

THE CSR COMMITTEE



ELISABETH FLEURIOT,
CSR Committee Chair

Committee membership during 2018

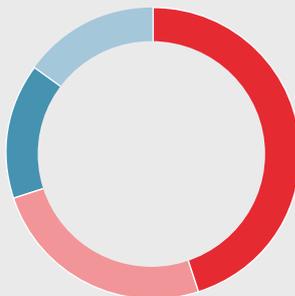
	Member since
Clare Spottiswoode (Chair) ¹	January 2012
Elisabeth Fleuriot (Chair) ²	June 2018
Winnie Kin Wah Fok	January 2012
John Ramsay	January 2018
Paul Spence	January 2013

1. Clare Spottiswoode retired as a director on 15 May 2018.
2. Elisabeth Fleuriot joined the board and was appointed chair of the CSR Committee on 18 June 2018.

Other regular attendees include the Regional President for the Africa region, the Group Corporate Affairs Director and the Group HR Director.

There were four scheduled meetings and two additional meetings during 2018. Members' attendance at committee meetings is shown on page 81.

Main activities of the CSR Committee during the year (%)



Current issues	45%
Health and safety	25%
CSR reporting	15%
Values/culture ethics/whistleblowing	15%

Link to strategic priorities



This is my first report, having joined the board in June 2018 and taking over as chair of the CSR Committee from my predecessor Clare Spottiswoode. I would like to thank Clare, for her dedication and focus on ensuring the integration of CSR as part of the Group's overall strategy during her tenure. A lot of good work has been done, but there remains scope to embed CSR further throughout the organisation and I am committed to ensuring that we continue to take a holistic and integrated approach in this regard. There are few businesses in the world which have as wide a geographic footprint, scale and diversity of workforce as G4S, with service offerings touching the lives of millions of people. Of crucial importance to me and to our Group is our continued drive to improve health and safety, and during 2019 our committee will continue to support our goal of zero harm. We operate in countries where the political and social environment is challenging, so we need to make sure we operate in line with our corporate culture and values to ensure the integrity of our organisation, the safety of our employees and those in our care and, the sustainability of our business.

Responsibilities

The Group takes a holistic approach to corporate and social responsibility and is mindful of our societal impact. Our 546,000 employees deliver services in complex and challenging environments and contribute to creating a safer and more connected society in which millions of people live and work. The CSR Committee was established in 2011 to review and monitor the Group's CSR approach, which includes developing policies on various CSR-related matters for consideration by the board and to review and monitor how the Group performs against relevant policies. It oversees reporting on CSR matters and progress made during the year. Over the last seven years, this holistic and integrated approach to CSR has been promoted successfully throughout the Group and during the course of 2018, the committee reviewed and considered amending its terms of reference accordingly. However, in light of the New Code, which came into force in early 2019, it was agreed that amending the terms of reference would be deferred to 2019. Further details of the committee's responsibilities can be found in the committee's terms of reference which are available at g4s.com/investors.

Health and safety

The safety of our employees and those in our care is of paramount importance. As part of its normal cycle of work, the committee received regular health and safety reports, including updates on on-going initiatives, details of future plans and summaries of incidents. The committee monitored the global programmes raising awareness across the spectrum of health and safety risks as well as those focused on addressing and eliminating specific recurring incidents. In addition, particular focus was given to health and safety challenges faced in custodial facilities and a presentation on these aspects was received.

The CSR Committee supports the Group's goal of zero harm. However sadly, in 2018, 24 employees lost their lives in work related incidents. There has been a clear reduction in road traffic related deaths as a result of improved vehicle management and training. In addition, following the embedding of High Potential Incident reporting across the Group, there is improved visibility of incidents and compliance issues and efforts are continuing to ensure consistency in reporting such incidents.

Specific issues

Brook House

During 2018, the CSR Committee received regular updates relating to Brook House Immigration Removal Centre following allegations regarding the conduct and behaviour of a number of staff at the facility, which had come to light in late August 2017. As part of these update sessions, the committee provided oversight and challenge to the management team responsible for this part of the business.

In parallel and as previously reported, the CSR Committee commissioned Verita, a specialist consultancy, to carry out an independent review to understand the extent and root causes of the issues which had arisen at Brook House. The review examined G4S' management, operational and staffing arrangements and the practices and behaviour of G4S' staff. It also assessed how G4S oversees the care and welfare of detainees, including mental health issues, self-harm, violence prevention, use of force and proper reporting of incidents.

The review was led by Kate Lampard CBE, a former barrister and vice chair of the South of England

Strategic Health Authority and of the Financial Ombudsman Services Limited. The CSR Committee met with Kate Lampard on three occasions to discuss progress, findings and recommendations. Members of the committee also visited Brook House and met with detainees, detainee custody officers and team leaders as well as the senior management team. While at Brook House, the committee was provided with an update on the action plan and initiatives to capture and share best practice across other similar facilities. In December 2018, G4S published the full report from Verita, as well as the action plan and progress to date. The CSR Committee continues to receive regular updates about the operational improvement plans implemented following the allegations and the findings and recommendations of the Verita investigation.

HMP Birmingham

Following a major disturbance at HMP Birmingham in December 2016, the inner city remand prison faced numerous challenges in returning to normal operation as a result of issues including drug usage by prisoners and increasingly high levels of violence towards staff and fellow prisoners. The CSR Committee was apprised of measures being taken following the incidents of 2016 to ensure the prison was fully operational, bearing in mind that the nature, age, condition and location of HMP Birmingham made it a particularly challenging environment.

In August 2018, G4S agreed with the UK Ministry of Justice (MoJ) that Her Majesty's Prison and Probation Service (HMPPS) would "step-in" and take over the management of the prison by appointing a Governor and providing additional resources. This status remains in place at the time of this report.

The CSR Committee led an internal review to assess the factors which led to the situation at the prison and ultimately to the "step-in" by HMPPS and identify any lessons that could be learnt and shared across the broader G4S custodial estate. The committee will continue to monitor the actions arising from the review.

Culture and values

Mindful that our values are integral to everything we do, the CSR Committee oversees the culture and values programme which is focused on embedding our values across the Group, to ensure that our culture and values are consistently reflected in behaviours and actions in all parts of the business. Values training is provided to new employees as part of the induction process and also to existing managers and front-line staff.

During the year, the committee reviewed the enhanced communication to all employees in respect of the whistleblowing facility, Speak Out, intended to create a culture in which people feel confident to report and raise ethical concerns. Data relating to whistleblowing trends and the usage of Speak Out is presented to the committee at each meeting and the committee supports the initiative to promote and encourage the use of Speak Out.

In addition, the committee has been keen to gain a better understanding of challenges faced by the Group in some geographies to ensure our culture and values are consistently applied. Reports on current situations and limitations in certain territories where the Group operates were discussed, with the committee seeking to provide constructive challenge and support to management initiatives to enhance the application of our culture and values in these geographies.

Integrated CSR reporting

In 2017, G4S set out to produce its first fully integrated annual report and accounts. Business leaders and governing bodies continue to promote integrated thinking and management in business practice and reporting. G4S has embraced this forward-thinking approach to highlight the Group's integrated and holistic approach to corporate social responsibility. In light of the success of the 2017 integrated annual report, which was highly commended for most effective integration of ESG at the UK IR Society awards and at the 2018 PwC Building Public Trust awards, the committee agreed that the fully integrated reporting approach will continue as best practice.

Committee performance

The assessment of the committee's performance, conducted as part of the overall board review process with assistance from Lintstock, concluded that the committee continued to provide challenge and good oversight over the Group's CSR strategy and the implementation of the global whistleblowing and case management system. This had resulted in the committee receiving a good level of information on whistleblowing cases and trends.

In addition to the positive enhancements to whistleblowing systems and processes, the committee believes there are further opportunities for the Group in identifying and understanding the early warning signs of potential issues within the business and in sharing best practice and learnings from incidents to prevent them recurring.

In 2019, in light of progress made since its creation in 2011 and the New Code, the committee will review the scope of its remit and activities and reflect any changes in its terms of reference.

The committee will also continue to support the communication of the Group's values and whistleblowing arrangements to enhance the environment for G4S employees and the people in our care and to support the various initiatives to achieve our goal of zero harm.