



ESG Framework

Menzies Facility Services
ESG Framework



Materiality assessment process

The materiality assessment seeks to assess the current state of Menzies’ ESG disclosures and identify the Environmental Social and Governance (ESG) issues of most relevance to Menzies.

The process followed is set out in figure aside. Following key steps were undertaken:

1.- Develop ESG topic list:

- **Benchmarking** and sustainability frameworks review: A benchmarking analysis and a review of sustainability frameworks was conducted. The benchmarking exercise provided a comparison of Menzies’ ESG disclosures against peers and competitors.
- **Desktop review**: The outputs of the benchmarking exercise and stakeholder engagement process formed part of the desktop review.

2.- Stakeholder Engagement: Interviews were conducted with key stakeholders, who were engaged directly through interviews.

3.- Prioritise the ESG topics: the ESG topics identified were updated, validated and prioritised by Menzies’ management team at the workshop in May 2022.

This resulted in a list of the top 9 impacts of Menzies’ activities and business relationships on stakeholders.

1 Develop ESG topics list

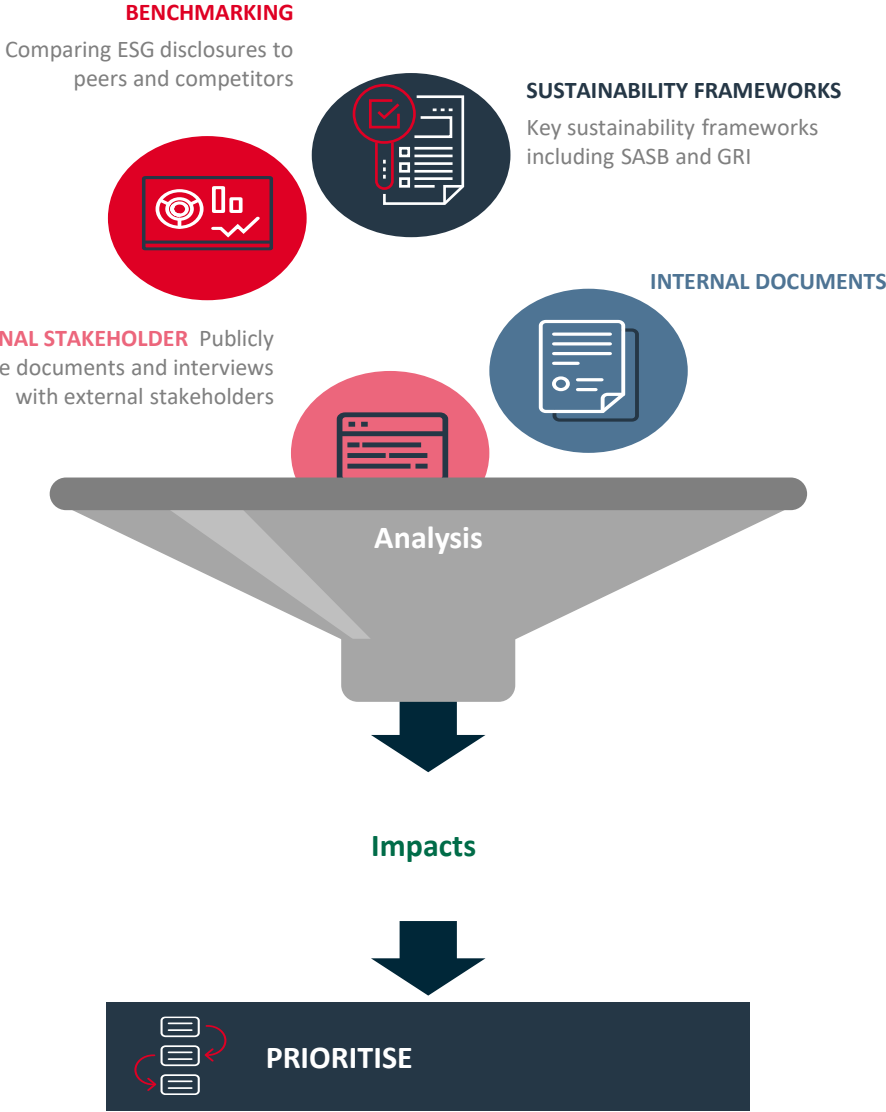
Develop long list of topics through review of the documents, survey and other better practise examples

2 Stakeholder engagement

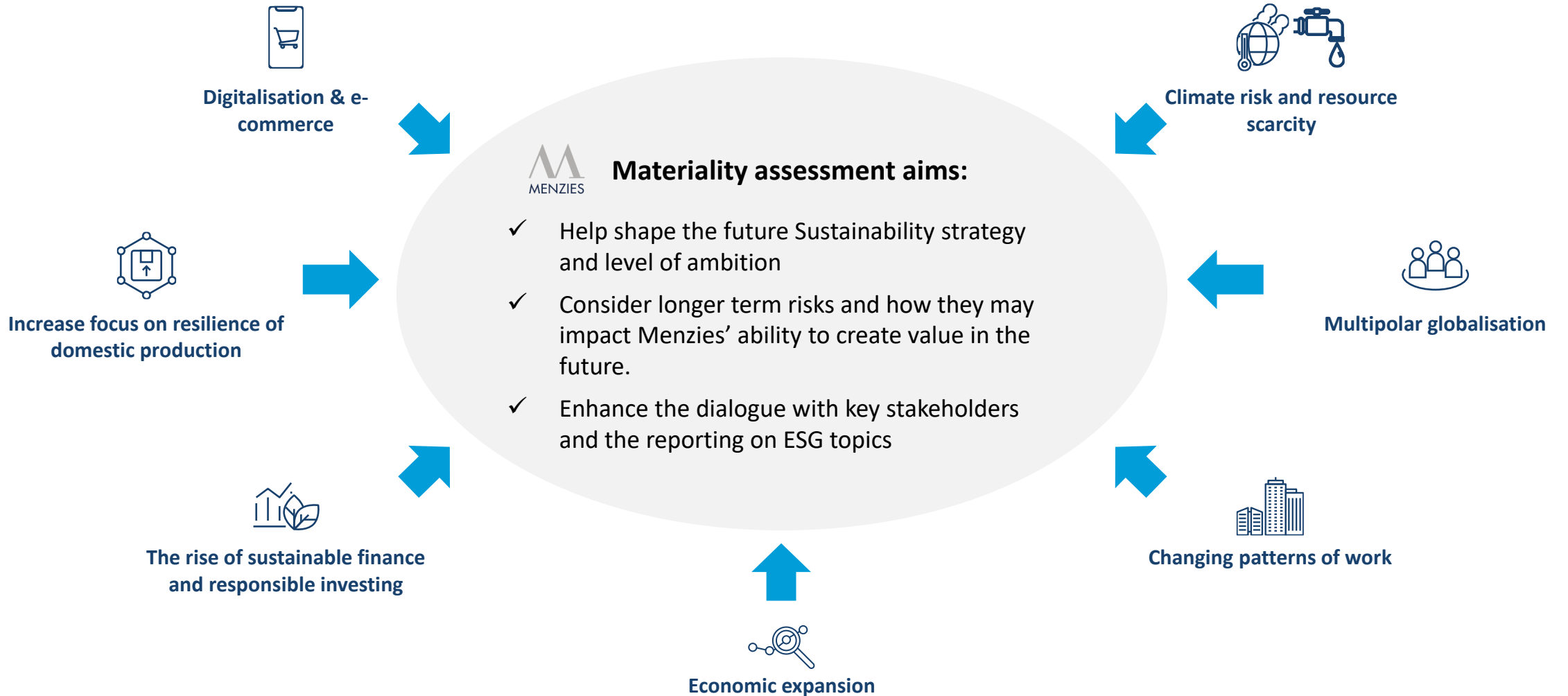
Code all inputs against the long list of ESG topics and consider the positive or negative impacts of these topics on stakeholders.

3 Prioritise the ESG topics

Prioritise the issues based on impact on external stakeholders and internal value creation



What are the goals of this process and its context?



A megatrend is a global, macro forces that have transformational impacts across society, technology, economies, environment and/or politics. The consideration of megatrends was an important context setter for the materiality process, which will allow Menzies to build on the strong foundation of previous materiality assessments; reflect the changing ESG environment; and demonstrate rigour and transparency within the ESG materiality process. The main megatrends that have been identified in the materiality process are:



Climate risk and decarbonisation

Climate risk and decarbonisation is the overriding trend for the next two decades. The property sector and the built environment has a key role to play in managing both the physical and transition risks of climate change.



The rise of sustainable finance and responsible investing

Investors will increasingly use ESG as a lens to assess and vet investments. In order for businesses in the property sector to maintain and keep receiving capital, they will need to demonstrate strong ESG performance.



Digitisation and e-commerce

As e-commerce continues to grow one might see increased investment in an industrial portfolio to cater for the increased demand of distribution centres and warehouses. Businesses will leverage digital solution to increase efficiency of supply chains.



Changing patterns of work

The future of workplaces will increasingly need to be focused on wellbeing, connection and place making/creation and the creation of connected precincts.



Increased focus on resilience of domestic production

The impact of COVID-19 has accentuated Australia's reliance on international trade and imports to support domestic manufacturing resulting in ongoing supply disruptions for Australian companies.



Resource scarcity

Half of the global population to face severe water shortage. Chemical, food, mineral, water or other natural resource crises at a global scale as a result of human overexploitation and/or mismanagement of critical natural resource.



Multipolar globalisation

New mindset challenges business to be bolder, more transparent, and more collaborative, and to use its leverage to shape policy, regulations and norms in support of long term sustainability challenges. Business will continue to aim to reshape societal norms around Diversity, Equity and Inclusion.



Economic expansion

As economy continues to expand greater focus on the social license to operate moving towards stakeholder capitalism. More companies will rethink their business models in response to societal and market pressures. They will apply new metrics and measurement systems to assess their societal impact..

Short list of ESG topics



- 1. Environmental compliance and product impact (including Sustainable Supply Chain) (*)
- 2. Waste management and resource conservation



- 1. Health and safety & wellbeing
- 2. Human Rights / Modern Slavery (Including Responsible Supply Chain)
- 3. Diversity & inclusion and equal remuneration
- 4. Customer and employee engagement & satisfaction
- 5. Talent attraction & retention (including Learning & development)



- 1. Corporate governance & transparency
- 2. Economic performance

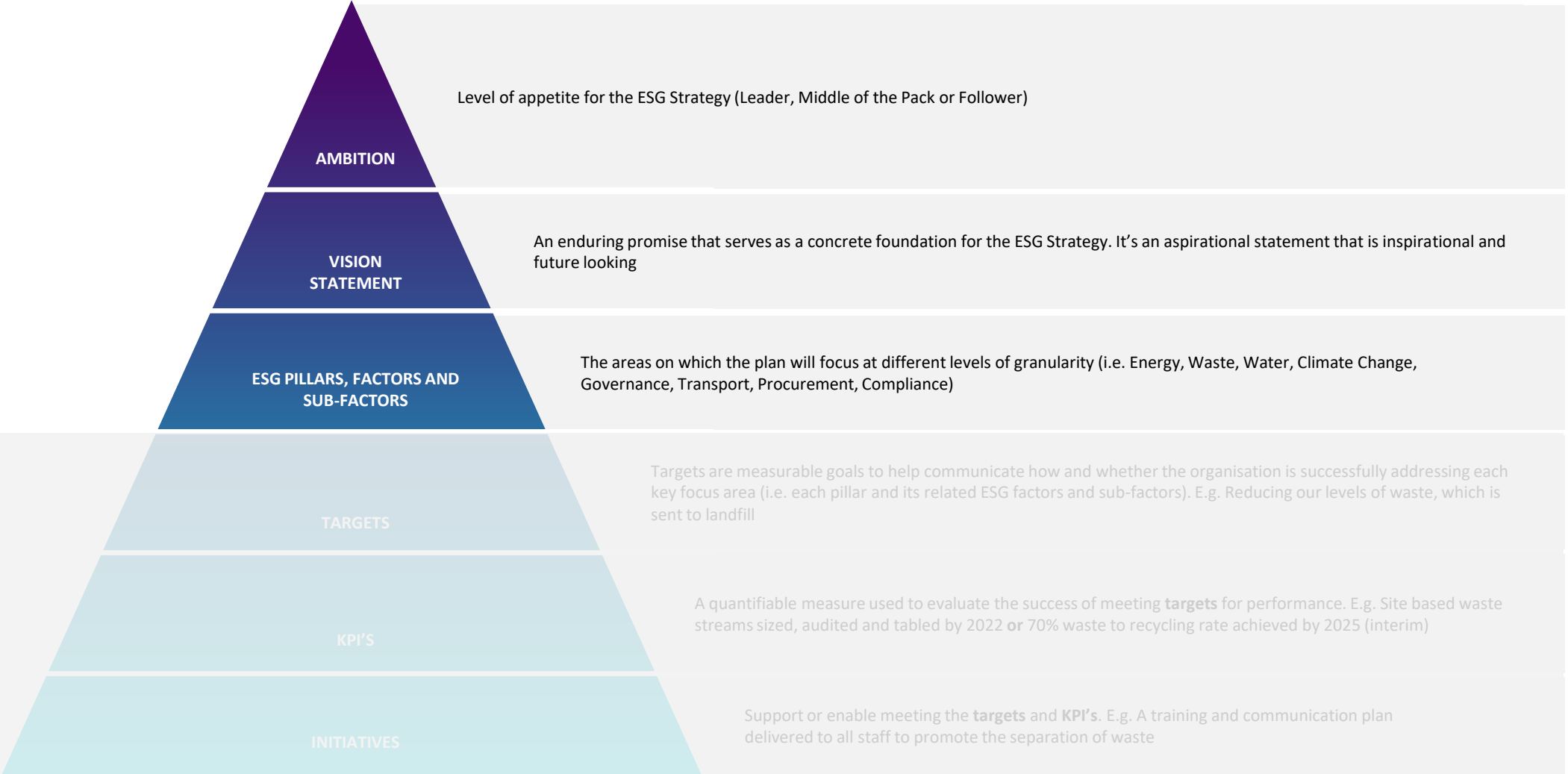
(*) It has been considered appropriate to include “Sustainable Supply chain” within “Environmental compliance and product impact” and “Responsible Supply Chain” within “Human Rights/Modern Slavery”



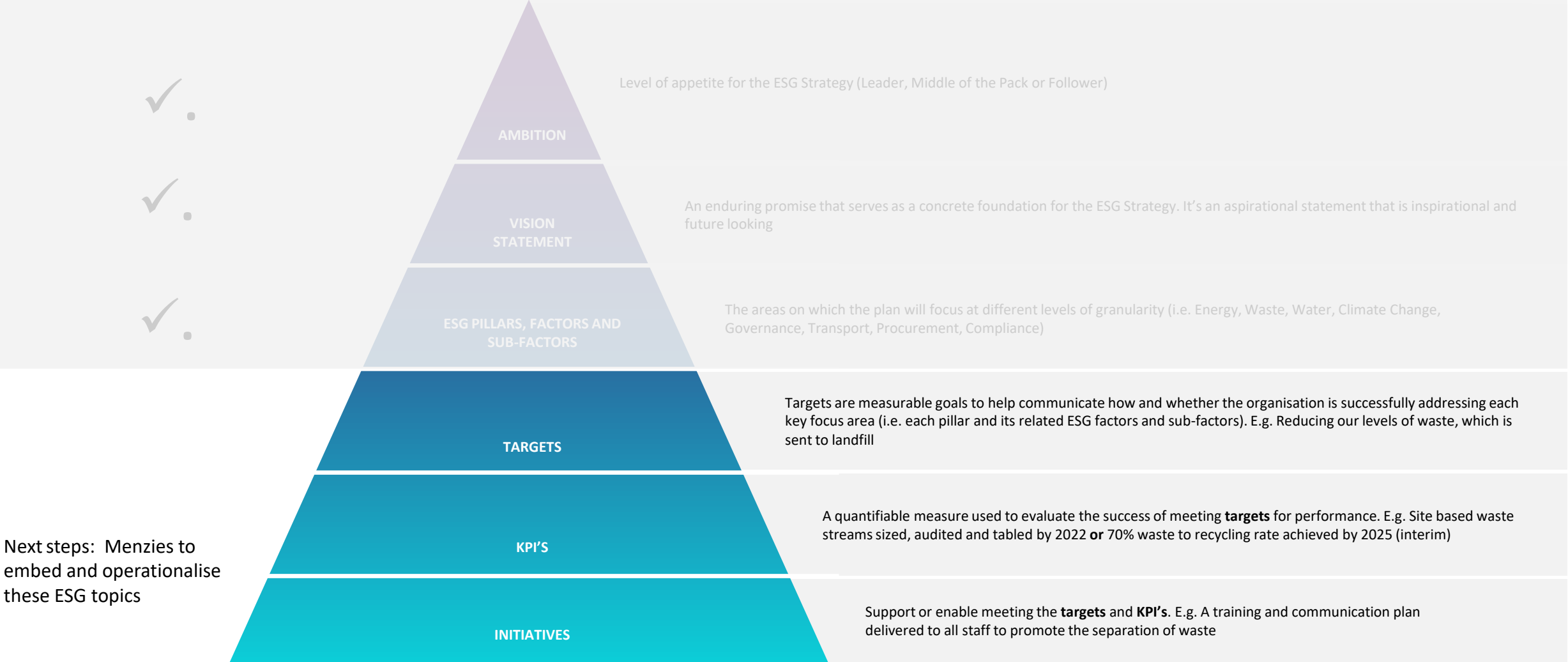
ESG Framework

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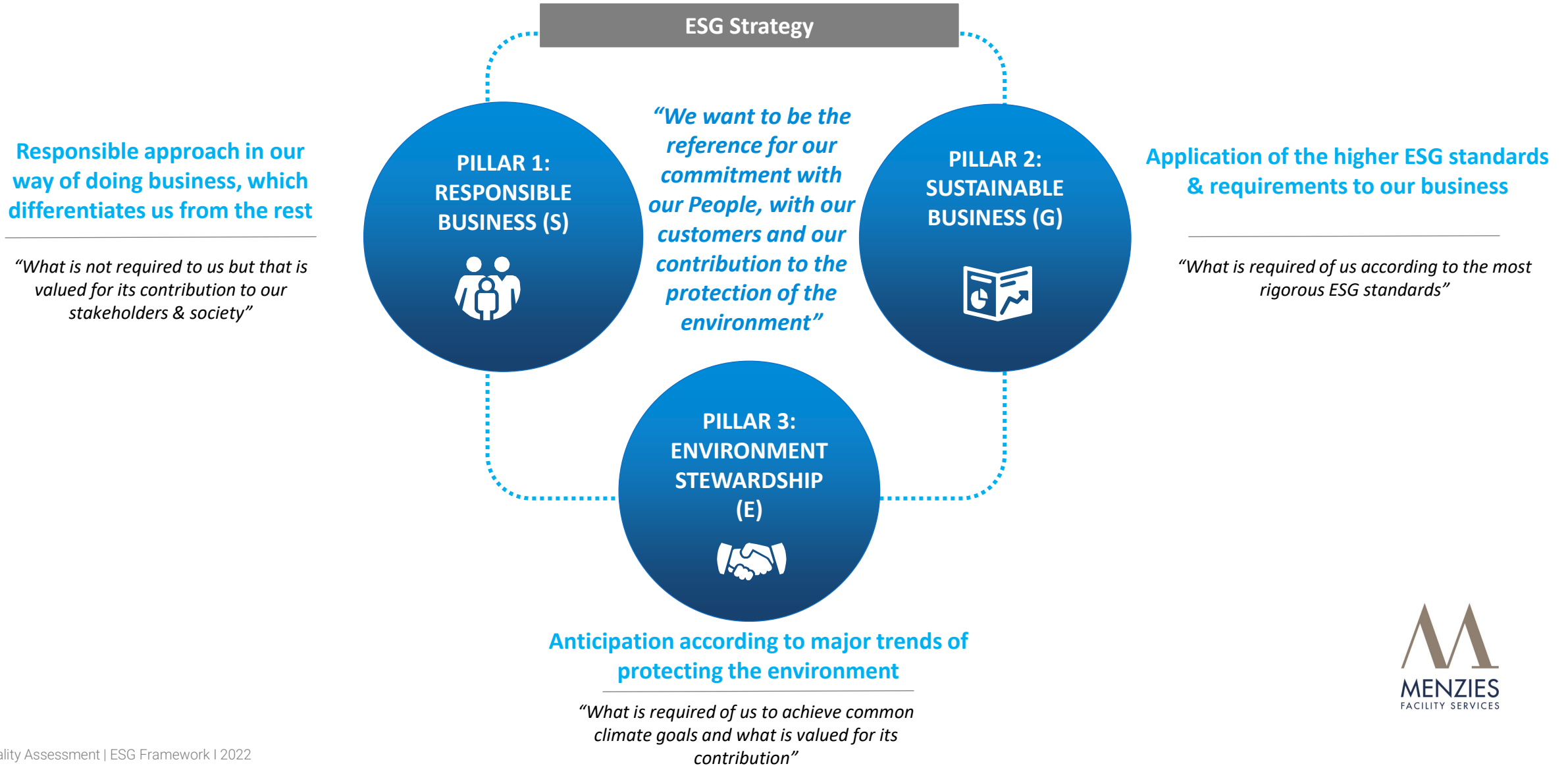
“We understand that we are an organisation of people and as such we value our employees and our clients as our most valued asset”

***“We are a company of people **who** work for people.
We do our business to make **the world** a better place to live”***

“We are aware that our activity generates an impact on the environment. Our responsibility is to measure that impact and take it to a minimum”

“Our reason for being are our clients to whom we provide our services. It is critical to know their needs and expectations and collaborate together on more efficient solutions”







**PILLAR 1:
RESPONSIBLE
BUSINESS (S)**

What we want to achieve

Strengthen our responsible model based on closeness and commitment to our stakeholders

Topics

- ✓ Health and safety & wellbeing
- ✓ Diversity & inclusion and equal remuneration
- ✓ Customer and employee engagement & satisfaction
- ✓ Talent attraction & retention (including Learning & development)



**PILLAR 2:
SUSTAINABLE
BUSINESS (G)**

What we want to achieve

Comply with what is required of us as a facility services company according to the most rigorous ESG standards

Topics

- ✓ Corporate governance & transparency
- ✓ Human Rights / Modern Slavery (Social supply chain)
- ✓ Economic performance



**PILLAR 3:
ENVIRONMENTAL
STEWARDSHIP (E)**

What we want to achieve

Develop pioneering initiatives that place us at the forefront of environmental protection and stewardship

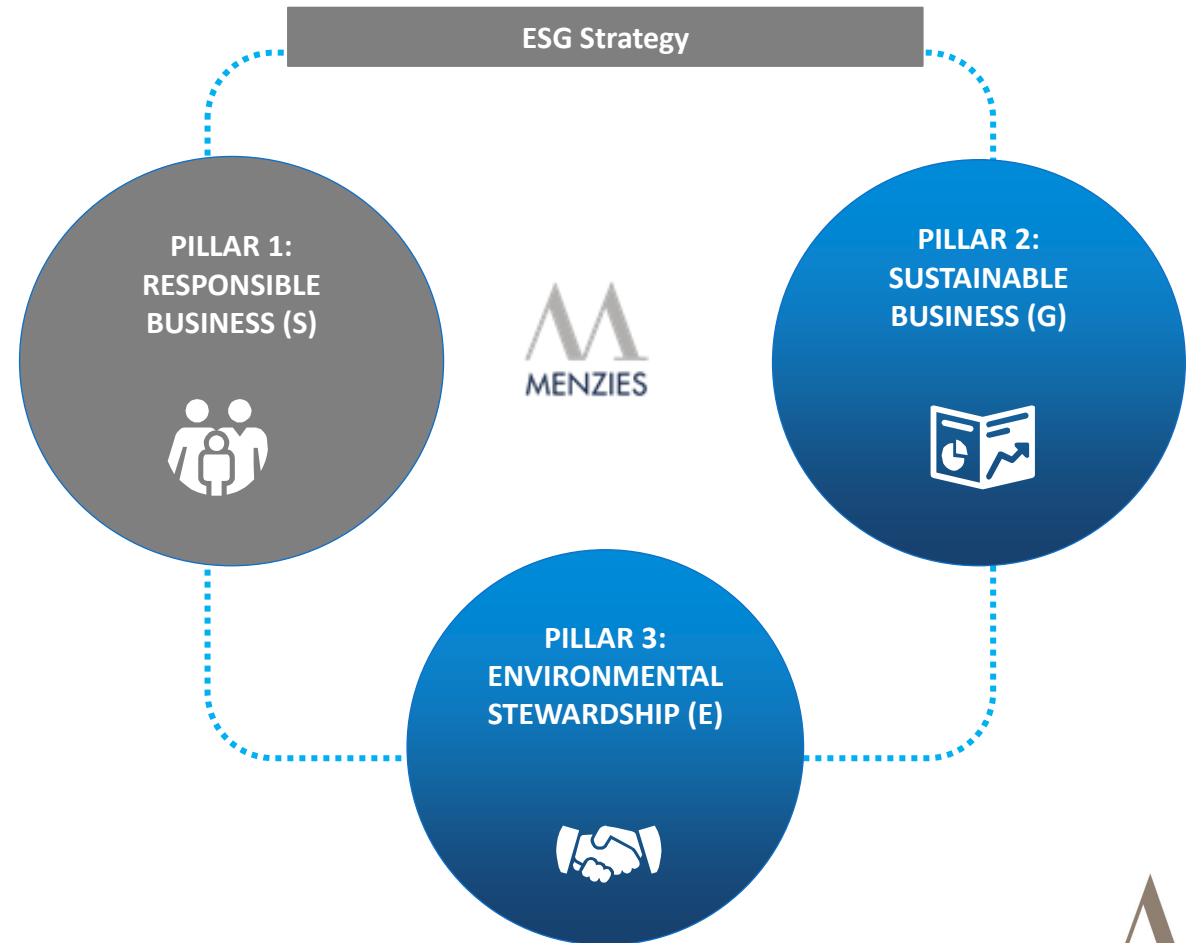
Topics

- ✓ Environmental compliance and product impact (Environmental supply chain)
- ✓ Waste management and resource conservation

ESG Strategy: Pillars

A strong ESG proposition focused on people can help companies attract and retain quality employees, enhance employee motivation by instilling a sense of purpose, and increase productivity overall

Menzies needs to create a sense of belonging to an organisation like no other. One that truly takes care of its people.



Health and safety & wellbeing



Level of ambition	Targets	Initiatives	Metrics	Level of effort (needed to collect the data)
High (leaders)	<ul style="list-style-type: none"> 0 work related incidents resulting in LTI 25 % employee turnover 8 out of 10 overall satisfaction rate (Employee Engagement Survey) 	<ul style="list-style-type: none"> Review of WHS System: policies, procedures, training and leader communications Renew ISO 45001:2018 Occupational health and safety management systems Develop a Wellbeing program for employee based on their needs WHS due diligence for customers (risks evaluation of clients sites) Employee engagement survey (Promote the involvement of employees in physical and emotional Well-Being Plans) 	<ul style="list-style-type: none"> Health & Safety (GRI:2018 403 – 9 (a & b)): <ul style="list-style-type: none"> - The number and rate of fatalities as a result of work-related injury; high-consequence work-related injuries (excluding fatalities); recordable work-related injuries, main types of work-related injury; and the number of hours worked. - An explanation of how the organisation facilitates workers’ access to non-occupational medical and healthcare services and the scope of access provided for employees and workers. - Monetised impacts of work-related incidents on Organisation: By multiplying the number and type of occupational incidents by the direct costs for employees, employers per incident (including actions and/or fines from regulators, property damage, healthcare costs, compensation costs to employees) Well-Being (GRI: 2018 403 – 10 (a & b), GRI 2016: 403 – 2(a), Embankment Project): <ul style="list-style-type: none"> - The number and rate of fatalities as a result of work-related ill-health; recordable work-related ill-health injuries, main types of work-related injury; and the main types of work-related ill-health for all employees and workers. 	Medium

Diversity & inclusion and equal remuneration



Level of ambition	Targets	Initiatives	Metrics	Level of effort (needed to collect the data)
High (leaders)	<ul style="list-style-type: none"> 40:40:20 workforce composition (40% female, 40% male, 20% balance variable) 3.5% of taskforce will be indigenous Australians by 2023 Zero salary gap between men and women 100 % employees covered by a living wage 	<ul style="list-style-type: none"> People strategy design and policies development (Diversity & Inclusion policy, Salary policy, Discrimination & harassment policy) Gender pay gap analysis RAP review/update Year employees engagement survey/index 	<ul style="list-style-type: none"> Diversity & inclusion (GRI 405-2): <ul style="list-style-type: none"> Percentage of employees per employee category, per age group, gender and other indicators of diversity (e.g. ethnicity) Pay equality (GRI 202-1, UK Companies (Misc. reporting) regulations 2018, Dodd-Frank Act): <ul style="list-style-type: none"> Ratio of the basic salary and remuneration for each employee category by significant locations of operation for priority areas of equality: women to men; minor to major ethnic groups; and other relevant equality areas. Living wage (MIT Living Wage Tool, EPIC Report, IMP): <ul style="list-style-type: none"> Current wages against the living wage for employees and contractors in states and localities where the company is operating. Pay gap (Adapted from UK Government guidance on gender and ethnicity pay gap reporting, GRI 102-38): <ul style="list-style-type: none"> Pay gap of basic salary and remuneration of full-time relevant employees based on gender (women to men) and indicators of diversity at a company level or by significant location of operation. Ratio of the annual total compensation for the organisation's highest-paid individual of significant operations to the median annual total compensation for all employees (excluding the highest-paid individual) Discrimination and harassment (GRI (406-1), SASBI (FB-FR-310a.4)): <ul style="list-style-type: none"> Incidents (#) and the Total Amount of Monetary Losses (\$) Number of discrimination and harassment incidents, status of the incidents and actions taken and the total amount of monetary losses as a result of legal proceedings associated with (1) law violations and (2) employment discrimination. 	Medium

Talent attraction & retention (incl. Learning & Development)



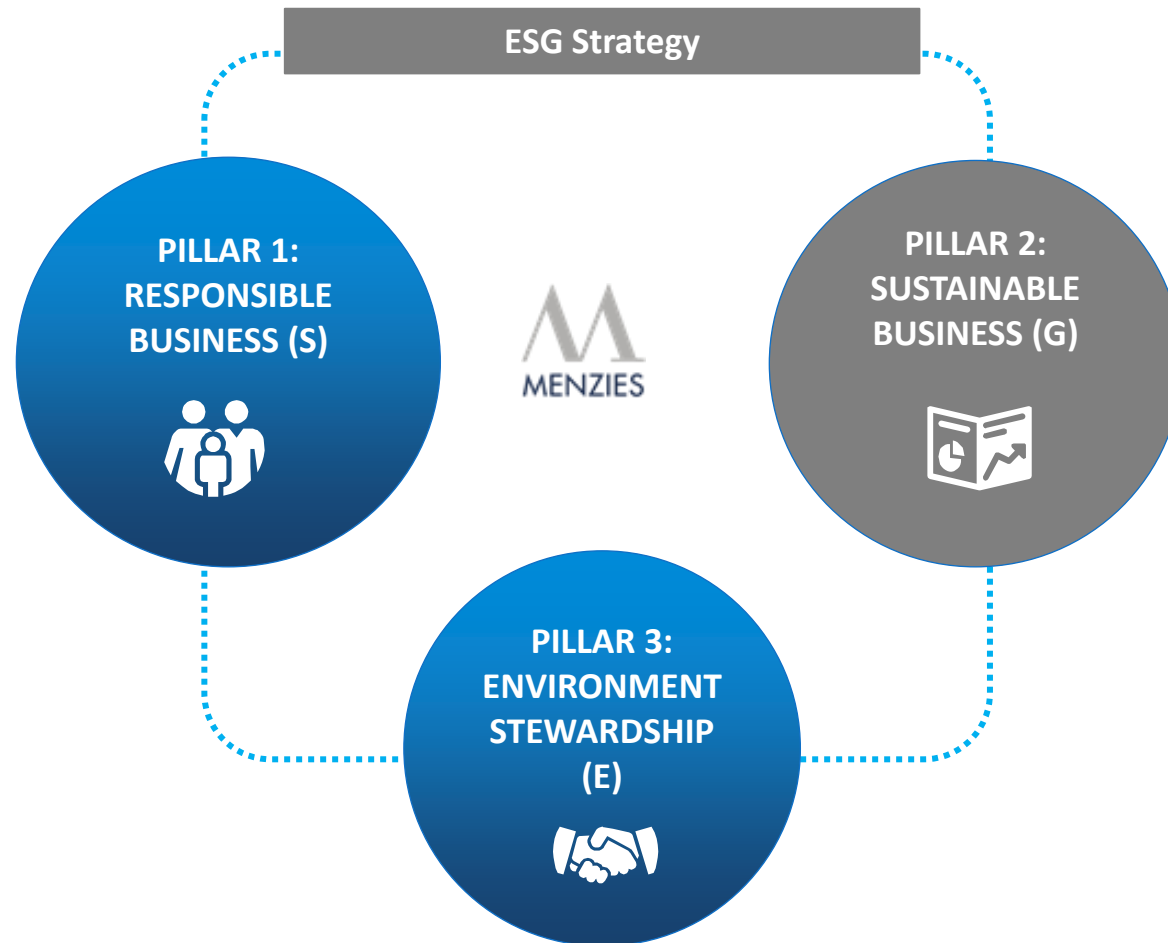
Level of ambition	Targets	Initiatives	Metrics	Level of effort (needed to collect the data)
High (leaders)	<ul style="list-style-type: none"> -25 % employee turnover 85 % satisfaction rate 	<ul style="list-style-type: none"> Frequent review of Selection policy and Plan Frequent review of Internal Communication policy and Plan Design an Employee benefits pack Frequent review of learning & development program for all categories (core training and extended training) Annual employees engagement survey/index 	<ul style="list-style-type: none"> Training provided (GRI 404-1, SASB HC0101-15): <ul style="list-style-type: none"> - Average hours of training per person that the organisation’s employees have undertaken during the reporting period, by employee category (total number of trainings provided to employees divided by the number of employees) - Average training and development expenditure per full time employee Monetised impacts of training-increased earning capacity as a result of training intervention: <ul style="list-style-type: none"> - Investment in training: percentage (%) of payroll. - Effectiveness of training and development through increased revenue, productivity gains, employee engagement and/or internal hire rates. 	Medium

Customer engagement & satisfaction



Level of ambition	Targets	Initiatives	Metrics	Level of effort (needed to collect the data)
High (leaders)	<ul style="list-style-type: none"> >75% overall rate customers return >85% annual Customer satisfaction index 10 new tenders win/year 	<ul style="list-style-type: none"> Customer Experience program: local employment exploration, environmental solutions, social collaborations Customer engagement Plan (by project) Customer engagement survey/index (annual basis) 	<ul style="list-style-type: none"> Customer satisfaction survey/Index % of current clients retained Number of tailored projects developed with clients 	Medium

ESG Strategy: Pillars



The way we do business is our hallmark.

We want to be a reference in the sustainable management of business within the industry. And to do so we comply with the highest ESG standards



Corporate Governance & Transparency



Level of ambition	Targets	Initiatives	Metrics	Level of effort (needed to collect the data)
Medium (Middle of the pack)	<ul style="list-style-type: none"> • Zero fines regarding unfair business practices • ESG issues – Risk Assessment • ESG issues including on the Board/CEO agendas: ESG framework/strategy approval, ESG leadership) 	<ul style="list-style-type: none"> • Policies and Management System design • Transparency, diversity, tenure and experience of board analysis • Anti-corruption and competitive behaviour policies review • Code of Conduct review • ESG Reporting elaboration: Reporting System 	<ul style="list-style-type: none"> • Governance body composition (GRI (102-22), GRI (405-1a), IR (4B): Composition of the highest governance body and its committees by: competencies relating to economic, environmental, and social topics; executive or non-executive; independence; tenure on the governance body; number of each individual's other significant positions and commitments, and the nature of the commitments; gender; membership of under-represented social groups; stakeholder representation. • Anti-corruption (GRI (205-2) and GRI (205-3)): <ul style="list-style-type: none"> - Total percentage of governance body members, employees and business partners who have received training on the organisation's anti-corruption policies and procedures, broken down by region - (a) Total number and nature of incidents of corruption confirmed during the current year but related to previous years (b) Total number and nature of incidents of corruption confirmed during the current year, related to this year - Discussion of initiatives and stakeholder engagement to improve the broader operating environment and culture, in order to combat corruption. • Protected ethics advice and reporting mechanisms (GRI (102-17)): <ul style="list-style-type: none"> A description of internal and external mechanisms for integrity; - Seeking advice about ethical and lawful behaviour and organisational integrity; - Reporting concerns about unethical or lawful behaviour and organisational integrity • Integrating risk and opportunity into business processes. (EPIC, GRI (102-15), WEF Integrated Corporate Governance, IR (4D)): <ul style="list-style-type: none"> Company risk factor and opportunity disclosures that clearly identify the principal material risks and opportunities facing the company specifically (as opposed to generic sector risks), how these risks and opportunities have moved over time and the response to those changes. 	Medium

Human Rights & Modern Slavery (*)



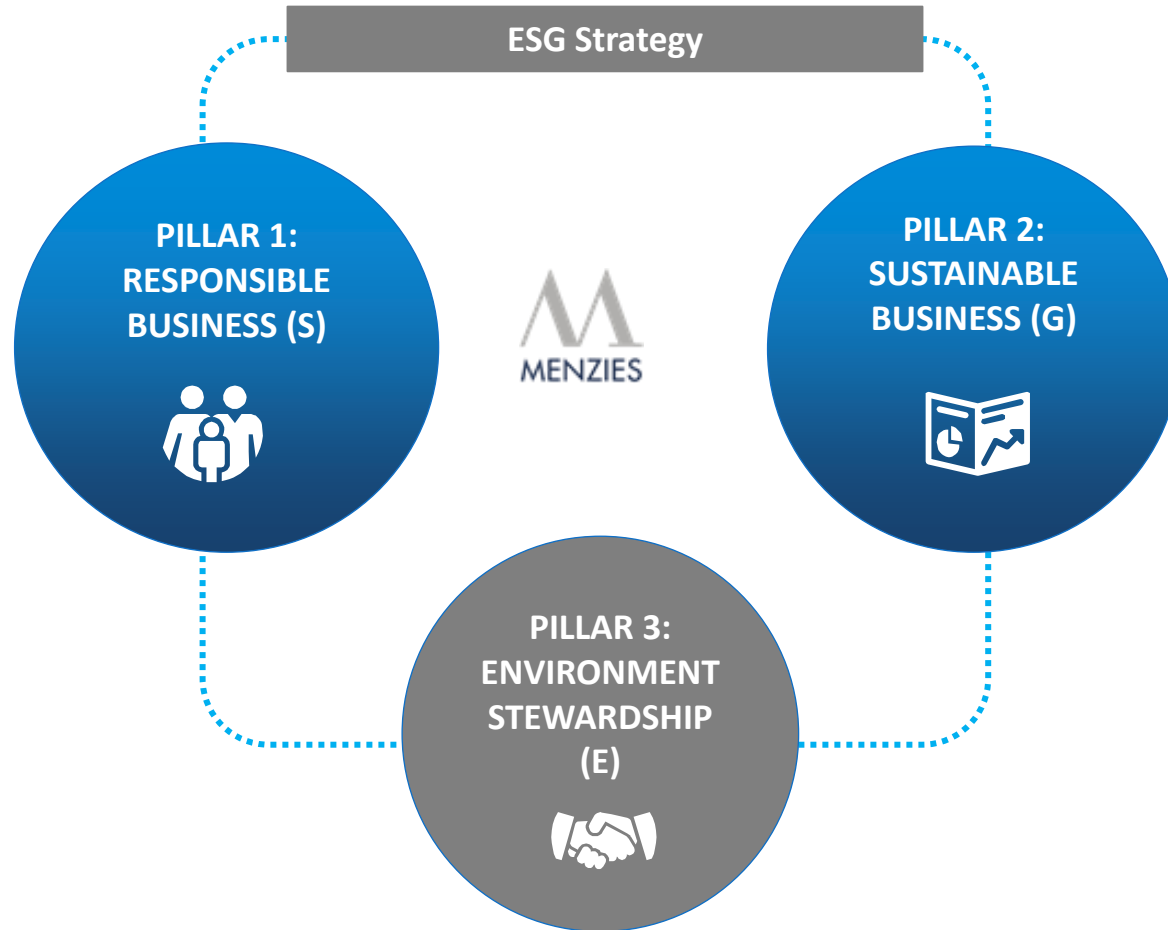
Level of ambition	Targets	Initiatives	Metrics	Level of effort (needed to collect the data)
High (leaders)	<ul style="list-style-type: none"> 50% supply chain audited under Human Rights criteria by 2025 One pilot project with a supplier, 2022 	<ul style="list-style-type: none"> Review of due diligence processes, to identify and manage modern slavery risk Review of grievance and remediation mechanisms Modern slavery report Human Rights within the supply chain program: suppliers due diligence, remediation actions 	<ul style="list-style-type: none"> Human rights review, grievance impact and modern slavery (GRI (412-1), UN Guiding Principles, GRI (408-1 (a)), GRI (409-1), WDI 7.5): <ul style="list-style-type: none"> Total number and percentage of operations that have been subject to human rights reviews or human rights impact assessments. Number and type of grievances reported with associated impacts related to a salient human right issue in the reporting period and an explanation of impacts. Number and percentage of operations and suppliers considered to have significant risk for incidents of child labour, forced or compulsory labour. Such risks could emerge in relation to a) type of operation (such as manufacturing plant) and type of supplier or b) countries or geographic areas with operations and suppliers considered at risk. 	Medium

Economic performance



Level of ambition	Targets	Initiatives	Metrics	Level of effort (needed to collect the data)
High (leaders)	<ul style="list-style-type: none"> 50% value chain audited under Human Rights criteria by 2025 One pilot project with a supplier, 2022 (including HHRR audit and remediation actions put in place) 	<ul style="list-style-type: none"> Implementing due diligence processes, to identify and manage modern slavery risk Developing and implementing grievance and remediation mechanisms Modern slavery report Human Rights within the supply chain program: suppliers due diligence, remediation actions 	<p>Employment and wealth generation (GRI 401: Employment (2016) – Disclosure 401-1a New Employee hires and 401-1b Employee Turnover):</p> <ul style="list-style-type: none"> Total number and rate of new employee hires during the reporting period, by age group, gender, other indicators of diversity and region Total number and rate of employee turnover during the reporting period, by age group, gender, other indicators of diversity and region. <p>Economic contribution (GRI 201: Economic Performance (2016) – Disclosure 201-1 Direct Economic Value Generated and Distributed (EVG&D) and 201-4 Financial assistance received from government):</p> <ul style="list-style-type: none"> Direct economic value generated and distributed (EVG&D) – on an accrual basis, covering the basic components for the organisation’s operations, ideally split out by: EVG&D can provide a valuable snapshot of the direct monetary value added to local economies through generation of products and services, servicing of capital, payment of wages, taxes and community investment, while the significant financial assistance received from government, when compared with separate disclosures on taxes, can be useful for developing a more balanced and transparent snapshot of the balance of transactions between the company and government. Financial assistance received from the government - Total monetary value of financial assistance received by the organisation from any government during the reporting period <p>Total tax paid: Adapted from (GRI 201-1 (2016) - Direct Economic Value Generated and Distributed). The total tax borne by the company, including corporate income taxes, property taxes, non-creditable VAT and other sales taxes, employer-paid payroll taxes and other taxes that constitute costs to the company, by category of taxes</p>	Medium

ESG Strategy: Pillars



We take action on the issues affecting our planet and the impacts our activities could add to it.





Waste management & resource conservation

Level of ambition	Targets	Initiatives	Metrics	Level of effort (needed to collect the data)
High (leaders)	<ul style="list-style-type: none"> Monitoring of waste streams to ensure proper segregation One pilot program with a client, 2022 	<ul style="list-style-type: none"> Waste and resources management policy Waste management: measure amount waste generated Report waste types and recycling data at pilot site 	<p>Waste by type and disposal method: ((GRI 306-2) (2016)):</p> <ul style="list-style-type: none"> The reporting organisation shall report the following information: <ul style="list-style-type: none"> How the waste disposal method has been determined Disclose the most significant applications of single use plastic identified, the quantification approach used and the definition of "single-use plastic" adopted. Report the most appropriate resource circularity metric(s) for most used product, material or site level as applicable. Potential metrics include (but are not limited to) the "Circular Transition Indicators" (WBCSD & KPMG), indicators developed by the Ellen MacArthur Foundation and company developed metrics. Disclose the methodological approach used to calculate the chosen circularity metric(s) and the rationale for the choice of metric(s). 	Medium



Environmental compliance & product impact (*)

Level of ambition	Targets	Initiatives	Metrics	Level of effort (needed to collect the data)
Medium (Middle of the pack)	<ul style="list-style-type: none"> 75% of products under green certification by 2025 	<ul style="list-style-type: none"> Develop a Chemical Management System Develop a Product and chemical management training Environmental impact analysis 	<ul style="list-style-type: none"> Non-compliance with environmental laws and regulations (GRI-307 – 2016). <p>The reporting organisation shall report the following information:</p> <p>a. Significant fines and non-monetary sanctions for non-compliance with environmental laws and/or regulations in terms of:</p> <ol style="list-style-type: none"> total monetary value of significant fines; total number of non-monetary sanctions; cases brought through dispute resolution mechanisms. <p>b. If the organisation has not identified any non-compliance with environmental laws and/or regulations, a brief statement of this fact is sufficient.</p> <ul style="list-style-type: none"> % products under green certification (new metric) 	Medium
High (leaders)	<ul style="list-style-type: none"> Monitoring of waste streams to ensure proper segregation One pilot program with a client, 2022 	<ul style="list-style-type: none"> Waste and resources management policy Waste management: measure amount waste generated Report waste types and recycling data at pilot site 	<p>Waste by type and disposal method: ((GRI 306-2) (2016)):</p> <ul style="list-style-type: none"> The reporting organisation shall report the following information: <ul style="list-style-type: none"> How the waste disposal method has been determined Disclose the most significant applications of single use plastic identified, the quantification approach used and the definition of "single-use plastic" adopted. Report the most appropriate resource circularity metric(s) for most used product, material or site level as applicable. 	



Reference Slides

Environmental issues

Topic	Tool Description	Detail
<p>Climate Impact and Adaptation</p>	<p>Scenario analysis; Climate related risks and opportunities: identification, management and reporting (TCFD, Carbon Disclosure Project); Corporate net zero commitment</p>	<p>The physical impacts of climate change are increasingly confronting businesses with unplanned changes or disruptions to business. This has different effects: changes in climate and energy policies, a shift to low-carbon technologies and liability issues. Building resilience for Menzies’ business and communities, against the physical impacts of climate change is important.</p> <p>Additionally, preparing for changing regulations and markets in a low carbon economy should be front-of-mind as transitioning to a low-carbon economy may entail extensive policy, legal, technology, and market changes to address mitigation and adaptation requirements related to climate change.</p> <p>Depending on the nature, speed, and focus of these changes, transition risks may pose varying levels of financial and reputational risk to organisations. Menzies has committed to the environment through regular monitoring and auditing of all processes and procedures.</p>
<p>Environmental compliance and product implementation</p>	<p>Environmental Impact of products. Green products.</p>	<p>Environmental compliance is key to reducing the impacts of climate change. To be a leader in this area, companies should act beyond regulation.</p> <p>Menzies has developed the Green Clean Program to monitor and implement quantifiable health and environmental outcomes. They have also minimised chemical use to four-base range chemicals and are actively researching the latest green chemistry and chemical-free cleaning alternatives. They have use products that are Green Seal Certified which assures the cleaning products are free of concerning chemicals. Menzies has measures in place to ensure air quality is up to sufficient standards by implementing vacuum filter maintenance procedures and using vacuum cleaners capable of removing potentially harmful particulates. Additionally, Menzies has achieved ISO certification for their quality and environmental responsibility.</p>

Topic	Tool Description	Detail
<p>Waste management and resource conservation</p>	<p>Environmental impacts measurement, spills and environmental incidents, fines and legal action, Waste management; recycling initiatives; resource use efficiency; full life cycle analysis; and circular economy</p>	<p>Management and reduction of waste to landfill is increasingly seen as an important service provided to clients to allow them to meet commitments. Circular economy is a new trend to explore where Menzies could be recognised as a leader in the sector. Tools to address resource conservation include water management, water efficiency for clients, reduction of waste to landfill, management of waste streams in facilities, circular economy, embedded carbon footprint, resources use efficiency and recycling rates.</p> <p>Menzies have significantly reduced their packaging waste through their chemical dispensing system and Eco Bin office system which increases recycling capacity. Additionally, they use reusable tools and durable equipment to minimise waste.</p>
<p>Energy efficiency and emissions reduction</p>	<p>Energy management, energy source selection, energy efficiency of operations and buildings, scope 3 of supply chain, scope 3 of value chain; emissions targets, decarbonisation strategy; and net zero carbon</p>	<p>Global warming and its effects on climate is one of the most important global trends currently. The Paris Agreement’s central aim is to strengthen the global response to the threat of climate change. Australia needs to meet its climate change targets; among them its included emissions reduction to 26-28% below 2005 levels by 2030.</p> <p>Menzies has begun an energy efficiency program in anticipation of the increase in energy prices. They are currently investigating carbon off-setting schemes and strategies to streamline their travel and delivery requirements.</p> <p>Menzies has reduced carbon emissions associated with packaging and shipping through the controlled dispensing of super-concentrated chemicals. Furthermore, Menzies maintains and re-uses tools and equipment and has procurement guidelines that specify durability and efficiency.</p>

Topic	Tool Description	Detail
<p>Health, Safety & Wellbeing</p>	<p>Human capital management; training and development; Workplace Health and Safety; employees wellbeing</p>	<p>The United Nation’s Sustainable Development Goal ‘Good health and Well-being,’ aims to ensure healthy lives and to promote wellbeing for all at all ages. For Menzies, this duty of care extends across their operations to their employees (including contractors), customers, as well as the public that use the spaces they service. GRI recommend that organisations should implement occupational health and safety management systems, have processes to identify work-related hazards and conduct health and safety training to workers. As well as physical wellbeing, Menzies should prioritise mental health and wellbeing and ensure that their work environment and flexible and accommodating for all. Health safety and security covers the safety of Menzies employees, users of the property (tenants and contractors) and the appropriate maintenance of spaces.</p>
<p>Human Rights / Modern Slavery</p>	<p>Human Rights Policy and management; Modern Slavery; and ethical supply chain</p>	<p>Modern slavery encompasses slavery, servitude, the worst forms of child labour, forced labour, human trafficking, debt bondage, slavery like practices, forced marriage and deceptive recruiting for labour or services. It is crucial that entities begin reviewing their supply chains and operations to comply the regulations and codes (e.g. Modern Slavery Act 2018. Commonwealth Act).</p> <p>Faced with continuous scrutiny, companies need to address the safety and sustainability of their supply chain management and distribution systems. Labour and human rights issues, such as living wages, are of notable concern.</p> <p>Structural deterioration of work prospects and/or standards for the working-age population: unemployment, underemployment, lower wages, fragile contracts, erosion of worker rights etc</p> <p>Companies can enhance labour productivity and employee engagement by taking a long-term approach to managing workers in areas such as compensation and workers’ rights. In addition to mitigating risks, improvements in labour productivity can help strengthen a company’s reputation and reduce its cost of capital.</p> <p>Erosion of social cohesion. Loss of social capital and a fracture of social networks negatively impacting social stability, individual well-being and economic productivity, as a result of persistent public anger, distrust, divisiveness, lack of empathy, marginalization of minorities, political polarization etc</p>

Topic	Tool Description	Detail
<p>Diversity & inclusion and equal remuneration</p>	<p>Diversity, equity and inclusion</p>	<p>Promoting diversity and inclusion across numerous indicators, including gender, identity, sexual orientation, religion, disability, age, ethnicity and first peoples. Diversity and inclusion should extend to equal opportunity across all diversity indicators and anti-discrimination policies.</p> <p>There is an increased focus on gender pay gap and requirements to report. Individuals undertaking the same duties should be paid equally with no impact due to gender, ethnicity, or other factor. Some stakeholders demand for more information about the ratio of highest paid to lowest.</p> <p>Menzies is committed to increasing awareness of Aboriginal and Torres Strait Islander people and cultures. They have an Indigenous Advisory Board and have outlined key targets for Indigenous participation.</p>
<p>Positive impact on local communities</p>	<p>Community engagement & social impacts, inclusion programs</p>	<p>Communities may connect through responsibility, influence, proximity, dependency, or representation. They may be positively characterised by mutual tolerance, reciprocity, trust, and social capital arising from the experience of belonging.</p> <p>In a business context, ‘communities of interest’ may include neighbours, investors, shareholders, customers, suppliers, employees, unions, regulators, and competitors.</p> <p>Menzies operations should seek to support local economies, including Indigenous Australians, particularly through job creation and local sourcing. This can be completed through supporting and contributing to the strength of local communities across operations and promoting social inclusion of vulnerable groups. The promotion of social inclusion of vulnerable groups, including young Australians, people with disability and indigenous peoples, should also extend to job creation.</p> <p>GRI standards recommend that organisations report on the percentage of operations with implemented local community engagement and development programs. They define Community Development Programs as a plan that details actions to minimise, mitigate, or compensate for adverse social and/or economic impacts, and/or to identify opportunities or actions to enhance positive impacts of a project on the community.</p>

Topic	Tool Description	Detail
Customer and employee engagement & satisfaction	Know your client, satisfaction measurement, customer engagement, corporate culture, lead by values, collaboration, employee satisfaction measurement	<p>Knowing the client, satisfaction measurement, customer engagement. Menzies can ensure customer satisfaction through maintaining key stakeholder relationships and a safe workspace.</p> <p>In regards of employee satisfaction, creating a culture and working environment which enables employees to feel fulfilled in their roles, give their best and maintain a positive attitude towards the organisation. This also extends to flexible workplaces, employee privacy, including confidentiality and data protection, and employee health, safety, and wellbeing.</p>
Talent attraction & retention (including learning & development)	War for talent; training, learning pathways, development	<p>The war for talent as well as cost of recruiting staff members increases the benefit of staff retention. Quality of staff is imperative for provision of property service as well as appropriately dealing with increased complexity of business topics and cost constraints</p> <p>The GRI recommend that organisations should invest in ‘continued employability,’ defined as the adaptation to the changing demands of the workplace through the acquisition of new skills. Learning and development could be critical. Organisations should report on the average hours of training that employees have undertaken, the type and scope of training programs implemented, and the assistance programs provided to facilitate continued employability.</p>

Topic	Tool Description	Detail
<p>Corporate Governance & Transparency</p>	<p>Corporate governance; Remuneration strategies and transparency, diversity, tenure and experience of board, and anti-corruption policies and competitive behaviour</p>	<p>Corporate governance systems ensure that a company is managed in the interests of shareholders (including minority shareholders). Corporate Governance involves conducting business activities in line with the highest ethical standards across environmental, social and governance standards.</p> <p>Menzies should report on any fines, breaches, licence to operate etc for the purpose of transparency and compliance. Tools involved include remuneration strategies and transparency, diversity, tenure and experience of board, and anti-corruption policies and competitive behaviour.</p>
<p>Responsible and sustainable supply chain</p>	<p>Human Rights Policy and management; Modern Slavery; and ethical supply chain</p>	<p>Responsible and sustainable supply chain practices involve facilitating procurement practices and supply chain management in a responsible and sustainable way. This extends to the management and implementation of policies relating to human rights, sustainable procurement, modern slavery, anti-corruption, and anti-bribery. Moreover, SASB recommend that companies are required to adhere to regulations and to provide disclosure on ESG issues.</p> <p>In an increasingly globalised world, when a company outsources its production, services, or business processes, it also outsources corporate responsibilities and reputational risks. This means that companies need to find new strategies to manage the associated risks and opportunities which differ from the traditional risk and opportunity management with the company's production or services in-house.</p> <p>In addition, the company is confronted with the need to minimize costs and time of delivery to satisfy suppliers' demand and increase profitability without negatively impacting product quality or incurring high environmental or social costs. Investors increasingly see the importance of supply chain risk management and the negative consequences if it is not managed effectively.</p>

Topic	Tool Description	Detail
Cybersecurity	Cybersecurity; and data security and privacy	Safeguarding data and networks from cyber threats and ensuring the confidentiality and security of personal information. SASB recommend that organisations should implement policies and practices related to user privacy, data security, consumer control and data security. Moreover, organisations should endorse the ethical use of data.
Risk and crisis management	Effective risk and crisis management; associated with cyber-attack, terrorism, climate or other external acute events e.g. Covid-19	<p>The impact of the coronavirus (COVID-19) is being felt by all businesses around the world. Leaders are navigating a broad range of interrelated issues that span from keeping their employees and customer safe, shoring-up cash and liquidity, reorienting operations and navigating complicated government support programs.</p> <p>Implementing measures and supporting customers, communities, and employees to work safely and to mitigate and reduce the spread and severity of infectious disease. This material topic may involve Menzies' provision of internal health services to employees, such as an annual flu shot, or compensation for external health services. Effective risk and crisis management; associated with cyber-attack, terrorism, climate, or other external acute events</p>
Economic Performance	Maintaining strong financial performance over the long term through delivering on strategy	<p>Building and maintaining trust through consistent economic performance. Clear strategy that is well communicated supported by a track record of delivering against the strategy.</p> <p>SASB recommend that companies need to provide services that satisfy the highest professional standards of the industry to ensure long-term, mutually beneficial relationships and returns for the company and investors.</p>

