

Governance

At Menzies we believe that our strong internal governance practices together with compliance of ESG reporting frameworks and regulation are beneficial for our company and our stakeholder communities, and should be embraced.

Through good governance, we can embed sustainable development principles throughout our strategy and decision-making, develop structured sustainability plans, hold ourselves to account and be clear, consistent and transparent in communicating progress against the commitments and high standards we set as a company, and in our stakeholder relationships.



Sustainability Report Scope & Reporting Frameworks

Our sustainability report for 2022 includes supporting data and progress against our All In plan and goals, covering the period from 1st January 2022 to 31st December 2022. It also includes selected information and updates on plans and initial progress made in 2023, which will be covered more fully in our 2023 Sustainability Report.

Our Sustainability Report is supported with additional detail from the documents listed below, which are available on our corporate website, along with other information updated and communicated from time to time on our corporate website, and other related websites and government databases.

- Annual Modern Slavery Statement (next report due June 2023): menziesaviation.com/anti-slavery-statement
- United Nations (UN): Communication on Progress (next report due June 2023): menziesaviation.com/wp-content/uploads/2022/09/JM-Ltd-UN-CoP-31.08.2022.pdf

Menzies is a signatory of the United Nations Global Compact and we reference the UN Sustainable Development Goals (SDGs) throughout this report. Our sustainability report also supports our annual UN Communication Progress updates, as well as other rating responses e.g. EcoVadis.

Our disclosure response to the Task Force on Climate-related Financial Disclosures can be found on pages 40-43 of this Sustainability Report.

Details of our GHG reporting and methodology, and compliance with related reporting requirements can be found within the Environment section of this Sustainability Report on pages 21-23.

We engaged TCFD and climate specialists, ESG360° Risk Management Limited (ESG360°) to provide support on reviewing climate risk scenarios for 2022 and to provide independent assurance of our 2022 GHG emissions for scope 1 and 2. ESG360° have also supported on our scope 3 emissions analysis and preparation of our targets for submission to the Science Based Targets Initiative in 2023. Following approval of our science based targets in 2023, we will publish details of those on our website and incorporate details within our future reports.

Our reporting will further evolve as we align and comply with future developments of the International Sustainability Standards Board (ISSB) and other UK and EU regulatory initiatives that will impact us going forward.

Accountability

Our Board and Committees are accountable for setting Menzies overall strategy and direction of the business, while our Executive Management Board are accountable for day-to-day development and management of the business, delivery of our strategy and management of risks. Accountability for sustainability is borne by every level of the organisation from the Board down, while the Chief Governance and Sustainability Officer has oversight and responsibility for our All In plan. While we have processes and reporting focused on ESG and sustainability, our overall governance framework has evolved to include a sustainability lens throughout. Read about our Board on page 38, our risk framework on page 39 and within our TCFD report on pages 40-43.

Our Board of Directors

Our Board of Directors sets and ensures implementation of Menzies long term strategy, builds community relationships, and provides the governance framework. The Board has oversight of our approach to sustainability and All In plan, with particular responsibility residing with our Chairman, Hassan El-Houry and CEO, Philipp Joeinig.

Significant changes were made to our Board of Directors in August 2022, following the acquisition of Menzies by Agility and subsequent de-listing of John Menzies plc from the London Stock Market, taking Menzies from being a FTSE listed company to being wholly privately owned. Further details relating to the acquisition, Board changes and de-listing process can be found on our website.

Composition of the Board



■ Male
■ Female

Female representation

20%



Hassan El-Houry
Chairman



Philipp Joeinig
Board Member



Ehab Aziz
Board Member



Dr. Cheryl Martin
Independent Non-Executive Board Member



Thomas Plenborg
Independent Non-Executive Board Member

Our Executive Management Board

Our Executive Management Board (EMB) reports to our Board of Directors and is responsible for operational and business performance with a focus on embedding a customer centric focus throughout the business and making us the provider of choice for our customers.

Our strong leadership team sets a clear direction, and positions our business to deliver our strategy and grow sustainably. The EMB ensures our decision-making and approvals processes apply an ESG lens and align with our sustainability goals. While sustainability is the responsibility of every EMB member, with direct ownership for development and delivery of our All In plan residing with John Geddes, Chief Governance & Sustainability Officer. The EMB also sets the tone and performance goals for our senior leadership, incorporating ESG targets and initiatives into those helping embed our plans throughout our business.

Note: Mervyn Walker will be retiring from his permanent role on the EMB in 2023, continuing to provide his immense expertise and experience to Menzies on a part-time basis into 2024.

On a day-to-day basis, our All In plan and sustainability strategy are developed, communicated and implemented across globally by our Head

of Sustainability & Corporate Responsibility, with support from central business functions and operational teams throughout our business.

ESG Committee

Our ESG Committee was paused in 2022 while the sale of Menzies to Agility took place, along with Board structure changes. While this took place, our EMB continued their support and championing of our All In plan and wider sustainability agenda. Our ESG Committee will become functional in 2023, with representation from our senior leaders. It will be chaired by the Chief Governance & Sustainability Officer with support from the Head of Sustainability & Corporate Responsibility. The committee will be strategically focused and help shape new initiatives and champion our All In plan. They will also have responsibility for identifying, assessing and managing external and emerging top-down climate risks and opportunities as part of our wider risk framework.

Composition of the Board



■ Male
■ Female

Female representation

20%



Philipp Joeinig
Chief Executive Officer



Alvaro Gomez-Reino
Chief Financial Officer



John Geddes
Chief Governance & Sustainability Officer & Company Secretary



Mervyn Walker
Chief Operating Officer



Juliet Thomson
Chief People Officer

Our approach to Risk

Menzies Enterprise Risk Management (ERM) framework was updated in Q1 2022 to evolve our ERM capabilities and processes to take a more proactive approach to risk and drive value through accountability, governance and oversight, and strategic integration. A number of improvements were made at that time and further planned improvements were implemented in 2022, including the implementation of our new ERM system.

Our Risk Committee undertook a thorough assessment of all top-down and emerging risks at the end of 2022, which are now actively tracked and managed in our Enterprise Risk Management (ERM) system, including our climate-related risks. Following this, our principal risks were identified and presented to the Audit & Risk Committee, and ratified by them. Our risk framework and governance structure is shown in the diagram on the right.

We will continue to test and improve our risk framework including management, controls and oversight, to ensure we remain resilient, grow responsibly and protect our business and stakeholders at all times.

Risk Committee

Our Risk Committee was formed in 2021 and provides enterprise-wide governance and skilled business assessment, as well as identification, of the risks facing our business, with a particular focus on top-down, emerging and principal risks, whether they be strategic, change, financial, regulatory, climate, political, financial, IT, legal, regulatory, reputational or other risks. The committee also reviews risks related to new business opportunities along with the executive management board. The committee has a responsibility to instil enhanced awareness and corporate risk governance in a meaningful way, informing our strategy and action planning. The committee meets quarterly.

Our ERM system

Our new ERM system holds our risk registers and provides greater visibility, ownership, management and reporting of risks, and is enabling improved tracking of associated actions. It has helped provide a dynamic view and tracking of our risks, impacts and actions that can be viewed across our global business and maintained dynamically by risk owners in real time. We will further train and embed our ERM processes and across our global business in 2023.

Operational Risk

Reflecting our purpose of ensuring safe and secure operations, as well as our core value of Safety, the removal and management of risk throughout our day-to-day operations is fundamental. Continuing to improve and embed our Menzies Operating Responsibly Safely and Effectively (M.O.R.S.E.) programme and safety management systems, is a top priority. By linking our M.O.R.S.E. system with our ERM system over the coming months, we will create a more dynamic, 'live' operational risk register that can be effectively managed. As we onboarded many new employees to support or existing and new operations, and began integrating NAS locations into our business during 2022, ensuring we focus on delivering the best safety training, tools and develop our safety culture has never been more critical. 2023 will be no different as we support continued growth, responsibly.

RISK FRAMEWORK & GOVERNANCE STRUCTURE



THE RISK MANAGEMENT CYCLE

