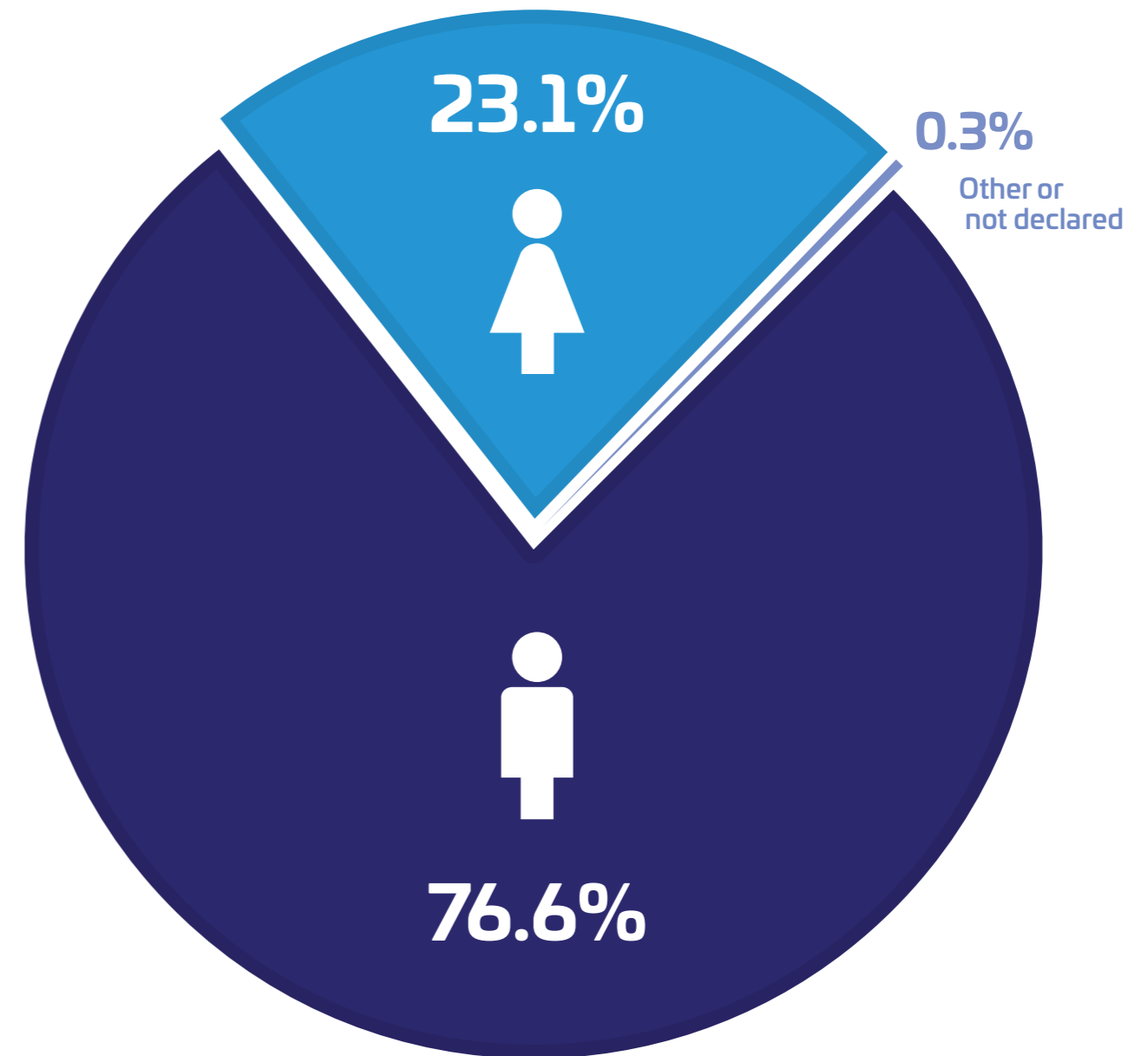
To complete the picture, additional metrics are completed. Firstly, the percentage of men and women in each pay quarter, and then the mean and median bonus gaps. The last required metric is the percentage of men and women who receive a bonus.

Gender Pay Data

The percentage of women in Thales UK sits around **23%** for this reporting period, slightly higher than last year. Of those women, **13%** are in our most senior roles.

When we started reporting the Gender Pay Gap, this figure was **8%**, so this represents an important change in demographics that we want to see continue. We believe this shift has been enabled by our focus on talent mobility, mentoring and removing bias and barriers from our recruitment and selection processes.

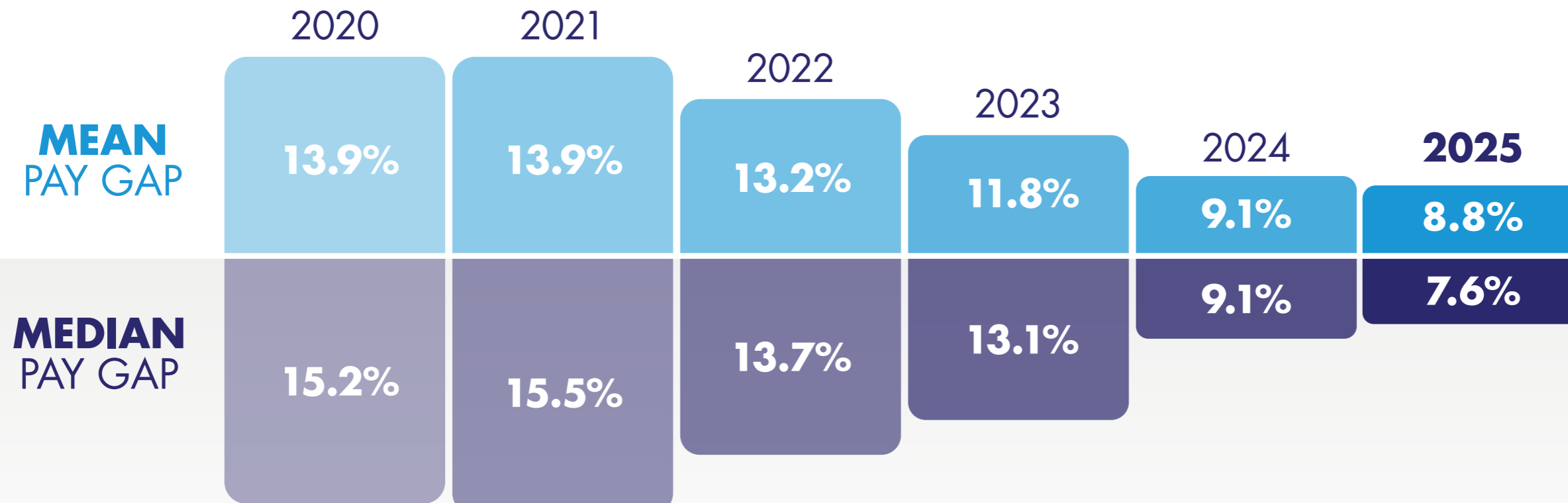
Thales is committed to championing career progression, and we are proud to continue to work with apprenticeship providers such as Makers who have a strong focus on gender diversity. We are also partnering with Talent Spaces to support women to build confidence, gain technical capability and access meaningful opportunities in our Future Talent recruitment process. Our Talent Acquisition team remains dedicated to ensuring that all employees can access roles across our organisation, while actively working to reduce bias and promote fair, transparent recruitment processes.



Gender Pay Gap

While a Gender Pay Gap remains within our organisation, we are encouraged by the progress made since pay gap reporting began and by the continued evolution of our demographic profile, with more women represented across the organisation. We will continue working to maintain that trend, however we recognise that this may negatively impact our pay gap. For example, successfully increasing recruitment of women to our Future Talent roles is always a positive step for us, even if we know that it can temporarily increase our Gender Pay Gap from time to time.

Our demographic profile is inevitably influenced by the external labour market, where the candidate pool has traditionally been heavily weighted towards men. However, our chances of achieving more balanced shortlists is greatly improved through our Future Talent programmes and STEM partnerships. We are confident that initiatives with organisations like Primary Engineer will broaden the future talent pipeline for both Thales and the wider industry.



Pay Quarters

Our pay quarters remain fairly stable. Although we still have more women in the Lower Quarter than the Upper Quarter, there has been continued improvement in female representation in the Middle Quarters – consistent with the demographic changes previously mentioned.

We aim to build on our progress by continuing with targeted initiatives to improve overall workforce diversity. These initiatives are described later in this report.

Men	UPPER QUARTER	Women
83%	2025	17%
83%	2024	17%
84%	2023	16%
85%	2022	15%
85%	2021	15%
84%	2020	16%

Men	UPPER MIDDLE QUARTER	Women
77%	2025	23%
79%	2024	21%
81%	2023	19%
82%	2022	18%
82%	2021	18%
81%	2020	19%

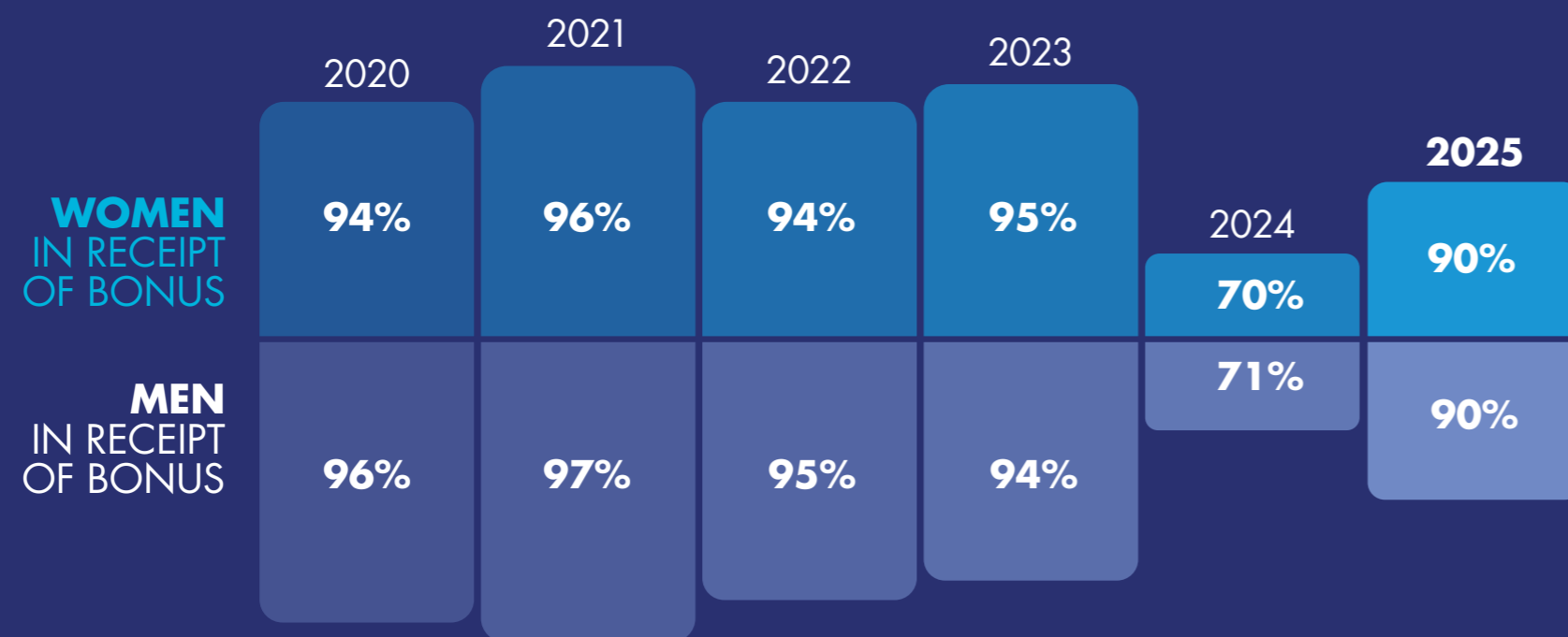
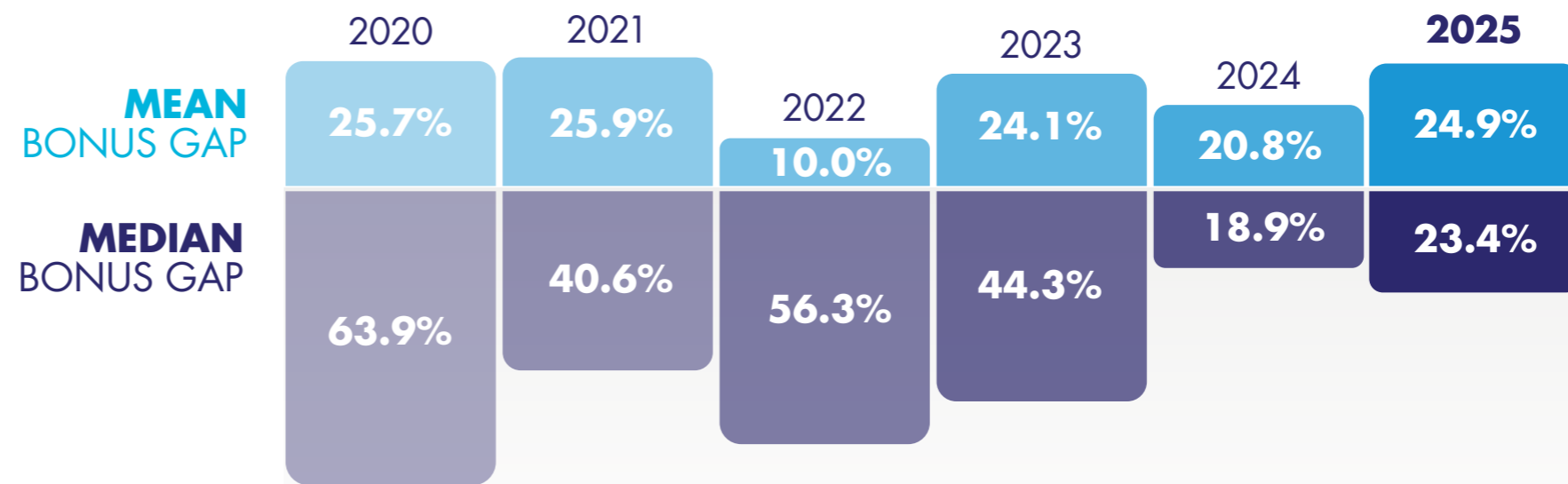
Men	LOWER MIDDLE QUARTER	Women
77%	2025	23%
78%	2024	22%
79%	2023	21%
78%	2022	22%
78%	2021	22%
78%	2020	22%

Men	LOWER QUARTER	Women
72%	2025	28%
72%	2024	28%
70%	2023	30%
69%	2022	31%
68%	2021	32%
67%	2020	33%

☆☆☆ Bonus Pay Gap

Both our mean and median bonus gaps currently sit just under **25%**. This is a slight increase from last year, which was expected, due to an internal administrative change in the bonus payment date.

Like pay gap, the gender balance across different levels of seniority in the organisation drives bonus gap. With our continued commitment to achieving better balance between our female and male populations across all levels of the organisation, we expect to see improvement in our Bonus Pay Gap statistics.



In Receipt of Bonus Measure

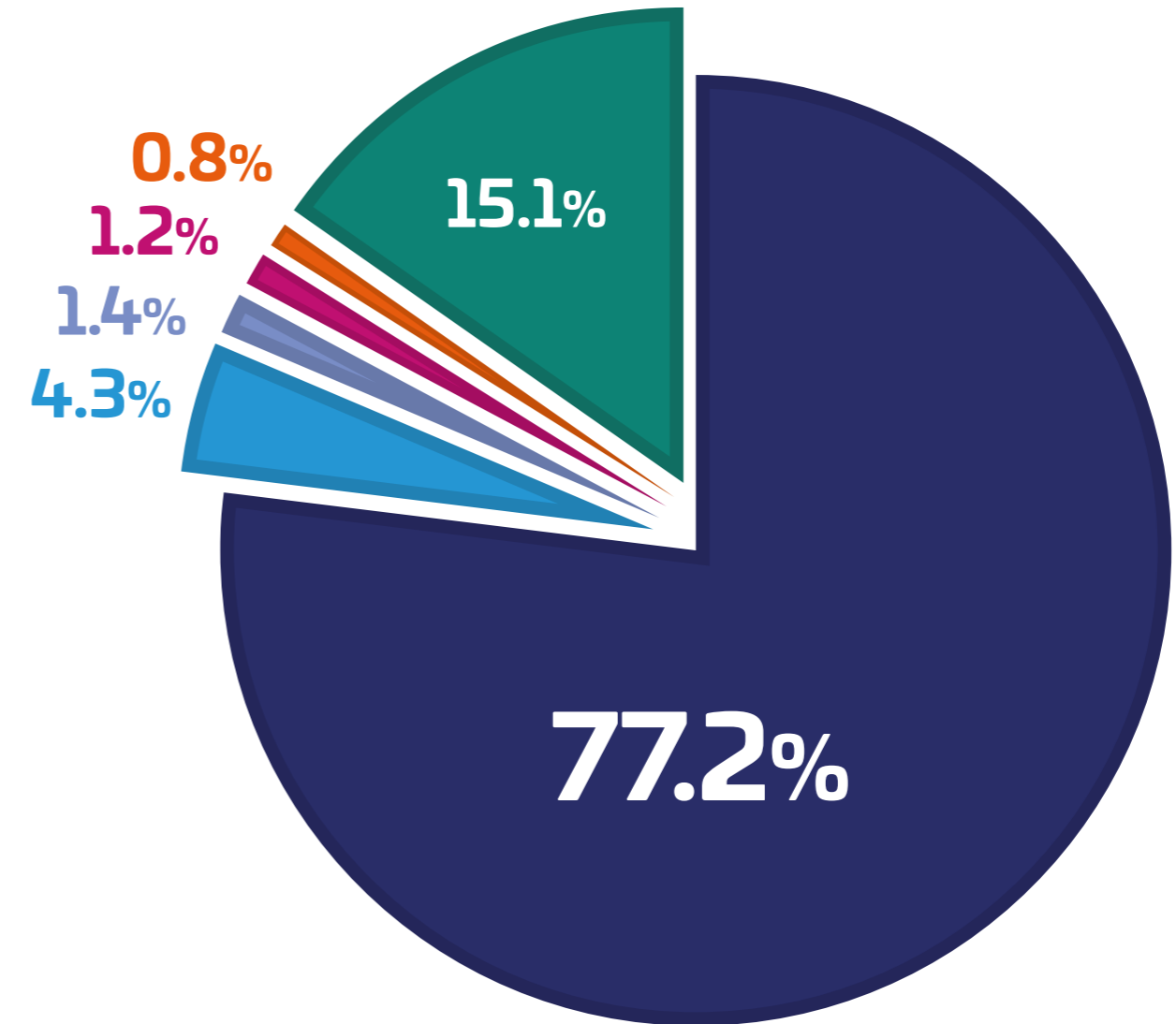
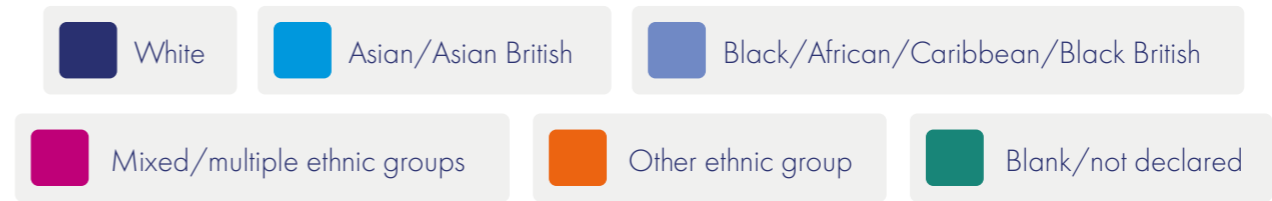
The majority of our employees receive a bonus payment, and this is illustrated in the high 'In Receipt of Bonus' measure. This has improved from last year, as anticipated, as last year's dip in % resulted from an administrative change in the bonus payment date.



Ethnicity Pay Data

Publication of our Ethnicity Pay Gap is now embedded into our annual pay gap reporting cycle. As this is the 4th Ethnicity Pay Gap Report, we are now better placed to monitor progress and understand trends. The Ethnicity Pay Gap Report also provides a backdrop to development of a more inclusive environment for our employees from ethnic minority backgrounds, and helps frame strategies and initiatives aimed at improving future workforce diversity.

Our ethnic minority representation in Thales UK is currently **7.7%**. At first glance this appears to be a reduction from last year, but factoring in organisational changes including the completion of the Ground Transportation business sale, it actually represents a like for like increase from **7.2%**. Our ethnic minority representation is consistent across all levels of the organisation at around the **8%** mark, except in our most senior roles where it continues to sit around **5%**.



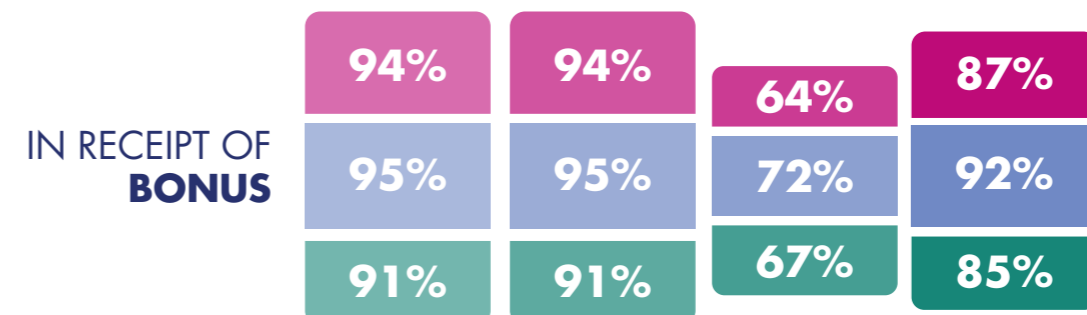
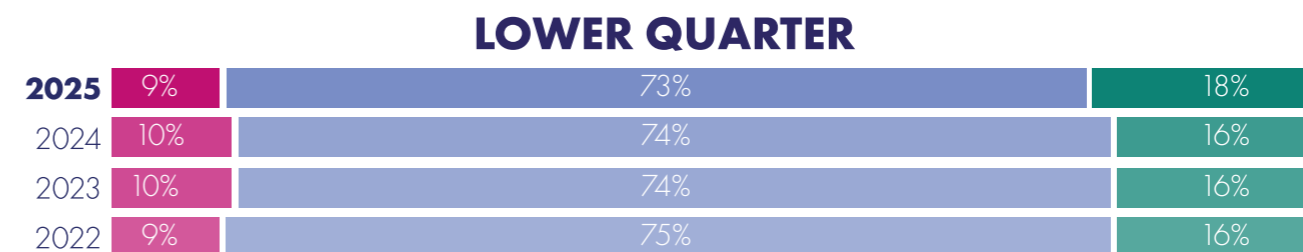
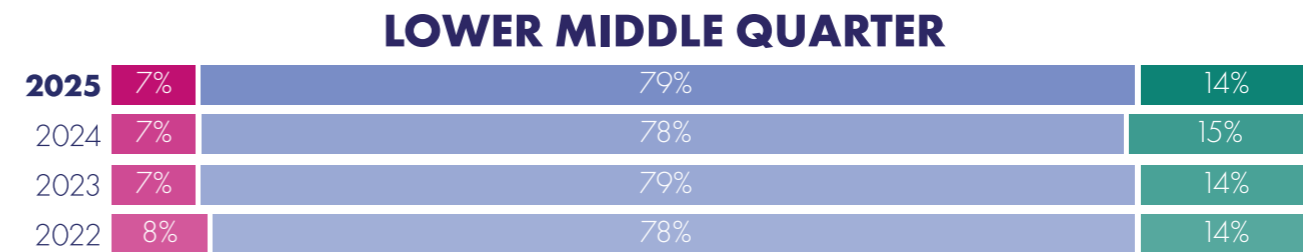
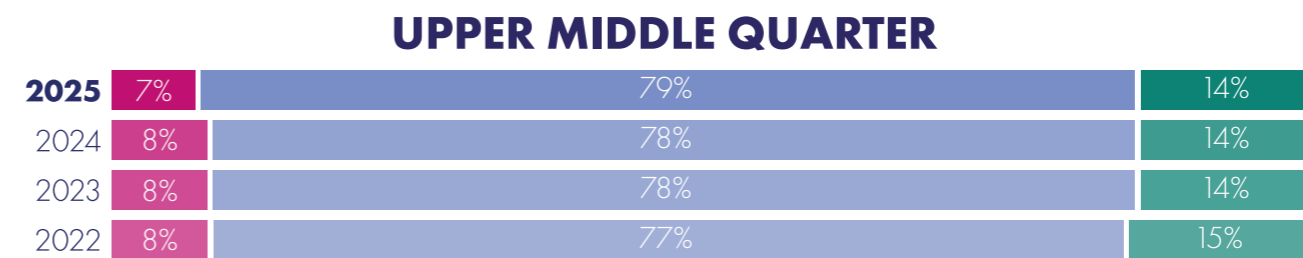
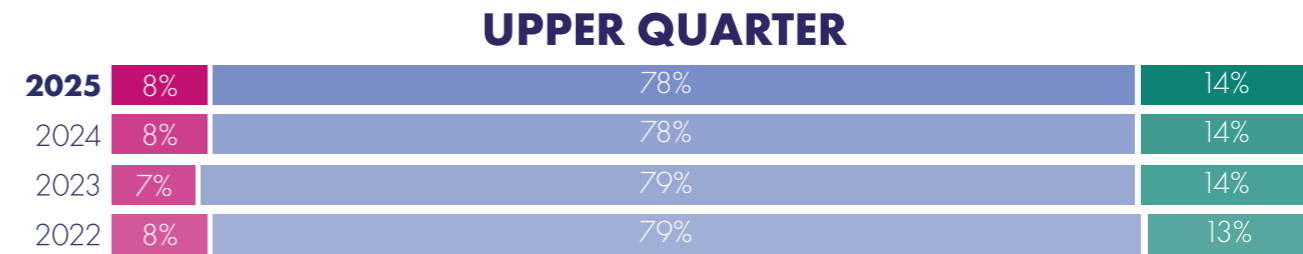
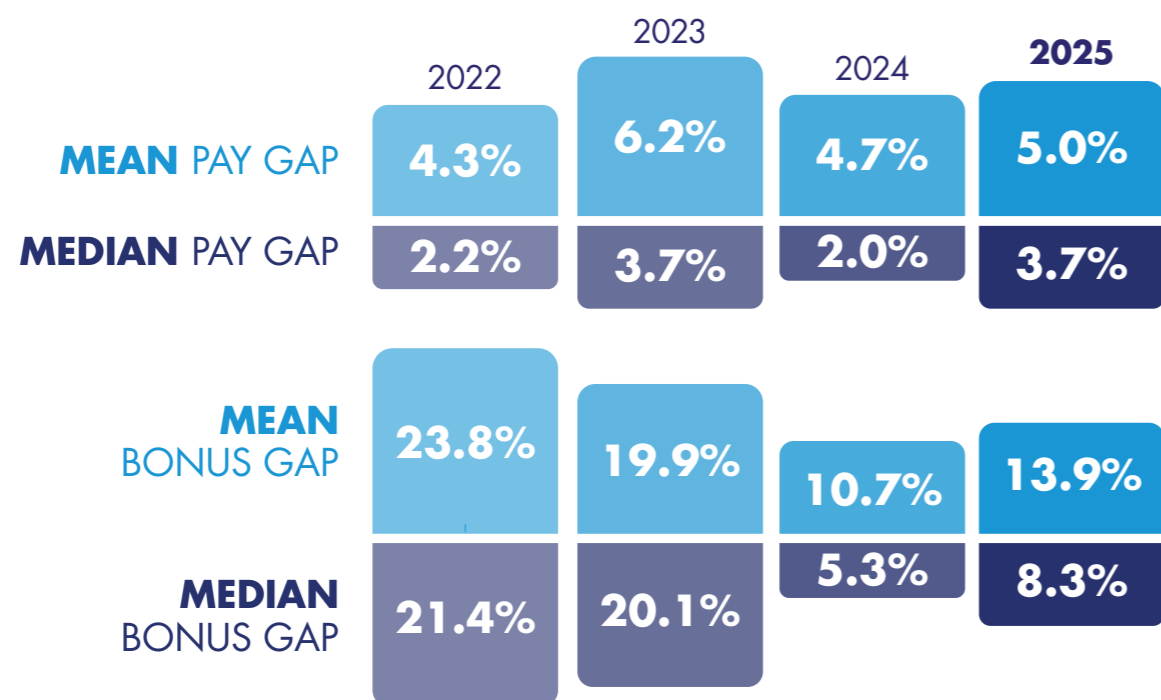
Addressing this difference at senior levels remains an important focus in our ongoing commitment to equity. As an organisation, we aim to be welcoming and inclusive for individuals of all ethnic backgrounds, working toward greater representation across all levels of our business. We are also committed to building a diverse future talent pool in engineering by encouraging and empowering young people from all backgrounds to pursue careers in STEM. At **7.7%**, our current ethnic minority representation compares to **19.3%** of the general working-age population across the UK. We are dedicated to bridging this gap through sustained, positive actions which are outlined later in this pack.

Ethnicity Pay Gap

We analyse Ethnicity Pay Gap across different ethnicity categories, but publish the pay gap statistics calculated by comparing employees from the 'white' ethnic group with those from all other ethnic groups. This allows confidential management of ethnicity disclosure where different ethnic categories do not have large populations. Ethnicity Pay Gap reporting is not yet legislated, but to maintain consistency it is recommended to use the same methodology as Gender Pay Gap, so this remains our approach.

This year sees a slight increase in Ethnicity Pay Gap consistent with some reduction in representation in the Upper Middle and Lower Pay Quarters. Despite that, each pay quarter still remains broadly reflective of the overall ethnic minority representation in Thales at between **7-9%**.

The Ethnicity Bonus Gap, like that for Gender, has increased a little this year – a combination of the internal administrative change already mentioned, along with the demographic changes in the last year. Meanwhile, the population in receipt of a bonus has shifted back up again to around the **90%** mark for all ethnicities.

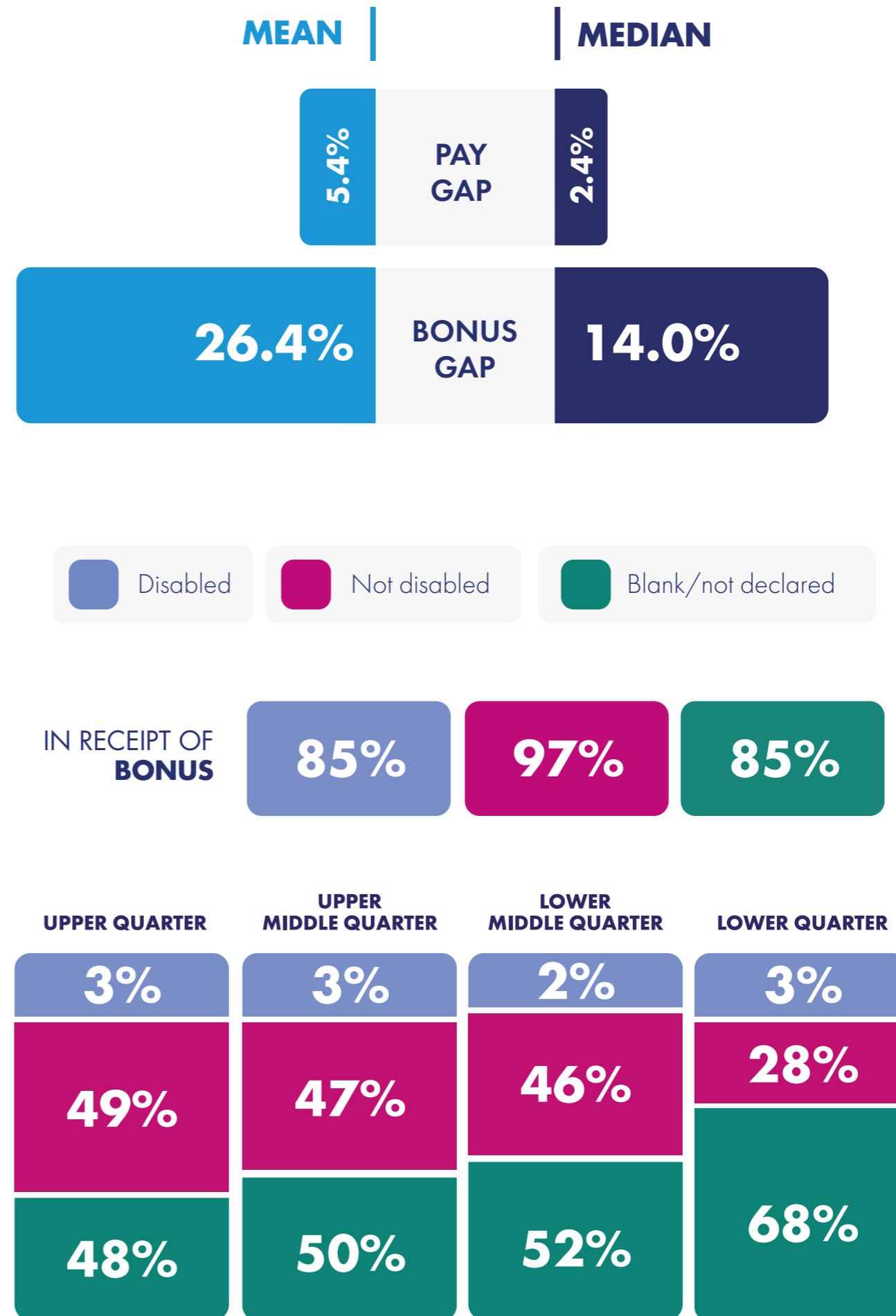


Disability Pay Gap

This year marks an important milestone for our organisation as we publish our Disability Pay Gap data for the first time. Sharing this information reflects our ongoing commitment to transparency and to deepening our understanding of fairness and opportunity across our workforce. Disability Pay Gap data provides valuable insight into how colleagues with a disability are represented and rewarded across the organisation. While around **3%** of our employees have declared that they have a disability, **45%** have not made a disability declaration of any sort. This relatively low declaration rate, and the resulting instability of the statistics is the reason that we did not start reporting on Disability Pay Gap at the same time as Ethnicity Pay Gap.

Our analysis with our available data shows a mean Disability Pay Gap of **5.4%** and a median gap of **2.4%**, with employees who have declared a disability represented across all pay quartiles. This distribution indicates broad participation across roles and levels within the business. We also continue to review our disability bonus outcomes. The Disability Bonus Gap stands at **26.4%** on a mean basis and **14%** on a median basis, with a strong proportion of employees across all groups in receipt of a bonus.

These results offer an important baseline from which to deepen our understanding and monitor future trends. As this is our first year of reporting, the data provides a starting point rather than a definitive picture. Publishing these results allows us to build greater insight over time, strengthen confidence in our reporting, and ensure our future analysis continues to evolve in depth and accuracy. We will use what we learn from this data to inform our priorities and support the creation of a workplace where every colleague has equitable opportunity to develop, progress, and succeed.

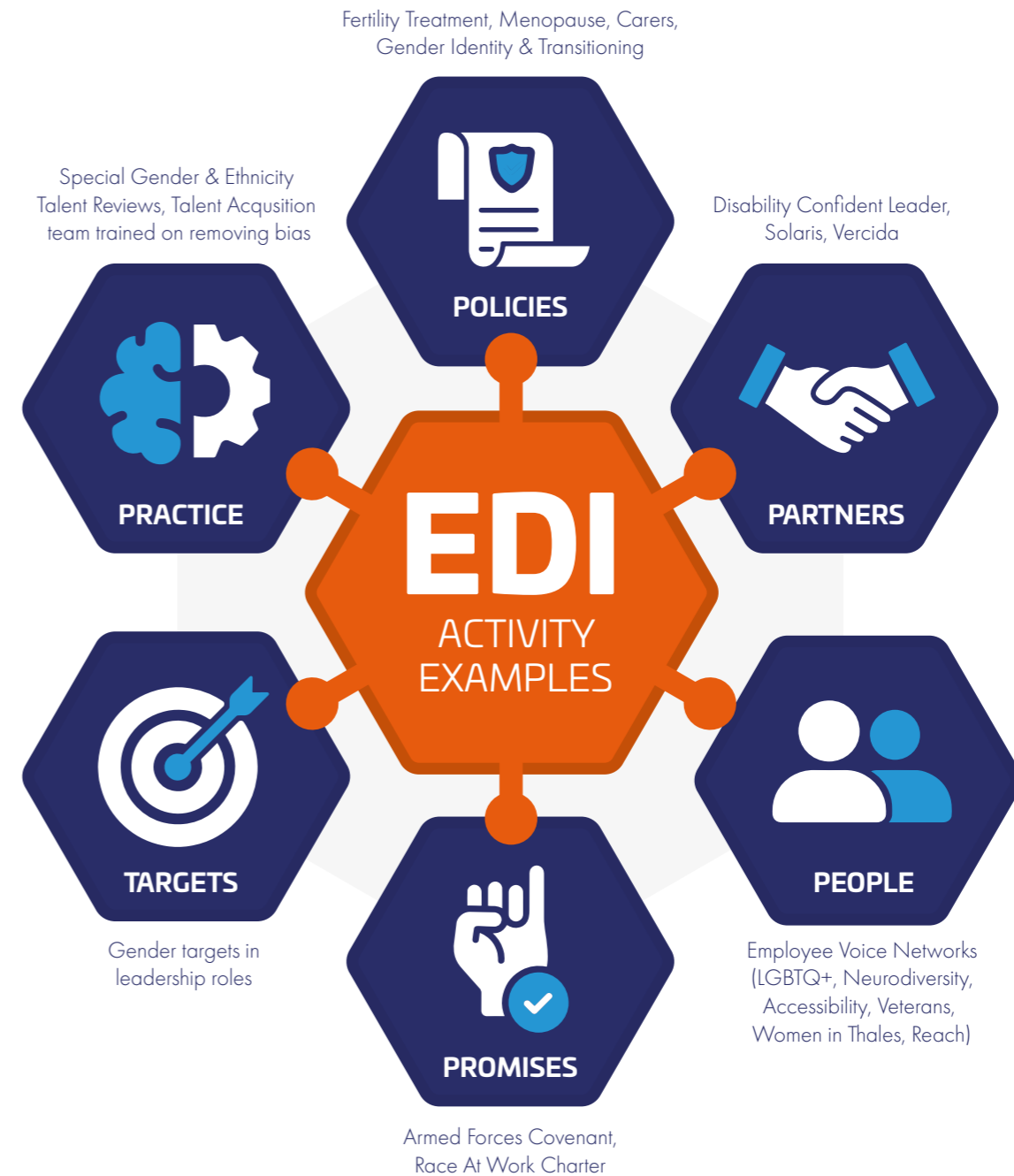
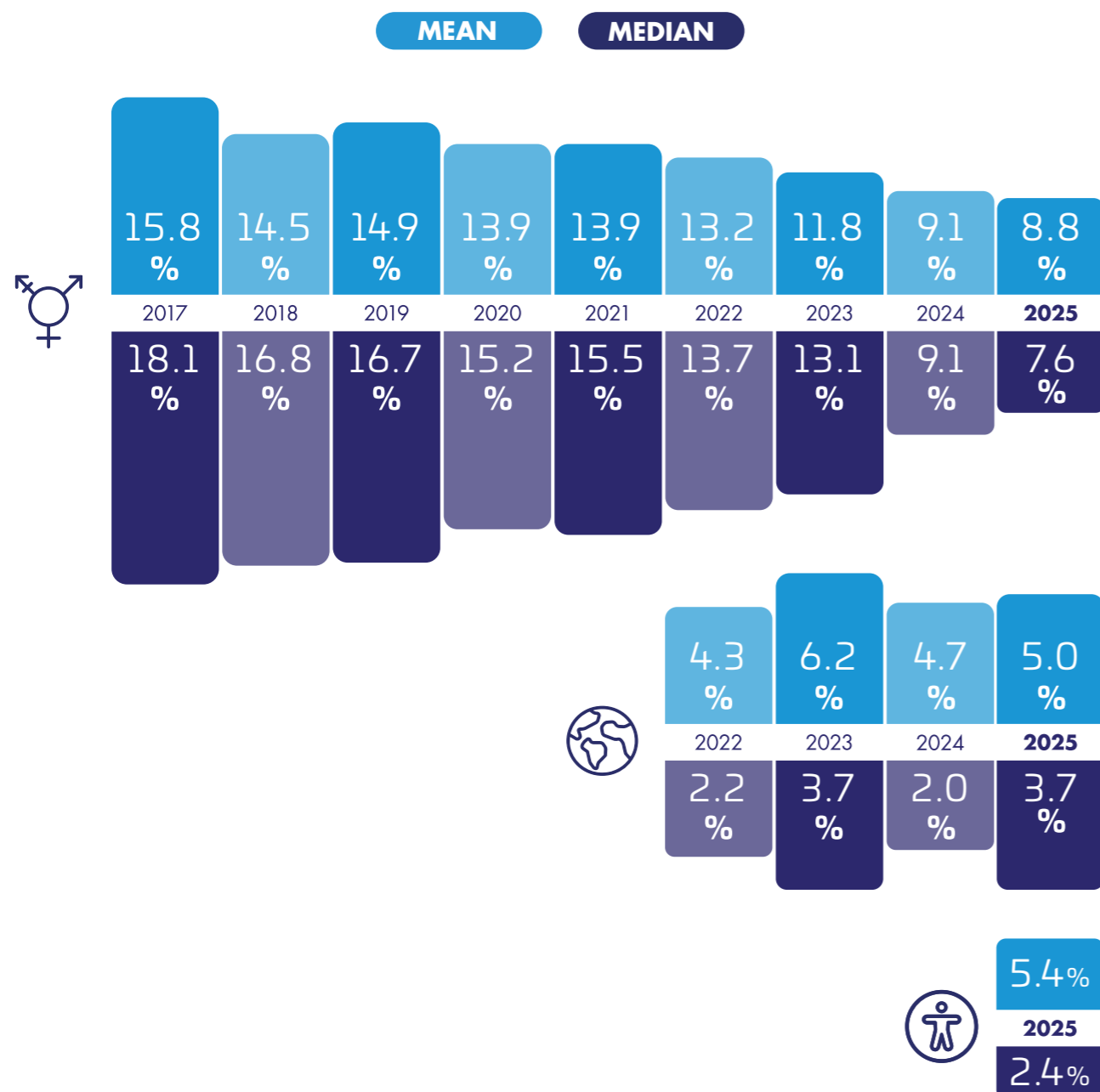




Equity, Diversity and Inclusion at Thales

Our History of Pay Gap Reporting

We are proud to share the trend of positive improvement over the years in our pay gap results. This improvement is the result of years and years of targeted efforts to influence our culture of Equality and Inclusion of all groups.



EDI Activities

Our commitment to creating an inclusive and equitable workplace where diverse talent can thrive is underpinned by our belief that diversity is an essential source of innovation and creativity, and therefore crucial for the sustainable performance of our business. We therefore take an integrated approach to embedding it into everything we do as represented in the examples here.

EDI Strategy

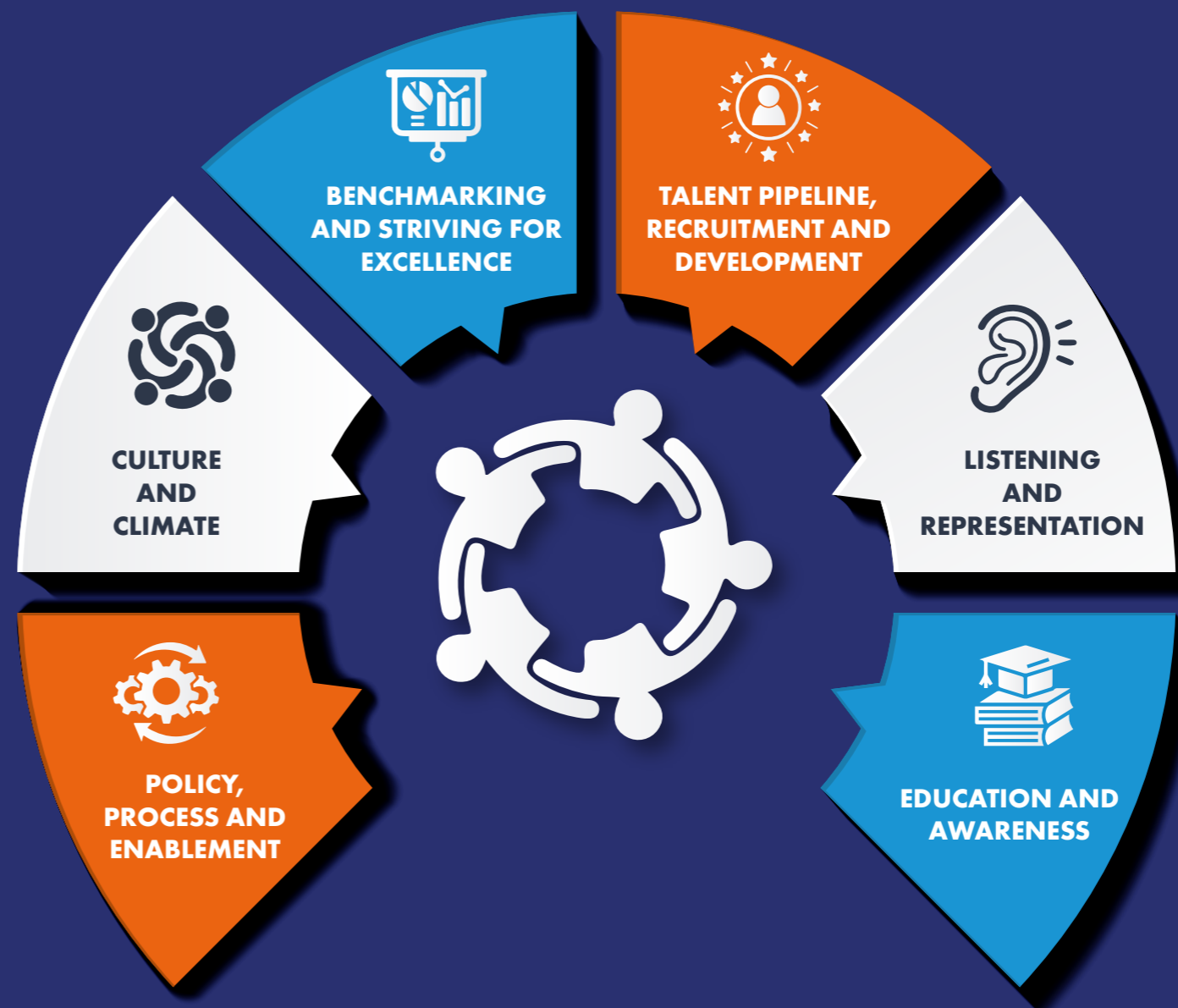
Serving others is our ethos and is rooted in our culture. This means we're always aiming to create greater impact for our people, communities, and customers.

Social sustainability is integrated in everything we do, enabling us to create lasting, meaningful impact for people, communities, and society at large. It's about enhancing quality of life, championing diverse talent, investing in education and skills, and empowering communities, all while accelerating the shift toward a greener, safer planet.

We will be launching a refreshed EDI strategy in 2026 to reflect our focus in integrating our social sustainability priorities into the Thales EDI road map. We are proud to share with you a collection of spotlight content about current activities from across the workstreams of EDI in the following pages.

WE WILL VALUE EVERY INDIVIDUAL

Equity, Diversity and Inclusion Strategy (EDI)



Spotlight

Recruitment & Attraction

Talent Acquisition and mobility activities make a considerable contribution to our EDI efforts. Here is a snapshot of our recent priorities in the domain of Gender equity:

Interview Shortlists

Where possible, each candidate shortlist includes at least one female candidate for hiring manager consideration.

Talent Pipelining

Using Phenom to build longlists of potential female candidates for future engagement.

Improving Candidate Experience

Ensuring all Talent Acquisition Partners are familiar with Thales' diversity and inclusion policies and consistently promote these across all platforms (Vercida, Glassdoor, LinkedIn, Indeed, Careers Website).

Diversity & Employee Value Proposition Campaigns

Partnering with our Women in Thales Network to share career stories and role models to deliver content such as short reels and success stories.

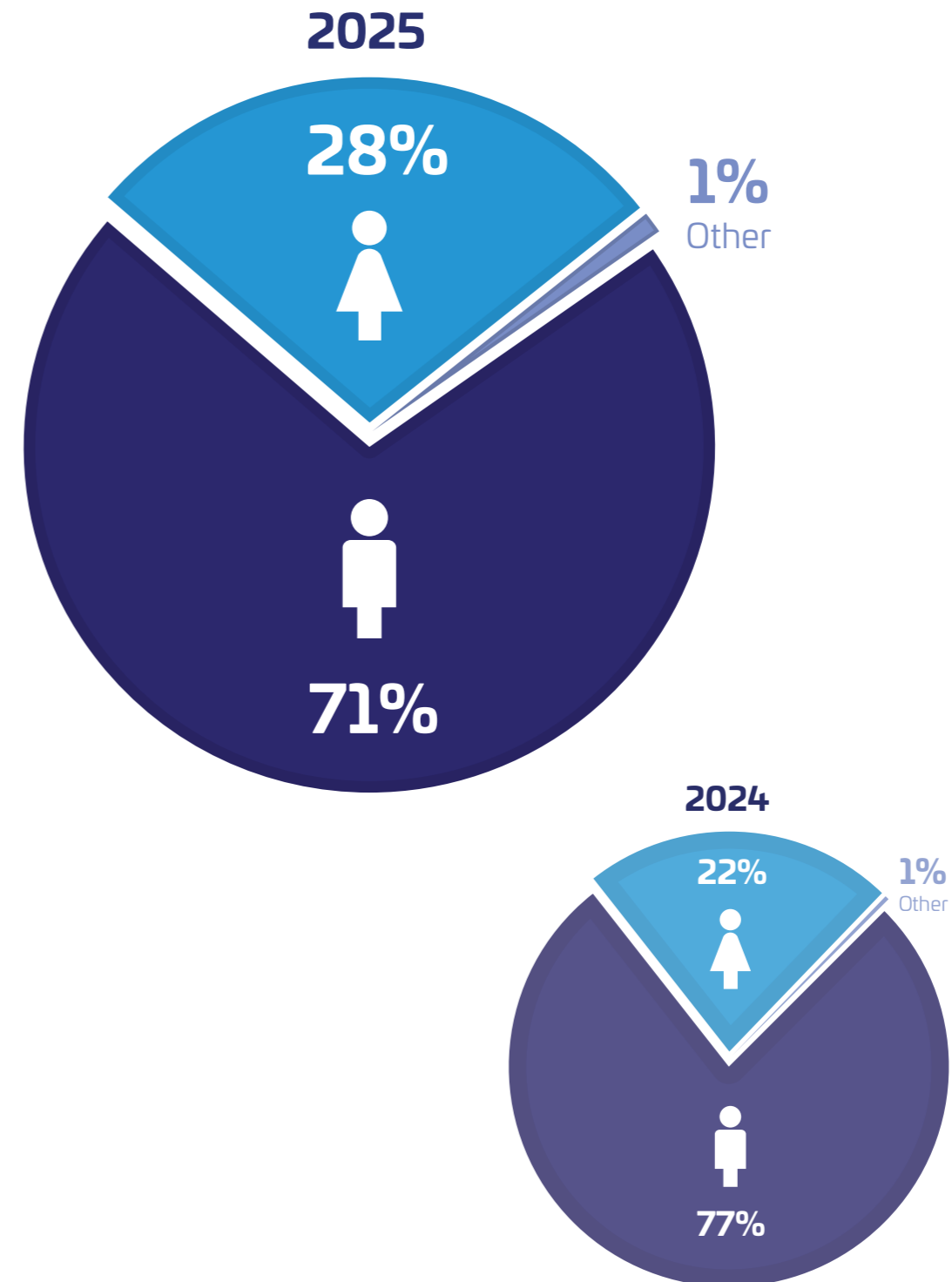
Women's Insight Events

Internal networking and guest speaker events to connect and empower women through knowledge sharing.

Future Careers Programme

Brings in a breadth of diverse entrants, these employees receive development through internal and external programmes to prepare them for enduring careers with Thales.

Gender of new hires (2024-2025)



Spotlight

Talent and Gender

In 2025, our focus has centred on a series of targeted attraction activities designed to increase female representation. Within Future Talent, we actively encourage diversity in our talent pipelines by reaching out to career switchers and maximising the use of the apprenticeship levy as a route into our business. We have introduced 'Talent Spaces' to provide tailored support for women navigating assessment centres, ensuring they are set up for success.

We have also widened our external engagement, exhibiting at 'We are Tech Women' in July, sharing inspiring employee stories on platforms like VERCIDA, and boosting referrals by empowering our teams to champion more women from their networks. Recognising the importance of holistic support, we offer a first-class suite of policies for parental leave, fertility, and healthcare, signposting the critical backing our people need at key moments in their lives.



At Thales, we recognise that diversity is a source of strength and innovation. We remain dedicated to attracting, retaining, and developing talented women across our organisation.



Working Together For Gender Equality 

Retention is equally vital. This year, we piloted **group coaching for maternity returners** to help them reintegrate and flourish post-leave. With the support of our **WiTh (Women in Thales)** network, and committed leadership sponsorship, Thales has driven popular engagement days at our sites—creating spaces for connection, learning, and inspiration. Importantly, men as allies are integral to these initiatives, actively participating and broadening the conversation. Looking ahead, we plan to further expand these events across our UK sites.

In addition, we are piloting **specialist talent conversations for women**, inviting them to explore career pathways and access bespoke mentoring—building a culture where every woman is empowered to unlock her full potential. Through our partnership with **Leaders Plus**, we support both women and men to navigate the dual responsibilities of parenting and leadership, ensuring progression is accessible at all stages of life.

Spotlight

Supporting Ethnic Diversity at Thales

In partnership with Solaris and their leadership programme, we are championing diverse talent and providing targeted support for career progression. To achieve this we routinely track, assess, and compare our internal ethnicity data against external regional and sector data to inform and shape our areas of focus, ensuring we are better able to identify and address barriers, drive impactful action, and measure our progress transparently. These activities strengthen our organisation and reinforce our belief that representation at every level matters.

The steps we are taking to support women and ethnicity in our workforce reflect our broader mission to champion intersectional equality, nurture talent, and ensure that everyone at Thales feels inspired to thrive.



Spotlight

Vocation Maker: Promoting STEM for All and Championing Diversity

Broadening Access through Virtual Work Experience

We are committed to widening participation in STEM, exemplified by our Virtual Work Experience programme on SpringPod. In just three months, over 1,500 students have accessed real-world industry insights, regardless of their location. Virtual work experience is helping us remove traditional barriers and offer more young people the chance to discover STEM careers.



Supporting Educators

We recognise the pivotal role teachers play in student success. Our Vocation Maker programme and collaborations with organisations like STEM UK have delivered career readiness and recruitment training to over 100 teachers and careers advisers nationwide. These efforts strengthen educators' ability to guide students and enhance upper primary STEM teaching through best practice sharing and industry engagement.

Developing Deeper Relationships Nationwide

Building lasting engagement with schools and students is central to our strategy. The 'If you were an engineer, what would you do?' competition, in partnership with Primary Engineer, now reaches schools across all four nations—bringing the excitement of engineering to more young people and forging enduring partnerships.

Our regional activities further deepen these connections. In Glasgow, we've expanded our partner school network and provided STEM opportunities through teacher CPD, industry events, and student experiences like CERN visits. The local STEM for All programme promotes inclusion via hackathons and camps for under-represented groups, while the inaugural cadet camp at Crawley (welcoming over 100 cadets) demonstrates the impact of hands-on learning across different locations.



By broadening access, deepening relationships, and supporting educators, we are driving greater inclusion and inspiration in STEM education and career pathways.

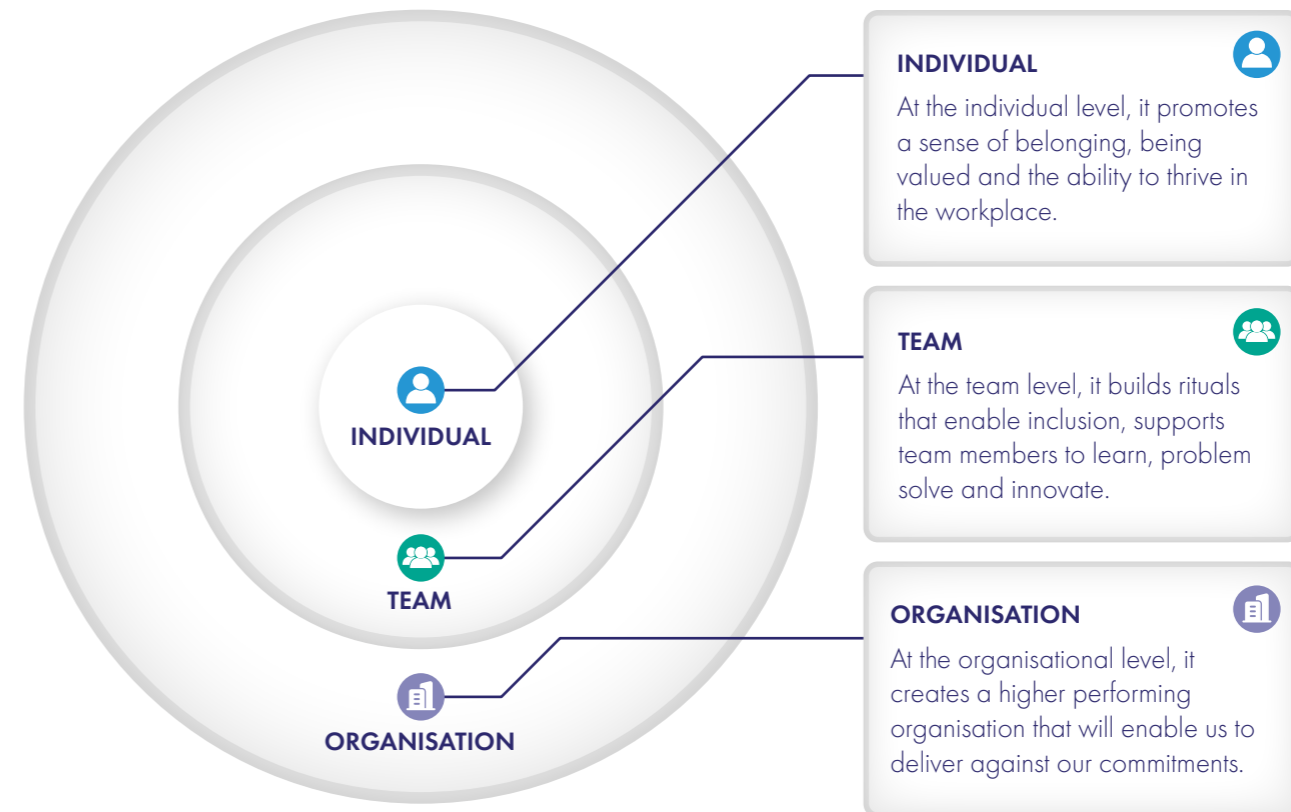
Spotlight

Psychological Safety

Diversity is key to our organisational performance, but we know that performance is only enhanced when everyone feels psychologically safe.

We know that trust creates a climate of psychological safety, but it doesn't come from just saying, it comes from doing and our actions. As part of our UK Strategic Framework, our LEAD ambition pushes us to **'Attract, Retain, and Develop our Talent'**, and the key to this is building a truly inclusive culture. Psychological safety sets the foundation for inclusivity through creating true diversity which is built through trust, accountability, respect, and openness. When people feel psychologically safe, they're more engaged, more creative, and better able to perform at their best. For a company like ours, where innovation and adaptability are key, this is absolutely essential for creating a high performing organisation.

Great progress has been made with our psychological safety measurement survey with individual action plans adopted by **25%** of business lines and functions in the business, with plans to cover **60%** of the business by the end of Q1 2026.



Spotlight

Be You With Us Networks

At Thales in the UK, we believe every individual has something unique to offer, and our mission is to unlock that potential. We want to create an inclusive space where everyone feels welcome, valued, and empowered to grow and be themselves with us. It's not just about ensuring safety and well-being; it's about igniting lasting change through our decision-making, where all employees can feel the positive effects of our choices, and their hard work. We champion our Be You With Us employee representative groups, that uplift under-represented voices through meaningful engagement, helping everyone be seen and see themselves in our workplace. By nurturing a culture where success is shared, we're building careers and a fairer, brighter future for all.

Our employee network groups provide connection communities for employees as well as driving education in our business about under-represented experiences, challenges and priorities.

We continue to recognise the opportunity to expand Gender Pay Gap reporting beyond binary categories. We are dedicated to capturing and analysing pay data across all gender, ethnicity and disability identities, aiming for fairness for every employee. This opportunity is only realised through the available disclosed data and the need to ensure both anonymity and statistical significance. Our focus is therefore on nurturing a psychologically safe environment for sharing and being authentic at work whether that relates to gender, disability, ethnicity or any other characteristic.

BE YOU, WITH US



network



Spotlight

Accessibility

In the last two years we have been focusing on simplifying how reasonable adjustments are discussed, identified, accessed and delivered to improve our employee adjustment experience. This has involved bringing together the leaders of all the relevant functions and working on identifying the biggest impact priorities, including:

- The introduction of the transcription functionality in MS Teams.
- Partnered with a specialist neurodiversity enablement service provider.
- People Manager and employee coaching.
- Introduction of the Workplace Adjustments Passport and Guide.
- Relunched the Disability network as the Accessibility network, where we are seeing membership and this employee voice increasing, which is crucial to help drive meaningful improvement activities.

Our future commitments to accessibility include:

- People Manager disability training.
- Prioritising inclusive design to reduce the requirement for adjustments.
- Launch of the first Thales Group Inclusion Survey in 2026.

Steps to adjustments



Types of adjustments



Afterword



Phil Siveter

Chief Executive Officer
Thales UK

STATEMENT OF ACCURACY

I can confirm that the data contained in this report is accurate and that the statistics have been calculated in accordance with current legislation.

In my first full year at Thales, I have had the opportunity to visit our major UK sites, meet our employees and understand more deeply how our culture, our work and our people come together to make Thales UK what it is today. These conversations and insights have strengthened my belief that our focus on EDI is essential — not only to who we are, but to the future we are building.

This year's report highlights the tangible progress we are making in reducing pay gaps and fostering a workplace that reflects the communities we serve. A key milestone has been the publication of our first-ever Disability Pay Gap. Introducing this analysis deepens our understanding of the experiences of our colleagues and reinforces our commitment to fairness, transparency and inclusion within our organisation. It is a significant step in broadening our approach to equity, and it will guide us as we continue building an environment where every individual can thrive.

I'm proud of the impactful work that is being done across the organisation to close existing pay gaps, particularly in gender and ethnicity through initiatives such as STEM for All, and our partnership with Solaris. By expanding representation across gender, ethnicity, disability and wider identities, we are shaping a more inclusive future for our organisation. Strengthening our diversity data allows us to see where inequalities persist and to take informed, focused steps to reduce our pay gaps.

Our focus areas continue to be:

- > Fostering psychological safety so every employee feels heard and valued.
- > Strengthening our approach to inclusion across all levels of the organisation.
- > Attracting, retaining, and developing under-represented talent.
- > Driving diversity in leadership and promoting career progression across our organisation.
- > Building a fuller picture of our workforce through robust diversity data.
- > Actively listening to our employees and taking meaningful action to improve their experience at Thales UK.

Solving the challenges of tomorrow depends on the strength and diversity of our people. By helping employees build fulfilling careers and reach their potential, we are creating a workplace where inclusion and equity drive our success.

Appendix

Throughout this report, we have presented pay gap data from Thales in the UK. We are, however, required to report Gender Pay Gap data separately for each legal entity. You can find this detail below.

Thales UK Ltd.

	2020	2021	2022	2023	2024	2025
MEAN PAY GAP	12.9%	13.8%	12.4%	11.1%	9.3%	8.5%
MEDIAN PAY GAP	15.0%	14.7%	13.0%	13.0%	9.9%	8.7%
MEAN BONUS GAP	36.2%	27.6%	27.3%	23.8%	16.7%	24.0%
MEDIAN BONUS GAP	68.3%	29.3%	35.5%	31.8%	15.1%	21.3%
WOMEN IN RECEIPT OF BONUS	95%	98%	96%	95%	69%	92%
MEN IN RECEIPT OF BONUS	96%	97%	96%	95%	76%	93%

DIS UK Ltd.

	2020	2021	2022	2023	2024	2025
MEAN PAY GAP	29.7%	27.4%	26.4%	25.5%	23.7%	25.7%
MEDIAN PAY GAP	32.4%	29.4%	31.2%	29.1%	23.9%	25.9%
MEAN BONUS GAP	50.6%	44.5%	31.6%	51.3%	45.8%	27.0%
MEDIAN BONUS GAP	41.1%	37.6%	37.0%	37.7%	36.7%	35.6%
WOMEN IN RECEIPT OF BONUS	96%	93%	92%	94%	92%	91%
MEN IN RECEIPT OF BONUS	90%	84%	84%	85%	82%	84%

Men	UPPER QUARTER	Women	Men	UPPER MIDDLE QUARTER	Women
83%	2025	17%	77%	2025	23%
83%	2024	17%	79%	2024	21%
84%	2023	16%	81%	2023	19%
85%	2022	15%	81%	2022	19%
85%	2021	15%	82%	2021	18%
84%	2020	16%	82%	2020	18%

Men	LOWER MIDDLE QUARTER	Women	Men	LOWER QUARTER	Women
78%	2025	22%	71%	2025	29%
78%	2024	22%	71%	2024	29%
79%	2023	21%	70%	2023	30%
79%	2022	21%	70%	2022	30%
78%	2021	22%	69%	2021	31%
78%	2020	22%	66%	2020	34%

Men	UPPER QUARTER	Women	Men	UPPER MIDDLE QUARTER	Women
86%	2025	14%	71%	2025	29%
83%	2024	17%	73%	2024	27%
81%	2023	19%	73%	2023	27%
83%	2022	17%	73%	2022	27%
80%	2021	20%	78%	2021	22%
81%	2020	19%	71%	2020	29%

Men	LOWER MIDDLE QUARTER	Women	Men	LOWER QUARTER	Women
61%	2025	39%	45%	2025	55%
63%	2024	37%	43%	2024	57%
53%	2023	47%	48%	2023	52%
62%	2022	38%	46%	2022	54%
64%	2021	36%	47%	2021	53%
54%	2020	46%	47%	2020	53%

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