



Securing Your World

Integrated Solutions in a Connected World

The world is increasingly connected and this trend is set to continue, driven by the global investment in infrastructure, communications, technology and data.

At G4S we are investing in the resources and capabilities to provide customers with industry-leading solutions that enable them to operate securely, reliably and efficiently in a connected world.

G4S takes a fully integrated approach to its strategy and Corporate Social Responsibility. This is reflected in its 2018 Integrated Report and Accounts, from which this document has been extracted, setting out our CSR approach and impact on society.

The Sustainable Development Goals (SDGs) call upon businesses to advance sustainable development through the investments they make, the solutions they develop and the practices they adopt.

In this report, we have mapped case studies against the SDGs to highlight examples where G4S is helping to advance the Goals through our programmes and operations.

For more information about the social and economic areas where G4S supports the realisation of the Goals and makes a positive difference to society and communities around the world, see page 19 of this extract.





ASHLEY ALMANZA,
Group Chief Executive Officer

“I am proud of the important role that G4S has in helping to advance the United Nations Sustainable Development Goals, in particular, our support of Goal 8 (Decent Work and Economic Growth) and Goal 16 (Peace, Justice and Strong Institutions). Together with our continued commitment to the core principles of the United Nations Global Compact, these goals are reflected in many of our values, policies and business activities.”



Our values in action – Department of Work & Pensions, UK

In April 2018, G4S commenced the integrated security contract for over 790 properties in the UK, including job centres, for the Department of Work & Pensions (DWP). The contract will run for an initial period of five years, with the potential for a two year extension thereafter.

The DWP's objective was to procure a security service supportive of their transformation programme which aims to reduce costs, whilst maintaining safety of the users of its properties. We will be modernising the way security is provided using an Effects-Based Methodology "Security Threat Risk Assessment" which has been aligned with the Centre for the Protection of National Infrastructure best practice. Essentially we are looking to minimise threats by reducing and better managing anxiety of members of the public at DWP sites, reducing the likelihood of incidents occurring.

The contract, one of the largest integrated security contracts to be awarded in the UK, will combine G4S's security technology with professionally trained G4S security officers across the DWP estate, providing an innovative and cost effective solution to meet the customer's needs. This is consistent with our values of Security, Service Excellence, Innovation and Teamwork.

SDGs:



INTEGRATED SOLUTIONS FOR A CONNECTED WORLD

Who we are

G4S is the world's leading global, integrated security company. We offer a broad range of security services delivered on a single, multi-service or integrated basis across six continents. We have been investing in technology, software and systems. The Group's technology-related security revenues were £2.8 billion* in 2018 (2017: £2.45 billion).

What we do

G4S plays a valuable and important role in society. As a major global employer we make a difference by helping people to live and work in safe and secure environments. G4S takes a fully integrated approach to its strategy and Corporate Social Responsibility (CSR). See page 18 for more information on our CSR approach and impact on society.

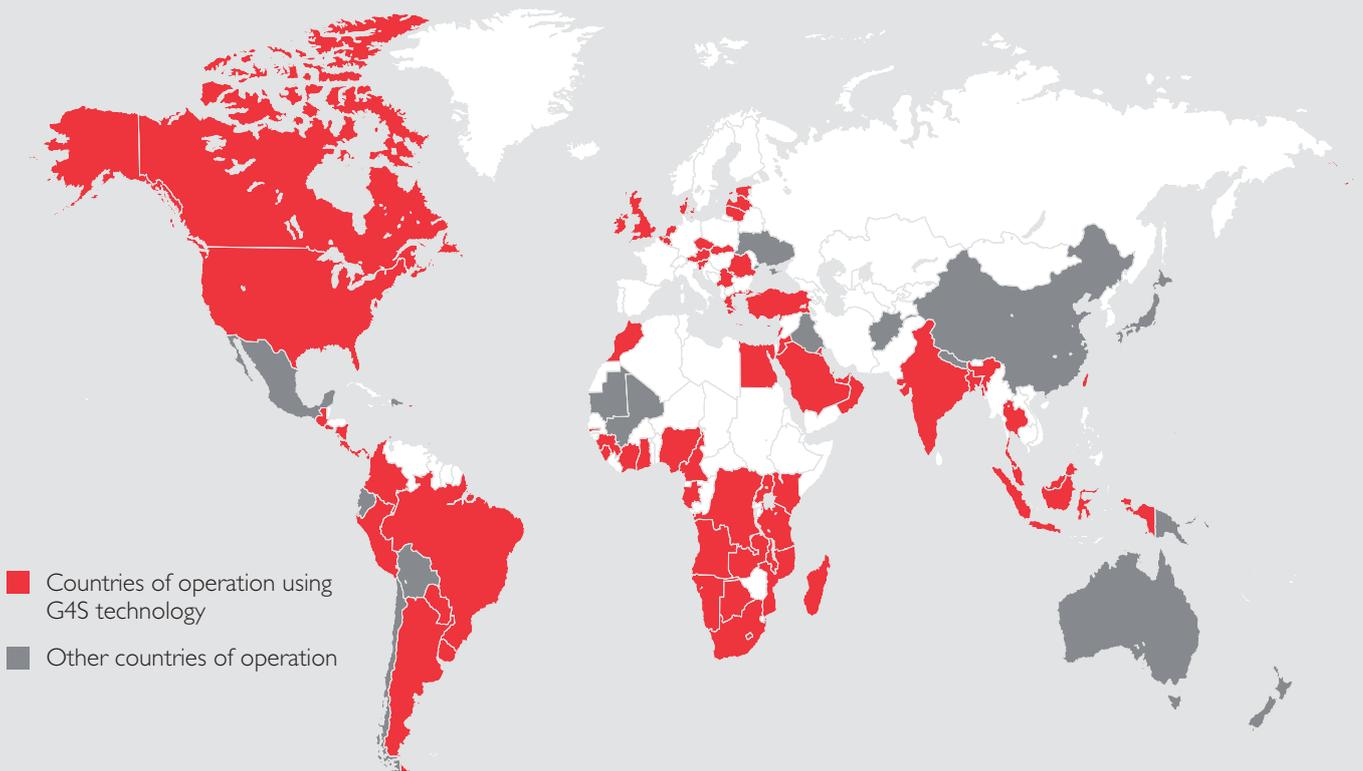
Our values

Our people and values underpin everything we do.

We act with...
INTEGRITY AND RESPECT

We are passionate about...
SAFETY, SECURITY AND SERVICE EXCELLENCE

We achieve this through...
INNOVATION AND TEAMWORK



OUR GLOBAL FOOTPRINT

With 546,000 people, G4S is one of the world's largest private sector employers.

Our employees touch the lives of others every day, providing crucial services to keep them safe and secure. Our success is underpinned by the way we lead and engage with our people.

90+

COUNTRIES

* Revenues from manned security contracts enhanced through G4S software, hardware and security systems.



SECURE SOLUTIONS

85%*

78% SECURITY SOLUTIONS incorporating risk consulting, on-site, mobile and remote security, technology-enabled monitoring and response, software and systems and integrated security solutions combining some or all of these services

7% CARE & JUSTICE SERVICES including custody detention, education, rehabilitation and transportation.

G4S operates an integrated security business in more than 90 countries across the globe. The global security market has structural growth qualities (see page 10 of the **Integrated report and account** for a description of the growth drivers) and is highly fragmented; there are few international suppliers and our competitors are typically smaller local and regional companies.

The security industry is seeing growing demand for technology-enabled and integrated security solutions (which combine people and technology) to deliver cost-effective security. We have the market positions, products and services to capitalise on these trends.

The Group's Care & Justice services businesses are concentrated in the UK and Australia where we have built significant knowledge and expertise.

Secure Solutions strategy:

To create more secure and efficient security solutions for customers:

- ✓ We aim to differentiate our services by emphasising our global expertise as an integrated security provider across more than 90 countries, in six continents around the world
- ✓ Through continuous improvement we aim to operate efficient and effective businesses with a positive culture and embedded values underpinned by a strong safety culture

* % of Group underlying revenues.

CASH SOLUTIONS

15%*

CASH TECHNOLOGY services comprising of:

- Cash technology focused on the efficient management of cash including Retail Cash Solutions, the leading software and service solution for large retail formats in North America.
- Deposita, Cash360 and G4S Pay solutions for medium and small retail formats.
- Bank process automation.

CONVENTIONAL CASH services – cash in transit (CIT), cash processing and automated teller machine (ATM) services.

G4S Cash Solutions is one of a small number of large, global cash businesses and is the market leader or number two in most of its 44 markets. Each market is highly regulated, often by central banks, and the business requires significant infrastructure and expertise. G4S competes with local, national and a small number of international competitors. Cash volumes in most developed markets are flat or gradually declining at an aggregate market level and are growing in emerging markets.

At the end of 2018, G4S announced that the board was looking at separation options for the cash businesses from the rest of the Group (see page 2 of the **Integrated report and account**).

Cash Solutions strategy:

- ✓ Safe and secure operations for our people and valuables in our cash businesses in 44 countries
- ✓ Continuously improve the efficiency of our conventional cash business network of vehicles, vaults and cash centres serving banks and retailers to encourage them to outsource more of their cash management activities and grow our market share
- ✓ Drive growth through the expansion of our Cash Technology activities which offer tremendous value to all retail and banking partners through lower costs and increased ease in handling cash. These services have low penetration and strong growth potential in both existing markets such as the United States and new markets

THE CSR COMMITTEE



ELISABETH FLEURIOT,
CSR Committee Chair

Committee membership during 2018

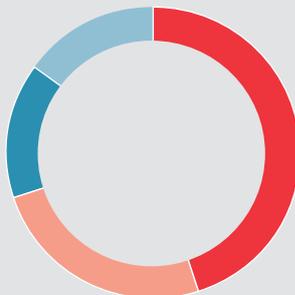
	Member since
Clare Spottiswoode (Chair) ¹	January 2012
Elisabeth Fleuriot (Chair) ²	June 2018
Winnie Kin Wah Fok	January 2012
John Ramsay	January 2018
Paul Spence	January 2013

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 of the integrated report and accounts.

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 appraised 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.

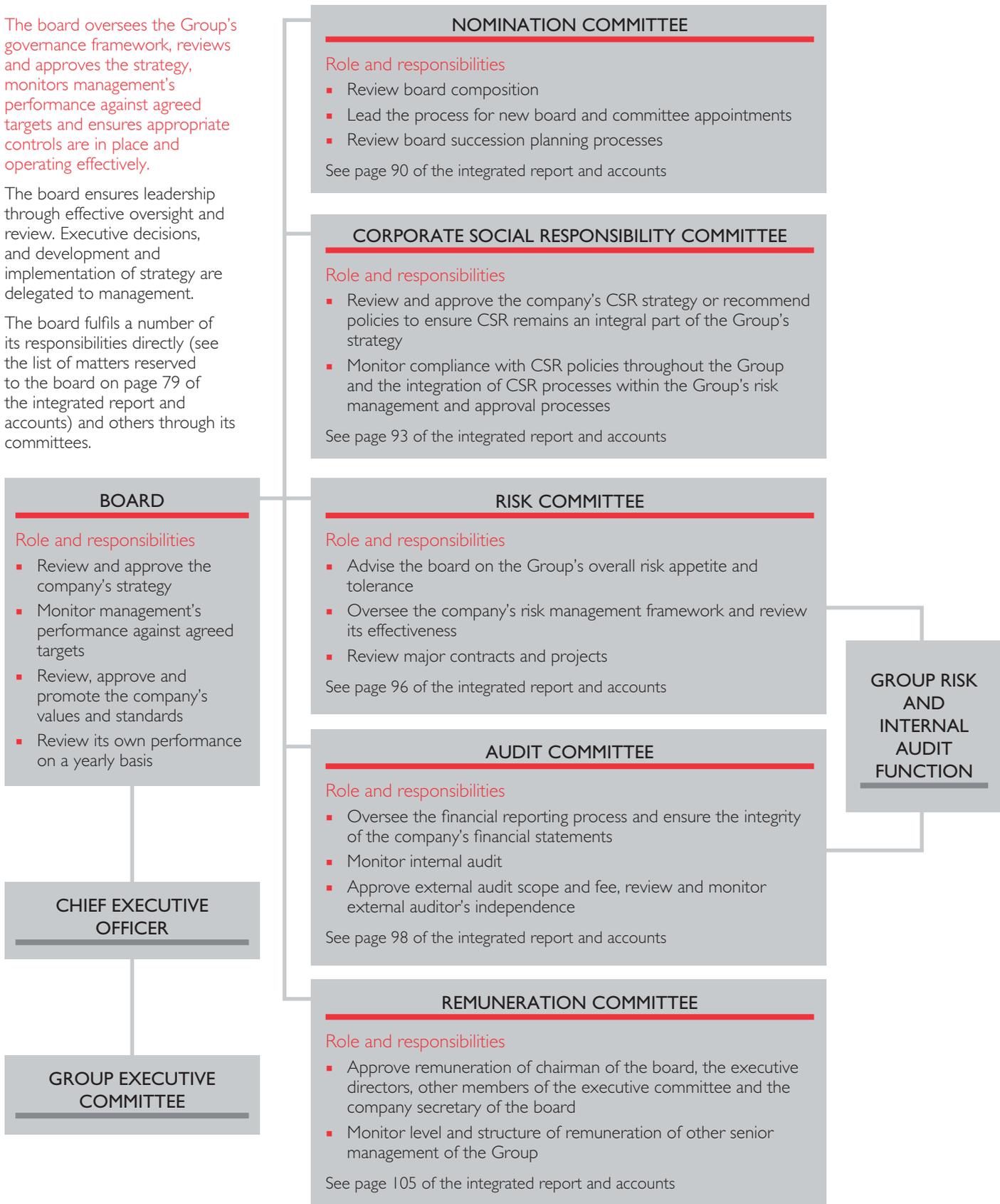
The committee will also continue to support the communication of the Group's values and whistleblowing arrangements to enhance the environment for G4S employees and the people in our care and to support the various initiatives to achieve our goal of zero harm.

OUR GOVERNANCE FRAMEWORK

The board oversees the Group's governance framework, reviews and approves the strategy, monitors management's performance against agreed targets and ensures appropriate controls are in place and operating effectively.

The board ensures leadership through effective oversight and review. Executive decisions, and development and implementation of strategy are delegated to management.

The board fulfils a number of its responsibilities directly (see the list of matters reserved to the board on page 79 of the integrated report and accounts) and others through its committees.



ENGAGING TO DELIVER VALUE

Our key stakeholders are those who most materially impact our strategy, or are directly impacted by it. Engagement with stakeholders is essential for G4S, given our role in society, the global nature of our business and our substantial workforce.

KEY STAKEHOLDERS

HOW WE ENGAGE



SOCIETY

Our employees touch the lives of others every day, providing crucial services to help keep society safe and secure.

- Operations which promote secure and stable communities
- CSR Materiality Review with key stakeholders (see pages 36 and 85 of the integrated report and accounts)
- Community engagement programmes
- Substantial tax and economic contributions
- Government relationships and parliamentary engagement
- NGO and UN agency engagement
- Industry forums



CUSTOMERS

Through understanding our customers' needs we offer value added, innovative, cost effective security solutions and build enduring relationships.

- Consultative approach to selling and bidding for contracts
- Proactive relationship management
- Bidding processes
- Customer service
- Net promoter score



SHAREHOLDERS

The company actively seeks to engage with shareholders on a regular basis.

- One-on-one meetings between management and shareholders
- Group investor meetings hosted by management
- Results announcements and trading updates
- Participation in investor relations association and best practice events
- Annual governance meetings with the Chairman and ad-hoc meetings
- CSR updates with the Chair of the CSR committee
- Annual General Meeting



EMPLOYEES

With 546,000 colleagues, G4S is one of the world's largest private sector employers. Our success is underpinned by the way we lead and engage with our people.

- HR core standards set the framework for employee engagement
- Onboarding, induction and refresher training
- Local and global meetings
- Biennial global all-employee and senior management engagement surveys
- Trade unions, works councils and employee representative forums
- Newsletters, videos, employee self-service portals, and intranets
- Specific campaigns on health & safety, our values and Speak Out whistleblowing arrangements
- Values recognition schemes



SUPPLIERS

We have a responsible purchasing policy consistent with our business ethics.

- We purchase goods and services from more than 40,000 suppliers
- Contract and relationship management
- Supplier Code of Conduct
- Purchase to Pay process

Understanding stakeholders' interests helps us define our strategic priorities and guide our initiatives and remuneration policies. We run a formal exercise every two years to identify our material CSR priorities (see pages 18 and 20).

KEY AREAS OF INTEREST

OUR RESPONSE AND KPIS

LINKS TO STRATEGY

- People and Values
- Ethical and sustainable business practice including:
 - Health & safety
 - Human rights
 - Anti-bribery & corruption
 - Employee standards and behaviour
- Slavery and Human Trafficking Statement
- UN Global Compact: Communication on Progress
- Global employee engagement survey (see page 16)
- Values awareness and training programmes
- Engagement with Parliamentary committees
- Industry forums including: International Security Ligue, British Security Industry Association, Confederation of British Industry
- MP engagement and site visits, especially to custodial detention facilities



Strategy

- People and Values
- Customers and service excellence
- Technology and innovation
- Operational excellence and productivity
- Financial and commercial discipline

- Quality and price of service delivery
- Expertise innovation
- Health & safety
- Business ethics
- 1.1% underlying revenue growth in 2018
- Almost 49,000 customers surveyed using net promoter score in 2018, with positive results in all markets (2017: 24,000)
- Feedback from unsuccessful contract bids



Remuneration Policy

- Annual bonus scheme – financial performance measures and personal/non-financial measures (see page 109 of the integrated report and accounts)
- Long term incentive plan – based on EPS, operating cash flow and total shareholder returns (see page 109 of the integrated report and accounts)

- Financial performance
- Strategic direction and coherence
- Governance and risk management
- CEO and CFO met with shareholders representing over 67% of the share register and 163 institutions (see page 86 of the integrated report and accounts for more information)
- 1.1% underlying revenue growth in 2018
- £474 million underlying Adjusted PBITA in 2018
- £453 million underlying operating cash flow in 2018
- Dividend of 9.70p per share in 2018



CSR Policies

- Please see page 23

- Company performance and plans
- Compensation and benefits
- Training and career development
- Health & safety
- Human rights
- Values, CSR and recognition
- Implemented action plans based on responses from 428,000 employees who completed the global engagement survey in 2017
- Increase in overall favourable responses from 82% (2015) to 84% (2017)
- Feedback from consultation committees and works councils
- Nominations for employee recognition awards
- Reduction in staff turnover from 25.3% in 2017 to 24.7% in 2018
- Fatalities due to road traffic and workplace incidents down around 67% since 2013



- Supplier performance – service delivery and product quality
- Payment terms
- SME engagement
- Rationalised suppliers
- Commitment to the UK Prompt Payment Code
- Member of the UK Government Contract Finder portal to promote use of SME businesses



Our strategy addresses the long-term positive demand for security and related services and our enduring strategic aim is to demonstrate the values and performance that makes G4S the company of choice for customers, employees and shareholders.

This section summarises our strategic priorities and how we focus our resources and expertise in areas where we can achieve the best results for customers and sustainable growth and return for investors.

Our CSR approach covers a broad range of areas but we have three material priorities: health and safety, human rights and anti-bribery and corruption which are covered in detail on page 18.

Strategic priorities

Underpinned by corporate culture based on Group Values and commitment to corporate social responsibility.

Key risks

See Principal risks pages 64 to 71 of the integrated report and accounts.

KPI

See page 34 of the integrated report and accounts for more detail and the progress in the Group's financial and non-financial KPIs and how they link to the Group's strategic priorities.

STRATEGIC AND PERFORMANCE OVERVIEW



PEOPLE AND VALUES

We recruit, develop and deploy the best people in the industry

- Embed the right culture; promote our G4S values and sustain strong employee identification with those values
- Embed health and safety behaviours
- Talent acquisition, development and succession planning
- Engage to ensure best performance
- Incentivise and recognise success

- Our trained and skilled people are hired by competitors or other companies or do not behave in line with the Group's values, resulting in adverse impact on customer service or those in our care
- Negative impacts on our employees' health and safety

67%

Reduction in road traffic fatalities since 2013



CUSTOMER FOCUS AND SERVICE EXCELLENCE

We build long-term customer relationships based upon trust and understanding of customers' businesses and objectives

- Positive demand for security services driving revenue growth of 4-6% p.a. in the medium term
- Investment in risk consulting expertise to lead initial customer engagement and develop excellent service and solution design
- Investment in technical and project management capability
- Investment in sales, marketing, account management teams, Salesforce CRM, embed G4S way of selling and contract retention programmes

- Failure to understand customers' changing needs or falling short of customer expectations

£1.4bn

Annual contract value of new business won in 2018 (2017: £1.4bn)



TECHNOLOGY AND INNOVATION

We design, market and deliver innovative, industry-leading technology and services that protect and add value for our customers wherever they operate

- We continue to invest in the resources, skills and capabilities to develop and deliver technology-enabled security and cash management solutions:
- Secure Solutions – expand and upgrade technology-integration capability
- Cash Solutions – leading bank and retail cash technology

- Failure to market or deliver our services and technology effectively or failure to deliver adequate value for money

45%

Of security revenues were technology enabled in 2018 (2017: 42%)



OPERATIONAL EXCELLENCE AND COST LEADERSHIP

We have safe, secure, reliable and efficient operations

- Deliver £70-£80m annual operational cost savings programme by 2020
- Operational excellence and efficiency: implement lean, automated processes
- Continue to improve health & safety awareness and performance

- Failure to comply with our standards results in harm, loss of expertise or investment fails to deliver benefit

30bp

Improvement in Secure Solutions Adjusted PBITA margin in 2018 compared with 2017



FINANCIAL AND COMMERCIAL DISCIPLINE

We manage risk effectively and ensure we provide profitable, cash generative services

- Improved risk management, including contract risk management
- Established and embedded rigorous capital investment appraisal processes
- Portfolio programme
- Driving improved cash flow
- Capital allocation

- Inefficient capital management and failure to comply with Group risk management standards

£20m

Reduction in annual finance costs through refinancing achieved

PEOPLE AND VALUES

With 546,000 colleagues, G4S is one of the world's largest private sector employers. Our employees and services touch the lives of others every day, providing crucial services to keep them safe and secure. Our success is therefore underpinned by the way we attract, develop and engage with our people, as well as the culture and values that shape the way we work and how our colleagues carry out their roles.



Organise – creating the right organisation and culture

Our values are core to shaping the culture of our organisation, helping to guide, unite, differentiate and sustain us. They are integral to everything we do. In 2017 we launched scenario-based values training materials for our front-line employees including flashcards, presentations and online training modules. Together with online management training launched in 2018, these materials are now being widely used and form part of our employee's experience from recruitment and induction, through to training and appraisal. We are continuing to update our induction and training materials and to find innovative ways to share and embed them so that, regardless of where they work and what they do, our employees understand the behaviours that are expected of them in line with our values.



Acquire – attracting and recruiting the best people

With a tightening labour market in some countries we face cyclical challenges attracting and retaining employees who may have other employment options. Whilst the interesting and varied nature of the work we offer enables us to retain our core employee base (73% of our employees have more than a year's service), we have also streamlined our recruitment processes to speed up the time taken to process new employee applications. A strong brand and reputation as a fair employer also differentiate us in a competitive market place. Over a number of years we have focused on improving retention which has meant our labour turnover continues to reduce, even in tight labour markets such as in parts of Europe, where our turnover rates are now below 20%. Overall we saw a further reduction in labour turnover for the Group at 24.7%, down from 25.3% in 2017.



Protect – putting safety first – CSR priority area

The safety of our employees and those in our care is our first priority. Our goal is zero harm. This focus enables us to secure our customers' worlds and the communities we serve. It is our responsibility to ensure that our colleagues return home from work safely every day and we believe that setting the highest standards for health and safety across our industry builds loyalty and commitment to G4S among our employees.

PERFORMANCE THROUGH PEOPLE

Globally we align our HR strategy to six key work streams which focus on the activities integral to driving sustainable business performance:





OUR VALUES IN ACTION – INVISIBLE WALLS WALES

G4S CUSTODIAL & DETENTION: UK

An innovative programme developed by G4S and Barnardo's Cymru aims to reduce the number of prisoners reoffending, cut the risk of intergenerational offending and improve the quality of life and community inclusion for families.

Recognising that connections to family are an important element in the successful rehabilitation of offenders, the programme, initially developed and implemented at HM Prison Parc in South Wales, works with the families of prisoners who are experiencing difficulties. Each prisoner taking part in the programme is allocated a mentor, who also works together with the prisoner's family, children, partners and parents, to help sustain and rebuild connections. The family will receive tailored support for up to a year prior to the prisoner's release, and then for another six months following release.

During its first five years, Invisible Walls Wales has helped to:

1. Reduce unemployment rates for prisoners from 80% to 25% and for their family members reduced unemployment rates from 69% to 46%.
2. Increase prisoners' engagement in education, training, or volunteering from 0% to 10% and for their family members, from 2% to 14%.
3. Decrease the number of prisoners' children experiencing attainment or attendance issues at school from 43% to 12%.
4. Halve the number of prisoners' children considered by social services to be "at risk", from 16% to 7%.
5. Reduce the number of prisoners that were misusing alcohol and/or drugs from 89% to 20%, and for their family members reduce the number from 15% to 5%.

The success of the programme has led to the model being replicated in other prisons across the UK and overseas.

Further information is available at g4s.com/invisiblewalls

SDGs:



Having put the necessary processes in place over recent years, we have now seen a very significant reduction in the number of serious incidents. Compliance is monitored through audits and reviews of risk and performance at regional, group and board level, via the CSR committee, and further details of these assurance processes can be found on page 67 of the integrated report and accounts.

During 2018, 24 of our colleagues sadly lost their lives in work related accidents, including five colleagues who died in a terror attack in Afghanistan. This loss is not acceptable and our thoughts are with their families. This is nevertheless a reduction from 25 fatalities in 2017 and solidifies the step change we saw that year when the number of fatalities halved compared with our longer-term experience. We continue to make progress in road safety and road traffic fatalities have decreased by 67% since 2013 when we first launched the improvement programme.

Mitigating the levels of violence associated with attacks on our Cash Solutions business remains a significant priority. Initiatives taken by G4S and other operators in South Africa, working with law enforcement agencies, began to have a positive impact in the second half of 2018 and this remains a priority for 2019.

We continue to reduce our injury rate. During 2018 the Group Lost Time Injury incidence rate was 6.6 per 1,000 employees, compared with a rate of 6.7 in 2017. The change is due to improvements in the Care & Justice Services business, partially offset by the number of injuries sustained during attacks in Global Cash Solutions.

There were nine non-natural deaths in G4S custody in 2018. All deaths in custody are investigated by the relevant authorities to determine the cause of death. Five of these deaths in 2018 were due to self harm, three were related to substance abuse and one was a homicide. The relevant coroner pronounced that a death that occurred in 2017 and was previously disclosed as non-natural, was actually due to natural causes.



Develop – building a capable workforce

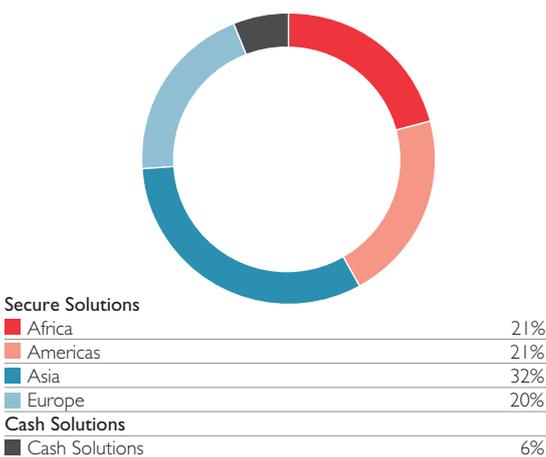
As the skills we need in our global business constantly change in anticipation of market dynamics and new technology, ensuring we have capable and confident people is vital. In 2018, we extended the scope of our talent review process, enabling us to reach further into the organisation and identify employees with the potential to become future leaders earlier in their careers.

Our leadership programme continues to offer global development for high potential employees and this year the number of employees participating in the programme doubled. In 2019, we plan to undertake a review of the programme and benchmark it externally to ensure it remains cutting edge and focused on our business strategy.

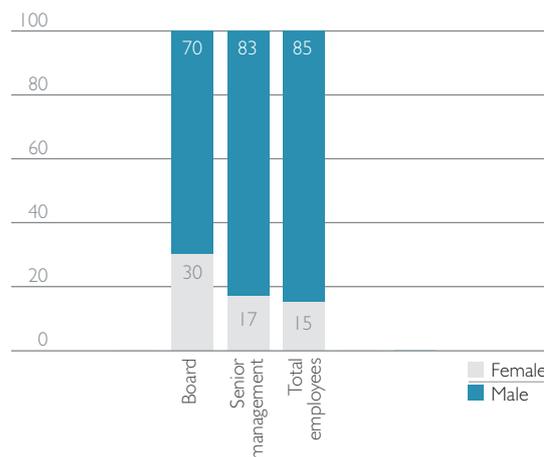
Whilst developing high performers will always be a business imperative, we want to offer all employees the opportunity to increase their skills and knowledge at work. We encourage employees to take responsibility for their own learning on an on-going basis using the extensive range of materials available, and using technology platforms to share training and learning paths more effectively. For example, during a 16 week on-line development programme concluded in 2018, over 41,000 employees completed learning modules with very positive feedback. For our front-line operational staff, continued development is no less important, and our use of on-line training is being extended where possible as it enables businesses to reach wider audiences efficiently and give employees access to learning at times to suit them.

Each year, we also introduce specific learning materials to support business needs or to meet new customer and legislative requirements. This year was no exception with further health and safety training produced in pursuit of our goal of zero harm and an array of materials developed to support the introduction of the General Data Protection Regulations (GDPR), ensuring everyone understands their role and responsibilities in safeguarding data.

Employees by region 2018



Employee gender diversity in 2018 %





OUR VALUES IN ACTION – SECURING HEALTHCARE IN FRAGILE STATES

G4S RISK MANAGEMENT: AFGHANISTAN, IRAQ, SIERRA LEONE, SOUTH SUDAN

Delivering medical care in fragile and conflict affected states is complex and fraught with challenges. G4S provides integrated security solutions and wider support functions to healthcare services in challenging environments such as Afghanistan, Iraq, Sierra Leone and South Sudan.

In 2018, G4S carried out security risk assessments of the French Medical Institution for Mothers and Children, a non profit hospital in Kabul providing medical care and working towards improvements in health services in Afghanistan. Despite its aims, the hospital attracts a high threat profile due to its connections to the Afghan government, western NGOs and focus on the empowerment of women. G4S made a number of recommendations to enhance security at the hospital, without greatly hindering access for staff, patients and visitors, and a programme of increased resilience is currently being implemented.

During the Ebola Crisis, G4S supported the UK Department for International Development by managing and maintaining their vehicle fleet in Sierra Leone – an essential service that ensured that their aid and healthcare workers could reach affected communities. To help us ensure the ongoing sustainability of the programme, we implemented accredited training and mentoring for our locally employed staff.

Alongside our security operations at Baghdad International airport, G4S has a medical clinic that provides a 24/7 medical service to G4S staff and international clients. The clinic offers emergency and primary care services, complemented by diagnostic care. Paramedics are available to provide many types of treatment, from simple procedures to dealing with more serious conditions or to stabilise a critically ill or injured person before an evacuation.

SDGs:



Engage – creating an inclusive and engaging workplace

With scope to access the perspectives and experience of employees in over 90 countries we rarely struggle for ideas. Diversity of thinking helps us innovate and stay ahead in the marketplace, creating long-term value for all our stakeholders. Ensuring everyone can contribute to their full potential is therefore a key area of focus. In line with our diversity and inclusion strategy and commitments in the UK gender pay gap report (visit g4s.com/genderpaygap), we have been conducting employee research into barriers, both perceived and real, that impact our ability to develop a more diverse workforce and a more inclusive workplace.

Our plans for 2019 will be shaped by the research findings. In the meantime, we have developed recruitment case studies to showcase the diverse career opportunities and to challenge the stereotypical views of the industry. We have also aligned our recruitment suppliers with our aims by ensuring they are reaching out to more diverse talent pools and providing shortlists of diverse candidates.

Giving all employees the opportunity to comment on what they think and feel about working for G4S is a cornerstone of our engagement strategy. We seek feedback from representative channels such as unions and works councils at a local, regional and global level, giving updates on business performance and in return receiving information on the issues that are affecting our employees on a day to day basis.

We also invest significant time and energy in conducting a global employee survey. In the last survey, conducted in 2017, 428,000 employees responded. Their feedback was resoundingly positive with over 84% of participants rating the company favourably. Throughout 2018, the focus has been on understanding the issues where the responses were less favourable and implementing actions arising from survey feedback. In 2019, we will issue our next global survey, refreshing the approach and the questions we ask to align with the relevant issues in the business. We will also take the opportunity at our leadership conference and through our senior management survey to seek feedback about the issues that matter most to them such as strategy, culture and incentives.



Reward – incentivising and recognising success

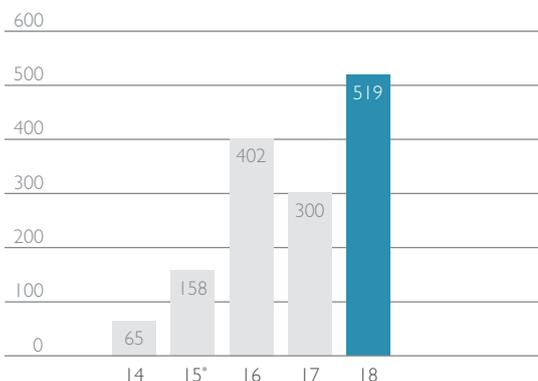
Recognition and praise is vital in an industry where employees go to extraordinary lengths to deliver, sometimes in challenging and hostile environments. Businesses have developed separate approaches to recognition awards and they all link to our values and the behaviours which underpin them. Across our senior management team, we offer bonus plans which incentivise high performance while upholding our values. For many operational employees we negotiate terms and conditions with trade unions operating across the industry, which helps ensure our pay is competitive with market rates. We seek out a wide range of benefits which offer good value for our employees, and where possible, support for their families too.



Anti-Bribery & Corruption – CSR priority area

By having clear values and standards, and educating and training colleagues to uphold them, we are creating a positive culture which means our colleagues can be trusted to do the right thing and behave in a way which meets our standards.

Total number of whistleblowing cases



* Speak Out launched

In cases where colleagues are suspected of not upholding those standards, we undertake swift, thorough and impartial investigations and take appropriate action. Where unacceptable behaviour has taken place we learn from such instances and enhance our safeguards to prevent similar issues arising in the future.

We have invested time, effort and resource to promote the use of Speak Out, our anonymous whistleblowing system available to employees globally. During 2018, 519 cases were raised by colleagues via Speak Out. Our efforts during 2017 and 2018 to create a culture in which people feel confident to speak out and raise ethical concerns using our whistleblowing channels has resulted in a 73% increase in the number of reports made via Speak Out during 2018.

The majority of matters raised via Speak Out are HR grievances which are managed by the relevant HR department where they remain best placed to investigate and resolve these matters promptly. Where appropriate, concerns regarding operational procedures are investigated by local management to ensure that relevant standards are being followed. Internal Audit and other assurance functions may also assess operational compliance.

Investigations relating to other matters, such as alleged bribery, ethical or financial issues are conducted by our internal network of investigators or by independent experts.

Matters of a potentially serious nature are investigated at a senior and independent level, with 105 investigations completed during 2018.

The Group Ethics Steering Committee has continued to oversee implementation of our whistleblowing policy and conducts regular reviews of serious cases, investigation progress and resulting actions.

2018 ACHIEVEMENTS

428,000

Colleagues participated in our survey in 2017 with over 84% favourable responses. In 2018, we identified any issues and developed action plans

IF YOU SEE OR SUSPECT WRONGDOING...
...do the right thing and speak out!

SPEAK OUT!

0808-234-8852
www.g4s-speakout.com

IT IS SAFE TO SPEAK OUT!
 You are encouraged to report any serious issues without fear of retaliation. All concerns raised in good faith will be taken seriously and treated with respect.

SPEAK OUT is for reporting serious wrongdoing. Any other concerns (such as pay queries, uniform issues or general employment grievances) should be directed to your line manager, or HR for a quick resolution.

Securing Your World

2018 Actions

	Status
Engage	
Launch management values training materials, embed front-line materials and complete update of HR policies and processes to reflect G4S values	<input checked="" type="checkbox"/> 
Implement action plans from global employee engagement survey and address actions from management survey	<input checked="" type="checkbox"/>
Review opportunities to improve gender balance	<input checked="" type="checkbox"/> 
Develop	
Continue the delivery of regional leadership programmes and promote development paths and learning opportunities for employees at different levels	<input checked="" type="checkbox"/> 
Protect – CSR Priority Area	
Continue to implement the revised front-line health and safety induction training	<input checked="" type="checkbox"/>
Introduce updated controls for security officers working at entrance gates	<input checked="" type="checkbox"/>
Share and adopt best practice across the Group in managing critical health and safety risk areas	
Develop action plans for businesses which have had multiple fatalities, as well as monitoring their implementation	<input checked="" type="checkbox"/>
Anti-Bribery & Corruption – CSR priority area	
Continue to increase awareness of Speak Out and create an environment in which colleagues are confident they may raise concerns confidentially and without fear of retribution	<input checked="" type="checkbox"/> 

Status

complete

 on-going

2019 ACTIONS AND PLANS

Engage

- Conduct sixth global employee engagement survey using the previous response rates and favourable scores as a benchmark
- Implement actions arising from the employee research conducted on diversity and inclusion

Develop

- Review and refresh the regional leadership programme and extend the offering of development materials to a wider internal audience

Protect – CSR priority area

- Improve health, safety and security risk assessments processes
- Conduct a thematic review of High Potential Incidents in high priority businesses
- Improve controls related to attacks on employees
- Introduce additional training on road safety

Anti-Bribery & Corruption – CSR priority area

- Continue to increase awareness of Speak Out and increase the confidence of employees to raise concerns through available channels



SOCIAL IMPACT AND CSR PERFORMANCE HIGHLIGHTS

We play an important role in society – our 546,000 employees deliver services that create a safer and better environment in which millions of people live and work. Through these services and our organisation, G4S delivers a broad range of significant and far reaching social and economic benefits to the communities in which we live and work, many of which are helping to realise the United Nations Sustainable Development Goals.

OUR CSR PRIORITY AREAS

To ensure that G4S' approach to CSR remains focused on the areas that are most relevant to the business and its stakeholders, a wide-ranging materiality assessment is undertaken every two years. The most recent assessment, completed in December 2017, confirms our three core CSR priority areas during 2018 and 2019. For more information on the assessment see page 20.



HEALTH AND SAFETY

The safety of our employees and those in our care is one of our corporate values and is a priority for the Group (see pages 12 to 17).



HUMAN RIGHTS

Our respect for human rights is core to the sustainable success of the business and continues to be an important part of our risk assessment and mitigation process.



ANTI-BRIBERY AND CORRUPTION

We will continue to develop and encourage a workplace culture in which all employees are clear about the company's standards of ethics and feel confident that they may raise ethical concerns (see pages 12 to 17).



Respecting Human Rights – CSR priority area

We are proud of the role G4S and its' employees play in society and the positive contribution they make to the protection of human rights through our range of services and the standards which we apply. However, we are clear that, as a business we have a responsibility to ensure that we are not at risk of violating human rights through the services we provide, the customers with whom we work, the suppliers we use, or through the treatment of our colleagues and others in our care. G4S' human rights policy and its related framework are based upon the United Nations Guiding Principles on Business and Human Rights. Alongside our values of Integrity and Respect, the framework reinforces the continued development of a business model which aids the realisation of the United Nations Sustainable Development Goals through the creation of employment opportunity, the global improvement of industry standards and by helping to create secure and stable communities around the world.

During 2018, we have:

- Conducted human rights training and awareness sessions for senior management across the Group.
- Revised our human rights control self-assessment process and completed 48 self-assessments in high risk countries and a further 48 assessments in other countries.
- Conducted internal audits of human rights controls in 15 countries.
- Assessed operational and other business issues against our 'risk universe', such as human rights and other CSR risks.
- Reviewed and updated our human rights heat map assessment process, and conducted a review of human rights risks to generate the 2019 human rights heat map. The review identified 23 countries, in which G4S has operations, as being high or very high risk environments for human rights.
- Enhanced our supplier code of conduct and reviewed our approach to risk assessment for modern slavery.

- Published our second slavery and human-trafficking statement, setting out the actions we have taken to help prevent modern slavery within our business and supply chain.
- Implemented the recommendations made by the independent review of Brook House Immigration Removal Centre.

ACTIONS FOR 2019

- Continue to build awareness of human rights responsibilities across the Group
- Conduct human rights control self-assessments in all businesses operating in high-risk countries and continue the programme of internal audits
- Complete implementation of enhanced supplier code of conduct risk assessment and due-diligence approach in the UK



SUSTAINABLE DEVELOPMENT GOALS

The United Nations Sustainable Development Goals (SDGs) call upon business to advance sustainable development through the investments they make, solutions they develop and the practices they adopt. We have identified fifteen social and economic impacts where G4S supports the broad realisation of the Goals and makes a positive difference to society and communities around the world. Within these, we have a specific focus on Goal 8 (Decent Work and Economic Growth) with 'Health and wellbeing' and 'Job creation' and Goal 16 (Peace, Justice and Strong Institutions) with 'Prevention of crime' which closely align with our strategy and operational expertise.

Social-economic impact



Priority sustainable development goals for G4S

Health and Wellbeing

The nature of G4S' work and the environment in which we operate may become hazardous. Mitigating this risk so that our people and those in their care can remain safe and secure every day is a strategic priority for the Group. G4S is investing in safety awareness training and intervention as part of an ongoing programme to enhance the safety culture of the company and security industry and achieve its goal of zero harm.

Job Creation

G4S provides direct employment to 546,000 people around the world. Through its supply chain and employee expenditure, G4S indirectly supports the creation of hundreds of thousands of further jobs worldwide. In helping to create safer environments in which businesses may prosper, G4S can also contribute to the attractiveness of investment by businesses into new communities and the creation of further employment opportunities.

Prevention of Crime

G4S delivers a wide range of specialist security services that mitigate the risk or impact of criminal behaviour and help to create safer communities. A key focus of our Care & Justice Services operations is to confront and address offender behaviour and work towards their rehabilitation and positive reintegration in the community.

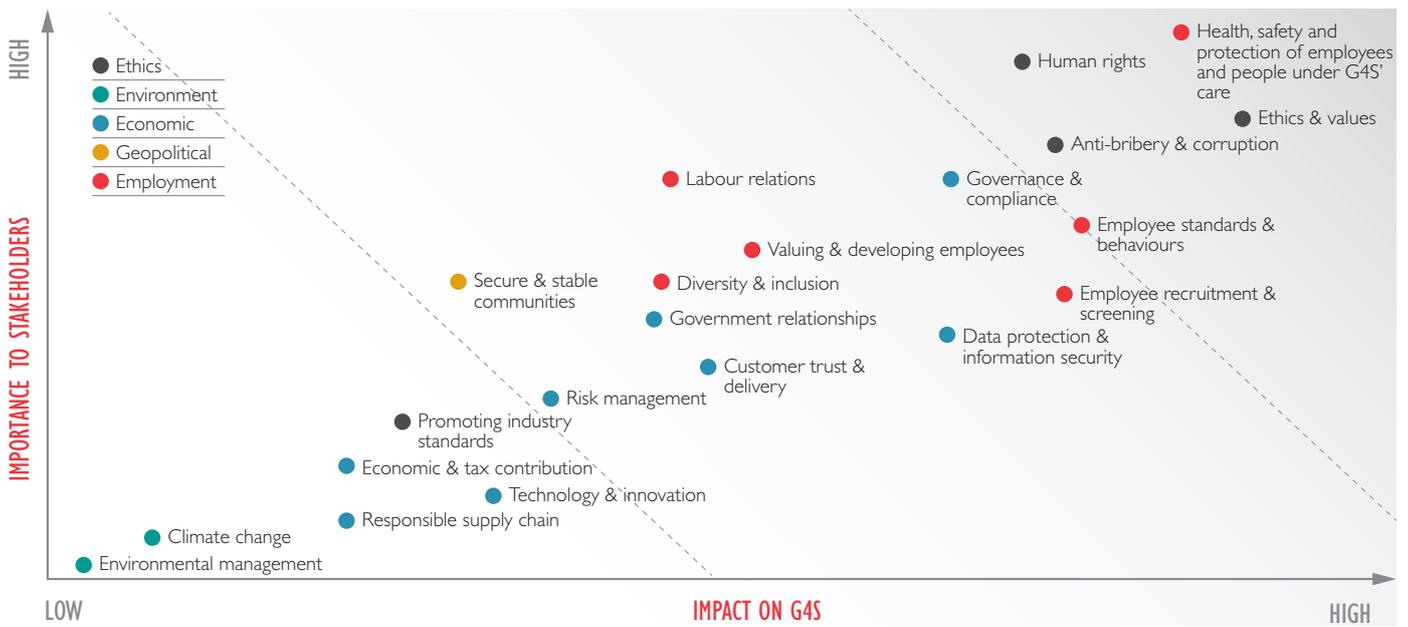


CSR Materiality Assessment

To ensure that G4S' approach to CSR remains focused on the areas that are most relevant to the business and its stakeholders, a wide-ranging materiality assessment of ethical and sustainability issues is undertaken every two years. The most recent assessment, completed in December 2017 confirms three core CSR priority areas during 2018 and 2019:

1. Health and Safety
2. Human Rights
3. Anti-Bribery and Corruption

Working in partnership with independent experts, we reviewed and identified issues and trends which may have the potential to have an impact on our business, our stakeholders and the wider security industry. Together with our partners, we conducted a series of interviews with the executive and non-executive members of G4S senior management team and a broad range of external stakeholders, including sustainability analysts, industry bodies, customers, suppliers, and NGOs. We sought views and opinions on which issues present the greatest risk or opportunity to the organisation's performance, strategy and reputation. The findings reinforce the importance that G4S' ethics, culture and values, and our employee's personal standards and behaviour have in preventing issues and poor performance across the core priorities and other CSR matters. Our next CSR materiality assessment is due in 2019.





OUR VALUES IN ACTION – HELIOS TOWERS AND G4S ENSURING TELECOMS CONNECTIONS IN AFRICA

SDGs:



G4S Africa is working with customers such as Helios Towers, part of Helios Investment Partners that is connecting international capital and know-how to African talent and enterprise.

Protecting mobile phone masts in remote locations is an area of expertise for G4S Africa.

Helios Towers owns and operates telecommunications towers and passive infrastructure in four high-growth

African markets. Their principal business lies in building, acquiring and operating telecommunications towers that are capable of accommodating and powering the needs of multiple tenants. Using a solution combining video monitoring with real time surveillance, G4S is providing a service that results in a reduction in theft and vandalism, real time monitoring of equipment status and fuel levels in the generators with significant cost savings and improved uptime of mobile phone towers.

KEY CSR INDICATORS, PRINCIPAL RISKS, NON-FINANCIAL INFORMATION STATEMENT AND CSR POLICIES

KEY INDICATOR ^{KPI}	GOAL	2018	2017	2016	2015	
EMPLOYEES PAGES 12-17 	Number of employees	–	546,000	570,000	585,000	610,000
	Percentage of female managers	Increase the number of female managers in the Group	22.5%	22.8%	25.5%	23.4%
	Percentage of front-line female employees	–	14.3%	14.2%	13.6%	13.4%
	Coverage by collective agreements	–	33%	31%	32%	33%
	Voluntary turnover	Reduce global levels of employee turnover	24.7%	25.3%	27.6%	29.4%
	Biennial Global Survey – Response rate	Increase the response rate to the global survey	n/a	73%	n/a	73%
	Biennial Global Survey – Overall favourable response	Increase the overall favourable response rate to the global survey	n/a	84%	n/a	82%
SAFETY PAGES 12,14,17 	Work related fatalities	Zero harm	24	25	47	46
	Attack		14	8	20	17
	Non-attack		3	6	10	9
	Road traffic incident		7	11	17	20
	Lost time incidents (per 1k employees)	Reduce the LTI rate	6.6	6.7	7.7	8.5
	Non-natural deaths in custody (UK/Australia)	Zero harm	9	3	9	2
HUMAN RIGHTS PAGE 18 	Number of human rights control self assessments	Assess all businesses operating in high-risk countries	48	65	54	n/a
		Increase number of businesses completing control self assessments in lower-risk countries	48	n/a	n/a	n/a
	Number of human rights audits in high-risk countries	–	15	37	n/a	n/a
SPEAK OUT: WHISTLEBLOWING PAGES 16-17 	Number of cases raised via Speak Out	Increase the confidence of employees to raise concerns through available channels	519	300	402	158
	Employees “feel able to speak up on unethical behaviour”		n/a	84%	n/a	80%
ENVIRONMENTAL PAGES 28 	GHG emissions per £m revenue t/CO2e	Reduce carbon intensity 3.5% per annum	59.5	61.2	62.8	66.0
	Total GHG emissions t/CO2e	Decrease total carbon emissions	455,310	472,019	472,748	461,262
	Scope 1 t/CO2e		271,471	276,493	268,107	276,594
	Scope 2 t/CO2e		96,833	101,506	107,297	96,449
	Scope 3 t/CO2e (Air Travel)		17,147	17,693	15,114	15,926
SOCIAL MATTERS 	Business overview (pages 6-15 of the integrated report and accounts)					
	Stakeholder engagement (pages 8-9)					
	Geopolitical risks (page 26)					
	Tax strategy					
	Supplier code of conduct					

RELEVANT POLICIES

- Business Ethics Policy – g4s.com/ethics
- Ethical Employment Partnership – g4s.com/EEP
- HR Core Standards – g4s.com/HRstandards
- Gender Pay Gap Report (UK) – g4s.com/genderpaygap

OUR IMPACT AND RELATED PRINCIPAL RISKS PAGE

- CSR Committee 4-6
- Stakeholder Engagement 8-9
- People & Values 12-17
- CSR Materiality Assessment 18, 20
- Health & Safety (Principal Risk) 25
- Culture & Values (Principal Risk) 25
- People (Principal Risk) 26
- Geopolitical (Principal Risk) 26

- Health and Safety (Principal Risk) 25

- Business Ethics Policy
- Human Rights Policy – g4s.com/humanrights
- Slavery and Human Trafficking Statement – g4s.com/modernslavery

- CSR Committee 4-6
- People & Values 12-17
- CSR Materiality Assessment 18, 20
- Culture & Values (Principal Risk) 25
- Geopolitical (Principal Risk) 26
- Laws & Regulations (Principal Risk) 27

- Business Ethics Policy
- Whistleblowing Policy – g4s.com/whistleblowing
- Human Rights Policy

- People & Values 12-17
- CSR Materiality Assessment 18, 20
- Culture & Values (Principal Risk) 25
- Laws & Regulations (Principal Risk) 27

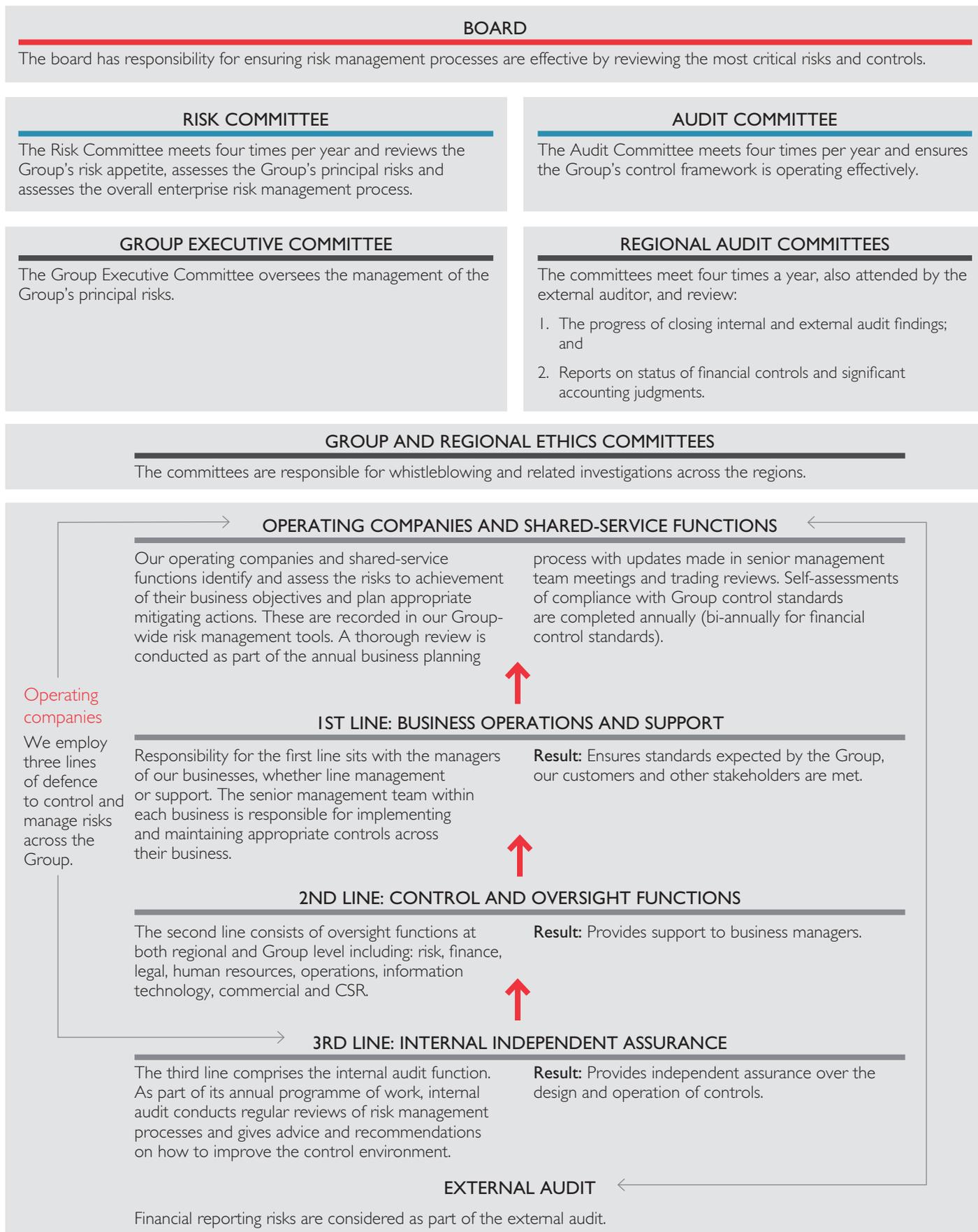
- Business Ethics Policy
- Environmental Policy – g4s.com/environment

- CSR Materiality Assessment 18, 20
- Greenhouse Gas Emissions 28

- Business Ethics Policy
- Supplier Code of Conduct – g4s.com/suppliercode
- Tax Strategy – g4s.com/tax
- Whistleblowing Policy

- Stakeholder Engagement 8-9
- People & Values 12-17
- CSR Materiality Assessment 18, 20
- Geopolitical (Principal Risk) 26
- Laws & Regulations (Principal Risk) 27

ENTERPRISE RISK MANAGEMENT GOVERNANCE MODEL



Risk

The provision of security services, often in hostile or dangerous circumstances, presents health and safety (H&S) challenges. In addition to the significant impact on individuals, serious H&S incidents could disrupt the Group's businesses, have a negative impact on our reputation and lead to financial and regulatory costs. In 2018, 24 (2017: 25) employees lost their lives in work-related incidents, of which 14 (2017: 8) were as a result of armed attacks and 7 (2017: 11) were road-traffic incidents, as the year-on-year improvement in road safety continued. There were 9 (2017: 3) non-natural deaths of people in our custody.

Risk mitigation

We are committed to protecting the health, safety and well being of our employees, people in our care or custody and third parties. G4S uses a systematic approach to managing H&S which is consistent with internationally recognised standards. We monitor H&S performance regularly and intervene if performance does not meet the continuous improvement targets set. The Group's mandatory standards target the critical safety risks in the Group including road and firearm safety, and are supplemented by controls and training for front line staff through to business leaders. The annual self assessment by countries of compliance with our standards is supported by site reviews from local, regional and group managers and is included in the scope of country internal audit visits.

During 2018 we continued the roll-out of safety induction training, which included a focus on the risks facing security officers. Four wide-ranging H&S reviews were conducted in high-priority businesses, as well as two follow-up audits to monitor improvement.

Safety improvement plans are required for all businesses, with business leaders being responsible for leading safety performance, developing and monitoring action plans and putting H&S at the forefront of their day-to-day activities.

Good practice and progress in delivering H&S improvements are recognised and rewarded, while poor practice and insufficient progress lead to close executive scrutiny, and can impact performance-related pay for business leaders.

Mitigation priorities for 2019

We will continue to refine our standards, policies and controls where we see an opportunity to reduce H&S risks further, using lessons learned from serious incidents to drive actions to prevent recurrence. Compliance with our standards will continue to be monitored through self assessments, region and Group reviews and internal audits. Topics which will be prioritised are risk assessment processes, training on road safety and improving controls to prevent attacks.

Principal risk

HEALTH AND SAFETY (H&S)

[Link to strategy](#)



Risk

G4S provides security for people, premises and valuable assets. The Care & Justice Services business provides services to detainees, victims of crime, people needing assistance, and other members of the public. We operate in many different countries with a diversity of local and national cultures. Having an appropriate set of values deeply embedded in our corporate culture is key to ensuring that employees meet our expectations including compliance with our ethical business conduct standards. Failure to do so risks not delivering on our commitment to our colleagues, customers and other stakeholders, and businesses failing to comply with legislation and international standards.

Risk mitigation

Our values, detailed on page 6, are continually reinforced through a variety of processes including recruitment, induction training and recognition schemes, as well as communication materials. Our values-based training materials for front-line employees have been developed to reflect common experiences or particular challenges which are identified through whistleblowing cases, internal grievances or feedback from the global employee engagement survey.

Nominated values ambassadors in businesses are helping to cascade values-related communications. For managers, the enhanced competency framework has helped guide the development of mandatory online training. This also uses realistic scenarios to guide managers in making value based decisions from a range of options in order to achieve the right outcomes in real-life situations. We continue to build awareness of the importance of living our values in our day-to-day activities, no matter how challenging the circumstances.

In the event that employees notice unethical behaviour contrary to our values we encourage them to use our confidential whistleblowing facility, Speak Out.

In 2018, we received 519 Speak Out reports (2017: 300) as we continue to raise awareness of this facility. While all calls are investigated, matters of a serious nature are investigated at a senior and independent level, with 105 investigations completed during 2018 (2017: 59).

Mitigation priorities for 2019

For our front-line employees, we will continue to provide updated training materials to reinforce the behaviours expected in line with our values and will use the global employee engagement survey, due to be completed in 2019, to assess levels of awareness and understanding. Where gaps are identified we will develop remediation plans.

All new managers will be required to complete the online training developed in 2018 and to confirm their understanding of and commitment to compliance with the Group's Business Ethics Policy. Further updated training on anti-bribery and corruption will also be made available to all managers and employees with responsibilities relating to financial transactions or supplier and customer relationships.

Our reward and recognition schemes will continue to be aligned with our values, to ensure they are promoted in everything we do. The Group-wide scheme will be enhanced to supplement local efforts and enable us to showcase the types of behaviour which exemplify our values and reflect the great work that our employees do.

Principal risk

CULTURE AND VALUES

[Link to strategy](#)



- People and values
- Customers and service excellence
- Technology and innovation
- Operational excellence and productivity
- Financial and commercial discipline

Principal risk

PEOPLE

Link to strategy



Risk

In a global and diverse security business such as ours, there are risks associated with recruiting, training, engaging, rewarding and managing people, as well as ensuring we retain critical talent to deliver increasingly sophisticated services through our 546,000 employees. Screening and vetting is a particular challenge in some territories which lack supporting infrastructure from the relevant authorities. Any incident where our people fail to meet the expectations of customers and other stakeholders could lead to financial and reputational damage. Whilst our controls are robust, we still face the risk of an employee not behaving in line with our values.

Risk mitigation

The Group's Human Resource (HR) standards cover core requirements for delivering the HR strategy, such as ensuring there are effective organisational structures in place, that employees are screened, inducted and trained to perform their jobs, and that there are appropriate mechanisms in place for managing ongoing performance and recognising service excellence. Compliance is self-assessed annually and reviewed by local, regional and Group teams. Additionally, core HR controls are tested by internal audit during visits to the businesses. The performance and potential of managers across the Group is reviewed to identify development

needs and build succession plans. We also deliver regional leadership programmes to nurture talented individuals early in their careers, and help them develop into more senior roles as they move through the organisation. Feedback from our global employee survey is used to develop initiatives which support employee engagement and development at all levels of the organisation. Examples include the introduction of two health and wellbeing initiatives for employees in G4S Peru, the development of a new employee handbook in the UAE and the launch of a new quarterly briefing by managers for employees in the UK Cash Solutions business.

Staff turnover is a key indicator of employee satisfaction, and reducing it improves service standards and reduces recruitment costs. During the year staff turnover reduced from 25.3% in 2017 to 24.7% in 2018 (see page 20).

Mitigation priorities for 2019

Compliance with our core HR Standards will again be self assessed during 2019 and reviewed by local, regional and Group teams as well as tested by internal audit. Direct support will be provided as necessary to enhance compliance with our standards. Further, more detailed training is being prepared to ensure HR teams have a strong understanding of the core standards, why they are important and what actions they need to take to ensure compliance if there are any gaps.

Principal risk

GEOPOLITICAL

Link to strategy



Risk

We operate in many countries across the world, with wide-ranging government and political structures, different cultures with varying degrees of compliance with laws and human rights, particularly within conflict and post-conflict zones. Associated risk factors include: political volatility, including the outcome of elections and referendums affecting trade rules and regulations and changes in policies towards business, revolution, terrorism, and military intervention, and mistreatment of migrant workers and employees working for our suppliers. These risks impact us in many ways: the health and safety of our staff and customers; the continued operation of our businesses; and the ability to secure our assets and deliver good financial performance.

Risk mitigation

In markets where policy or trade agreements have a significant impact on our ability to trade we engage with governments to promote the benefits that G4S brings to a market and an economy, to ensure that we minimise potential adverse impacts of trade restrictions or trade policy.

We collaborate with local partners, conduct early risk assessments before and during security assignments, develop robust operating procedures and work closely with our local and global customers in managing the risks of operating in such environments.

Our Risk Management business has particular expertise in providing secure solutions in very high-risk, low-infrastructure environments.

We have a clear commitment to respect human rights. All business units are required to annually self-assess their compliance with human rights standards which are reviewed by the Group and included in internal audits for the higher risk countries. We have also built awareness of human rights responsibilities across the business and our partners and are increasing engagement with suppliers to ensure they are also complying with international human rights standards. This is governed by a mandatory supplier code of conduct which includes anti-bribery and modern slavery requirements.

Mitigation priorities for 2019

In markets where potential government policy or trade agreements may have a significant impact on our ability to trade we will continue to engage with governments to promote the benefits that G4S brings. We will continue to monitor the results of human rights control self assessments, providing support with training and guidance where needed to further embed awareness and understanding of expectations. We will also continue to increase engagement with suppliers to ensure their compliance with human rights standards.

Risk

G4S operates under many complex and diverse regulatory frameworks, some of which have extraterritorial reach and many where regulations change frequently. Risks include: new or changed restrictions on foreign ownership; difficulties obtaining relevant licences to operate; complying with employment legislation covering a wide range of requirements; complying with often complex and broad ranging local tax regulations; increasing litigation and class actions; bribery and corruption and complying with human rights legislation. Failure to meet the required standards can lead to higher costs from claims and litigation; inability to operate in certain jurisdictions, through either direct ownership or joint ventures; loss of management control; damage to our reputation; and loss of customer confidence.

The investigation opened by the Serious Fraud Office (SFO) in 2013 in respect of the Group's Electronic Monitoring contract remains on-going and the Group continues to engage and co-operate fully with the investigation. Based on currently available information, the Group is unable to make a reliable estimate of the financial effect of the SFO's investigation, and no provision has been made in respect of it.

Risk mitigation

Our policies and procedures clearly set out the requirement for local management teams to comply with relevant laws and regulations. Group and regional leadership, together with our Ethics Committees at Group and regional level provide oversight and support our businesses in mitigating the risks. Group legal and regional leadership closely monitor changes in foreign ownership laws and make appropriate plans

to respond. G4S continues to liaise with relevant governments and authorities to influence positively the regulatory environments in which we work.

Mitigation priorities for 2019

Given the increased exposure and high penalties for non-compliance in respect of this risk, the board and Executive team will focus as a priority on the enhancement of compliance with laws and regulations across all jurisdictions we operate in. This will include direct enquiry and oversight by Group and region of local management to ensure awareness of these risks become fully understood and ensure that concerns are addressed appropriately with mitigation plans implemented promptly.

Principal risk

LAWS AND REGULATIONS

Link to strategy



-  People and values
-  Customers and service excellence
-  Technology and innovation
-  Operational excellence and productivity
-  Financial and commercial discipline

Greenhouse gas emissions

Alongside the risks faced by people and infrastructure from climate change are the challenges presented by global economic conditions.

Managing fuel costs and the impact of “carbon taxes” through programmes to improve the Group’s energy efficiency and reduce its environmental impacts are important to the continued effectiveness and sustainability of the Group’s business.

We follow WBCSD* and WRI** Greenhouse Gas Protocol to measure our Scope 1 and 2 emissions – vehicle fleet, fuel, refrigerants and electricity usage for G4S businesses over which the Group has financial and operational control. In addition the Group has measured Scope 3 emissions from employee business air travel.

The businesses that reported data in the 2018 GHG measurement represent 90% of the Group’s operations, across a 12 month period. This level of measurement, including each of the Group’s main service types, allows reliable calculation of the total GHG emissions for 100% of the Group.

GHG emissions (t/CO₂e)

(Based on 90% measurement)

	2018	2017
Vehicles (inc. refrigerants)	236,155	239,265
Total buildings (inc. refrigerants)	132,149	138,734
Including electricity emissions of	96,833	101,506
Air travel	17,147	17,693

	Carbon intensity	
	2018	2017
Tonnes CO ₂ e per £m turnover	59.5	61.2

The G4S total carbon footprint during 2018, extrapolated to 100% of the business equates to some 455,310 t/CO₂e. These CO₂e emissions, including emissions generated by services which our customers have outsourced to G4S, have decreased by 3.5% since 2017 – against a 1.1% revenue growth in our underlying businesses during the same period, reflecting the efforts made to increase the energy efficiency of our business.

In 2019, we will continue to implement efficiency strategies with the aim of reducing carbon intensity by at least 3.5% per annum.

For further details, please visit g4s.com/environment.

* World Business Council for Sustainable Development

** World Resources Institute

Carbon Disclosure Project

Since 2009, G4S has reported on the progress of its environmental management through the Carbon Disclosure Project (CDP).

In the latest CDP report, G4S achieved a score of C.

Reporting to the CDP helps to demonstrate a company's awareness of their greenhouse gas emissions, allowing for reduction targets to be put in place, as well as addressing the risks and opportunities that are associated with climate change.



FTSE4Good

G4S has been independently assessed and included as a constituent of the FTSE4Good Index Series for the second year running. This inclusion recognises G4S' strong commitment to social responsibility and to sustainable business practices across the group.

The FTSE4Good index series is a leading socially responsible investment (SRI) indicator developed by FTSE Russell, part of London Stock Exchange Group. It is designed to measure the performance of companies demonstrating strong environmental, social and governance (ESG) practices.



FTSE4Good

UN Global Compact

G4S became a signatory to the UN Global Compact in 2011. The world's largest CSR initiative, the Global Compact sets out 10 universal principles to which businesses must align their strategies and operations, and calls upon companies to take actions that advance the UN's Sustainable Development Goals.

G4S is proud to be a participant in the UN Global Compact and to reaffirm its commitment to these principles, which continue to be reflected in our core values. G4S is a signatory of the Business for Peace initiative and remains active within the UK Network of the UN Global Compact – continuing to participate as a member of the governing Advisory Group.

Within our collected sustainability reporting framework, we have described the actions we have undertaken to build upon and further integrate the Global Compact and its principles into our culture and values, business strategy and daily operations during 2018.

WE SUPPORT



UN Global Compact Communication on Progress Index:

	Integrated Report	CSR Extract	Online
Statement of Continued Support by the CEO	–	I	www.g4s.com/csr
Human Rights: Principles 1 & 2	36, 38-39, 69, 70, 85, 103	5, 18, 20, 22-23, 26	www.g4s.com/humanrights
Labour: Principles 3, 4, 5 & 6	16-17, 20-25, 36-37, 38-39, 67, 68, 85, 94-95	5, 12, 14-17, 18, 20, 22-23, 25	www.g4s.com/people www.g4s.com/humanrights
Environment: Principles 7, 8 & 9	38-39, 85, 129-130	20, 22-23, 28	www.g4s.com/environment
Anti-Corruption: Principle 10	16-17, 20, 24, 25, 36, 38-39, 85, 67, 69	16-17, 18, 20, 22-23, 25	www.g4s.com/ethics

CSR Index

A full index of our key sustainability programmes and other ethical and social policies and practices is available on our website at g4s.com/csrindex

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