

G4S SRI Update

September 2013



Securing Your World



Agenda

- Background
 - *Introductions*
 - *CSR Committee*
 - *G4S Culture*
 - *CSR Themes*
- Campaigns
- Safeguarding our integrity
 - *Audit and Compliance*
 - *Whistleblowing*
 - *Human Rights Framework*
- Securing our employees
 - *Health and Safety*
 - *Employee Engagement*
 - *Diversity and Inclusion*
- Securing our environment
- Securing our communities
- CSR materiality
- Q&A

Background:

Introductions



Clare Spottiswoode
Non-Exec Director
& CSR Committee Chair



Mark Elliott
Non-Exec Director
& former CSR
Committee Chair



Irene Cowden
Group HR Director



Debbie Walker
Group Communications Director



Helen Parris
Director of
Investor Relations



Nigel Lockwood
CSR Manager



Phil Summerton
Head of Internal Audit

Background:

CSR Committee



Clare Spottiswoode
Non-Exec Director
& CSR Committee Chair



Winnie Fok
Non-Exec Director



Paul Spence
Non-Exec Director

Regular Attendees:

- Debbie Walker, Group Communications Director
- Irene Cowden, Group HR Director
- Phil Summerton, Head of Internal Audit
- Nigel Lockwood, CSR Manager

Example Agenda Items:

- Health & Safety reports & programmes
- Human Rights framework development & implementation
- Review of proposed country entries
- Reports on whistleblowing issues
- Results of employee engagement surveys
- Benchmarking G4S CSR practices

Background:

G4S Culture

G4S is one of the world's largest private employers, the nature of the business we are in and the countries and markets in which we operate mean that we form an important part of many societies and impact the lives of millions of people all over the world.

It is our responsibility to make sure that the impact we have is a positive one.



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Background:

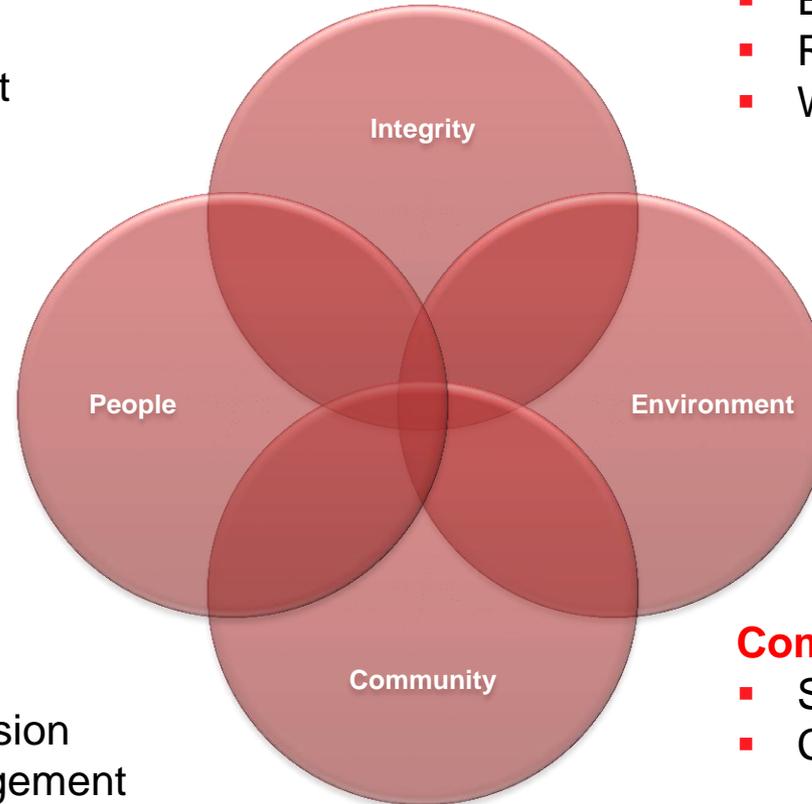
Four Strands of CSR

Integrity:

- Business ethics
- Human rights
- Risk assessment
- Anti-corruption
- Internal audit
- Whistleblowing & reporting

Environment:

- Energy & fuel efficiency
- Reducing carbon intensity
- Waste & water consumption



People:

- Health & safety
- Diversity & inclusion
- Employee engagement
- Training & development

Community:

- Social & economic impact
- Community investment

Campaigns:

Key Achievements In 2012

Integrity

- Development of a landmark **human rights framework** for all G4S businesses, based upon the UN Guiding Principles
- Completed implementation of our **'Safe2Say' employee whistleblowing hotline**
- Completed a full programme of **Bribery Act compliance audits** across 37 countries during 2012

People

- Formation of a **road safety steering group** and development of an action plan to reduce road traffic accidents
- **Reduced work-related fatalities** by 22% in 2012
- Improved **representation of women** in management (22.5%) and front line (12.1%) roles during 2012

Environment

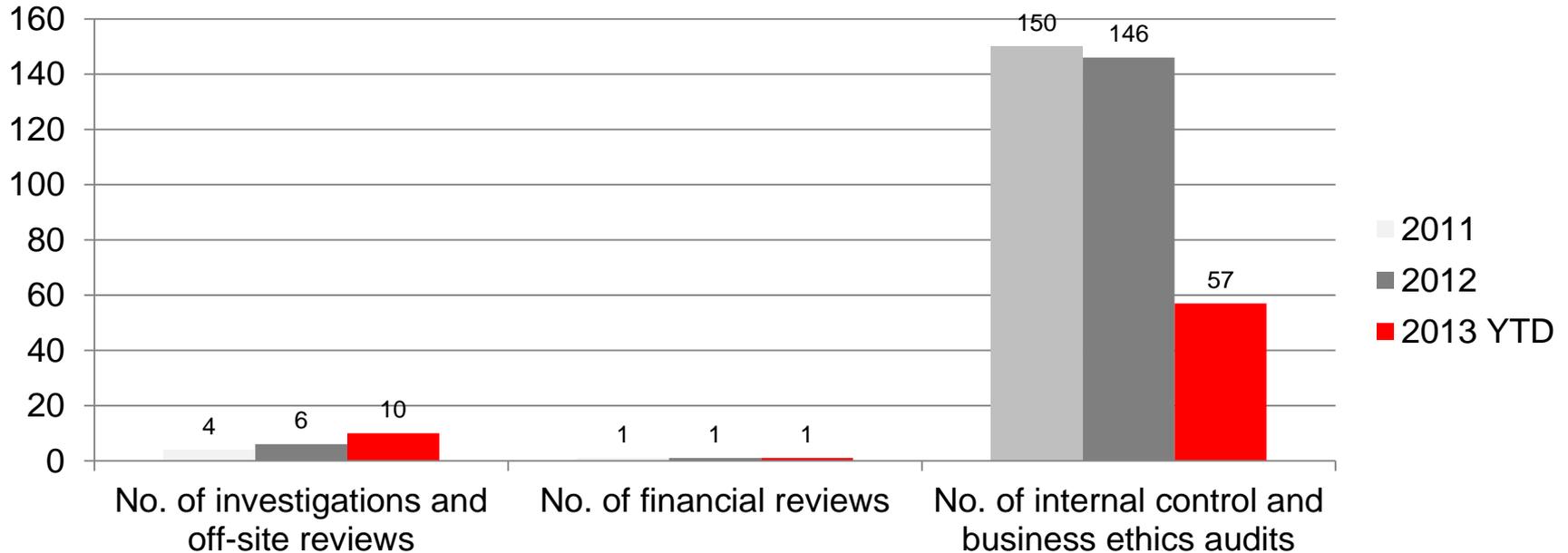
- Achieved a 16% **reduction in carbon intensity** between 2009 and 2012 against a target of 13%

Safeguarding our integrity

Audit and Compliance

Internal audit is a cornerstone of ensuring high standards of social, financial and ethical compliance

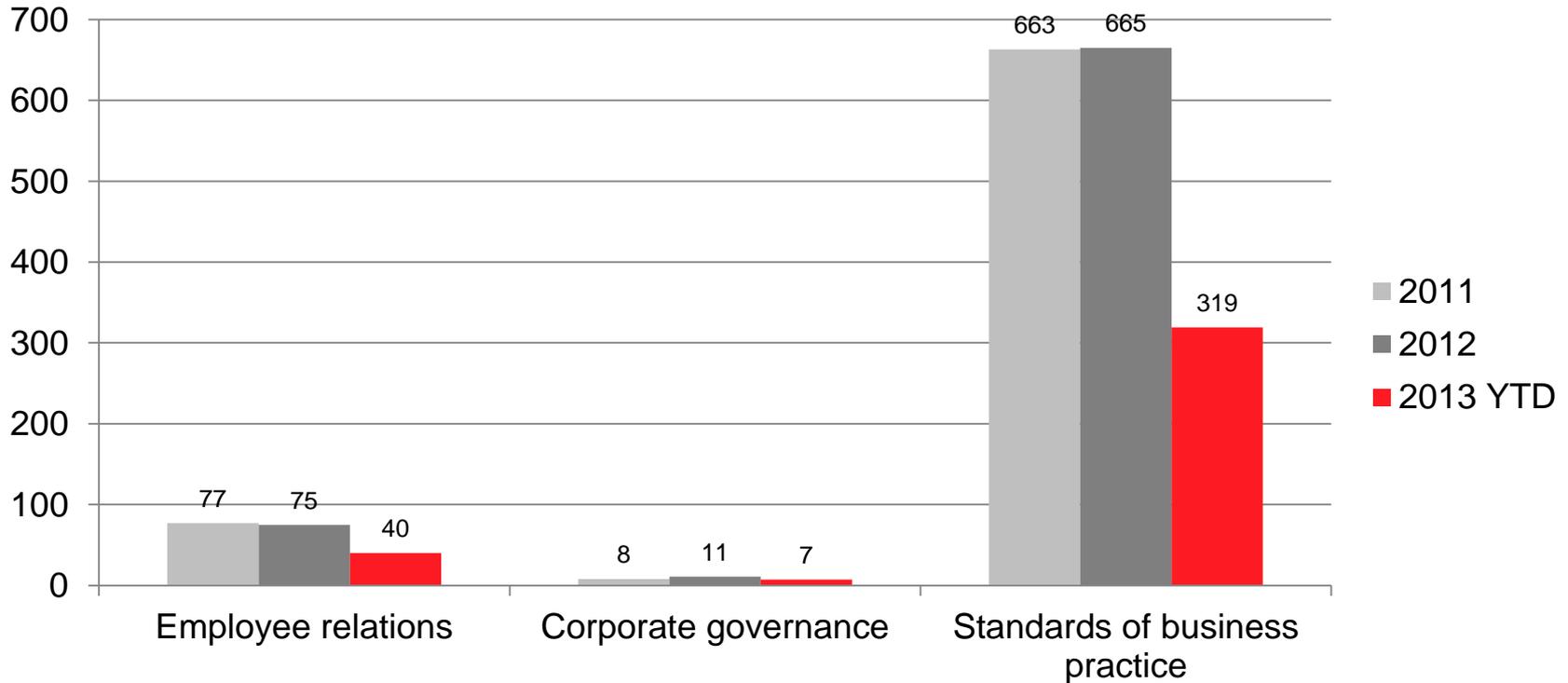
Number of internal audits and reviews



Safeguarding our integrity

Audit and Compliance

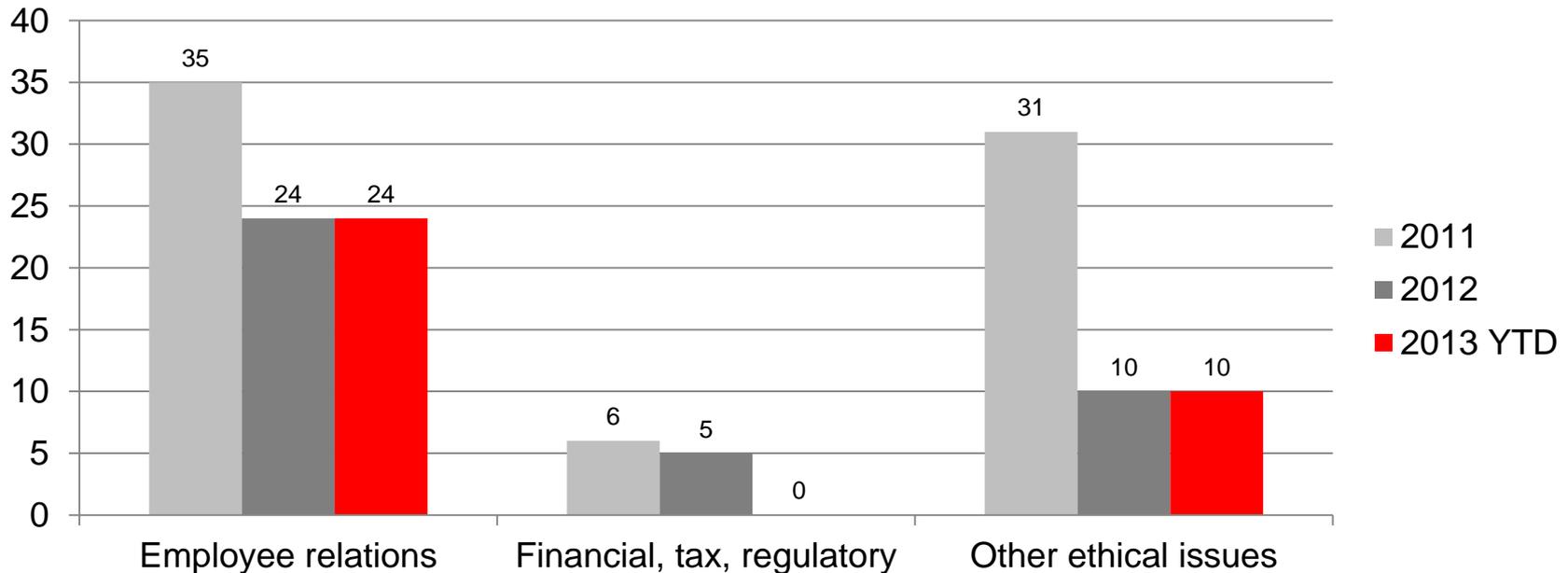
Number of issues raised during internal audits



Safeguarding our integrity

Whistleblowing

Analysis of whistle-blowing concerns



The reduction in whistle-blowing at a corporate level reflects the continued operation of local business hotlines which receive and manage the less serious employee calls

Safeguarding our integrity

Human Rights: Policy and Guidance



Phase I of the Human Rights programme was launched in April 2013

Co-authored by Dr Hugo Slim, an internationally recognised human rights expert, the G4S human rights policy and framework is designed to integrate the UN Guiding Principles on Business & Human Rights into our business – helping to safeguard the rights of our employees, support the communities in which we operate, and ensure that our operational practices enable us to identify and mitigate against human rights risks

Safeguarding our integrity

Human Rights: Risk Assessment and Due-diligence

- Every year managers are asked to confirm their understanding and commitment to upholding the G4S Business Ethics Policy and Human Rights standards
- A Human Rights Risk Assessment (“heatmap”) will be produced and updated each year by the CSR Manager
- “High Risk” countries will carry out a self-assessment based on the Human Rights Due Diligence checklist
- Areas of concern are followed up by the CSR Manager and a responsible person within the regional senior management team – they can be escalated to the Group Executive if necessary

Safeguarding our integrity

Human Rights: Risk Assessment and Due-diligence

4.0. Asia Middle East Region

Human Rights Risk Assessment ("Heatmap")

Country	Risk Score (0-5)	Use of force	Labour rights	Trade unions	Human rights	Security	Humanitarian	Potential issues
Bahrain	5	✓						Very high risk of corruption and public rights abuses via any contracts with government, which has violently suppressed democracy movements. High level of corruption. Use of force and humanitarian law are critical areas of armed conflict. Workers' rights are vulnerable. NGO's require a permit to operate (give rights organisation from operating the)
Djibouti	5				✓	✓	✓	Relatively stable state but consistent civil violations. Trade union activity is met with risks around corruption through government contracts. Use of force and labour rights
Thailand	5	✓			✓	✓	✓	Risk of complicity with government's red political rights. Corruption and weak legal significance. Sporadic armed conflict government crackdowns. Use of force, life and civil and political rights are key
Yemen	5				✓	✓	✓	Complicity in civil and political rights via contracts or work for private actors. Civil Armed conflict, use of force, humanitarian governance gaps and falling below the Middle East

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 Version status: Draft | Declassified if printed or downloaded

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Phase II of the Human Rights implementation will continue throughout 2013

Human Rights Due Diligence Framework

2.2.5. Members of the general public

Work or operation	Identified human rights	Identified human rights elements	Key human rights due diligence questions	Assessment guidance	Key policies and minimum standard
1. Moderate risk to the health and safety of the public and/or the members of G4S activity carrying and use of weapons, both handling materials, services involving company vehicles, and the or disaster in G4S managed facilities.	Rights to life, health and security of person.	ICCPR Article 1 ICCPR Article 6	What aspects of our activities pose a risk of human rights violations to the public?	Understand, monitor and track the possible risk to the public in any specific G4S operations.	G4S Business Ethics Policy & Ethics Code G4S Human Rights Policy
2. Processing people's privacy.	Rights to privacy.	ICCPR Article 17	How are we protecting the public from any risks or intrusive aspects of our activities?	Design a system for tracking feedback from the public on their negative or positive human rights experience.	G4S operational training standards and processes G4S monitoring and compliance processes
3. Engaging in advertising activities and crowd control measures.	Rights to freedom of expression and assembly.	ICCPR Article 19 ICCPR Article 7	How do our personnel search for and crowd control respect people's dignity?	Design promotional and appropriate engagement and communication procedures with the public in any areas to minimise any human rights risks.	G4S employee Confidential Reporting Policy & Whistleblowing Framework G4S Use of Force & Firearms Policy
4. Risk of operations to intimidate, harass or coerce.	Rights to freedom of expression and assembly.	ICCPR Article 19 ICCPR Article 7	How do we ensure appropriate respect for the public's privacy and dignity?	Design, communicate and implement appropriate procedures to remedy any violations in case of incidents.	International Code of Conduct for Private Security Providers Voluntary Principles for Security and Human Rights Relevant national legislation & standards
5. Our system that exposes the public to security stability risks.	Rights to security of person.	ICCPR Article 7 ICCPR Article 19 Business and Human Rights	How do we ensure appropriate respect and improvements for being a failure in our contact with the public?	Design, communicate and implement appropriate procedures to remedy any violations in case of incidents.	International Code of Conduct for Private Security Providers Voluntary Principles for Security and Human Rights Relevant national legislation & standards

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Safeguarding our integrity

Human Rights: Audit and Compliance

Human rights matters being integrated into our standard audit programme

- Implementation of policies and procedures
- Employee training and awareness
- Confirmation of compliance with standards
- Implementation of confidential whistleblowing processes
- Review of self-assessments and due-diligence checklists where required

High risk countries will be subject to detailed human rights audits

- Test management controls and monitor compliance with detailed standards
- Programme to commence in January 2014

Safeguarding our integrity

Human Rights: Country Entry Risk Assessment

CSR & Human Rights Analysis: TUNISIA

Area	Comments	Assessment
Civil & Political Rights	Tunisia is considered to be "partly free" – due to its first free and fair elections held in October 2011 which created an elected government. There are also increased freedoms of speech, press, assembly and religious expression.	
Human Rights	The military have taken on additional responsibility for humanitarian response under the new government.	
Corruption	Some score: corrup	
Labour	Has ra Associ abuse countr	
Poverty	No (3) unemp	
Commercial	The Et suppl There there gener Africa There portio recent repres the hu portio	
Conclusions	Since1 devel countr which countr Whilst the po appri bribes resear propo	

CSR & Human Rights Analysis: LIBERIA

Area	Comments	Assessment
Civil & Political Rights	Political situation improved, but remains volatile – OECD states "fragile political situation which should be handled with care". Lack of confidence in the political system – lack of judicial resources and poor rigour in judicial processes. Death penalty recently reinstated by Government. Prison conditions "deplorable" – lack of food, water, sanitation. Increasing levels of crime and violence. Restricted freedom of the press.	
Human Rights	Legislation passed in 2005 (Independent National Committee on Human Rights Act), but not fully implemented – attracting criticism from Amnesty International.	
Corruption	High risk of corruption (Corruption index score of 3.2 out of 10 – where 1 is the highest likelihood of corruption and 10 is the lowest). Law enforcement lacks resources and sometimes ability to pay staff which leads to extensive corruption and abuse against citizens.	
Labour	Has ratified the relevant ILO Conventions (Freedom of Association & Right to Organise). Child labour an issue.	
Poverty	Extreme poverty and poor life expectancy – considered a fragile state by the World Bank. The UN states that "Liberia still faces formidable reconstruction and development challenges"	
Commercial	No treaties or trade exclusions exist. World Bank says "outdated laws and high levels of corruption impede investment and undermine potential economic growth."	
Conclusions	Biggest concerns would be the fragility of the state, violence and corruption – concerned that we would not legitimately be able to operate in the country without bribery and corruption which is extensive. Market entry should only be supported if GAS is working there on humanitarian grounds for NGO's or organisations such as the UN or for specific, approved multi-nationals on a project basis only with low asset risk and a review of the strategy within 12 months.	

New country entry human rights and CSR risk assessments are now embedded in the organisation

We will continue to use this process to assess market entries and new services to make recommendations for Executive Team and CSR Committee review

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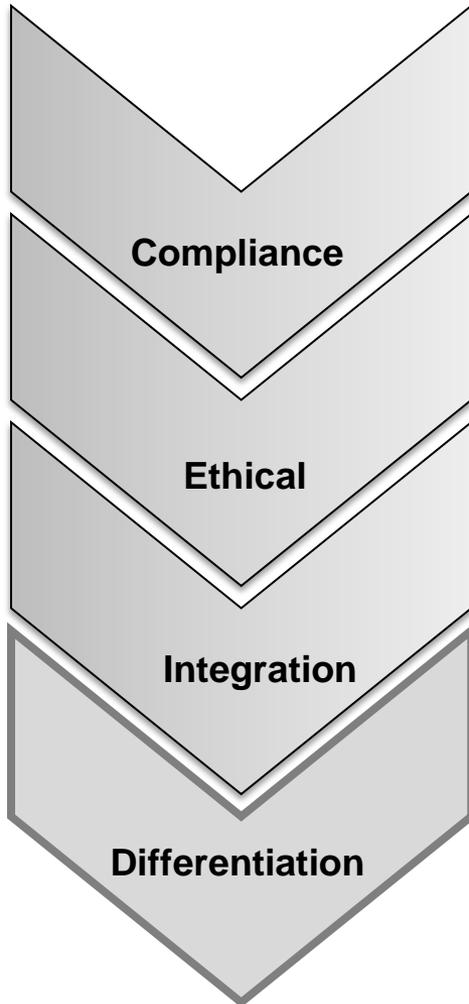
Human Rights: Framework Implementation

- **Policy & guidance framework** > completed and launched
- **2013 high risk “heatmap”** > completed and launched
- **Due-diligence checklist** > implementing (launch Q4 2013)
- **Self-assessment checklist** > implementing (launch Q4 2013)
- **Human rights audits** > implementing (launch Q1 2014)
- **Review of human rights gap analysis amongst managers** >
Communications and training will be developed to fill any gaps in knowledge or understanding

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Health and Safety

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Work-related fatalities

	Attack-related incidents	Non-attack related incidents	Road traffic incident
2011	28	18	30
2012	18	20	21
2013 ytd*	12	13	12

2013 Update

- Implementation of road safety plan
- Further Critical Country Reviews
- Introduction of Firearms Framework
- Re-introduction & monitoring of LTI data
- Establishment of on-line H&S forum and resources

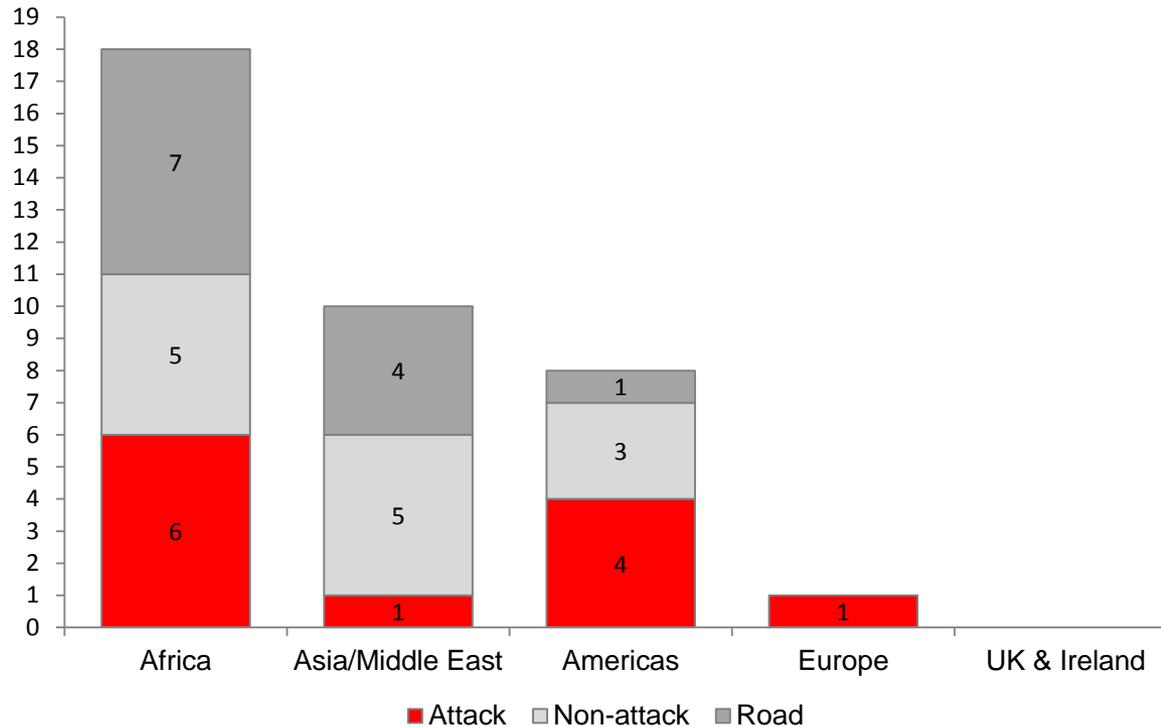
*as at 4th Sept 2013



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Health and Safety: Work Related Fatalities 2013 ytd

Work-related fatalities Jan – Aug 2013



	Attack	Non-attack	Road	Total
Africa	6	5	7	18
Asia/Middle East	1	5	4	10
Americas	4	3	1	8
Europe	1	-	-	1
UK & Ireland	-	-	-	0

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Health and Safety: Road Safety Toolkit

Please specify the Country or Business Unit		Select from list	
Road Safety Standards		Does the business comply?	If no, when will the business be able to comply?
Licensing and Evaluation	Employees in the business have a formal driving evaluation before they undertake any driving duties	Select from list	
	All licences are checked before employment commences and then every 12 months	Select from list	
	Drivers involved in serious road traffic incidents undergo a driver evaluation before returning to driving duties	Select from list	
Reporting and Investigation	Every road traffic incident in which an employee or third party is seriously injured (life-threatening) or dies is reported to the Region and Group	Select from list	
	Agreed investigation tools and templates are used for conducting investigations into all road safety incidents	Select from list	
	Following incident investigations action plans are put in place and monitored through to completion to prevent recurrence	Select from list	
Road Safety Management	All G4S vehicles (including any hired for business purposes) are fitted with seatbelts (front and rear)	Select from list	
	Hi-Vis PPE and helmets are provided to all employees riding a motorcycle to complete their duties	Select from list	
	Checks are completed on all business vehicles (including hired ones) prior to the use. These checks are documented	Select from list	
	Regular maintenance and safety checks to the manufacturer standard or country laws are conducted on all vehicles used for business (including hired ones)	Select from list	
	Rest breaks are specified and documented for all drivers	Select from list	
	Physical devices that limit the top speed of vehicles are used where they have been identified as an appropriate mechanism to improve road safety, or where GPS tracking is used to monitor speed for this purpose, a report on all drivers exceeding the top speed is sent to the Operations Director daily and all actions are recorded.	Select from list	
Training, Awareness & Communication	The road safety rules have been widely publicised in the business and form part of regular employee briefings, induction and training materials	Select from list	
	Formal action is taken where employees breach the road safety rules	Select from list	

- ✓ Road safety standards
- ✓ Road safety rules
- ✓ Vehicle checklists
- ✓ Incident report forms
- ✓ Training presentations


G4S Initial Road Traffic Incident (RTI) Report Form

Details of Person completing the Initial Road Traffic Incident (RTI) Report Form

Date	Full Names of person completing form (print)		
Contact number	Contact e-mail		

Details of the Incident

Country	Nearest Town	Date	Time
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Details of G4S Vehicle (Vehicle A)

Make	Model	Registration Number	Mileage
------	-------	---------------------	---------

Description of vehicle use at the time

Description of damage

Current location of vehicle

Details of occupants in G4S Vehicle (at time of accident)

Driver	Emp. no	Injuries
Occupant 1	Emp. no	Injuries
Occupant 2	Emp. no	Injuries
Occupant 3	Emp. no	Injuries

Details of 3rd Party Vehicle (Vehicle B) – if another vehicle was involved

Make	Model	Registration Number	Insurance Details
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Description of damage

Driver	Tel. no	Injuries
Occupant 1	Tel. no	Injuries
Occupant 2	Tel. no	Injuries

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Health and Safety: Road Safety Posters



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Health and Safety: Lost Time Incidents (LTI)

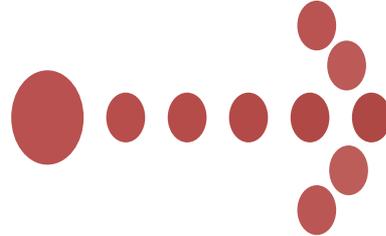
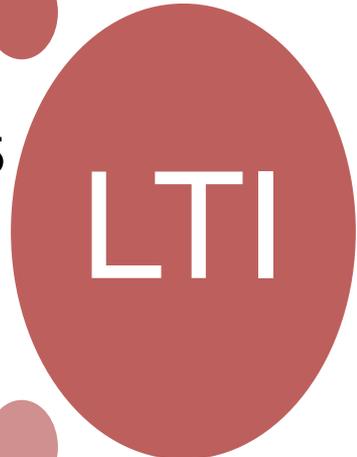
Sum of incidents = 3,831



Sum of headcount = 556,835



Number of businesses = 127



0.33 incidents
per 100,000
hours

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Health and Safety: Sharing Best Practice

The screenshot shows the G4S Health and Safety - Community of Practice website. The page features a navigation menu on the left with categories like Libraries, Lists, Discussions, and Sites. The main content area includes the G4S logo, a search bar, and a table of announcements. A sidebar on the right contains a 'Dear Colleagues' message from James Betts and an 'Important note about Information and Security'.

Announcements

<input type="checkbox"/>	Title	Modified
<input type="checkbox"/>	Interview room chair bulletin	3/15/2013 8:55 AM
<input type="checkbox"/>	Substance abuse	3/15/2013 6:54 AM
<input type="checkbox"/>	(External) Substance abuse update	3/13/2013 10:34 AM
<input type="checkbox"/>	February H&S Legal Update	3/7/2013 11:21 AM
<input type="checkbox"/>	February 2013 Environmental Legal Update	3/6/2013 10:14 AM
<input type="checkbox"/>	No Smoking in Company Vehicles	3/6/2013 9:54 AM
<input type="checkbox"/>	Latest traffic accident stats from the ONS	3/5/2013 10:03 AM
<input type="checkbox"/>	*Action needed* - List of requested documents added to KMS	3/4/2013 4:17 PM
<input type="checkbox"/>	Naming convention added to the Knowledge Sharing Library	3/4/2013 3:33 PM
<input type="checkbox"/>	Stun guns disguised as mobile phones identified in Cardiff area	2/28/2013 11:42 AM
<input type="checkbox"/>	H&S Forum to be held in London on 28th Feb 2013	2/13/2013 8:26 PM

[Add new announcement](#)

Dear Colleagues
Knowledge management is key to the success of the Health and Safety Community. Community of Practice members will receive immediate alerts on new/updated Announcements and daily alerts on new/updated Community Discussions. I hope you will use our Community of Practice to contribute, search and discover information.

James Betts
Head of Risk & Compliance
UK & I Regional Management

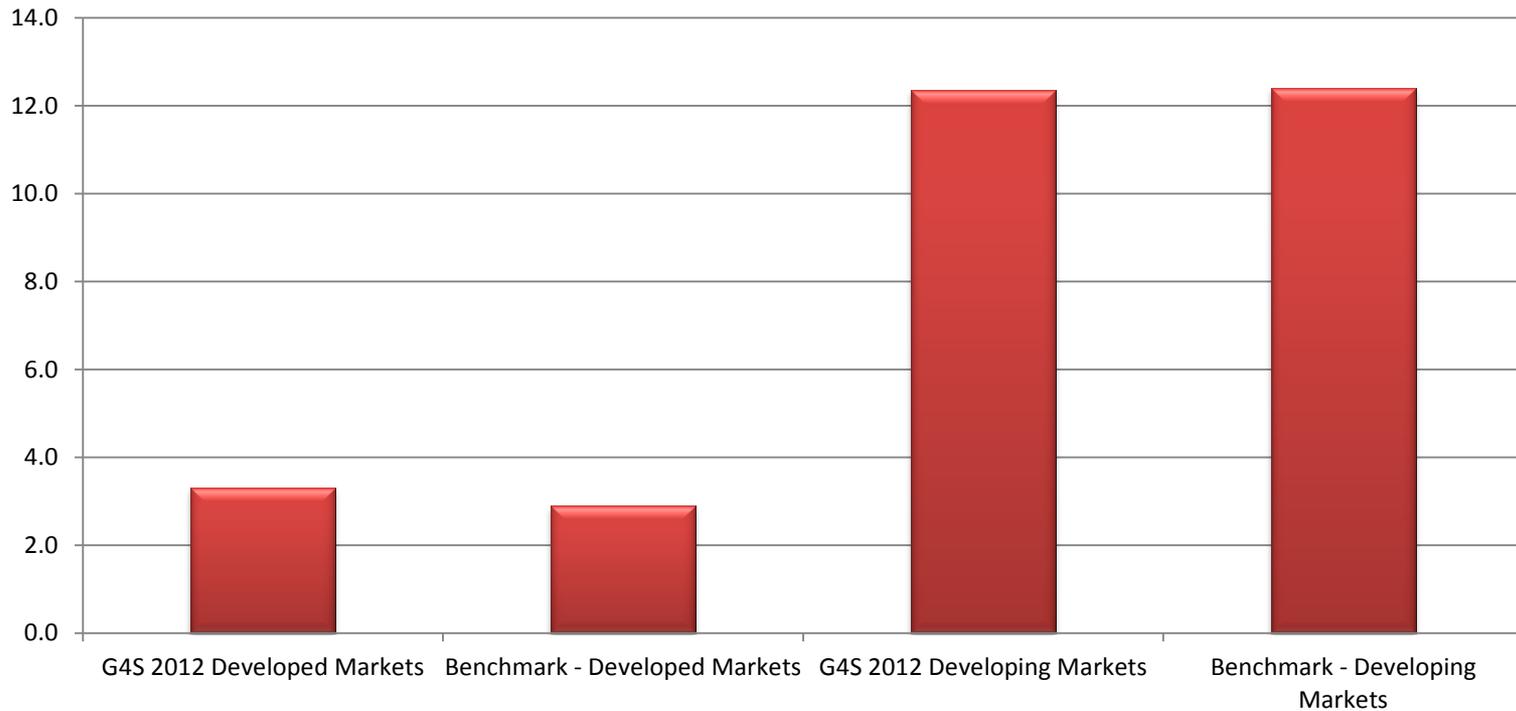
Important note about Information and Security
Information is one of our greatest assets but we must be mindful of "HOW" we manage it, "WHERE" we place it and how we wish to "SHARE" it. If you place any information in this Community of Practice site it will be visible to all G4S Knowledge Management users, with the exception of any restricted areas or sites. For assistance please contact the community champion, Carol Brink For further support email knowledge@g4s.com.

[Click here for G4S Knowledge Management HOME](#)

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Health and Safety: Benchmarking

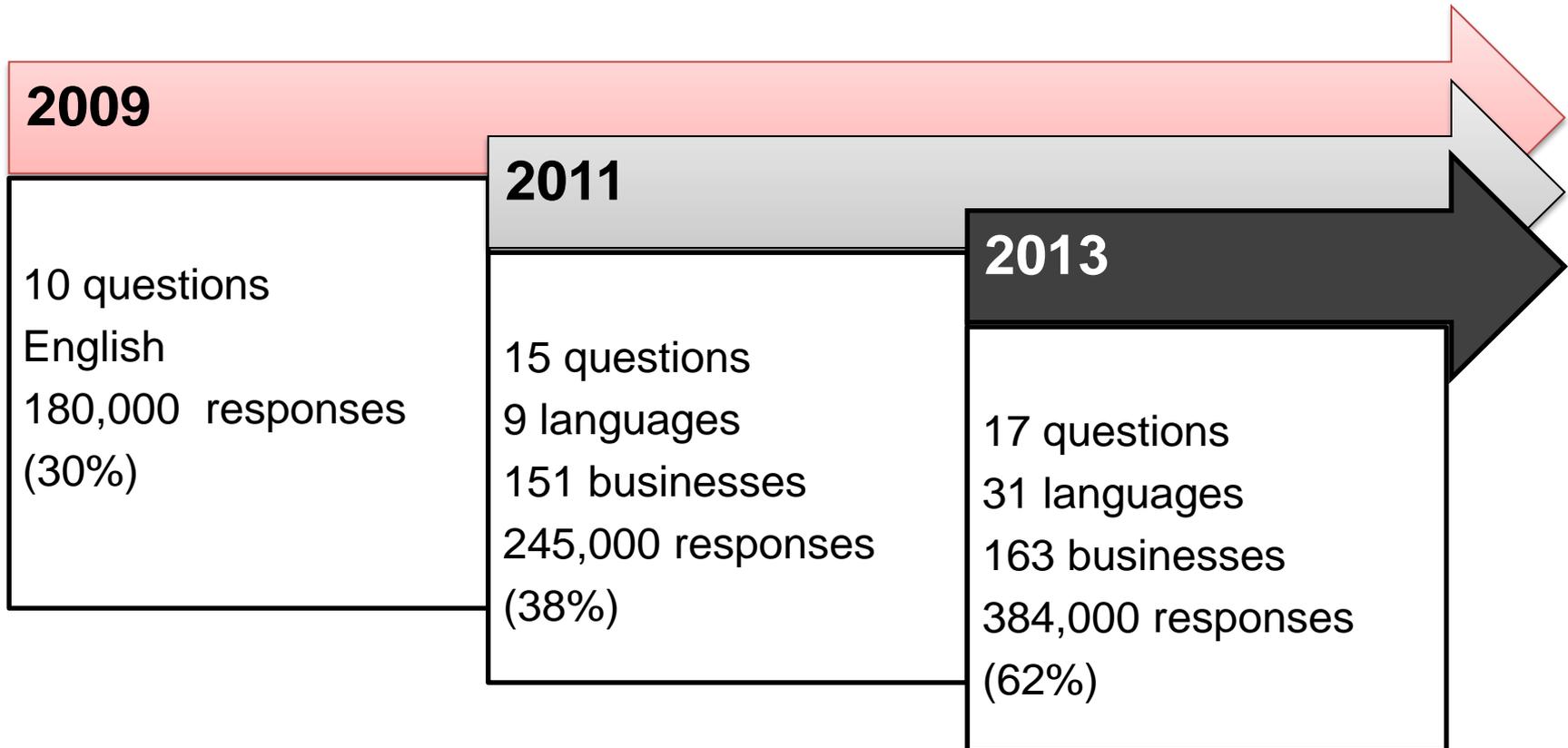
Fatalities per 100,000 employees in 2012



Note: Includes all fatalities due to attacks, non attacks and road traffic incidents.
In Canada 3 employees died in a one off attack.

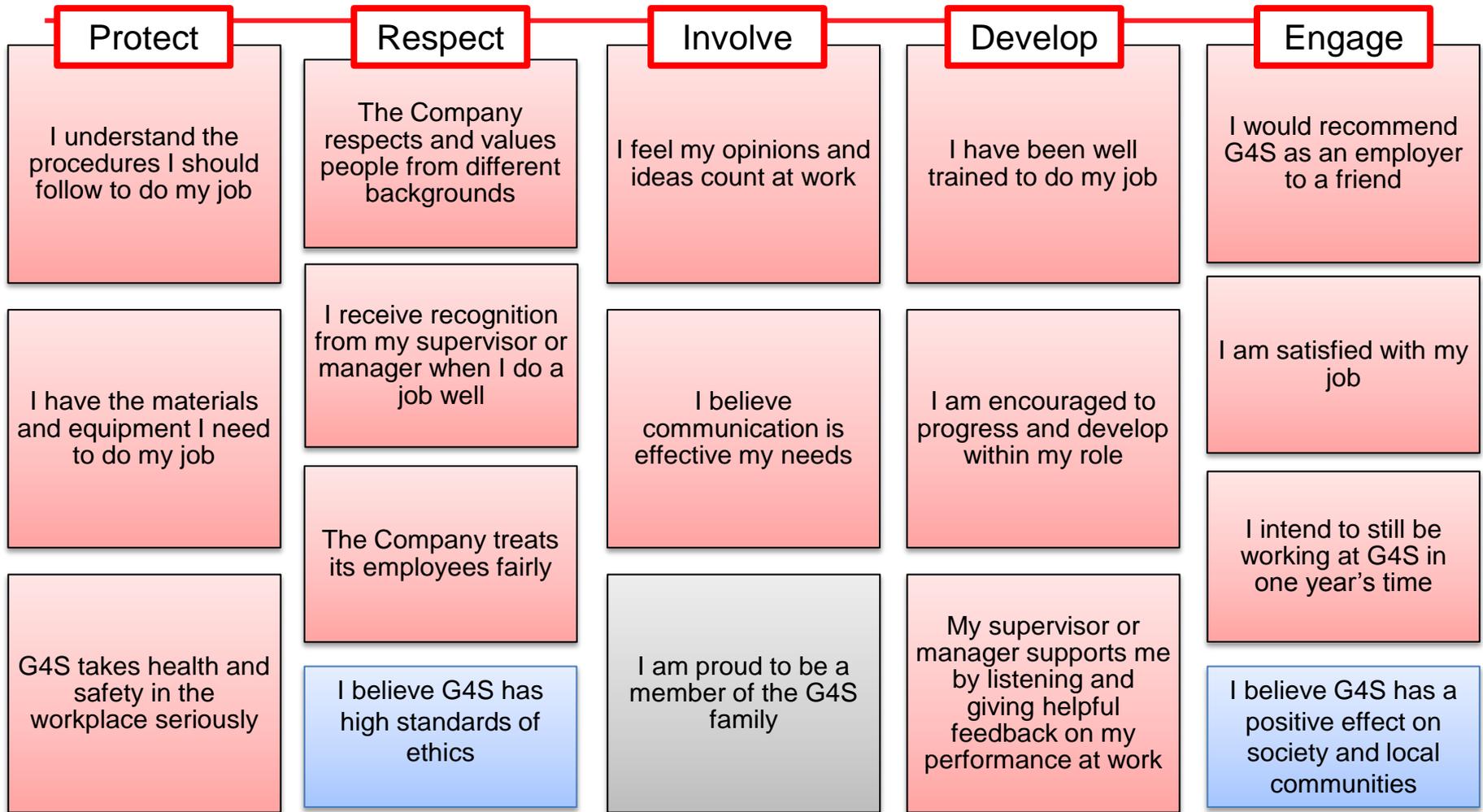
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Employee Engagement: The Journey



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Employee Engagement: Survey Questions



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Key



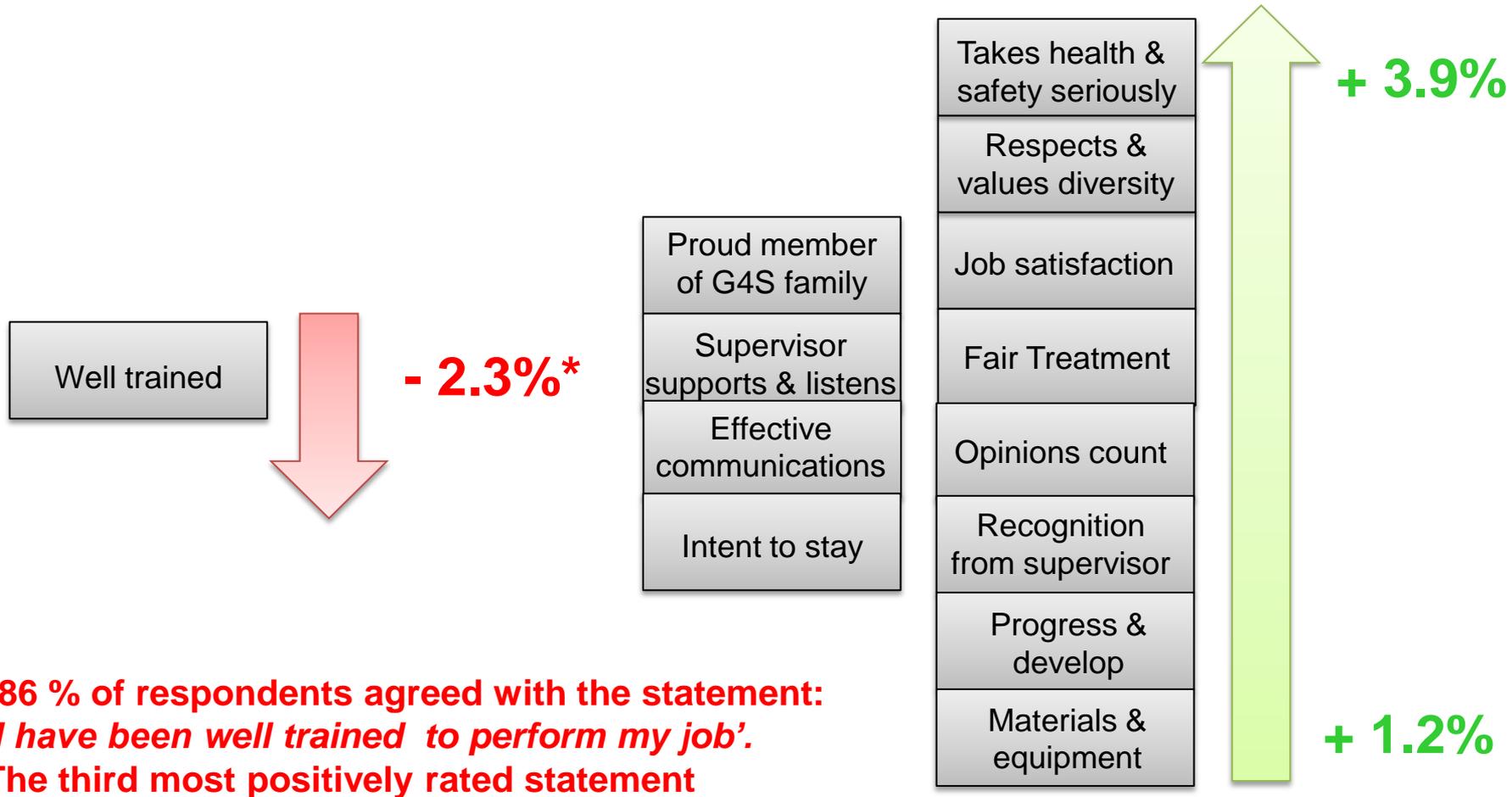
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Employee Engagement: Percentage Favourable Scores



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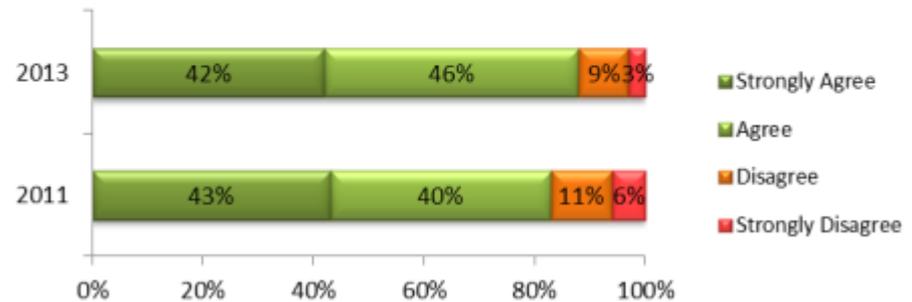
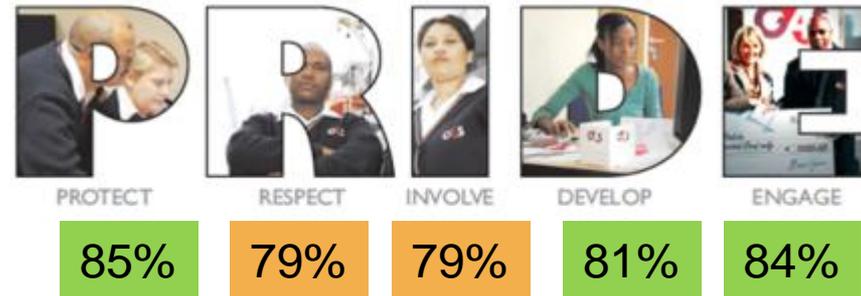
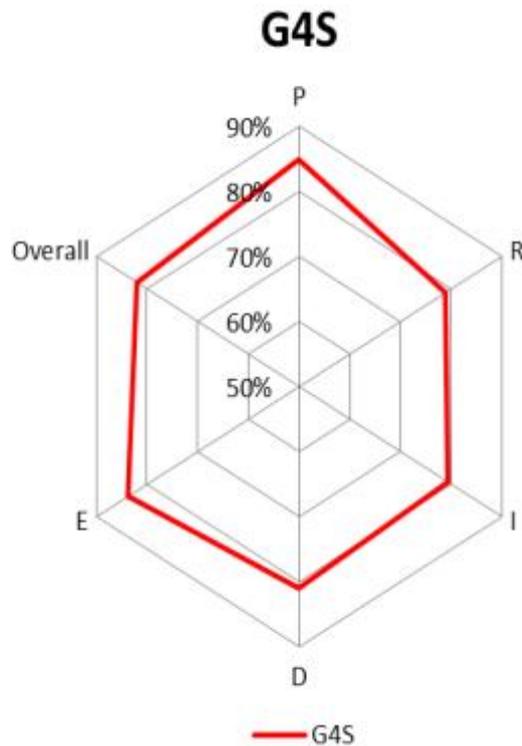
Employee Engagement: Trends



***86 % of respondents agreed with the statement: 'I have been well trained to perform my job'. The third most positively rated statement**

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Employee Engagement: PRIDE summary



- 50% reduction in employees responding with strongly disagree since 2011 survey

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Employee Engagement

Group-wide themes

H&S and the link to provision of equipment and materials to operate effectively and safely

Difference in levels of engagement between men and women

Lower scores against 'Respect' and 'Involve' dimension of PRIDE model

Link between recommending G4S & belief the company has a positive impact on communities and society

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Employee Engagement: Union Relations

- Over a third of our employees are covered by a collective agreement
- Global framework EEP Agreement with UNI and GMB union
- Continues to differentiate G4S in the marketplace
- Positive union relations at local, regional, EU and global levels



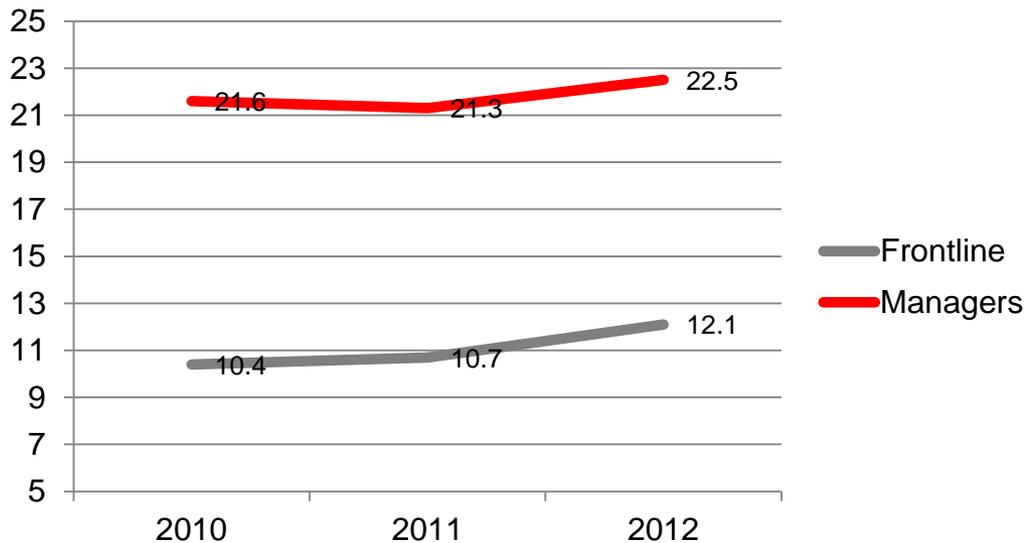
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Diversity and Inclusion

Proportion of females in the workforce



Continued implementation of **cultural awareness** training tool

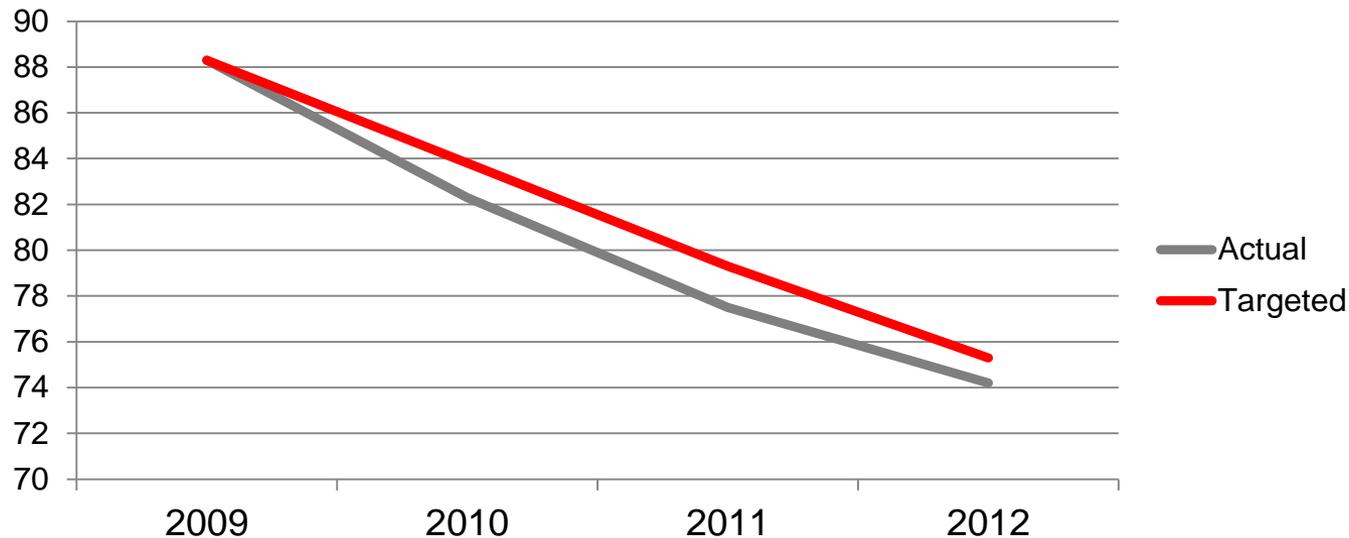
Continue to work with specific businesses to improve **representation of women** in supervisory positions and the talent pipeline

We have a diverse geographic footprint with employees from almost all nationalities, our diversity and inclusion strategy focuses on harnessing this huge diversity by improving the levels of cultural understanding across the organisation.

Securing our environment

Climate Action Programme

Group carbon intensity (t/CO₂e per £m turnover)



TARGET
13%
reduction in
carbon intensity
(2009 – 2012)

ACHIEVED
16%
reduction in
carbon intensity
(2009 – 2012)

1.5% reduction in carbon emissions between 2009 and 2012
(against 13% growth in business)

6% reduction in fuel consumption between 2009 and 2012

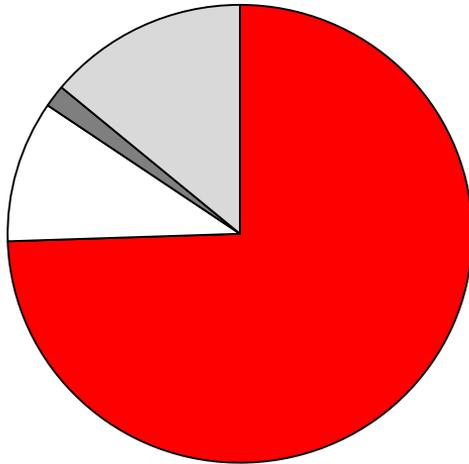
8.6% reduction in CO₂e per average employee between 2009 and 2012

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Securing our communities

Donations 2012



- Corporate donations of money (*)
- Corporate donations of goods and services
- Employee & thirdparty donations facilitated by G4S
- Employee welfare & development

£3,953,000 invested by G4S and its employees in community good causes



30,000 hours of employee volunteered time

Over **360** charities and good causes provided with support



Academic study of G4S's **socio-economic impact** in **UK** and **Brazil** underway in 2013



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(*) includes a £2.5m donation to military charities in the UK as a gesture of thanks for the support of the military during the London 2012 Olympic Games.



CSR materiality

2011 Review

In December 2011, we conducted a CSR materiality exercise to assess the views of the senior management to understand where G4S should focus its CSR strategy.

The exercise ranked the key issues for G4S as:

1. **Business ethics**
2. **Anti corruption**
3. **Human rights**
4. **Employee engagement**
5. **Health & safety**
6. Customer engagement
7. Customer satisfaction
8. Recruitment, retention & screening
9. Community investment
10. Training development & succession

Additional areas, such as environmental impact and energy efficiency were viewed as embedded 'hygiene' processes, which did not require additional focus but would be missed by stakeholders if they were managed poorly.

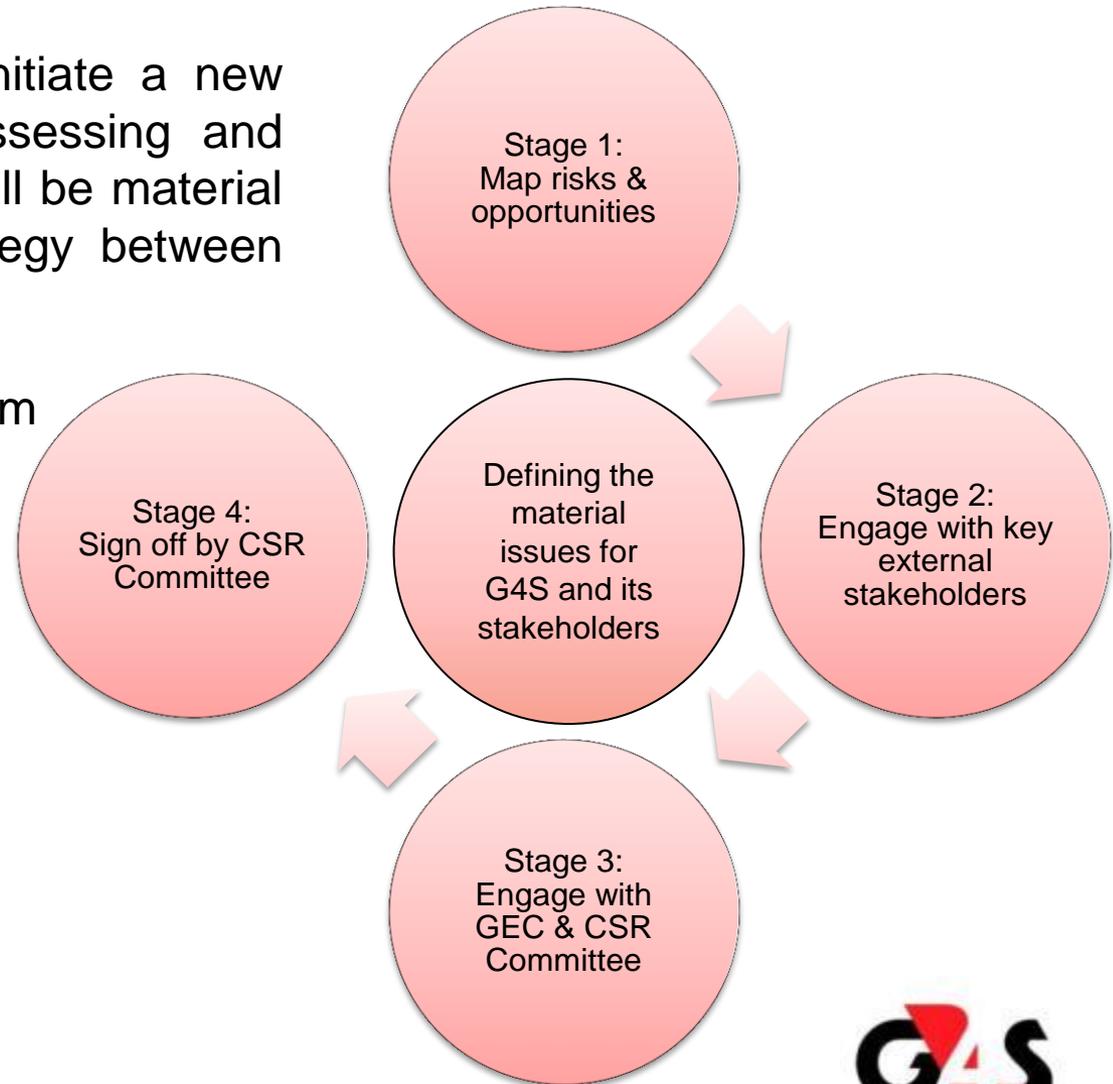
CSR materiality

Looking Forward: Trends & Prospects

In Q4 2013, we intend to initiate a new review of CSR issues – assessing and prioritising the areas which will be material and core to G4S CSR strategy between 2013 & 2015

Incorporating the feedback from a broad range of internal and external stakeholders:

- Group Executive Committee
- CSR committee
- SRI & ESG analysts
- Key customers
- Major investors
- NGO's
- Trade unions
- Other sector experts



Questions and update on current issues...

G4S SRI Update

September 2013



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