



Gender equality report Menzies Aviation (Oslo) AS 2023

Part 1

One of the core values for the John Menzies Limited group is to be a workplace where everyone can feel respected and included. As a wholly owned subsidiary, our Norwegian legal entity is expected to work actively to contribute to the group's vision of an inclusive workplace, and we therefore work purposefully with mapping and measures to ensure such compliance.

Agility, a supply chain services, infrastructure and innovation company, announced in 2022 that it has completed the acquisition of John Menzies and will combine the business with its National Aviation Services (NAS) business to create a world leader in aviation services in 58 countries. The company will operate as Menzies Aviation and will be the world's largest aviation company by number of countries and second largest by number of airports served.

The airline industry has throughout 2023 experienced a higher number of passengers and airlines have increased their production, finally getting the traffic closer to the pre-covid level. Two important factors contributed to changes in the staffing volumes. Insourcing of ground handling for front of house departments, which resulted in a business takeover with TUPE, and a bankruptcy of a different customer. 51 women and 47 men were transferred directly through the TUPE process, and a handful were released to the new insourced handling to avoid redundancies and further downsizing.

1.1 Distribution of gender in Menzies Aviation (Oslo) AS

	Women	Men	Total	Percentage Women
2. Total number of employees by employment contract (permanent and temporary), disaggregated by sex				
Employees	108	470	578	19%
5. Total number and rate of new employee hires, disaggregated by sex				
Number of new hires	41	82	123	50,43 %

1.2 Composition of job groups

The business had at most 676 employees in 2023. 98 employees transferred as per legal legislation through TUPE to a customer's insourcing company. At 31.12 the company had 578 employees, most of whom were men. The proportion of women has been reduced in 2023, which can be explained by the fact that TUPE-transferred employees were from the front of house departments. This downsizing would naturally create a more skewed distribution of the genders in the operation. The change in the three departments in front of house (Check-in/gate, Operations, Arrival Services) has resulted in a skewed distribution of genders – more than before. The departments where the main tasks are physical were always biggest, and still are. The three service-related departments have

got smaller, these have historically attracted more women than the more physically challenging departments within logistics.

The job groups in the report are divided according to the company's departments/production units, which largely agrees with the division of the various tariff areas in the company.

100 – Administration & Management

200 – PAX (Passenger service, front of house/check in staff/gate staff, arrivals)

300 – Ramp (Loading/unloading aircraft side)

400 – OPS (Operations Centre/dispatch services)

500 – Pmz (Baggage sorting & driving)

600 – De-icing (De-icing operation of aircraft, only during winter season. Employees usually transfer temporarily from other departments for the season)

There is a large difference in the gender balance between the various departments. There is a higher proportion of women in the department for administration and management, passenger service and the operations Centre. This is again assumed to be related to the degree of heavy physical work, and that these departments do not have positions that involve such heavy physical work.

For the aircraft de-icing department, the gender imbalance is assumed to be related to the recruitment process, as the department does not initially have particularly heavy physical work.

1.3 Salary differentials

Due to large gender differences between different departments (tariff areas), the wage scales of the tariff areas have a major impact on the salary statistics for the sexes in the business. There has been a documented difference in the salary development for the labor and white-collar workers' agreement for ground handling during the last 14 years.

The business has had as its stated aim to ensure a local wage settlement that does not contribute to increasing the differences between the collective agreement areas in the business, as well as to work for a more even gender balance in the departments where the inequality is greatest. In the long run, this will result in smaller pay differences between the genders.

1.4 Pension

The company has the same pension scheme for all employees, which provides earnings of up to 6 G. The contribution percentage has increased through the recent years, and the work of improvement continues.



1.5 Temporary employees

The business had per 31.12.23, 2 temporary employees. These are employees with higher competency that have come to work on De-icing, which is a seasonal operation during the winter period.

1.6 Part-time workers

	Men part- time	Women part-time
Afdeling 100 - Administration	0	0
Afdeling 200 – Pax	8	35
Afdeling 300+500 - Ramp/Pmz	15	8
Afdeling 400 – OPS	2	0
Afdeling 600 – De-ice (seasonal department)	1	2

In 2023, the business had a proportion of part-time employees for men 5.5%, for women 41%. The business has employees in the voluntary part-time category.

The business has a two- and three-part shift system, Sunday work and some night work. There is great variation in the production level throughout the day, week and year, which involves complex work with shift and shift plans to ensure correct working and rest times for the employees. At the same time, the staffing level must cover the business's needs and create a good basis for profitability. This entails a need for part-time employees.

Shift plans are made together with shop stewards in the business, and shop stewards in the business are actively involved in order to avoid involuntary part-time. Trade union representatives have historically contributed input on how the business can contribute to creating more full-time positions through the design of the rotation plans.

In the event of changes to the rotation plans, which usually occur twice a year, the business is in dialogue with employees about increasing part-time positions or transitioning to full-time. This can happen for a temporary period (in high season) or when the business has had a fixed need.

1.7 Parental leave

In 2023, 34 employees had parental leave, 21 men and 13 women. Average number of weeks parental leave for women 26,5 and for men 10,2. There is a decrease in the number of weeks for both genders, though the decrease in weeks is higher for women, with 8,6 weeks less on average than the previous year. One can argue that this means a higher amount of paternity leave is taken by men on average than before.

1.8 Sick leave

The business has sickness absence that is higher than the national average. In 2021 and 2022, the business had a decrease in sickness absence. It is uncertain exactly what was contributing to this decline, but the company's targeted work with sickness absence follow-up is believed to have resulted in a certain reduction in absence. There is reason to assume that a significant reduction in physical workload in several departments has contributed to the fact that the threshold for coming to work with limited physical ailments (wear and tear, musculoskeletal ailments) has been lower during the pandemic.

Sickness absence in 2023 is somewhat higher for women than for men, 7.1% for men and 7.5% for women. With a total sickness absence of 7.2%, it is significantly higher than previously for both sexes. There has been a focus on



reducing the percentage of sickness absence in all departments during the year, through close collaboration with the occupational health service. The opportunity to work remotely has contributed to somewhat lower sickness absence short term for administrative and leading positions, but this share constitutes a very small part of the business.

The business will continue with the targeted follow-up of sickness absence and mapping of factors that contribute to sickness absence. The business has been an IA(Inkluderende Arbeidsliv) company since 2012. The IA collaboration's aim is to create a working life with room for everyone, through preventing sickness absence and dropouts throughout Norwegian working life. The workplace is the main arena for IA work. Good cooperation between the parties is a prerequisite for success in the IA work.

1.9 Recruitment

The business employed 123 people in 2023, in addition of 6 students having a practice arrangement through school, who do not count as FTEs. The share of new hires in 2023 is 50% women. This is an increase. The goal is for the proportion of women to increase significantly throughout the business and the goal is a good gender balance. Applicant wise, there is a noticeable difference between the genders – passenger service is appealing to both men and women, while the number of women applying for the heavy physical jobs is smaller.

Part 2

Salary average, segregated by gender in 2023 (per 31.12.2023)

	Tot	Men	Women	AVG Men	AVG Women	% Women compared to men
Avdeling 100 – Administration	41	21	20	647 964	603 822	93,19
Avdeling 200 – Pax	83	22	61	382 362	377 633	98,79
Avdeling 300+500+600 - Ramp/Pmz/Deice	428	408	20	518 805	436 275	84,09
Avdeling 400 – OPS	26	19	7	479 069	531 711	110,99
Total	578	470	108	515 569	435 270	84,43

(Data is collected from Visma (payroll system)).

The diversities of the different department have a natural split by working area and tasks, where the departments with mainly physically heavy tasks are under a collective agreement that has a higher pay scale in general, this has been the case historically and the effects of that are still noticeable in the present time. The factors for the salary growth within the two different collective agreement areas (service vs logistics) are both internal and external, where external growth of the salaries nationally has been a big contributor to this variation. What we do see is that



the starting salary in the operational departments has a slower growing pay scale for the service-related areas compared to the logistical departments, and the first one mentioned has a potential for improvement. The differences between men and women in the ladder, logistical departments can be explained by lower seniority amongst women on average.

2.1

Menzies Aviation (Oslo) AS is subject to John Menzies Limited's management documents where equality, anti-discrimination, diversity, and inclusion form a central part, including the Code of Conduct:

“OUR PRINCIPLES

Our People are our most highly valued resource: our operational performance and delivery of shareholder value are dependent upon attracting and retaining a highly skilled, motivated and talented employee base. We are committed to having a diverse workforce and creating a workplace that promotes mutual trust and respect. Everyone should feel they are treated with dignity and empowered to reach their full potential. Employees with any concerns or issues are encouraged to discuss these with their Line Manager or a (HR) human resource representative to ensure prompt resolution.

OUR EXPECTATIONS A WORKPLACE FREE FROM HARASSMENT AND INTIMIDATION

We all have a right to work free from intimidation and harassment and in an environment where we feel safe and comfortable. Any form of abuse or harassment is strictly forbidden, and this includes actions that might reasonably be considered to be offensive or discriminatory. We expect all employees to treat each other with courtesy, dignity, and respect.

> Help create a work environment free from harassment and intimidation.

> Report any incidents to your Line Manager or HR representative.

DIVERSITY AND INCLUSION

We actively promote tolerance and diversity at every level of our business. As a global organisation, we aim for a workforce that is representative of the societies in which we operate. As such, we are committed to providing equal opportunities and avoiding any form of unfair discrimination in the workplace. We seek to create an environment of inclusion and acceptance.

EQUAL OPPORTUNITIES

Our policies and procedures for recruitment, training, promotion, and reward promote equality of opportunity, regardless of background and personal circumstances. > All work-related decisions are based on merit, not on race, colour, national origin, religion, gender, age, sexual orientation, gender identity, marital status, disability, or any other characteristic protected by applicable laws. > Offensive remarks, messages or jokes and inappropriate behaviour are never acceptable and will not be tolerated.”

All new employees undergo mandatory training in the document's content, and a refresher course is conducted every 3 years for all employees.

The company encourages employees to talk to their immediate supervisor about unwanted incidents and is also encouraged to report non-conformities in writing in the local non-conformance system. In addition, there is a notification system at group level.



The business has not received notifications through the group's system in 2023.

During the pandemic, home offices were introduced for a number of administrative functions. This offer has been continued to some extent after the pandemic, which helps employees to better adapt their everyday working life to their private lives. The vast majority of the company's tasks cannot be carried out from a home office and require physical presence.

For employees with special needs for adaptations, the company strives to offer adapted working time plans, as far as this is practically feasible. The company works closely with union representatives on such arrangements.

2.2

The company's aim is to integrate the equality aspect into all activities that take place in the business, recruitment, training, development, and promotion, as well as in the development of the physical and psychosocial working environment. This applies particularly in the departments where the proportion of women is the lowest.

Today's status:

- There are very few women in departments with physically heavy work, although the proportion has increased in 2023.
- The parts of the business that have the highest proportion of women are the parts of the business that have the lowest wages (by tariff area). There is otherwise a good balance in seniority between the sexes and women are well represented in lower levels of management (almost 50%), in the departments with the best gender balance.
- There is an increasing proportion of women in the highest management group, plus there has been an increasing proportion of women in the middle management level in the last 3 years.
- On average, there are significantly fewer female applicants for internal recruitment processes and promotions.
- Occurrence of incidents where women experience sexual harassment by male colleagues

The business assumes that the reasons for the low proportion of women in the business as a whole, in some departments in particular, come from the following:

- Physically heavy work
- "Traditional" career choices
- High proportion of internal recruitment; from a population with a large proportion of men
- A large part of the working time is outside the opening hours for schools and kindergartens.

All arenas in the business that are part of the above-mentioned processes (point 2.2). Human resources (HR), the planning department, the working environment committee (AMU), the business committee (BU) and contact meetings with shop stewards aim to facilitate that the business can be an attractive workplace for both sexes. Contact meetings are held with the trade unions monthly, in addition to combined AMU/BU every two months. The occupational health service participates in every meeting of AMU/BU.

The business has a strong focus on good case management in cases of sexual harassment, and management works closely with HR to ensure that employees feel it is safe to report such cases.

The business has mandatory training modules on equality and discrimination, as well as a separate recruitment manual that covers the topic for all employees involved in recruitment processes.



John Menzies Limited has committed to the UN's Sustainability Goals for equality and inclusion. The group has a goal to increase the proportion of women in senior management to 25% by 2025, and the proportion of women in middle management to 40% by 2033.

The group has its own management program for women "Thrive - Women in leadership", in which participants from the Norwegian unit have been able to take part. The group attaches great importance to promotion of the business, including recruitment material and job advertisements, containing visual and verbal communication that supports the goal of diversity and equality.

The company carries out annual employee surveys and employee interviews, which are good tools for uncovering systematic obstacles to the equality goal, as well as discrimination. The business sees that there is further potential in these tools.

Impairment of function

The essential parts of the business require employees with good physical conditions, as the work consists of handling, loading/unloading luggage, handling large machinery or vehicles.

In addition, there are a number of restrictions in the indoor infrastructure (terminal) which make it difficult even for salaried employees with disabilities to physically get to the workplace in order to perform tasks.

The business is at the mercy of infrastructure that is provided by Avinor or the customers (the airlines), and which can only be adapted to a small extent for functional impairments. This makes it challenging to facilitate the inclusion of employees with functional impairments.

An example could be check-in desks with narrow entrances, high work desks and the requirement that employees must be able to help passengers operate the airport's infrastructure (check-in kiosks, baggage belts, etc.)

The aim of the business is to be able to arrange for employees who have temporary functional impairments to be able to stay in work or possibly be permanently relocated, in order to prevent dropping out of working life. This is followed up through the company's follow-up program.

The business has had a separate project with the trade union to map adaptation options for the elderly in the company. Here, everyone over a certain age has been reviewed and the possibilities for less physical work have been looked at. The result of this exercise showed that over 90% of the elderly had positions that in one way or another had adapted positions that were less physically demanding.

Ethnicity

The business has employees from many different cultures, countries and ethnic backgrounds, and is an attractive workplace for immigrants due to the working language (English) and the fact that the business operates in an international environment, which in this sense is a self-reinforcing factor.

The limitation lies in national requirements for security clearance, which excludes all persons who cannot document residence in the EU/EEA in the last 5 years before the start of the employment relationship.

Religion/view of life

Facilities and regulations at the business and in the infrastructure around the business (the airport) provide good facilities for employees with different religious affiliations, such as food offerings, flexibility in uniform regulations and prayer rooms. The business has good conditions for being able to adapt time off/holidays to the various holidays.



Sexual orientation, gender identity, and gender expression

The group attaches great importance to the individual employee's freedom of play when it comes to gender identity, including through flexible uniform rules and using visual expressions of support for Pride, including by painting flight stairs in Pride colors. It will also be marked with information letters, events etc.

3.1 Recruitment

The business attaches great importance to all visual and verbal expressions in connection with promotion and recruitment appealing to both sexes, and often reinforces this by actively using images and videos that show the diversity that already exists in the business.

The company wishes to increase the proportion of newly recruited women in positions in the baggage hall/airside and is particularly attentive to female candidates' feedback and wishes, in order to be able to attract more of them.

The company works to appeal to women during internal departmental changes, for example by concretely encouraging potential candidates to apply for positions. We see that "role models", seeing other women in the positions, has a positive effect.

3.2 Salary and working conditions

The business has ensured equal treatment of groups, regarding pay, through collective bargaining. The business sees it as a challenge that the various tariff areas have a gender imbalance, and that this indirectly results in lower wages for women. The company's first goal is to prevent wage growth in the future from reinforcing inequalities, as well as to strengthen the gender balance in departments where the representation of women is low.

The company has introduced full pay in the event of illness and parental leave, as well as paid paternity leave for fathers for 2 weeks.

3.3 Promotion & development opportunities

The company works to appeal to women through internal announcements and encourages potential female candidates to apply. The business is concerned with diversity in all parts of the organization and seeks to put together teams that reflect the diversity in other parts of the business.

3.4 Combination of work and private life

Employees in administrative positions, which do not require physical attendance, have the option of a home office as well as flextime/core time. The company has made itself open to alternative working time arrangements for other staff but has so far been unsuccessful in finding an arrangement that the shop stewards have accepted.

The business offers voluntary time shifts and shift changes where possible without significant consequences for the operation.



3.5 Facilitation

Offers on individual arrangements for home offices, financial grants, and loan equipment, offers for employees who for physical/psychosocial reasons should not work from home. Discounted/free physiotherapy for all employees.

3.6 Harassment, sexual harassment, and gender-based violence

Good deviation systems in the Norwegian unit, as well as a group system for notification. All cases in 2023 are received and handled locally. Good dialogue with shop stewards around the issues that have arisen.

3.7 Measures

A review of employee surveys, employee interviews and exit interviews is planned to improve access to feedback on the various parameters in the business.

The company will take a new initiative to propose more flexible working time solutions for employees who are not in administrative positions.

The shift plan review in the last half of 2023 aimed to reduce temporary positions and involuntary part-time.

In this year's wage negotiations, the company will propose strengthening the wage model in the collective bargaining areas with the lowest wages, which will indirectly have a positive effect on women's remuneration.

The business continues to work on obtaining better mapping tools to obtain information on can contribute to more gender balance recruitment to the departments with the lowest proportion of women.

4. Results and expectations

Women's share of men's wages has increased by 1.33% in 2023, it is unclear whether this trend will continue. The gender balance in new recruitment to certain departments has improved, but there is still a large bias that will take many years to correct. The same therefore applies indirectly to the wage differences.

The business has a lot to do when it comes to the systematic and targeted collection of feedback from employees, as well as how the tripartite collaboration can be used actively to create new, effective measures to improve the basis for equality.

