Introduction
In line with the government regulations, G4S is publishing its second gender pay gap report. As well as setting out the data, the report also provides an opportunity for us to confirm our commitment to improving the gender balance of our workforce and explaining the actions we are taking to achieve this. We value our people and want them all to be confident that they are working for an organisation where they can achieve their full potential and where their hard work and efforts to keep our customers and communities safe will always be recognised and rewarded fairly.

This year the overall average pay gap for our employees in the UK is 3.1% which is significantly lower than the UK national average of 17.9%. To provide a more holistic view, the calculation this year includes employees in all of the legal entities we have in the UK, not just those in scope of the regulations set out on pages 2 and 4 of this report.

Where they exist, the gaps are mainly due to the under representation of women in senior roles which attract higher levels of pay and the bonus potential is greater. Across the industry this is not uncommon. For decades the security sector has been predominantly male orientated with far fewer women being attracted to security work and even less rising to senior operational and leadership roles. The industry is changing but it will take time to fully address the gender imbalances that exist.

At G4S we are committed to improving the diversity of our workforce in all aspects because we know that to continue to be a leader in the industry we have to employ the best people and help them thrive. We also have to innovate to deliver the solutions our customers need and recognise that innovation is most likely to happen with people from diverse backgrounds who challenge existing practices and bring fresh perspectives and ideas to help develop new ones.

Steps being taken in support of our diversity and inclusion strategy, which encompasses gender pay gap issues, are shared with the G4S board members who provide their full support.

I confirm that the data provided has been collated in accordance with the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

Jenni Myles
Group HR Director
G4S plc

The UK national average gender pay gap

17.9%*
2017:18.1%

3.1%
G4S average

*Source: Office of National Statistics
Our Gender Pay Gap - at a glance
(as at April 2018)
All businesses in scope

Total employees 25,025

Calculating the mean difference
The mean percentage pay gap is calculated by adding up the total hourly pay for all women, and dividing it by the number of women employed. This figure is subtracted from the same calculation for all the men to identify the gap.

Calculating the median difference
The median is the middle value when all of the hourly rates of pay for women and men are separately ranked.

Mean and median pay and bonus

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<thead>
<tr>
<th></th>
<th>MEAN</th>
<th>MEDIAN</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender Pay Gap</td>
<td>1.3%</td>
<td>3.7%</td>
</tr>
<tr>
<td>Gender Bonus Gap</td>
<td>12.5%</td>
<td>-17.6%</td>
</tr>
</tbody>
</table>

Proportion receiving a bonus

4.3% of women received a bonus
6.3% of men received a bonus

PAY DISTRIBUTION

<table>
<thead>
<tr>
<th></th>
<th>WOMEN</th>
<th>MEN</th>
</tr>
</thead>
<tbody>
<tr>
<td>Upper quartile</td>
<td>27.5%</td>
<td>72.5%</td>
</tr>
<tr>
<td>Upper middle quartile</td>
<td>29.5%</td>
<td>70.5%</td>
</tr>
<tr>
<td>Lower middle quartile</td>
<td>29.7%</td>
<td>70.3%</td>
</tr>
<tr>
<td>Lower quartile</td>
<td>33.6%</td>
<td>66.4%</td>
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Addressing the Gender Pay Gap Challenge

In 2017 we outlined the actions we are taking to address our gender pay gap by encouraging more women into senior roles. We aim to ensure that we attract and acquire people from a wide range of backgrounds, that we have development processes in place to enable our employees to grow and that our engagement approaches help them succeed and stay.

Widening the candidate pool

During 2018 we took the opportunity to reaffirm our diversity and inclusion commitment to our suppliers externally and our recruitment teams internally. Both play a vital role in helping us reach the widest talent pools and sourcing people from them. We have set out in writing our expectations about the need for diverse and more balanced shortlists, for inclusive advertising and candidate briefs which take account of experience as well as skills and abilities acquired in less conventional careers.

Sharing role models

Seeing women in senior roles in our business undoubtedly helps challenge stereotypical views of the industry and encourages more women to consider career options in security. We have developed a number of case studies for some of the amazing women in our businesses to use in a range of recruitment initiatives.

Raising awareness of gender bias

Unconscious bias manifests itself in lots of decisions we make so we have raised awareness amongst our senior HR leaders and executives and are developing some wider training about the barriers to diversity and inclusion that these biases can create.

Launching a sponsorship programme

We understand that to really make a difference to our gender balance, we will have to find ways to progress our talented female workforce into more senior roles. Implementing a sponsorship programme is one of the ways we plan to do this. Having researched the programme widely to ensure it aligns with our culture, we are now ready to launch a pilot. The aim is to provide a number of talented women with access to networks and opportunities for senior leadership roles which may not be visible to them in the course of their work. We will monitor the outcomes of the pilot and decide whether to expand the programme further in 2020.

Refreshing our leadership programme

Our talent processes, including our Regional Leadership Programme are designed to develop future generations of business leaders who have a global mindset and recognise the importance of creating an inclusive workplace. In 2019 we have committed to reviewing this Programme to ensure a continued focus on talent, innovation and our reputation.

Conducting focus groups

During 2018 we conducted focus groups with a wide cross section of G4S managers from all regions and each of the sectors in which we operate. We asked for their views on the extent to which they believe the organisation is inclusive and what we could do to improve. We also asked for their thoughts on some specific diversity and inclusion interventions such as the introduction of employee resource groups. Whilst it has taken some time to gather this feedback it has provided rich insights and some clarity about the likely success of the interventions being considered. We plan to share the feedback and implement structured programmes where we believe they are appropriate and will help meet our overall diversity and inclusion aims.

The Gender Pay Gap report helps shine a light on one aspect of diversity and inclusion that needs addressing but we need to make improvements across the group and not just in relation to gender. We hope that by taking careful and considered steps we will make our workplace a more inclusive one not only for women but for men too.