



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2021 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 989 757 113
Organisasjonsform: Aksjeselskap
Foretaksnavn: MENZIES AVIATION (OSLO) AS
Forretningsadresse: Sigrid Undsets plass
Terminalen
2060 GARDERMOEN

Regnskapsår

Årsregnskapets periode: 01.01.2021 - 31.12.2021

Konsern

Morselskap i konsern: Nei

Regnskapsregler

Regler for små foretak benyttet: Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet: Regnskapslovens alminnelige regler

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Dominik Kamil Krol
Dato for fastsettelse av årsregnskapet: 30.06.2022

Grunnlag for avgivelse

År 2021: Årsregnskapet er elektronisk innlevert
År 2020: Tall er hentet fra elektronisk innlevert årsregnskap fra 2021

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 09.08.2023



Resultatregnskap

Beløp i: NOK	Note	2021	2020
RESULTATREGNSKAP			
Inntekter			
Revenue		237 786 879	183 457 364
Other income		4 986 192	16 242 550
Sum inntekter	2	242 773 071	199 699 914
Kostnader			
Employee benefits expense	4, 5	175 178 874	154 340 496
Depreciation and amortisation expenses	6	4 513 770	4 650 955
Other expenses	4	78 062 716	99 935 329
Sum kostnader		257 755 359	258 926 779
Driftsresultat		-14 982 289	-59 226 865
Finansinntekter og finanskostnader			
Other financial income		48 319	
Sum finansinntekter		48 319	
Other financial expenses	8	3 282 082	4 674 301
Sum finanskostnader		3 282 082	4 674 301
Netto finans		-3 233 762	-4 674 301
Ordinært resultat før skattekostnad		-18 216 051	-63 901 166
Income tax expense	9		
Ordinært resultat etter skattekostnad		-18 216 051	-63 901 166
Årsresultat	10	-18 216 051	-63 901 166
Årsresultat etter minoritetsinteresser		-18 216 051	-63 901 166
Totalresultat		-18 216 051	-63 901 166
Overføringer og disponeringer			
Transferred from other equity		-18 216 051	-63 901 166
Sum overføringer og disponeringer		-18 216 051	-63 901 166



Resultatregnskap

Beløp i: NOK	Note	2021	2020
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Balanse

Beløp i: NOK	Note	2021	2020
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Varige driftsmidler			
Machinery and equipment	6	54 801 889	58 315 775
Equipment and other movables	6	220 188	201 797
Sum varige driftsmidler		55 022 076	58 517 572
Finansielle anleggsmidler			
Other long-term receivables		991 849	1 764 684
Sum finansielle anleggsmidler		991 849	1 764 684
Sum anleggsmidler		56 013 925	60 282 256
Omløpsmidler			
Varer			
Sum varer		2 229 395	348 486
Fordringer			
Accounts receivables	7	68 288 100	9 947 452
Other short-term receivables	8	6 894 639	13 158 818
Sum fordringer		75 182 739	23 106 270
Bankinnskudd, kontanter og lignende			
Cash and cash equivalents	3	31 493 105	46 269 248
Sum bankinnskudd, kontanter og lignende		31 493 105	46 269 248
Sum omløpsmidler		108 905 238	69 724 004
SUM EIENDELER		164 919 164	130 006 261

BALANSE - EGENKAPITAL OG GJELD

Egenkapital



Balanse

Beløp i: NOK	Note	2021	2020
Innskutt egenkapital			
Share capital	10, 11	3 000 000	2 000 000
Overkurs	10	21 012 896	
Sum innskutt egenkapital		24 012 896	2 000 000
Opptjent egenkapital			
Other equity	10		-49 771 053
Sum opptjent egenkapital			-49 771 053
Sum egenkapital		24 012 896	-47 771 053
Sum langsiktig gjeld		0	0
Kortsiktig gjeld			
Leverandørgjeld		22 565 496	7 606 851
Public duties payable		25 466 950	12 007 732
Other current liabilities	7, 8	92 873 822	158 162 731
Sum kortsiktig gjeld		140 906 268	177 777 314
Sum gjeld		140 906 268	177 777 314
SUM EGENKAPITAL OG GJELD		164 919 164	130 006 261



Statsautoriserte revisorer
Ernst & Young AS

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Postboks 1156 Sentrum, 0107 Oslo

Foretaksregisteret: NO 976 389 387 MVA
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INDEPENDENT AUDITOR'S REPORT

To the Annual Shareholders' Meeting of Menzies Aviation (Oslo) AS

Opinion

We have audited the financial statements of Menzies Aviation (Oslo) AS (the Company), which comprise the balance sheet as at 31 December 2021, the income statement and the cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion the financial statements comply with applicable legal requirements and give a true and fair view of the financial position of the Company as at 31 December 2021 and its financial performance and cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Company in accordance with the requirements of the relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

Other information consists of the information included in the annual report other than the financial statements and our auditor's report thereon. Management (the board of directors and the Managing Director) is responsible for the other information. Our opinion on the financial statements does not cover the other information, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information, and, in doing so, consider whether the board of directors' report contains the information required by legal requirements and whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information or that the information required by legal requirements is not included, we are required to report that fact.

We have nothing to report in this regard, and in our opinion, the board of directors' report is consistent with the financial statements and contains the information required by applicable legal requirements.

Responsibilities of management for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the



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going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Oslo, 1 July 2022
ERNST & YOUNG AS

The auditor's report is signed electronically

Leiv Aschehoug
State Authorised Public Accountant (Norway)

Independent auditor's report - Menzies Aviation (Oslo) AS

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Pennco Dokumentnøkkel: 1Z6FP-XTT5H-X2KQ3-VABPF-AMENF-2.00F



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Leiv Thorkil Aschehoug

Statsautorisert revisor

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Skattedirektoratet

Saksbehandler Jan Hoelstad	Deres dato 13.12.2010	Vår dato 13.01.2011
Telefon 22077325	Deres referanse Tine Holdhus	Vår referanse 2010/1252234

Ernst & Young AS
Oslo Atrium, Postboks 20
0051 Oslo

10/3-11
JH

Dispensasjon fra kravet om utarbeidelse av årsregnskap og årsberetning på norsk språk for Menzies Aviation (Oslo) AS, org. nr: 989 757 113

Det vises til deres brev av 13. desember 2010 samt e-post av 12. januar 2011 med supplerende opplysninger i sakens anledning. Det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for Menzies Aviation (Oslo) AS.

Bakgrunn

Menzies Aviation (Oslo) AS leverer passasjer- og bagasjetjenester ved Oslo Lufthavn Gardermoen. Selskapet er 100 % eid av Menzies Aviation Plc i UK som igjen inngår i det skotske John Menzies Plc konsernet som er børsnotert på London Stock Exchange. Menzies Aviation (Oslo) AS leverer tjenester i en internasjonal bransje, hvor arbeidsspråk både internt og eksternt naturlig er engelsk. Selskapets kunder i Norge er internasjonale flyselskap. Selskapets styre består utelukkende av utenlandske statsborgere, og også daglig leder er utenlandsk. Selskapet opplyser å ikke ha eksternt finansiering.

Den norske versjonen av årsregnskapet og årsberetningen utarbeides kun for å tilfredsstille regnskapslovens krav. Nytt i forhold til kostnaden ved å utarbeide et norsk årsregnskap og årsberetning, vurderes derfor som liten. Det søkes derfor om dispensasjon.

Skattedirektoratets vurdering og konklusjon

Etter regnskapsloven § 3-4 tredje ledd skal "årsregnskapet og årsberetningen ... være på norsk. Departementet kan ved ... enkeltvedtak bestemme at årsregnskapet og/eller årsberetningen kan være på et annet språk."

I Ot. prp. nr. 42 (1997-1998) Om lov om årsregnskap m.v., er det uttalt følgende om regnskapslovens formål, jf. pkt. 1.1:

"Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan foretaket drives, f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal gi grunnlag for riktig prising av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjært fordelt informasjon."

Postadresse Postboks 9200 Grønland 0134 Oslo	Besøksadresse Se www.skatteetaten.no Org. nr: 996250318	Sentralbord 800 80 000 Telefaks 22 17 08 60
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For elektronisk henvendelse se www.skatteetaten.no



Det fremgår således at et av hovedformålene med regnskapsloven er å bidra til "informative regnskaper for ulike grupper av regnskapsbrukere". Regnskapsbrukere vil omfatte, jf. uttalelsen i premissjonen, blant andre investorer, kreditorer, ansatte og lokalsamfunnet.

Det er etter Skattedirektoratets vurdering derfor avgjørende ved vurdering av om dispensasjon fra kravet til å utarbeide årsregnskap og/eller årsberetning på norsk, at det ikke foreligger mulige brukere av regnskapsinformasjon som blir vesentlig berørt negativt ved en eventuell dispensasjon.

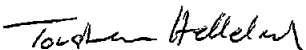
Som nevnt ovenfor er det særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. Selskapet virksomhet er i en internasjonal bransje og arbeidsspråket er engelsk. Alle sentrale aktører innen den bransje selskapet jobber, antas å måtte beherske og benytte engelsk språk. Selskapet er dessuten heleid fra Storbritannia, og daglig leder samt styre er utenlandske statsborgere.

Skattedirektoratet gir på bakgrunn av en helhetsvurdering Menzies Aviation (Oslo) AS dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd.

Dispensasjonen forutsetter at engelsk språk benyttes i stedet ved utarbeidelsen, og at øvrige opplysninger som vedtaket baserer seg på, heller ikke endres vesentlig.

Vennligst oppgi vår referanse ved henvendelser i anledning saken.

Med hilsen


Torstein Kinden Helleland
seniorrådgiver
Rettsavdelingen, foretaksskatt
Skattedirektoratet


Jan Høelstad



Menzies Aviation (Oslo) AS
Org nr 989757113 MVA

Board of directors' report

Operations and locations

Menzies Aviation (Oslo) AS is 100% owned by Menzies Aviation Plc registered in UK. The company provides passenger, deicing and ramp services at Oslo Gardermoen Airport, Norway.

Going concern

In accordance with the Accounting Act § 3-3a, we confirm that the financial statements have been prepared under the assumption of going concern.

The Covid-19 pandemic has had a great impact on the business of the company but we have taken significant actions in response, including cost saving measures, the application for and the receipt of significant government support and tight cash management. Specifically we are grateful to the Norwegian government for their support with both our labour and fixed costs.

We complete regular short to medium term cash flow forecasts which project sufficient cash resources for this horizon. The medium to long term outlook is obviously very dependent upon a number of economic and aviation industry related factors. We have created, at a high level, a 3-year plan covering volume evolution, commercial opportunities and customer developments, which supports the ability for the company to be profitable in the coming years. We have also derived a projected financial outlook for 2022 that gives reasonable assurance, at this moment, over the profitability of the company. Such an outlook was based upon volume projections moving from approximately 35% of pre-Covid 19 volumes at the end of 2020 towards 90%-100% by the end of 2022. The percentages have then been benchmarked against various recovery scenarios prepared by external third parties including the International Air Transport Association. We continue to assess the impact of industry volume and economic changes. Our latest forecast, delivered at 31.05.2022, for YTD 2022, shows that 97% of traffic has come back in fiscal year 2022, which are including the effects of Omicron in JAN22-MAR22.

The Board would like to note that our latest forecast for YTD 2022, as of 31.05.2022, shows that the company has a positive EBIT and there is also a forecasted positive result after tax. This is for the Board very good news, after a long period of losses. We are following our forecast on a week-to-week basis, and as of the signing date 30.06.2022, there are no sign of cancellations or drop in Revenue, which will interfere with our YTD 2022 conclusion about positive EBIT. Our costs are under control. The Board see the situation of the company as stable and sustainable at the signing date 30.06.2022.

Menzies Aviation (Oslo) AS had a negative equity per 31.12.2020 and the share capital was lost. In 2021 90 MNOK of debt to Group, was converted to shares. This has given the Company a positive equity per 31.12.2021 of 24.0 MNOK. As disclosed in the John Menzies plc Annual Report and Accounts 2021, certain of the group's borrowing facilities contain change of control clauses under which the group may, at the lenders' discretion, be required to repay the facilities in part or in full. It is expected that should a change of control occur, and the change of control clauses be exercised, the bidder will put in place the necessary financing arrangements to take effect on completion of the offer. Other than refinancing its facilities in these circumstances, the Group's management is not aware of any changes in or circumstances that would give rise to further material changes in the group's external borrowings.

There are no current or proposed changes to the intragroup financing of the Company. The Board of the Company have additionally confirmed the financial support from our ultimate parent company, John Menzies plc. John Menzies plc has provided a letter of support confirming it will provide financial support for a period to 30 June 2023, to assist the Company in meeting its liabilities as and when they fall due, to the extent that resources are not otherwise available to the Company to meet such liabilities.

The Company's Board is encouraged by the Company's return to positive equity at the end of 2021 and the presence of ongoing support from the parent company if required. The Company's Board are furthermore encouraged that the forecast is showing a positive YTD 2022 EBIT, that there are no sign of drop in revenue and that JAN22-MAY22 is showing a positive EBIT result, including the impact of Omicron in JAN22-MAR22. The Company's Board assess that with the facts of positive EBIT and the support from Group, that there is no material uncertainty related to the going concern of the Company.

Future challenges

The main challenge for the company, as per 30.06.2022, is how the permanent post-covid situation will look like. There is a uncertainty how the travel pattern globally, and in Norway, will be. This can impact the Company. The uncertainty lies in how fast the recovery will be, and where the new baseline is. The company tries to mitigate this risk by monitoring the situation constantly and be in touch on a weekly basis with all our customers. The company are monitoring all levels of the operation, on a day-to-day basis and are also updating the forecasts constantly to ensure a optimal level of staffing, equipment and cost are in place. The company is also constantly looking on new business areas and new customers. As of 30.06.2022 the company have won three new contracts and lost none. The forecasted period JUN22-DEC22 is showing an increase in traffic of ca. 12%, compared to the pre-pandemic period of JUN19-DEC19. Menzies Aviation (Oslo) AS has never been larger. Even if, as of 30.06.2022, there are no sign of any traffic drop, there is still uncertainty in the industry where the new baseline in the airline industry is.

Comments related to the financial statements

The company's total revenue increased from MNOK 199.7 in 2020 to MNOK 242.8 in 2021 due to the recovery from Covid-19 pandemic. The company shows a net loss of MNOK 18.2 in 2021 compared to a net loss of MNOK 63.9 in 2020.

The company has an accumulated carry on forward tax loss of MNOK 285.3 in 2021 compared to MNOK 238.6 in 2020.

During 2021 no research and development costs are included in the financial result.

Financial risk

The biggest risk for the company is competition from other ground handlers.

The company is not exposed to any material exchange rate risk. The company's current strategy is not to use any financial instruments. The strategy will be reviewed in the coming year.

Market risk

The company has not entered into any derivative or other agreements to reduce the exchange rate risk. Currently most of the revenues and suppliers invoices are in local currency and therefore this is deemed low.

Credit risk

The risk for losses on receivable is considered low, but management is continuously monitoring the situation as a result of market conditions. Most of customers are network customers which are handled in other stations across the world. Credit ratings of customers are monitored on a monthly basis. Company would like to note that the biggest customer has been through a reconstruction process. There was at 01.01.2021 a provision of bad debt of 29 MNOK in the Financial Statement. This has been cleared by 31.12.2021.

Liquidity risk

The company made a net loss of MNOK 18.2 during the year while the cash flow from operating activities amounted negative to MNOK 13.8.



On 02/06/2022 Menzies Aviation Plc. Issued a letter of financial support where it confirms that it intends to provide sufficient financial assistance to Menzies Aviation (Oslo) AS and when it is needed to enable the Company to continue its operations and fulfill its financial obligations in the ordinary course of the business. The undertaking is provided for twelve months from the date of the letter.

The company has recapitalized MNOK 90 of the intercompany loan in 2021, which has given a better liquidity position.

The working environment and the employees

The working climate has been good and the staff have shown motivation during the year. Safety & security continue to be the main priority both on the job & training, and there have been no incidents or reporting of work related accidents resulting in significant material damages or personal injury occurred during the year.

Leave of absence due to illness totaled 37,515 hours in 2021 (19,273 hours in 2020) which equals 7% of the total working hours (6% in 2020). The company has taken positive initiatives to reduce the sickness level to an acceptable level. "Back to work interviews" have been introduced for all employees being sick, including in-house doctors' visits.

The cooperation with the employees' trade unions has been constructive and contributed positively to operations.

Equal opportunities

The company aims to be a workplace with equal opportunities and has included in the local recruitment policies regulations to prevent gender discrimination regarding salary, promotion and recruiting. The company has traditionally recruited from environment equally dominated by both men and woman.

At the end of 2021 Menzies Aviation employed 594 staff in various operational roles and 55 with administrative roles.

Discrimination

The Discrimination Acts' objectives is to promote gender equality, ensure equal opportunities and rights, and to prevent discrimination due to ethnicity, national origin, descent, skin colour, language, religion and faith.

The Group is working actively, determined and systematically to encourage the acts' purpose within its business. Included in the activities are recruiting, salary and working conditions, promotion, development opportunities and protection against harassment.

The Groups' aim is to be in workplace with no discrimination due to reduced functional ability and is working actively to design and implement the physical conditions in such a manner that as many as possible can utilize the various functions. For employees or new applicants with reduced functional ability, individual arrangements of workplace and responsibility are made.

The Company has more than 50 staff per 31.12.2021, hence the Company has an activity and reporting obligation after Discrimination act § 26. The reporting duty is outlined in Discrimination act §26a. The report after Discrimination acts § 26a is due to the size of the report, attached as attachment 1 to the Board of Directors report with title "Gender equality report Menzies Aviation (Oslo) AS 2021".

Directors' and officers' liability

Accounting act 3-3a requires a disclosure of whether the company has a Directors' and officers' liability insurance. The Company confirms that the Group is holding an insurance, which cover Company Director and Boardmembers. The insurance covers the cost of compensation claims made against the business's directors and key managers (officers) for alleged wrongful acts. This include: breach of trust, breach of duty, neglect, error, misleading statements and wrongful trading.

Directors' and officers' liability insurance can cover the cost of compensation claims made against directors by shareholders, investors, employees, regulators or third parties. If a director or officer of the company is found to have acted outside of their terms of reference, civil, criminal or regulatory proceedings can be brought against them.

Directors' and officers' liability insurance covers the cost of defending these proceedings, as well as any compensation costs that arise from an unsuccessful defence.

Directors' and officers' liability insurance covers claims made by: regulators, shareholders or investors, e.g. for failure to act in the company's best interest - and creditors.

Directors' and officers' liability insurance also covers claims brought in relation to: breach of European legislation and insolvency

Directors' and officers' liability insurance covers defence costs arising from criminal and regulatory investigations into the company where no actual wrongful act has been alleged against a director.

Directors' and officers' liability insurance doesn't cover fraudulent or criminal acts by directors/ officers.

Environment

The company respects its partners and the laws and regulations regarding the environment and is active to avoid or reduce any environmental hazards in its ground handling operations. One of the initiatives which has been taken, is the policy that most of company's Ground Service Equipment, are being replaced to electric units.

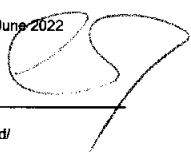
Allocation of net loss

The Board of Directors has proposed the net loss of Menzies Aviation (Oslo) AS to be attributed to:

Other equity:	<u>(18 216 051)</u>
Net loss allocated:	<u>(18 216 051)</u>

Oslo,

30 June 2022


Miguel Gomez
(Chairman of the Board/
Managing Director)


Pooja Gulati
Deputy Board Member



Income statement

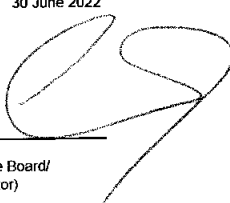
		2021-01-01 - 2021-12-31	2020-01-01 - 2020-12-31
Revenue	<i>Note</i>		
Sales revenue		237 786 879	183 457 364
Other operating income		4 986 192	16 242 550
	2	242 773 071	199 699 914
Operating expenses			
Payroll expenses	4,5	(175 178 874)	(154 340 496)
Depreciation	6	(4 513 770)	(4 650 955)
Other operating expenses	4	(78 062 716)	(99 935 329)
Total operating expenses		(257 755 359)	(258 926 779)
Operating result		(14 982 289)	(59 226 865)
Financial income and expenses			
Other financial income		48 319	-
Other financial expenses	8	(3 282 082)	(4 674 301)
Net financial items		(3 233 762)	(4 674 301)
Profit or (loss) before tax		(18 216 051)	(63 901 166)
Income tax expense	9	-	-
Net profit or (loss) for the year	10	(18 216 051)	(63 901 166)
Allocated as follows			
Transferred to other equity		(18 216 051)	(63 901 166)



Balance sheet as of December 31			
	Note	2021-12-31	2020-12-31
ASSETS			
Fixed assets			
<i>Tangible assets</i>			
Machinery and plant	6	54 801 889	58 315 775
Office Equipment	6	220 188	201 797
Total tangible assets		<u>55 022 076</u>	<u>58 517 572</u>
<i>Financial assets</i>			
Long-term receivables		991 849	1 764 684
Total fixed assets		<u>56 013 925</u>	<u>60 282 256</u>
Current assets			
Inventory		2 229 395	348 486
<i>Receivables</i>			
Trade receivables	7	68 288 100	9 947 452
Other receivables	8	6 894 639	13 158 818
Total receivables		<u>75 182 739</u>	<u>23 106 270</u>
Cash and cash equivalents	3	31 493 105	46 269 248
Total current assets		<u>108 905 239</u>	<u>69 724 004</u>
Total assets		<u>164 919 164</u>	<u>130 006 261</u>

Balance sheet as of December 31			
	Note	2021-12-31	2020-12-31
Equity			
<i>Paid-in capital</i>			
Share capital	10,11	3 000 000	2 000 000
Share premium	10	21 012 896	-
Total paid-in capital		<u>24 012 896</u>	<u>2 000 000</u>
<i>Retained earnings</i>			
Other equity	10	-	(49 771 053)
Total retained earnings		<u>-</u>	<u>(49 771 053)</u>
Total equity		24 012 896	(47 771 053)
Liabilities			
<i>Current liabilities</i>			
Trade creditors		22 565 496	7 606 851
Public duties payable		25 466 950	12 007 732
Other short-term liabilities	7, 8	92 873 822	158 162 731
Total current liabilities		<u>140 906 268</u>	<u>177 777 314</u>
Total liabilities		140 906 268	177 777 314
Total equity and liabilities		<u>164 919 164</u>	<u>130 006 261</u>

Oslo, 30 June 2022


Miguel Gomez
(Chairman of the Board/
Managing Director)


Pooja Gulab
Deputy Board Member



Cash flow statement

	Note	2021-01-01 - 2021-12-31	2020-01-01 - 2020-12-31
Cash flow from operating activities			
Profit/(loss) before tax		(18 216 051)	(63 901 166)
Depreciation and amortisation	6	4 513 770	4 650 955
Changes in Inventory		(1 880 910)	(153 363)
Changes in Trade receivables		(58 340 647)	49 348 939
Changes in Trade payables		14 958 645	(4 465 274)
Change in other current balance sheet items		45 207 322	(16 606 235)
Net cash flow from operating activities		<u>(13 757 871)</u>	<u>(31 126 144)</u>
Cash flow from investing activities			
Purchase of tangible fixed assets	6	(1 018 274)	(483 117)
Disposal of tangible fixed assets	6	-	11 781 793
Net cash flow from investing activities		<u>(1 018 274)</u>	<u>11 298 676</u>
Cash flow from financing activities			
Net change in cash and cash equivalents		(14 776 144)	(19 827 467)
Cash and cash equivalents at 01.01	3	<u>46 269 248</u>	<u>66 096 715</u>
Cash and cash equivalents at 31.12	3	<u>31 493 105</u>	<u>46 269 248</u>



Notes to the accounts for 2021

Note 1 - Accounting principles

The annual report is prepared according to the Norwegian Accounting Act 1998 and generally accepted accounting principles.

Sales revenue

Sales revenues are recognized at the time of delivery. Revenue from services are recognized at execution. The share of sales revenue associated with future services are recorded in the balance sheet as deferred sales revenue, and are recognized at the time of execution.

Balance sheet classification

Net current assets comprise creditors due within one year, and entries related to goods circulation. Other entries are classified as fixed assets and/or long-term creditors.

Current assets are valued at the lower of acquisition cost and fair value. Short term creditors are recognized at nominal value.

Fixed assets are valued by the cost of acquisition, in the case of non-incident reduction in value the asset will be written down to the fair value amount. Long term creditors are recognized at nominal value.

Property, plant and equipment

Property, plant and equipment is capitalized and depreciated over the estimated useful economic life. Direct maintenance costs are expensed as incurred, whereas improvements and upgrading are assigned to the acquisition cost and depreciated along with the asset. If carrying value of a non-current asset exceeds the estimated recoverable amount, the asset is written down to the recoverable amount. The recoverable amount is the greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value.

Trade and other receivables

Trade receivables and other current receivables are recorded in the balance sheet at nominal value less provisions for doubtful debts. Provisions for doubtful debts are calculated on the basis of individual assessments. In addition, for the remainder of accounts receivables outstanding balances, a general provision is carried out based on expected loss.

Income tax

Tax expenses in the profit and loss account comprise both tax payable for the accounting period and changes in deferred tax. Deferred tax is calculated at 22 percent on the basis of existing temporary differences between accounting profit and taxable profit together with tax deductible deficits at the year end. Temporary differences both positive and negative, are balance out within the same period. Deferred tax assets are recorded in the balance sheet to the extent it is more likely than not that the tax assets will be utilized.

To what extent group contribution not is registered in the profit and loss, the tax effect of group contribution is posted directly against the investment in the balance.

Inventories

Inventories are valued at the lower of cost or market value. Cost is estimated using the FIFO method. Finished goods and work in progress are valued at full production cost. Write-downs are carried out for foreseeable obsolescence.

Cash flow statement

The cash flow statement is presented using the indirect method. Cash and cash equivalents includes cash, bank deposits and other short term highly liquid placement with original maturities of three months or less.

Conversion of foreign currencies

Each month, Menzies Aviation updates the rate of each currency globally. The local value is reevaluated based on the new rates for all ongoing invoices with a foreign currency. Transactions in foreign currencies are translated to NOK at the foreign exchange rate at the date of the transactions. Monetary assets and liabilities denominated in foreign currency are translated to NOK at the foreign exchange rate at balance sheet date. Realised and unrealised exchange differences arising on translation are recognised as financial items in the Income Statement.

Note 2 Sales

	2021	2020
Ground revenue	237 786 879	183 457 364
Other revenue	4 986 192	16 242 550
Total	<u>242 773 071</u>	<u>199 699 914</u>

Menzies Aviation (Oslo) AS provide customer support with a broad range of airside services. Such services include ramp and cargo handling, de-icing and other technical support.

Of the total other revenues of MNOK 5.0, MNOK 2.7 is related to obtained governmental support and MNOK 2.3 is related to other services such as ticket commission, recharge commission, equipment rental, etc.

Note 3 Bank deposit

	2021	2020
Bank deposit	7 975 003	3 487 167
Current bank account	23 518 102	42 782 081
Total	<u>31 493 105</u>	<u>46 269 248</u>

Bank deposit represents restricted cash limited to cover the employee's tax.



Note 4 Wage costs, number of employees, remuneration, loans to employees and auditors' fee

Wage costs	2021	2020
Salaries	150 158 630	132 075 178
Payroll tax	20 507 691	18 705 515
Pension costs	4 512 553	3 559 803
Total	<u>175 178 874</u>	<u>154 340 496</u>
The average number of FTE	434	506

Management remuneration

No remuneration has been paid to the Board of Directors during the year. The General Manager has not received salary from the company in 2021 (also NOK 0 in 2020). The General Manager receives his salary from Menzies Aviation (EMEA) BV.

No loans or guarantees have been given to the General Manager or members of the Board.

Auditor fee has been divided as follows

	2021	2020
Ordinary audit	375 000	690 056
Tax services	-	66 600
Other consultancy services	-	59 325
Total	<u>375 000</u>	<u>816 181</u>

VAT is not included in the figures of auditors' fee.

Note 5 Pensions

The company is required to have occupational pension scheme in accordance with the Norwegian law on required occupational pension ("lov om obligatorisk tjenstepensjon"). The company's pension scheme meets the requirements of the law.

The company has defined contribution pension scheme. The pension expense in 2021 is MNOK 5.5 (MNOK 2.0 in 2020). The company also has an early retirement pension scheme. The expense in 2021 is MNOK 2.5 (MNOK 2.5 in 2020).

The actuarial assumptions are based on assumptions of demographical factor normally used within the insurance industry.

Note 6 Tangible assets

	Plant and Machinery	Office equipment	Total
Acquisition cost 01.01.2020	86 981 966	2 194 358	89 176 324
Purchased tangibles	314 716	168 401	483 117
Disposal tangibles	-13 726 361	-	(13 726 361)
Acquisition cost 31.12.2020	73 570 321	2 362 759	75 933 080
Depreciation for the year	(4 506 105)	(144 850)	(4 650 955)
Disposal depreciation tangibles	1 944 568	-	1 944 568
Acc. Depreciation 31.12.2020	<u>(15 254 545)</u>	<u>(2 160 962)</u>	<u>(17 415 507)</u>
Net carrying amount at 31.12.2020	58 315 776	201 797	58 517 573
Acquisition cost 01.01.2021	73 570 321	2 362 759	75 933 080
Purchased tangibles	879 358	138 916	1 018 274
Disposal tangibles	-	-	-
Acquisition cost 31.12.2021	74 449 679	2 501 675	76 951 353
Depreciation for the year	(4 393 244)	(120 525)	(4 513 770)
Disposal depreciation tangibles	-	-	-
Acc. Depreciation 31.12.2021	<u>(19 647 789)</u>	<u>(2 281 487)</u>	<u>(21 929 276)</u>
Net carrying amount at 31.12.2021	54 801 889	220 188	55 022 077
Depreciation plan:	Linear	Linear	
Computers	-	3 years	
Office equipment	-	5 years	
Plant and Machinery	7-15 years	-	



Note 7 Debts and receivables

There are no receivables that are due in more than one year and no long term liabilities due in more than 5 years.

The company has made a provision for bad debts of TNOK 54.

Note 8 Intercompany balance group company and associate

Intercompany transactions	2021	2020
Technical services	3 087 609	2 454 372
Management fees	5 683 421	5 706 047
Interest cost	2 453 603	3 335 174
Receivables	2021	2020
Intercompany receivables	2 531 030	1 753 403
Other short-term liabilities	2021	2020
Intercompany payables	(47 087 139)	(122 388 963)

Note 9 Income taxes

Tax base estimation	2021	2020
Ordinary result before tax	(18 216 051)	(63 901 166)
Permanent differences	-	-
Temporary differences	(28 468 664)	32 921 706
Group Contribution	-	-
Tax base	<u>(46 684 715)</u>	<u>(30 979 460)</u>

	2021	2020
Calculated tax payable	-	-
Payable in prior years	-	-
Tax payable in the balance sheet	<u>-</u>	<u>-</u>

Temporary differences outlined	2021	2020
Fixed assets	(286 635)	36 041 990
Account receivables	(28 519 450)	(54 091)
Other accruals	337 421	(5 779 498)
Total	<u>(28 468 664)</u>	<u>30 208 401</u>
Accumulated tax loss carried forward	46 684 712	(285 303 398)
Net temporary differences 31.12	<u>18 216 049</u>	<u>(236 878 949)</u>

Deferred tax asset (22%)	<u>56 120 899</u>	<u>52 113 369</u>
--------------------------	-------------------	-------------------

The deferred tax asset is not recognised in the accounts as the future utilisation is uncertain.

Reconciliation of income tax expense	2021	2020
22% tax benefit	56 120 899	52 113 369
Adjustment for deferred tax asset not accounted for	<u>(56 120 899)</u>	<u>(52 113 369)</u>
Total tax expense current year	<u>-</u>	<u>-</u>

Note 10 Equity

	Share Capital	Share premium fund	Other equity	Total
Owners equity 01.01.2020	2 000 000	187 900 083	(173 769 970)	16 130 114
Result of the year	-	-	(63 901 166)	(63 901 166)
Other allocations FY20	-	(187 900 083)	187 900 083	-
Owners equity 31.12.2020	2 000 000	-	(49 771 053)	47 771 053
Owners equity 01.01.2021	2 000 000	-	(49 771 053)	(47 771 053)
Result of the year	-	-	(18 216 051)	(18 216 051)
Capital increase	1 000 000	89 000 000	-	90 000 000
Other allocations FY21*	-	(67 987 104)	67 987 104	-
Owners equity 31.12.2021	3 000 000	21 012 896	-	24 012 896

* Board of directors proposed to offset 67 987 104 of the Share Premium fund per 31.12.2021, against Retained Earnings. This will not have any tax consequences for the company.

**Note 11 Share Capital and share holders information**

In 2021 the company converted the long-term loan to Menzies Aviation Plc of MNOK 90 to equity. In the result of the conversion share capital increased from MNOK 2 to MNOK 3. The remaining portion of MNOK 89 allocated to share premium. All shares have equal rights. All shares are owned by Menzies Aviation Plc.

After the loan conversion the share capital of NOK 3 000 000 consists of 100 shares NOK 30 000. All shares have equal rights.

The company is part of the Menzies Group with John Menzies Plc as the parent company of the group. The group financial statements of John Menzies Plc can be found at www.menziesaviation.com.

Note 12: Subsequent events

Company's main focus is to gain new customers and keep all profitable contracts. Company has secured all it's contracts, and also gained three new customers in 2022. That has increased the revenue for the company. The outlooks is looking good and there are no sign of any insecurity related to going concern as outlined in the Board of Directors' report.

The company has lost a court case in 2021, which has incurred a loss of 5.4 MNOK, already accrued in 2020 amount above. All costs has been covered in the accrual from 2021.



Gender equality report

Menzies Aviation (Oslo) AS 2021

Part 1

One of the core values of the John Menzies PLC 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 therefore we work purposefully with mapping and measures to ensure such compliance.

The business has been strongly affected by 2 years of pandemic, and this has affected all factors on the personnel and compensation side. The numerical basis must be read in the light of these factors.

1.1 Gender distribution in Menzies Aviation (Oslo) AS

Data presented below represents the total number of employees distributed by gender, as per end of period analysed 31.12.2021.

Table 1 - Gender distribution per 31.12.2021

	Gender distribution	
	Women	Men
Total number of employees	170	424
Percentage	28.6 %	71.4 %

Source: Visma's calculations based on A-melding

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Registered office: Sigrød Undsets Plass, Terminalen



1.2 Composition of job groups

The company had a total of 594 employees as of 31.12.2021, and most of the employees are men. The company has improved its gender balance from the previous year. This is because the proportion of women is higher among new employees in 2021. The proportion of new employees in 2021 was very high compared with previous years, due to a sharp increase in production after the corona pandemic.

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

100 - Administration & Management

200 - Passenger service

300 - Ramp (loading / unloading flight side)

400 - Operations centre / dispatch services

500 - Luggage sorting & driving

600 - Flight de-icing

Table 2: 2021 Employees' Gender distribution per working department *

Total employees		
	Men	Women
Total employees	499	203
100	34	21
200	61	117
300	257	9
400	48	47
500	93	7
600	6	2

Source: Visma's calculations based on company's reports.

*The data in the Table 2 is not asymmetric with the data reported in Table 1. This is explained by the situation that due to different contract percentages; an employee can have multiple job positions within the same company. For example, an employee from department code 400 with a contract of 75% can work the rest 25% in department code 100. It is imperative that this data is not treated as FTE (full time employee). Therefore, Table 1 offers the correct statistics regarding total FTE numbers.

By offering handling services, this process involves handling of passenger side (customer service) to handling flights arrivals / departures, and heavy loads. Therefore, the significant



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gender imbalance in departments 300, 500 and 600 is explained by the type of tasks performed. Positions in department 600 are internally recruited, and mostly attract applicants from department 300 and 500.

There has been noticed a predilection of masculine gender to be more willing to operate in baggage handling environments. Departments 200 and 400 are not involving such physical heavy work, therefore individuals that have a liking to apply for these positions are women in general. Also department 100, administrative and management, is more attractive to women due to office working hours and prospect of further developing of their professional career. In order to reduce the imbalance gender, the company has invested into highly technologized equipment that helps decrease the workload of the employee and improves the working process. The aim is to see an improvement in lowering the gender imbalance and creating a more supporting, inclusive and thriving working environment.

The business unit statistics shows that women's share of men's total compensation is 87% in 2021. This is a significant increase from 81% in 2020. No definite conclusions can be drawn about a positive development in women's wage development versus men, as the numerical basis has been barely marked by redundancies and changes under the corona.

Due to large gender differences between different departments (collective bargaining areas), the wage scales of the collective bargaining areas have a great impact on the wage statistics for the genders in the company. There is a documented difference in the wage development for the workers and clerks' agreement for ground handling during the last 15 years – since the company was established in 2006.

The information shown in table 3 identifies the average salary for the employees in 2021 based on each department. The average salary for department 100 is significantly higher compared to rest of the departments, and this is due to Covid layoffs and full-time contracts. A strong emphasis should be on the fact that very few employees were temporarily laid off in the administrative department compared to the operational departments. The company returned all its laid off employees from departments 200-600 in September 2021. Furthermore, the gap is accentuated by the employees' working contracts (e.g., contracts of 5%, 20%, 50%, 75, 85%), The core activity of the business is to offer aviation handling services, a sector very high affected by the pandemic. Recommended it is to analyse the average salaries per departments in a year where the business has a regular / normal activity.

Table 3: Average Base Salary for 2021

Base salary		
Department	Men	Women
100	kr 471,987	kr 442,177
200	kr 119,359	kr 105,688
300	kr 171,226	kr 101,890
400	kr 164,151	kr 117,545
500	kr 154,655	kr 133,395
600	kr 157,901	kr 190,784

Source: Visma's calculations based on company's reports.



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The company's stated goal has been to ensure a local wage settlement that does not contribute to increasing the differences between the tariff areas in the company, as well as to work for a more even gender balance in the departments where inequality is greatest. In the long run, this will result in smaller wage differences between the sexes. (See Appendix 1 for a more detailed overview of the average base salary for 2021).

1.3 Pension

The company has the same pension scheme for all employees, which provides earnings up to 6G. The deposit percentage has increased in the last two years.

1.4 Temporary staff

In 2021, the company had no temporary employees. This is related to the escalation of the business after the pandemic, and it is expected that the business will have temporary employees in the years to come.

1.5 Part-time work

In 2021, the company had a significant proportion of part-time employees for both sexes. The proportion of part-time employees is higher among women than among men. The company has employees in the category voluntary part-time.

Table 3: Average gender distribution part-time employees for 2021

Part-time employees		
	Women	Men
Total employee	82	106
Percentage	43.6 %	56.4 %

Source: Visma's calculations based on company's reports.

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

Trade union representatives have historically contributed input to how the company, through the design of the shift plans, can contribute to creating more full-time positions.

When changing shift plans, which usually takes place twice a year, the company is in dialogue with employees about increasing part-time positions or transitioning to full-time. This can happen for a temporary period (during high season) or when the business has had a



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fixed need. Dialogue with employees to increase to fulltime or higher part time contracts is usually done by individual phone calls, based on employee seniority.

In 2021, a written survey was also carried out in which employees were allowed to fill in a questionnaire.

1.6 Parental leave

In 2021, the average number of weeks of parental leave for women is 36.2 and for men 14.2. There is a decrease in the number of weeks for women and an increase for men.

Table 4: 2021 Parental leave based on gender distribution (weeks)

Parental leave (weeks)

Women	Men
36.2	14.2

Source: Visma's calculations based on company's reports.

1.7 Absence

The company has had and still has a sickness absence that is higher than the national average. The business has had a decline in sickness absence over the last 3 years and this trend has continued during the pandemic. It is uncertain exactly what contributes to this decline, but the company's targeted work with sickness absence follow-up is assumed to have resulted in a reduction in absence. There is reason to assume that a significant reduction in physical workload in several wards has contributed to the threshold for attending work with limited physical ailments (wear and tear, musculoskeletal disorders) being lower during the pandemic.

Home offices during the pandemic have contributed to lower sickness absence for administrative and senior positions, but this proportion constitutes one of a very small part of the business.

The business will continue with the targeted sickness absence follow-up as well as mapping of factors that contribute to sickness absence.

The company has been an IA¹ company since 2012, which means the business unit has made a written commitment to improve the workers health status and become a more inclusive workplace.

¹ IA = *Inkluderende Arbeidsliv* (Norwegian acronym) / ENG significance: *Inclusive Working Life. A Work life with room for everyone*, Source: <https://www.regjeringen.no/contentassets/fc3b4fed90b146499b90947491c846ad/the-ia-agreement-20192022.pdf>



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1.8 Recruitment

The company employed about 140 people in 2021, of which about 30% were employees with preferential rights following dismissals as a result of the pandemic.

Part 2

2.1

Menzies Aviation (Oslo) AS is subject to John Menzies PLC's governing 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 an HR representative to ensure prompt resolution.

“OUR EXPECTATIONS FOR 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 organization, 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.



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➤ 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, color, 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 behavior are never acceptable and will not be tolerated.

All new employees undergo mandatory training, and refresher courses are conducted every 3 years for all employees. In the annual employee survey in 2020, the Norwegian unit scored the best on the question of whether they feel safe to report if they experience adverse events at work.

The company encourages employees to talk to their immediate supervisor about adverse events and is also encouraged to report written nonconformities in the local reporting system. In addition, there has been implemented a notification system at group level. In 2021, the company has not received notifications through the aforementioned system.

During the pandemic, home offices were introduced for several administrative functions. This full time and hybrid working space offer has been continued after the pandemic, which helps employees to balance their everyday work to their private lives. Also, given operating business sector, the vast majority of the company's tasks cannot be performed from a home office and require a 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 unions on such arrangements.

2.2

The company's goal is to integrate the gender equality aspect into all activities that take place in the company, recruitment, training, development and promotion, as well as in the development of the physical and psychosocial work environment. This is especially true in the departments where the proportion of women is lowest.

Today's status:

- There are very few women in departments with physically heavy work, although the proportion has increased in 2021.
- The parts of the business that have the highest proportion of women are the part of the business that has the lowest wages (by collective bargaining area). There is otherwise a good balance in seniority among the sexes and women are well represented in lower levels of management (almost 50%), in the departments with the best gender balance.



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- There is a low proportion of women in the highest management group, although there has been an increasing proportion of women in the middle management level in the last 2 years.
- There are no female managers in lower management groups, in the departments that have the lowest proportion of women.
- On average, there are significantly fewer female applicants for internal recruitment processes and promotions.

The company assumes that the reasons for the low proportion of women in the company, in some departments, 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 hours are outside opening hours for schools and kindergartens.
- There are no female managers in lower management groups, in the departments that have the lowest proportion of women.

All arenas in the company that are included in the above processes (section 2.2), such as HR, the planning department, AMU / BU and contact meetings with unions, aim to facilitate that the company can be an attractive workplace for both sexes. Contact meetings are held with the unions on a monthly basis, in addition to the combined AMU / BU every other month. The occupational health service regularly participates in AMU / BU.

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

The company has compulsory training modules equality and discrimination, as well as a separate recruitment manual that deals with the topic for all employees involved in recruitment processes.

John Menzies PLC is committed to the UN's Sustainability Goals on Gender Equality and Inclusion. The group has a goal of increasing 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 leadership program for women «Thrive - Women in leadership», in which participants from the Norwegian unit have been allowed to participate. The group places great emphasis on the promotion of the business, including recruitment material and job advertisements, containing visual and verbal communication that supports the goal of diversity and gender equality.



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The company conducts annual employee surveys and employee interviews, which are good tools for uncovering systematic barriers to the goal of gender equality, as well as discrimination. The company sees that there is further potential in these tools.

➤ **Disability**

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 limitations in indoor infrastructure (terminal) that make it difficult even for salaried employees with disabilities to physically get to the workplace to be able to perform tasks.

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

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

The company aims to be able to arrange for employees who have temporary disabilities to be able to stay in work or possibly permanently relocated, in order to prevent dropouts in working life. This is followed up through the company's follow-up program.

➤ **Ethnicity**

The company 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 company operates in an international environment, which 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 / philosophy**

Facilities and regulations at the company and in the infrastructure around the business (airport) make it easy for employees with different religious affiliations, be it food offerings, flexibility in uniform regulations and prayer rooms. The company is well placed to be able to adapt holidays / vacations to the various holidays.

➤ **Sexual orientation, gender identity, and gender expression**

The group places great emphasis on the individual employee's free play when it comes to gender identity, among other things by flexible uniform rules and by means of visual expressions of support for Pride, among other things by painting flight stairs in Pride colours.



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Part 3 - Personnel areas

3.1 Recruitment

The company places great emphasis on all visual and verbal expressions in connection with promotion and recruitment to appeal to both genders and is happy to reinforce this by actively using images and videos that show the diversity that already exists in the company.

The company has a desire to increase the proportion of newly recruited women in positions in the baggage hall / flight side and is particularly aware of female candidates' feedback and wishes, in order to be able to attract more of these.

The company works to appeal to women in internal department changes, among other things by specifically encouraging possible candidates to apply for positions. We see that "role models", seeing other women in the positions, has a positive effect.

3.2 Wages and working conditions

The company has ensured equal treatment of groups, regarding salaries, through collective bargaining. The company 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 from intensifying inequalities in the future, as well as to strengthen the gender balance in the 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 maternity leave for the father for 2 weeks.

3.3 Promotion & development opportunities

The company works to appeal to women in internal announcements and encourages potential female candidates to apply. The company 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, may have the option of a home office as well as flexitime / core time. The company has been open to alternative working time schemes for other staff but has so far not succeeded in finding a scheme that unions have accepted.

The company offers voluntary time shifts and shift changes where there may be no significant consequences for operations.





3.5 Facilitation

Offers for individual accommodation for home offices, financial subsidies and loan equipment, offers for employees who for physical / psychosocial reasons should not work from home.

Discounted / free physiotherapy for all employees. Offers of support calls, which were used more frequently during the pandemic.

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 2021 have been received and handled locally. Good dialogue with unions about 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 company.

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

Shift plan review in the last half of 2022 will aim to reduce temporary positions and involuntary part-time work.

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

The company continues to work on obtaining better mapping tools to obtain information on whether it can contribute to more gender balances and recruitment to the departments with the lowest proportion of women.

4. Results and expectations

Women's share of men's wages has increased in 2021, 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 imbalance that will take many years to correct. The same thus applies indirectly to the wage differences.

The company has been through very uncertain times after 2 years of pandemic and it will take time before operations stabilize.

The company also has a lot to do in terms of systematic and targeted collection of feedback from employees, as well as how tripartite cooperation can be used actively to create new, effective measures to improve the basis for gender equality.



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Appendix 1 - Gender distribution of employees 2021 based on average salary and allowances

Menzies Aviation Oslo AS

Gender equality and anti-discrimination report

Pr. 31.12.2021

	TOTAL EMPLOYEES		Average Total Salary		Average Base Salary		Average Salary Supplements		Average Bonus		Average Overtime Allowance	
	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women
Total	499	203	kr 235,292	kr 204,547	kr 206,546	kr 181,913	kr 23,646	kr 19,070	kr 38	kr 39	kr 4,679	kr 3,272
100	34	21	kr 498,733	kr 457,166	kr 471,987	kr 442,177	kr 13,375	kr 10,197	kr 62	kr 57	kr 2,469	kr 3,907
200	61	117	kr 148,178	kr 129,957	kr 119,359	kr 105,688	kr 22,165	kr 18,640	kr 20	kr 44	kr 6,619	kr 5,377
300	257	9	kr 203,503	kr 122,716	kr 171,226	kr 101,890	kr 29,224	kr 17,276	kr 18		kr 2,958	kr 3,410
400	48	47	kr 203,062	kr 141,831	kr 164,151	kr 117,545	kr 26,700	kr 17,474	kr 69	kr 15	kr 12,104	kr 6,761
500	93	7	kr 181,248	kr 153,609	kr 154,655	kr 133,395	kr 23,964	kr 20,152	kr 20		kr 2,509	kr 61
600	6	2	kr 186,989	kr 221,380	kr 157,901	kr 190,784	kr 27,645	kr 30,482		kr	kr 1,413	kr 115



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