



John Menzies Ltd

UN Global Compact: Communication on Progress

August 2022

People. Passion. Pride. Since 1833.

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About John Menzies Limited

Established in 1833 in Edinburgh, John Menzies Limited is one of Scotland's largest companies with its success depending upon providing an efficient, high quality, time-critical service to its customers and partners. The Company is a leading global provider of landside and airside services.

On 4 August 2022, Menzies Aviation was acquired by Agility, a supply chain services, infrastructure and innovation company. As part of the deal, Agility will combine Menzies with its National Aviation Services business to create a world leader in aviation services.

The combined company will provide air cargo services, fuel services and ground services at airports on six continents. The new company will have approximately 35,000 employees and operations at 254 airports in 58 countries, handling 600k aircraft turns, 2 million tonnes of air cargo and 2.5 million fuelling turns per year.



Statement from our CEO

Dear Stakeholders,

As CEO, I am delighted to share the first John Menzies Limited (Menzies Aviation) Communication on Progress (CoP), re-affirming our commitment to supporting and progressing the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour Standards, Environment and Anti-Corruption.



By sharing our CoP and supporting documents, we aim to demonstrate how our actions uphold the principles and how they directly align with our strategy, culture and every-day approach to operating ethically, safely and sustainably.

The last few years have been some of the most challenging in our company's history, for the aviation industry and society more widely. This has only served to reinforce our belief and commitment in taking greater responsibility for supporting our people and communities, developing valued relationships across our supply chain and playing our part to reduce our impact on climate and the environment, ensuring a bright and prosperous future for all.

On 4 August 2022, Menzies Aviation was acquired by Agility, a supply chain services, infrastructure and innovation company. As part of the deal, Agility will combine Menzies with its National Aviation Services business to create a world leader in aviation services at 254 airports in 58 countries. Once integrated, our combined company will operate as Menzies Aviation and will be the world's largest provider of air cargo, fuel and ground services by number of countries we operate in and second largest by number of airports served.

We look forward to the next evolution of our business, creating our shared vision and ongoing commitment to upholding the principles and developing and delivering our own sustainability goals.

This year, our CoP focuses solely on Menzies Aviation's progress. Next year, we look forward to sharing a CoP as a new, bigger, Menzies Aviation following our integration with National Aviation Services.

We believe in open and transparent reporting. In support of this, our CoP will be made publicly available to all stakeholders on our company website.

A handwritten signature in blue ink, appearing to read 'P. Joeinig', written over a set of three horizontal lines.

Philipp Joeinig
CEO
Menzies Aviation

Approach

This CoP document provides a high-level overview of our commitment and progress and is substantially supported by our **Annual Report and Accounts 2021** and our annual **Modern Slavery Statement**, which provide more information on how we are progressing our commitment to the Ten Principles and United Nations Sustainable Development Goals and aligning these with our own strategy, policies, measures, procedures and partnerships. This CoP exceeds the minimum criteria for the GC Active level of reporting.

Annual Report and Accounts 2021

Responsible Business section (pages 40 – 65)

<https://menziesaviation.com/wp-content/uploads/2022/04/John-Menzies-plc-2021-Annual-Report-and-Accounts.pdf>

Modern Slavery Statement FYE 2021

Our business prepares an annual modern slavery statement, outlining our commitment and steps we take to ensure no instances of any form of modern slavery occur in our own operations or within our supply chain.

<https://menziesaviation.com/anti-slavery-statement/>

All In

‘All in’ is our strategy and plan for a fair and sustainable future. It encapsulates all aspects and material areas of focus for Menzies across environmental, social and governance (ESG) pillars.

It helps us engage with all our People on ESG topics, signpost and communicate our ESG goals and actions, and it gives an identity to Menzies’ commitment to ESG.



Our initial strategy and goals were created following a materiality assessment across the ESG spectrum, identifying the areas that were a priority for Menzies Aviation. This is a process we will repeat to ensure our strategy and goals remain relevant and supportive of positive change for a sustainable future.

We have initiated a number of projects and initiatives, as well as set goals, across four key workstream areas: **Environmental, Legal and Ethical, Safety, People**.

Our Annual Report and Accounts 2021 describes some of goals and measures in more detail.



Supporting the UN Sustainable Development Goals (SDGs)

Menzies Aviation has identified the following UN SDGs as ones that align with our All In strategy and that we can support through our business operations and partnerships.

Our progress of the SDGs and alignment with our business operations and strategy is described within our Annual Report and Accounts 2021. This includes examples of community initiatives that we support as a business and their alignment with the SDGs.



Overview Actions & Progress

Aligned with all ten principles, our Code of Conduct details the ethics and behaviours we expect and promote to help guide our employees in making the correct choices, and to ensure compliance with all applicable laws and regulations. Our Code reflects many topics including human and labour rights, safety, environment and anti-corruption. This helps develop our culture, built on safety, strong ethics and integrity, underpinned by our values and behaviours.

Similarly, our Third Party Code covers all areas of compliance including legislation, regulation and standards. Its scope includes business conduct, financial crime, ethical conduct, human rights, health and safety and environmental expectations.

Human Rights

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2: make sure that they are not complicit in human rights abuses.

Overview:

Menzies Aviation are committed to protecting and supporting human rights. Our policies and practices are designed to protect the rights of our employees through the whole recruitment and employee lifecycle and our Business Partner contractual arrangements and Third Party Code of Conduct set out our requirements for our suppliers and partners.

It's our goal to create a diverse and balanced workforce and to develop a truly inclusive culture through our leadership approach, policies, development, and working environments.

Our modern slavery statement is published annually on our website as well as shared on the respective UK and Australian government modern slavery statement databases. This statement provides details of our business operations goals, policies, education and progress to eliminate all forms of modern slavery from our own operations and supply chains. <https://menziesaviation.com/anti-slavery-statement/>

Policies:

The following policies contain provisions related to the protection of human rights in various forms and are in place across our global operations.

- Code of Conduct
- Anti-Slavery & Anti-Human Trafficking Policy
- People Policy
- Equality, Diversity & Inclusion Policy
- Third Party Code of Conduct
- Recruitment Policy
- Speak Up Policy & Guidance

Processes & Initiatives:

The following processes, procedures and initiatives are core elements of our day-to-day ethical working practices and/or have served to improve them and help us progress towards meeting our goals.

- Business Partner Onboarding, Risk Assessment and Due Diligence
- Recruitment and Employee Onboarding Processes
- E-learning for our global employee population
- Equity Inclusion and Belonging global working group with employee participation across our global business, shaping our priorities, generating ideas and helping implement change
- UN Target Gender Equality Accelerator Programme participation 2021/2022
- UN Women's Empowerment Principles assessment undertaken in 2021/2022

Measures & Outcomes:

The following goals and measures are tracked across our business.

- Creation of a diverse and balanced workforce including increasing our female senior leadership population to at least 25% by 2025 and our middle leadership to at least 40% by 2033
- Training and development measures and goals for all employees
- Improved employee retention rates
- Employee satisfaction
- Speak Up reporting and tracking

Labour

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: the elimination of all forms of forced and compulsory labour;

Principle 5: the effective abolition of child labour; and

Principle 6: the elimination of discrimination in respect of employment and occupation.

Statement:

We are committed to upholding the freedom of association and the effective recognition of the right to collective bargaining, where it is in compliance with local laws and regulations and considered to be in the long-term best interest of the business and employees.

Our Code's and supporting policies capture our commitment to United Nations Guiding Principles on Business and Human Rights and the International Labour Organisation Declaration on Fundamental Principles and Rights at Work.

Within our own operations we support collective bargaining agreements and recognise and engage with over 40 different trade unions in over 90 locations globally.

No instances of modern slavery were identified within Menzies' operations or supply chain in 2021.

Policies:

- Code of Conduct
- Anti-Slavery & Anti-Human Trafficking
- People Policy
- Equality, Diversity & Inclusion
- Third Party Code of Conduct
- Recruitment Policy

Processes & Initiatives:

- Business Partner Onboarding and Due Diligence
- Recruitment and Employee Onboarding Processes
- Equity Inclusion & Belonging Working Group
- Contractual arrangements with Suppliers

Measures & Outcomes:

- Active relationships and communications with all recognised trade unions and respectful of our employees right to freedom of association
- Zero occurrences of any form of modern slavery including forced labour and child labour anywhere in our operations or supply chain
- 100% of suppliers agreeing to adhere to our Third Party Code of Conduct with our agreements and contractual arrangements
- Enhanced Third Party risk assessments and due diligence including a specific focus on modern slavery and labour rights
- Zero speak up cases where an allegation of discrimination is upheld

Environment

Principle 7: Businesses should support a precautionary approach to environmental challenges;

Principle 8: undertake initiatives to promote greater environmental responsibility; and

Principle 9: encourage the development and diffusion of environmentally friendly technologies.

Statement:

Menzies Aviation are committed to protecting the environment and taking steps to reduce and where possible eliminate the effects of climate change from our business operations.

Menzies is a signatory and participant in the Clean Skies for Tomorrow coalition and a signatory of the Mission Possible Partnership and Clean Skies for Tomorrow joint Aviation Transition Strategy for achieving net zero targets by 2050.

During 2021 Menzies committed to setting Science Based Targets aligned with the Business Ambition for 1.5° campaign and plans to set these during 2022. This will ensure our goals are verified, measurable and transparent.

We work with our customers to support them in achieving their own environmental goals.

Policies:

- Code of Conduct
- Environmental Policy
- Third Party Code of Conduct

Processes and Initiatives:

- Business Partner Onboarding and Due Diligence

- Recruitment and Employee Onboarding Processes
- Environmental Management System
- Emissions Analysis and Reporting, ESOS Compliance
- Commitment to setting science based climate targets in line with limiting global temperature rise to 1.5°C
- Go Paperless initiative reducing paper usage through digitisation
- Moving our data centres to be hosted in carbon neutral or negative locations
- Waste reduction and recycling

Measures & Outcomes:

- Carbon neutral by 2033 – measuring and reporting on emissions annually
- Increasing our percentage of electric (and other forms of non-diesel) equipment and vehicles in line with targets
- Zero fuels spills target and tracking
- Reducing paper usage internally and across shared customer processes.
- Support the climate agenda by working with our value chain partners to capture and reduce Scope 3 emissions, support our airline customers to reduce emissions by providing solutions for sustainable aviation fuel and reducing waste, and providing efficient aircraft turnarounds

Anti-Corruption

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

Overview:

Menzies Aviation are committed to operating ethically at all times and take a zero tolerance approach to all forms of bribery and corruption within our business and

supply chains, only engaging with those partners and suppliers who share our approach. Our Speak Up hotline enables internal as well as external reports of any unethical behaviour, concerns or wrongdoing to be made confidentially and anonymously.

Policies:

- Code of Conduct
- Anti-Bribery & Anti-Corruption
- Conflicts of Interest
- Gifts & Hospitality
- Third Party Code of Conduct
- Speak Up Policy & Guidelines

Processes & Initiatives:

- Global compliance programme with top level commitment
- Risk assessments, monitoring and review
- Business Partner onboarding and due diligence
- Targeted communication and training around all aspects of our compliance programme, as well as awareness training for all employees via our Code of Conduct e-learning
- Contractual provisions, including incorporation of our Third Party Code of Conduct
- Speak Up hotline (for employees and third parties)

Measures & Outcomes

- Zero instances of bribery and corruption within our business and supply chains
- Operating in full compliance with applicable legislation, ensuring strong ethical and governance practices are up to date, relevant and adhered to.
- Ensuring sustainable and ethical supply chains and partnerships everywhere we operate
- Cyber security: ensuring continuous improvement of the confidentiality, integrity and availability of Menzies systems, data and services
- Speak Up reporting of completed investigations and outcomes, evolving and improving training and communication to improve culture and working environments