

A woman with dark hair tied back, smiling, wearing a blue and red G4S uniform. The background is a blurred crowd of people.

SECURING YOUR WORLD

Corporate Social Responsibility Report 2015

A SUSTAINABLE BUSINESS

G4S is the world's leading global, integrated security company specialising in the delivery of security and related services to a diverse range of customers across six continents.

We play an important role in society – our 610,000* employees deliver services that create a safe and better environment in which millions of people live and work.

In this report we feature the important work carried out by our colleagues that makes us proud to be securing your world.



Visit: www.g4s.com
for more information

* Includes 44,000 employees
in businesses to be sold or exited.

27

HUMAN
RIGHTS

31

ANTI-BRIBERY
AND
CORRUPTION

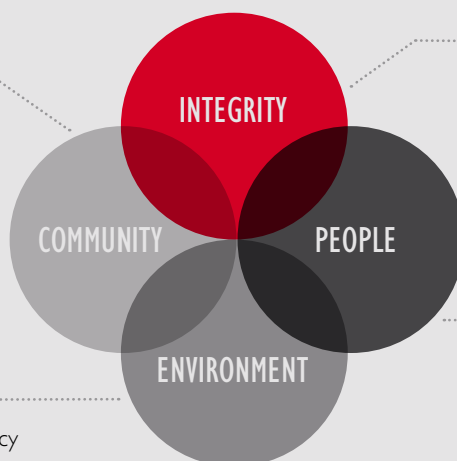
COMMUNITY

- Social and economic impact
- Community investment

ENVIRONMENT

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

† Priority areas



INTEGRITY

- Human rights†
- Anti-bribery and corruption†
- Risk assessment and management
- Audit and compliance
- Whistleblowing and reporting

PEOPLE

- Health and safety†
- Labour relations
- Employee engagement
- Training and development
- Diversity and inclusion
- Employee welfare



HEALTH AND SAFETY



G4S' business and culture are underpinned by our values. While we have governance structures and review processes in place that sit outside the line management structure to provide scrutiny of our practices, we expect our managers across the business to understand our Corporate Social Responsibility (CSR) commitments and to uphold them in their everyday business activities.

We reinforce group values and standards at every opportunity and assess compliance with standards through a variety of means, including internal and external audit, contract reviews, risk reviews, self-assessments and other embedded operational processes.

In 2015, we undertook a review of the group's values to ensure that they are relevant and appropriate for our business activities of today and into the future. More information on our updated values can be found on page 9.

Our values are the standards we set for ourselves and our culture is the way those values are reflected in the everyday behaviours of our colleagues. Following the launch of our new values in March 2016, we will focus on embedding them in our business practices and processes.

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ANTI-BRIBERY AND CORRUPTION

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OUR PERFORMANCE IN 2015

A snapshot of some of our key sustainability actions during 2015



III

regional 'heat-map' human rights risk assessments

73%

of employees responded to the global employee engagement survey

SAFEGUARDING OUR INTEGRITY

- Completed a review and developed new corporate values
- Conducted a review of our CSR material issues, identifying three core priorities
- Launched Speak Out, a new and enhanced global whistleblowing process and case management system
- Completed the integration of our human rights framework into key business processes
- Integrated human rights control self-assessments into our group risk and audit compliance processes
- Completed 121 on-site internal audits, the majority of which included a review of compliance with business ethics standards
- Conducted 111 human rights regional risk 'heat-map' assessments
- Conducted seven human rights assessments of major business opportunities for review by the group investment committee
- Business units have conducted local human rights risk assessments across all operating countries
- Engaged with the Australian and UK OECD National Contact Points (NCP) in relation to two complaints. Further details of these complaints and the OECD NCP findings can be found on pages 29 and 30



SECURING OUR PEOPLE

- Undertook health and safety leadership training with more than 1,000 managers
- Developed and launched a new road safety policy
- Completed six group-led critical country reviews of safety in high priority businesses
- Conducted our fourth and largest global employee engagement survey to date, receiving responses from 73% of all employees
- Achieved an overall favourable score of 82% in our global employee engagement survey



4.6%

reduction in carbon intensity since 2014

£1.6m

invested in community programmes and welfare programmes for employees

1,113

community programmes supported by G4S



6

critical country reviews of safety in high priority businesses

82%

favourable response rating from the global employee engagement survey

SECURING OUR ENVIRONMENT

- G4S total carbon footprint in 2015 was 522,901 t/CO₂e
- Achieved a carbon intensity of 77 t/CO₂e per £m of revenue in 2015, representing a reduction of 4.6% since 2014
- Measured 52% of the waste generated by the group, totalling 9,298 tonnes of mixed waste with 32% diverted from landfill
- Measured 74% of the group's water usage with a total consumption of 1,917,196 litres
- Increased use of video conferencing and virtual meeting technology has helped us reduce the carbon emissions generated by our business air travel by 6% since 2014
- Continued to invest in telematics technology to monitor driver behaviour, leading to reductions in fuel usage and maintenance costs, as well as improving driver and road safety. At the end of 2015, some 4,700 of our cash solutions vehicles had been fitted with telematics devices

SECURING OUR COMMUNITIES

- Conducted studies of the economic impact of G4S within the UK, demonstrating a total contribution to the UK economy of £1.72bn
- Invested approximately £1.6m in charitable community programmes and welfare programmes for employees
- Matched £48,000 of employee fundraising for local community good causes across the world
- Supported more than 1,113 community projects across 65 countries, including:
 - Bhubesi Pride (Africa)
 - Shiksha School (India)
 - Landmine Education (Somalia)
 - Habitat for Humanity (USA)
 - Game On (UK)

 For more information on our approach to securing our environment and our communities, visit www.g4s.com/csr

G4S AT A GLANCE

G4S plays an important role in society – our 610,000* employees deliver services that create a safer and better environment in which millions of people live and work. The breadth of our services and geographic coverage provides both resilience and growth opportunities.

	SECURE SOLUTIONS	
Market and strategy	Security and facilities management (FM) services <p>Security and facilities management (FM) services is by far the largest business segment in G4S, representing 58% of group revenues. The 84 markets in which we provide these services are usually highly fragmented. Our competitors are typically smaller local and regional companies although we do compete with international companies in some countries and in some markets we compete with facilities management companies. Competition is intense in manned security and secure FM and customers can be extremely price sensitive.</p> <p>We position G4S as a high quality, global security service provider with the skills, expertise and market coverage to offer our customers integrated, cost effective and innovative security solutions that protect or add value to their organisations.</p>	Security systems and technology <p>Security systems and technology represented around 8% of group revenue in 2015.</p> <p>The global security systems market is a large and growing market but regional markets vary widely in terms of competition, products and services sold and customer segments. Our technology strategy seeks to market core products and services that are increasingly developed globally and configured locally to meet each region's unique requirements.</p> <p>In our security systems service line we compete against fire and alarm system manufacturers, installers and security systems integrators.</p> <p>We promote outsourcing and enhance the value of traditional security services through greater use of technology.</p>
	<p>We differentiate the G4S brand by investing in employee selection, training, supervision, service delivery and customer service and relationship management.</p> <p>Our manned security customer base is a valuable intangible asset. We have historically had little cross-selling in our secure solutions business segment and an important long-term element of our strategy is to offer our broad range of services on a stand-alone basis or in conjunction with other services to provide customers with an integrated and more valuable security solution. This offers the opportunity to increase customer longevity and grow our margins. We have begun to improve our cross-selling in the USA, UK and Middle East and will continue to focus on this in 2016 and into the future.</p>	
Services	The secure solutions business covers a wide range of services, including: <ul style="list-style-type: none"> Risk services and consultancy Monitoring and response Secure facilities services Manned and mobile security services 	
Revenue	£3,752m (2014 restated: £3,548m)	58%
		£506m 8% (2014 restated: £482m)

* Includes 44,000 employees in businesses to be sold or exited.

G4S areas of operation



CASH SOLUTIONS

Cash solutions & secure logistics

The cash solutions business accounted for around 14% of group revenue in 2015. We are the market leader or number two in 43 of our 48 cash solutions markets. The main providers of similar services are a small number of international competitors in mainly developed markets. Wherever possible our cash solutions business shares facilities and back office processes with our secure solutions businesses. The market is highly regulated, often by central banks, and the business requires complex infrastructure and significant expertise. Our strategy assumes that digital payment technology will continue to grow in developed markets and gain traction in emerging markets in the medium term.

We aim to:

- Position G4S as a reliable, innovative low cost operator that helps our customers to reduce their cash handling costs and increase the ease of use of cash for their customers
- play a key role in the management of the cash cycle on behalf of central banks, commercial banks and retailers, allowing them to focus on their core business
- use our developed market cash cycle expertise and track record to encourage central bank and financial institution outsourcing in emerging markets
- continue the expansion of innovative technology such as CASH360™ for retail customers.

The cash solutions business covers a wide range of services including:

Cash management outsourcing

Cash consulting

ATM management

Retail cash management (CASH360™)/Retail Solutions

International transportation

Care and justice services

Care and justice services represented around 9% of group revenue in 2015. The market structure is typically consolidated on the supply side with a small number of providers. Larger companies are usually better equipped to deliver such highly specialised services. G4S will only offer custody and detention services where we can maintain a qualified talent pool and where the political, legal, human rights standards and regulatory framework is consistent with our group values and results in acceptable operational, commercial and reputational risk.

G4S care and justice services are concentrated primarily in the UK, USA, Australia and South Africa and on a smaller scale in a number of European markets and New Zealand.

Care and justice services offers highly specialised services to central and local governments and government agencies and authorities:

Adult custody and rehabilitation

Prisoner escorting

Immigration services

Electronic monitoring

Specialist outsourced services

Based mainly in the UK, G4S offers a range of outsourcing services, which together accounted for around 11% of group revenues in 2015. These services include back office support and custody suites to UK police forces and utility services (data collection and smart meter programmes). We also manage welfare to work programmes in the UK and to date have helped 58,000 people find employment. These are specialist services and there tend to be just a small number of private companies providing similar services in the UK.

We aim to offer innovative and cost-effective solutions to customers, leveraging our scale and expertise.

Specialist services include:

Police services

Employment services

Utility services

Secure health services

£557m **9%**

(2014 restated: £587m)

£738m **11%**

(2014: £698m)

£880m

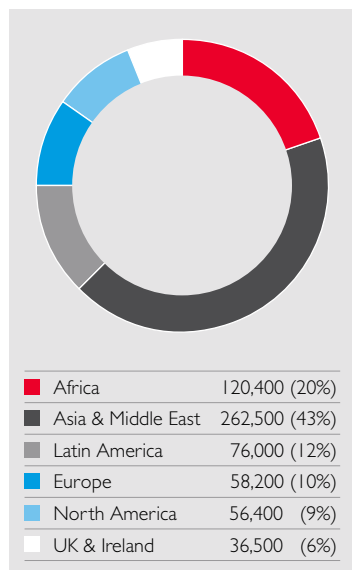
(2014: £872m)

14%

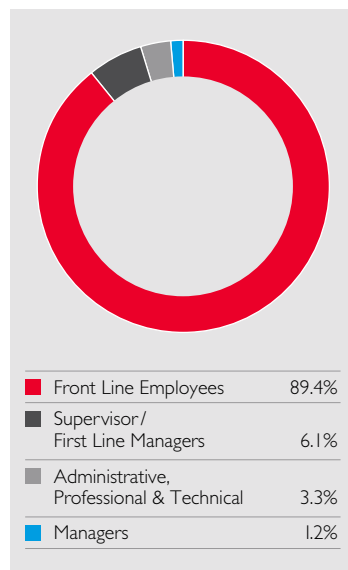
SHAPE OF THE ORGANISATION

G4S is a global business with operations in more than 100 countries. We employ over 610,000 people, making G4S one of the world's largest private employers.*

Employees by geographical segments

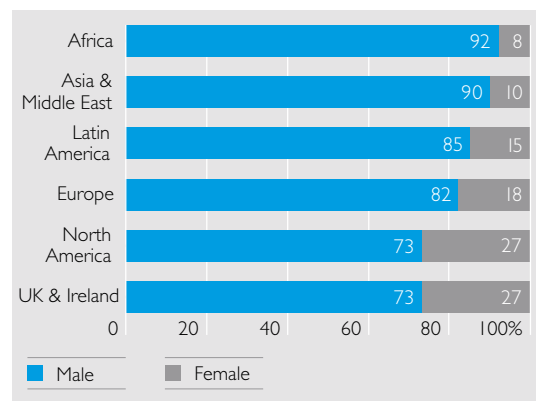


Employees by role

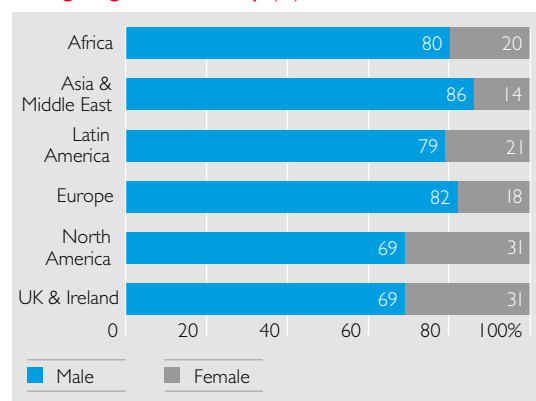


At the end of 2015, over 610,000 people worked for G4S. The largest geographical region continues to be Asia Middle East where 42% of our employees work. The majority of employees are in frontline roles, with the number of managers and supervisors varying depending on the nature of each business and the extent to which technology is deployed to meet customer requirements.

Frontline gender diversity (%)



Managers gender diversity (%)



Diversity

We believe that increased diversity is vital to our continued success because the skills and talents we need in the future are found in people from diverse backgrounds.

Gender is the only diversity metric which can be applied globally and is an important indicator of our progress in this area.

Women make up 13% of our frontline employees and 23% of our managers, although there is a wide variation between markets. It continues to be challenging to attract and retain women in frontline operational roles, so we offer support via a variety of toolkits and templates to our businesses to assist with recruitment and retention of women.

* Includes 44,000 employees in businesses to be sold or exited.

Collective agreements

	% Collective agreements		
	2015	2014	2013
Africa	57%	50%	56%
Asia & Middle East	11%	8%	11%
Latin America	39%	39%	38%
Europe	67%	63%	66%
North America	17%	17%	18%
UK & Ireland	67%	67%	84%
Total	33%	30%	33%

Employee turnover

	2015	2014	2013
Africa	24.9%	23.3%	14.4%
Asia & Middle East	36.9%	37.2%	41.0%
Latin America	23.9%	28.3%	32.6%
Europe	25.6%	29.1%	25.3%
North America	29.0%	36.6%	25.9%
UK & Ireland	13.0%	15.0%	12.7%
Total	29.7%	30.8%	29.6%

Length of employee service (%)

	2015	2014	2013
< 1 year	26%	27%	28%
1–2 years	17%	16%	18%
2–5 years	25%	25%	23%
5–10 years	19%	19%	19%
> 10 years	13%	12%	12%

33%

employees covered by
collective agreements

74%

employees have more
than one year's service

Collective agreements

In the past, as well as reporting the percentage of employees covered by collective agreements, we have also been able to give an indication of the levels of union membership. The figures for union membership were based on payroll deductions made to pay union subscriptions. Since union subscriptions are increasingly collected directly from employees' bank accounts, the company no longer has an accurate way of confirming levels of union membership across the group.

We continue to have a healthy and positive relationship with trade unions across the globe and, under the framework set out in our Ethical Employment Partnership, work with them to improve employment standards.

Employee turnover

Employee turnover is one of our key performance indicators and is closely monitored each month. In 2015, a number of regions and businesses introduced measures to address high voluntary turnover rates. For example in Europe, where turnover is relatively high, during the first six months of employment, new induction and employee buddying programmes are being piloted. In Latin America the focus has been on improving the recruitment processes and building the skills and confidence of the first-line managers. In North America we have used the extensive feedback from the employee engagement survey to develop plans for improving retention rates. The reduction in turnover rates suggest that the measures are working but we will continue our focus in this area and extend any good practices developed to gain maximum benefit across the group.

Having a stable workforce enables us to build relationships with our employees and ensure the consistent delivery of service to the same standards for our customers. It also helps to reduce costs related to the recruitment and training of new employees and allows us to focus resources on the development of employees who wish to stay or progress within the organisation. In 2015, 74% of our employees had more than one year's service.

 For more information
visit www.g4s.com/csr

A SUSTAINABLE BUSINESS



Ashley Almanza
Group Chief Executive Officer

G4S employees play an important role in society – safeguarding the welfare and prosperity of millions of people and helping create safer and better environments in which people live and work.

Importance of sustainability

Being a sustainable, ethical business is key to the ongoing success of G4S. We are trusted by customers and other stakeholders to safeguard their most precious assets and we strive to place that responsibility at the centre of everything we do.

Our values and our approach to embedding CSR strategies into our business model are important differentiators for the group. They help us to attract and retain employees, to win and keep customers and to obtain appropriate investment in the group – all of which is key to supporting our sustainable business performance.

In recent years we have reviewed the systems and processes that govern the way in which we work at G4S. Those reviews have resulted in us developing a new approach to embedding CSR practices into our operations, from implementing a new process for assessing and managing our core risks and introducing a human rights framework, to making substantial enhancements to our health and safety policies and practices. We have made considerable progress in these and wider sustainability-related programmes, which has had a positive impact on G4S and its stakeholders.


In this CSR report, we analyse the key ethical and sustainability issues and themes that arise from our business and provide an update on their progress since our last report.

Prioritising CSR activities

G4S demonstrated its commitment to CSR through signing the UN Global Compact five years ago. The core principles of the Compact continue to be reflected in our values and in our business ethics, human rights and other CSR policies.

Our CSR programmes cover a broad range of issues from assessing the economic impact of our operations to improving the fuel efficiency of our fleet. However, our primary focus is on those strategic issues that are most closely aligned to our business performance and have been highlighted by internal and external stakeholders as the most material CSR issues faced by the group.

Our 2015 CSR materiality review identified health and safety, human rights, and anti-bribery and corruption as our most important priorities and material CSR issues.

 [More information on the 2015 CSR Materiality Review can be found on pages 20 to 21.](#)

Corporate values

Values are the standards we set for ourselves and the culture of the organisation is the way those values are reflected in our behaviours and actions.

Being a service business, people are at the heart of our business. We rely on them to provide excellent customer service and to behave in line with the company's values and standards. They rely on the company to provide a safe place to work and for development, support and guidance throughout their career.

In 2015, we commenced a review of our corporate values, recognising that they were originally developed in 2004, the year G4S was created. While many elements of the values remain relevant to our business strategy today, we felt that they could better reflect the standards we expect from our staff and the

commitments we make to our stakeholders. We have concluded our review and have launched a new set of values.

In 2016, we will focus on embedding these values in our processes and practices across the group and building them into our management incentive programmes.

Where incidents are reported or the conduct of our staff falls short of our values and standards, we always treat them with the utmost gravity. We report any failures to the relevant authorities and conduct our own investigation or appoint an independent third party to carry out an investigation on our behalf. We learn from any breaches of policy or standards and adapt our practices to prevent them reoccurring in the future.



Information on recent incidents can be found on pages 29 and 30.

Achievements in 2015

Health and safety

The safety of our employees and those in our care is a key priority for the group. We have made improvements to our health and safety practices across the business, with a particular focus on management accountability as well as incident prevention and best practice sharing.

It has been a challenging year and while the added focus on health and safety has led to a reduction in the number of fatal incidents and attacks in some regions during 2015, I regret to report that 46 of our colleagues lost their lives in the course of their duties during 2015 (41 in 2014). Our goal is zero harm and whilst I am encouraged by the greatly improved safety awareness, our safety results remain completely unsatisfactory. My management team and I remain wholeheartedly

We act with...

INTEGRITY AND RESPECT

We are passionate about...

SAFETY, SECURITY AND SERVICE EXCELLENCE

We achieve this through...

INNOVATION AND TEAMWORK

Integrity and Respect

Our business activities and relationships are built on trust, honesty and openness. We deliver on the promises we make and treat our colleagues, customers and those in our care with the utmost respect.

Safety, Security and Service Excellence

We work in a safe way and take great care to protect our colleagues and customers from harm. We are experts in security and use that knowledge to protect our customers' most valuable assets. We are passionate about delivering high levels of customer service.

Innovation

We invest in technology and best practice to continually improve our service offering. We challenge ourselves to find new ways of helping our customers.

Teamwork

We work together as a team to achieve the best results for our customers and our business. Everyone has a valid opinion and their contribution is valued.

committed to our goal of zero harm and will continue to invest in safety awareness, training and intervention as part of an ongoing programme to enhance the safety culture of the company.

Our approach on health and safety will focus directly on the actions of supervisors and staff on the front line with resources being realigned to the areas where they can have the most impact – reviewing health and safety practices at our offices, branches and customer sites and taking remedial action to reinforce everyday compliance with our health and safety guidelines.

Human rights

Our human rights framework has been embedded in key systems and business decision-making processes across the group, such as evaluating new market entry, analysing the risks of entering into major new

contracts or operational areas, and internal audit and compliance assessment. Our prioritisation of human rights issues is based on an annual assessment of human rights risks and a series of control self-assessment and reviews in markets where human rights risks may exist. We take human rights risks extremely seriously and when a risk or concern is identified, action is taken to make sure that we put in place processes to mitigate or reduce that risk.

Anti-bribery and corruption

Every G4S colleague has a responsibility to ensure that we uphold our values, adhere to the law and operate in a manner that is consistent with the important commitments set out in our ethics policy and ethics code. In September we launched Speak Out, our new and enhanced global whistleblowing

process. As well as to a new global whistleblowing hotline, our Speak Out programme is supported by a central whistleblowing case management system which will provide us with much improved visibility of whistleblowing issues and help us to assess trends. In addition, we have identified a series of specialist investigators within the company who have been trained to investigate whistleblowing matters within their area of expertise.

Creating an environment in which colleagues feel confident that they can raise concerns and they will be taken seriously without fear of retaliation is essential to the success of the business and one of our priorities for 2016. The importance of supporting this outcome was underlined by the shocking and unacceptable events at our Medway facility in late 2015.

Our group strategy underpinned by our values



Employee engagement

Feedback from our global employees is an important method of assessing how policies are being put into practice throughout our operations. It also helps us to measure our employees' understanding of the group values and identify things we can do to improve the way they feel about the company.

In 2015, we undertook the most recent of our global employee surveys, based on our PRIDE model (see www.g4s.com/pride for more information on the model). This survey, our fourth, was the largest to date and received 449,000 responses, from around 73% of all employees.

The survey data is very useful in developing and enhancing our group-wide human resources and engagement strategies, but more importantly, because it can be analysed in depth at a local level, it provides our management and supervisors with information on local issues so they can take action to address any concerns raised by our employees.

Information on the key findings from the employee survey can be found on page 22.

Priorities for 2016

Our core ethical and sustainability priorities will remain unchanged during 2016 – they continue to be the areas that will have the most impact on our sustainable performance and therefore will be the areas where we will focus our efforts.

Health and safety

We will continue our relentless focus on the safety of our employees and those in our care. We will continue to learn the lessons from incidents that have taken place and ensure that our systems are continually improved to prevent reoccurrence. Our goal is zero harm.

Human rights

Human rights will continue to form an important part of our risk assessment and mitigation process, with the implementation of a new control self-assessment for businesses operating in high-risk countries beginning in 2016. We will also continue to build awareness and understanding of our human rights responsibilities among our leadership.

Anti-bribery and corruption

Following the launch of Speak Out, we will continue to reinforce awareness and encourage a workplace culture in which all employees will feel confident that they can raise any ethical concerns they may have in good faith without fear of retaliation.

Values

The introduction of our new values will be supported by an employee engagement programme to ensure that they are embedded in our core processes for selecting, hiring, on-boarding, training and developing of our colleagues around the world. They will also be a key element of how we assess the performance of our leaders and

the basis on which our other corporate policies and standards will develop.

I and my group executive colleagues believe that our CSR strategy must develop in line with our business objectives and are committed to ensuring that our CSR standards are embedded within our organisational processes and behaviours.

We will focus on continuous improvement of our business practices to ensure that we meet our high ethical and sustainability standards across the group.

Ashley Almanza

Group Chief Executive Officer



OUR REGIONS

North America

24%

Revenue

① ② ③ ⑤

UK & Ireland

23%

Revenue

① ② ③ ④ ⑤

Asia Middle East*

21%

Revenue

① ② ③ ⑤

Europe

18%

Revenue

① ② ③ ⑤

Latin America

8%

Revenue

① ② ⑤

Africa

6%

Revenue

① ② ③ ⑤

Services

- ① Security and facilities management
- ② Security systems and technology
- ③ Care and justice services
- ④ Specialist outsourcing
- ⑤ Cash solutions and secure logistics

* From 1 January 2016, the Asia Middle East region was split into Asia Pacific and Middle East and India.



Clare Spottiswoode
CSR Chair

AN INTEGRATED APPROACH TO SUSTAINABILITY

Good CSR practice plays a vital role in successful, long-term business outcomes. In order to have the most impact on performance, CSR priorities must be integrated into everyday business actions.

While some areas of sustainability have always resided in our everyday operations – for example employee engagement and health and safety – we have seen an increasing trend of further CSR practices becoming a key part of business decision-making and operational delivery.

Embedded CSR

Many of our internal processes have been enhanced in recent years and now incorporate important elements of CSR. CSR issues are considered as essential in strategic decision-making in areas such as service line development, entering

new markets and assessing risks of doing business in certain customer sectors and geographical regions.

The requirement of managers to take direct responsibility for the safety of the staff in their care and for others with whom we come into contact has been enhanced with safety objectives built into performance contracts and incentive schemes. Following an incident, managers are expected to play a direct role in understanding the causes of the incident and making changes to processes to help prevent them reoccurring. This has helped to improve the visibility and

understanding of safety risks and the accountability for addressing safety concerns.

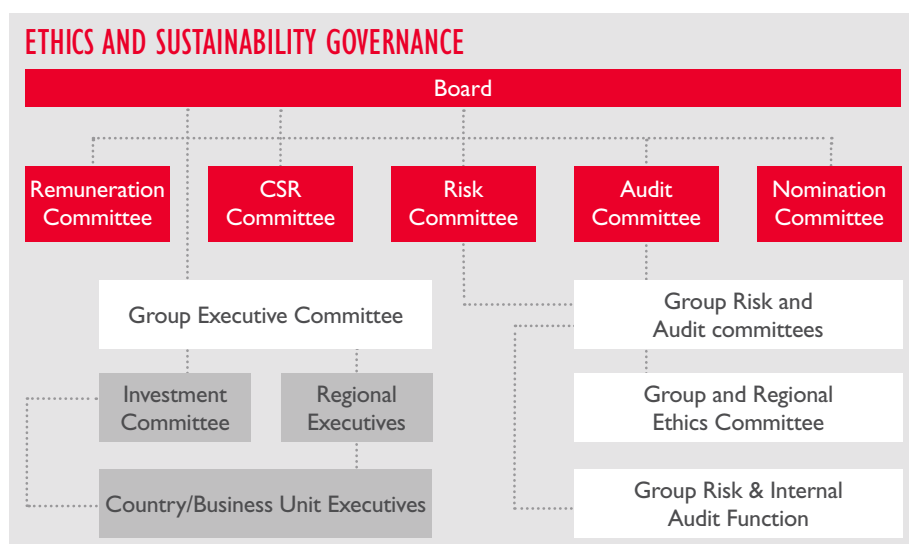
Human rights and other CSR risks form a significant element of our internal assurance and audit processes and are prioritised following our annual review of human rights risks.

Employee engagement

As an organisation that spans more than 100 countries and employs 610,000 staff, we are acutely aware that G4S can play an important role in societies across the globe.

This applies in both developed countries where laws and standards set out clear expectations of sustainable performance and in emerging markets where we are often responsible for setting voluntary guidelines and working with our key partners to ensure that we are raising industry standards.

An essential part of reviewing whether CSR is having an impact in our local markets is through feedback from our employees right down to those providing frontline operations. In 2015, our employee engagement survey provided essential insight into how strategies



developed at the centre of the organisation are deployed on the ground. It also helped to provide feedback on the company values, the fair treatment of employees, local health and safety practices, and employee understanding on how to raise concerns or issues where they see behaviour that does not meet our standards.

More information on the employee survey can be found on page 22.

Stakeholder engagement

We welcome active engagement with our key stakeholder groups on CSR matters. In addition to the everyday business engagement carried out by our managers which includes CSR issues, the CSR Committee also participates in discussions and debates about CSR performance and strategies. In 2015, I personally met with socially responsible investment (SRI) analysts and institutional investors to discuss elements of our CSR actions and governance. Presentation material used for those briefings is published on our website at www.g4s.com/csr.

Operational incidents

We expect our staff to behave in line with the company's policies and practices on human rights and other matters. We work hard to ensure that our colleagues are clear about our expectations and the requirements of our customers and know how to raise concerns if they believe others are not meeting those standards.

In any organisation, there are occasions when things go wrong or when staff do not behave in accordance with our policies and practices. While the executive management will lead on analysing the root causes of any incidents and on identifying ways in which future incidents can be prevented, I am keen to make sure that, from a governance point of view, the CSR Committee is engaged in understanding the issues and in overseeing that appropriate management action is taken. In 2015, Paul Spence and I visited a G4S-managed prison and I visited

a prison and secure training centre to see for ourselves how practices are developing in line with enhanced CSR standards in the light of incidents that had taken place.

Further information on recent incidents can be found on pages 29 and 30.

Our CSR priorities

I would like to thank colleagues and other stakeholders for participating actively in our CSR materiality review. Their insight forms an important element of our CSR strategic development and has played a key role in confirming our priority areas for the future.

The materiality review findings are published on pages 20 and 21.

The CSR Committee

In 2015, the CSR Committee met on three occasions and received regular updates from members of the management team on key CSR issues such as health and safety reports, CSR and human rights reviews of new business opportunities, and progress against our plan to introduce new whistleblowing processes and case management systems.

The committee participated in reviews of the group's response to operational incidents and the progress against our corporate renewal programme, which was agreed with the UK Government in 2014.

Committee members participated directly in the CSR materiality exercise and contributed to the review of group values that took place in 2015.

The committee will continue to work with the executive management to ensure that good CSR practice becomes further embedded within the group. We will scrutinise CSR performance and ensure that the strategic priorities are being addressed.

Clare Spottiswoode
Chair
CSR Committee

CSR COMMITTEE



Clare Spottiswoode
CSR Chair



Winnie Kin Wah Fok
Non-executive director



Paul Spence
Non-executive director

2015 membership

CSR Committee meetings are also attended by the group corporate affairs director; group human resources director and the regional president of the UK & Ireland region. The meetings are also attended by internal and external experts as required.

CARE AND REHABILITATION

THE G4S ETHOS

Our ethos is founded upon the philosophy of fairness, respect for human rights and the personal dignity of the people entrusted to our care.

FAMILY INTERVENTIONS, TO BREAK THE CYCLE OF REOFFENDING

The primary role of our colleagues working in G4S-managed prison facilities is to help prisoners to become better citizens when they leave our care.

At Parc Prison in South Wales, the Family Intervention Unit and our 'Invisible Walls' programme are among the successful measures we use to support prisoners and their families to repair and maintain healthy relationships – which in turn reduces their risk of reoffending, reduces the risk of their children following in their footsteps and reduces the social exclusion of families in their local community.

Our Family Intervention Unit is home to 62 male prisoners and provides an environment which focuses on rebuilding positive relationships between them, their families and their children. Prisoners are encouraged to speak regularly with their families, especially their children, and the unit hosts family-centred visits which are

designed to maximise their engagement. A range of group and individual intervention programmes are selected for the prisoners and their families according to risk and need, and advice is offered on parenting issues, family debt, benefits, health, and support to access training and employment opportunities.

Led by G4S, 'Invisible Walls' is a multi-agency programme which works with the families of prisoners who are experiencing difficulties. Each family receives tailored mentoring support for up to a year prior to the prisoner's release and then for another six months following release. The success of this programme has led to the model being replicated in other prisons across the UK and overseas.

Following an 18-month accreditation and submission process, HMP and YOI Parc has been awarded the Investors in Families Charter Mark for its ground-breaking work to reduce reoffending among prisoners and their families through innovative educational methods.

CONFRONTING AND ADDRESSING POOR BEHAVIOUR

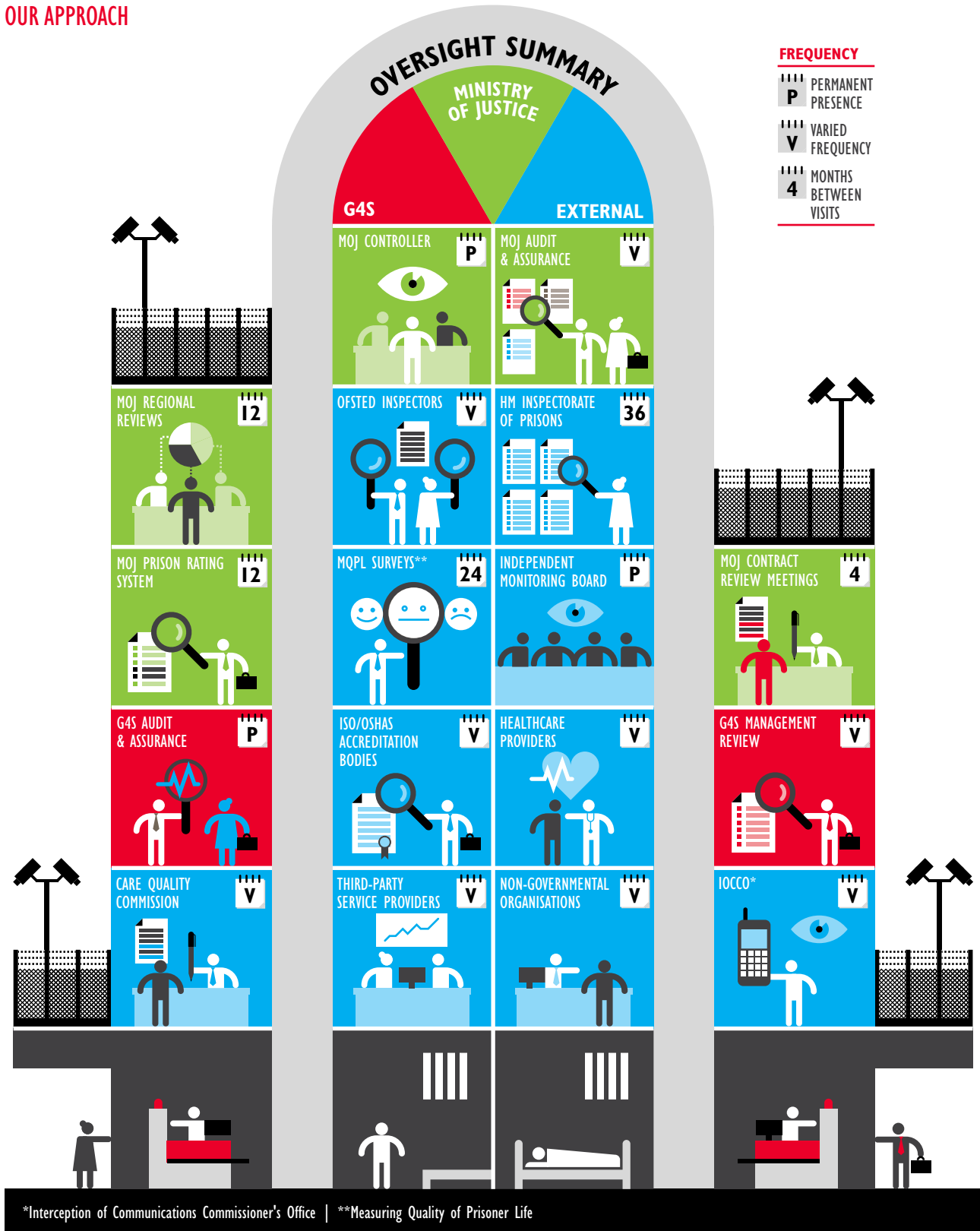
The Basic Intervention Group (BIG) is a new programme which aims to confront the behaviours of the most challenging prisoners at Oakwood Prison in England. Should the behaviour of any prisoner not meet expectation or certain standards required of them, they face the removal of certain earned privileges, such as access to in-cell television and eligibility to earn higher rates of pay, and being returned to a 'Basic' regime. Experience has shown that for some prisoners, this can become the start of a deteriorating pattern of behaviour towards others and affect their rehabilitation.

The BIG programme uses positive role models to intervene and prevent or address poor behaviour, aiming to trigger a new cycle of behavioural improvement and cooperation. Prisoners are not guaranteed to be accepted onto the BIG initiative and must demonstrate their willingness to change as part of the application process. Once accepted on the programme, each prisoner will be assigned a mentor who has a record of excellent behaviour and is fully compliant with the prison regime.

The BIG programme encourages prisoners to confront the consequences of their actions and repair damage done through mediation and work. Through the BIG programme, more than 100 mediations have been undertaken between prisoners who had grievances against one another and which sometimes resulted in violent behaviour. There have been no recurrences of the behavioural problem. Work parties allow prisoners to repair any damage they have caused and demonstrate a willingness to change to other prisoners. Prison officers and the reducing reoffending team oversee the process and the progress of each BIG prisoner is reported back to the senior management team. The initiative is successfully addressing the behaviour of some of the most challenging prisoners. It has also built mentors' skills, with third party agencies showing interest in offering employment post-release.



OUR APPROACH



G4S' care and justice services are not managed in isolation. In addition to our own management and governance structures, we work with many different organisations to ensure that our facilities are closely monitored and meet the

standards which are expected of them. The graphic above represents the various internal and external bodies which are monitoring a typical G4S custodial or detention facility in the UK.



‘SAFETY ON THE GO’ IN INDIA

During 2015, G4S India ran a safety programme for employees using motorcycles, because they face increased likelihood of being involved in an incident. The aim of the programme was to raise safety awareness as well as ensuring compliance with the G4S Driving Force Rules.

More than 900 employees across the country took part in this programme, which included a training module on defensive driving.

The programme was reinforced by an extensive communication campaign. New personal protective equipment was introduced to improve the visibility of motorcyclists and other security officers who work in close proximity to vehicles.

SAFETY FOCUS

HEALTH AND SAFETY MANAGEMENT

CRITICAL COUNTRY REVIEWS (CCRs) OF HEALTH AND SAFETY:

CCRs are commissioned by the group director of health and safety, on behalf of the Group Executive Committee (GEC).

FATALITIES AND LIFE-THREATENING OR PERMANENTLY DISABLING INJURIES:

The group is formally notified within 24 hours of an incident by the relevant managing director.

SAFETY TRAINING IN NETHERLANDS

G4S Netherlands provides safety and emergency response training to government and industry at our six specialist facilities. This training uses a mix of classroom and scenario – based environments covering firefighting, first aid and evacuation. Our trainers will also carry out situation-based training and testing of emergency response and evacuation effectiveness at our customers' sites.



FIREARMS

In some markets it is a requirement for G4S security staff to carry firearms as a means of additional protection for themselves and their customers. Therefore, we have a comprehensive policy on firearms covering a range of issues relating to firearms safety, including their control, procurement, storage and transportation.

Regular refresher training, appropriate screening of employees and ongoing maintenance and repair of firearms ensure the safety of both employees and the firearms they use.

The implementation of this policy is reviewed through a process of compliance audits and review, both by the local businesses and by Group Internal Audit.

Countries are selected based on risk exposure and performance, particularly the occurrence of work-related fatalities.

The objectives of the review are 'to help businesses identify and take actions to prevent or mitigate the workplace risks to the lives of our people'.

The reviews also provide assurance to the GEC that recommended actions stemming from serious incidents are implemented.

The reviews are conducted by a senior person who has a significant level of health and safety expertise and who is not in the line of management of that business. A specialist in a particular risk area often also takes part.

The health and safety processes and practices in the business are reviewed and root cause analysis is carried out to identify the root cause of any serious incidents.

CCR reports are reviewed by all GEC members.

The recommended actions from the review are formally tracked by the regional health and safety manager, on behalf of their regional leader.

Within 24 hours, a preliminary set of actions is completed. Apart from the emergency response, this includes gathering the relevant information, contacting the relevant authorities and attending to the needs of the next of kin.

An investigation team is formed and an investigation is carried out, usually within 14 days.

Within 28 days, an investigation report is submitted to the group's director of health and safety.

The investigation and root cause analysis is reviewed by the director of health and safety for the group.

A lessons learned note is sent out by the group and/or region.

The regional health and safety manager will formally track the implementation of recommended actions from the investigation.

BUSINESS FOR PEACE

In 2014, G4S became a signatory to the UN Global Compact's Business for Peace initiative.

The initiative aims to help businesses implement responsible practices while operating in high-risk and conflict-affected areas. It also aims to help ensure that companies bring about a positive change to the regions in which they are operating by promoting stability, beneficial development and the advancement of peace.

As a socially responsible company, G4S reinforces its commitment to Business for Peace through working alongside governments and non-governmental organisations in high-risk environments to support humanitarian, stabilisation and economic reconstruction efforts.

MINE ACTION

G4S Ordnance Management teams support humanitarian and reconstruction programmes around the world through stockpile control, bomb disposal and the removal of landmines and unexploded remnants of war.

Our personnel are recognised as experts in the location, identification and safe removal of landmines and other ordnance and the destruction of conventional weapons and stockpiled munitions.

Since 2006, G4S has been supporting the United Nations Mine Action Service (UNMAS) throughout South Sudan. In this role, our primary objectives are to:

- contribute to the reduction of the threat and impact of landmines and other remnants of war created by the ongoing conflict in South Sudan and the legacy of the civil war in pre-independence Southern Sudan
- contribute to the protection of civilians by improving safe access for humanitarian groups to the communities affected by the conflict

- contribute to the socio-economic development of South Sudan by enabling contaminated land to be cleared of landmines and released to local communities for agriculture or commerce

The children of local communities are particularly at risk from landmines which may be laid across land previously used for farming or could be collected by them for scrap and recycling value. We are supporting our sustainable legacy in South Sudan, by delivering education programmes to children and adults on the danger posed by landmines and other unexploded ordnance.

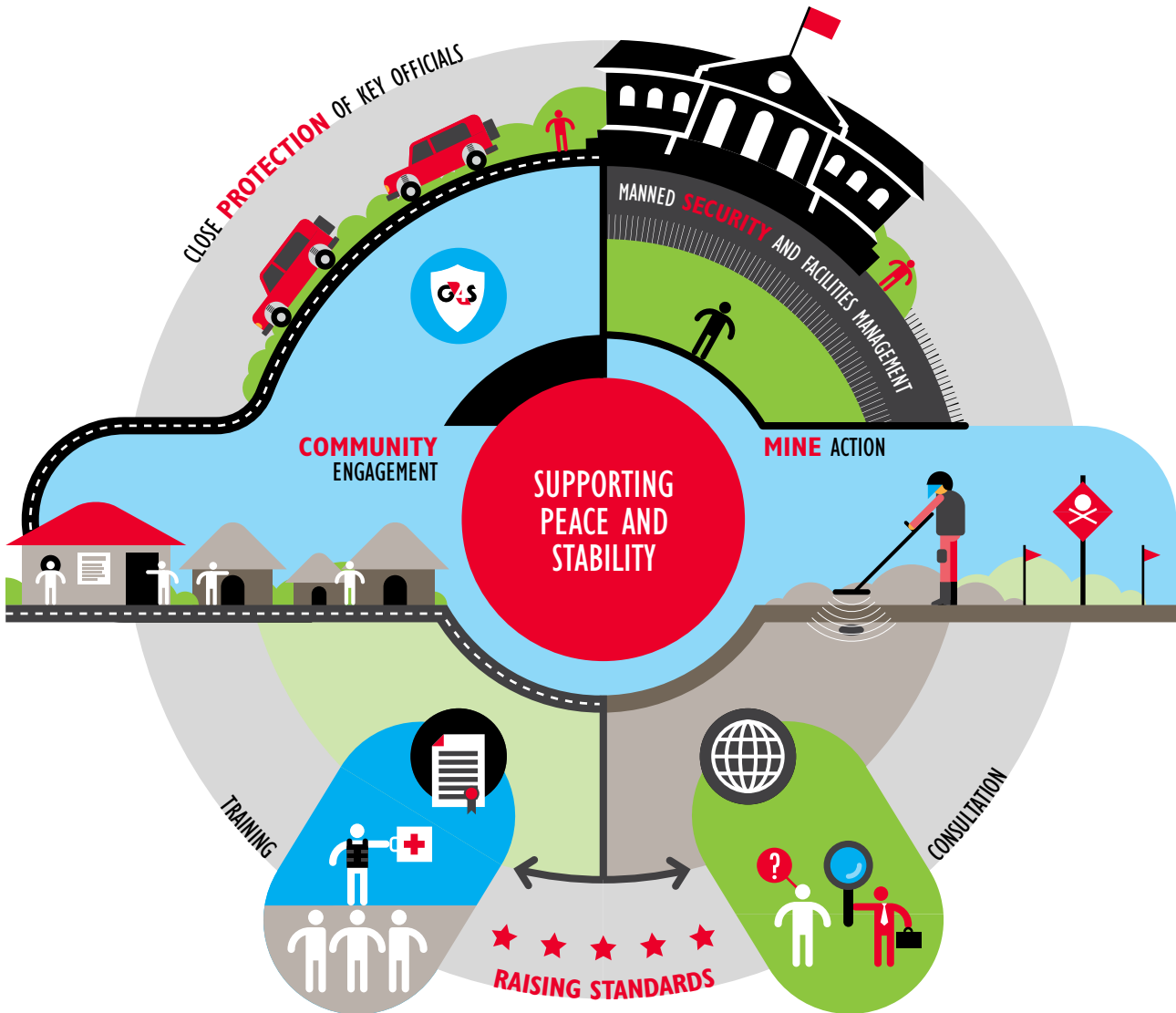
Since 1997, our specialist teams have located and destroyed more than 200,000 landmines and over 20 million items of unexploded ordnance around the world. In the process, as well as saving lives, G4S teams have returned over 1,000 square kilometres of land to productive use, either for commerce or agriculture, and cleared more than 40,000 houses, allowing people to return to their homes.



SUPPORTING INTERNATIONAL DEVELOPMENT

For over a decade, G4S has provided integrated security platforms, as well as specialist training, advisory and other services to the UK's Foreign Office, Department for International Development and other key agencies and partners. Enabling them to achieve their objectives relating to the stabilisation and reconstruction of difficult post-conflict environments such as Afghanistan, Iraq and Somaliland.

Key initiatives bring peace and stability



RAISING STANDARDS

G4S is a founder signatory to the International Code of Conduct for Private Security Providers (2010). The Code was developed by representatives of the security industry (including G4S), civil society and the Swiss, US and UK governments. Based on international human rights standards, the Code sets out the principles for security operations in so-called 'complex environments' – areas experiencing or recovering from disaster or unrest and where governments and the rule of law are weak. It covers recruitment, vetting and training of staff; the use of force by security officers, including the handling of firearms; health and safety; and reporting and complaints handling.

The development of a governance and oversight mechanism for the Code led to the launch of the International Code of Conduct Association (ICoCA), a non-profit body established to ensure the accountability, accreditation and compliance of its members. G4S Risk Management became a member of the ICoCA Association at its launch in 2013. Since its launch, a growing number of state and non-state customers have recognised the benefit of engaging with accredited members of the ICoCA when operating in high-risk environments.



Business for Peace
WE SUPPORT

CSR MATERIALITY REVIEW

In order to ensure that G4S' approach to CSR remains focused on the areas that are of most relevance to the business and its stakeholders, we carry out a wide-ranging materiality review of ethical and sustainability issues every two years.

Working in partnership with a team of independent experts, we reviewed and identified the ethical and sustainable issues and trends which may have the potential to have an impact on our business, our stakeholders and the wider security industry. These formed the basis of 26 issue areas grouped under six broad themes.

Together with our external partners, we conducted a series of telephone interviews during November and December 2015, surveying the executive and non-executive members of G4S senior management and a broad range of external stakeholders, including sustainability analysts, industry bodies, customers, suppliers, NGOs and legislative bodies.

In the interviews, we sought their views and opinions on which issues present the greatest risk or opportunity to the organisation's performance, strategy and reputation.

The results of the review are presented in our materiality matrix, which compares the priority of each issue relative to the concerns of the stakeholder group. The closer each issue is towards the top-right corner of the matrix, the higher the priority placed upon it by stakeholders and the more material it is to G4S' business performance and sustainability.

The materiality matrix confirmed three core priority ethics and sustainability areas for the group during 2016 and 2017:

Our priority areas



The safety of our employees and those in our care is one of our corporate values and remains a key priority for the group.



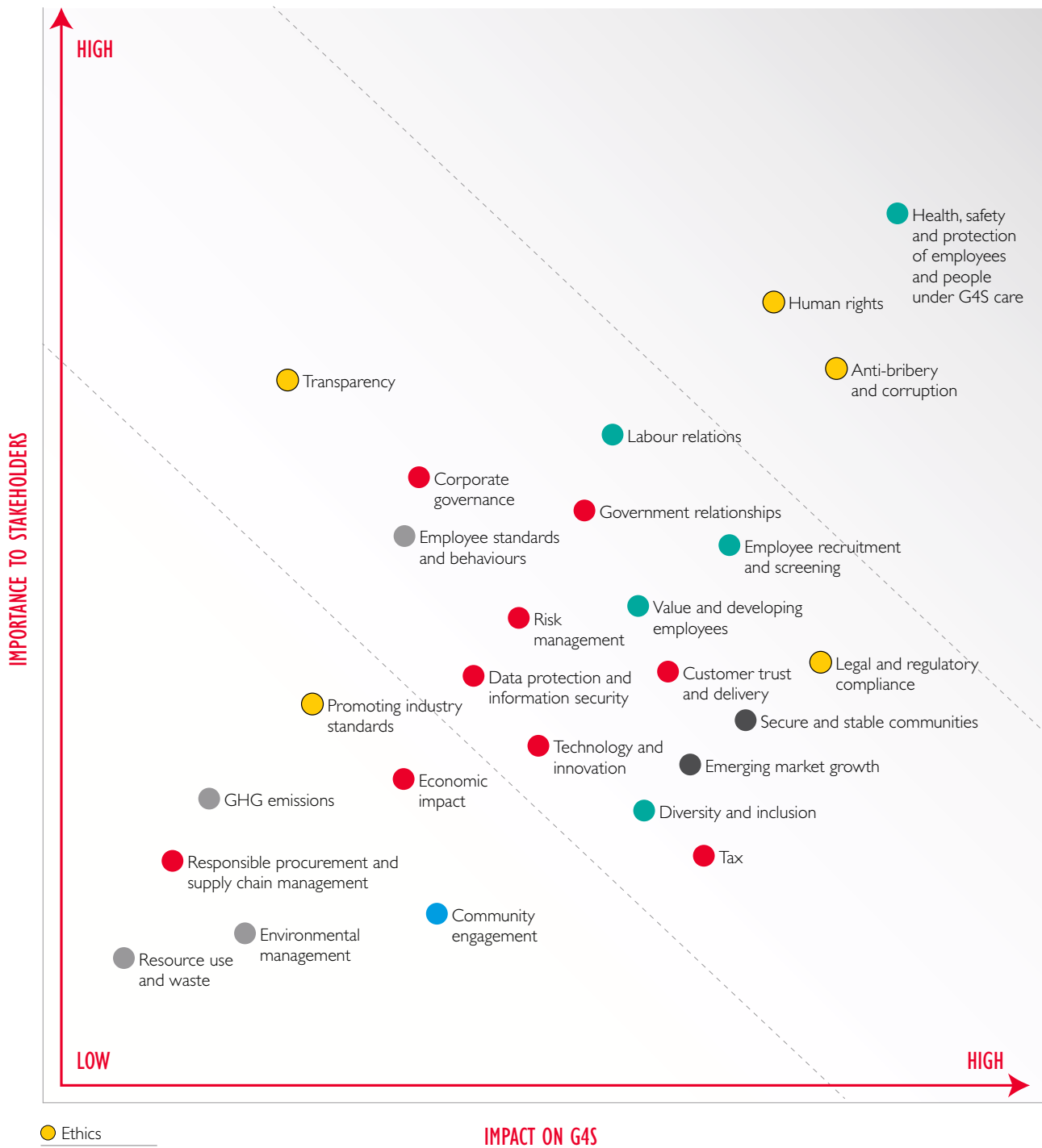
Our respect for human rights is core to the sustainable success of our business and continues to be an important part of our risk assessment and mitigation process.



We will continue to develop and encourage a workplace culture in which all employees will feel confident that they may raise any ethical concerns.



2015 materiality matrix



Employee engagement

Our employees are one of our most important stakeholder groups. In order to deliver on our goals in such a people-based business, we need highly motivated and engaged employees who believe in the company and do their best to provide our customers with great service every day.

During 2015, we conducted a global employee engagement survey to assess whether we are delivering our commitments to our employees and maximising their levels of engagement.

The feedback from the survey is vital in shaping our engagement plans for the future so every effort is made to ensure that as many employees as possible have the opportunity to participate.

The questions in the most recent survey were based on our employee engagement model called PRIDE, which sets out how we will Protect, Respect, Involve, Develop and Engage our people. As this was the fourth global engagement survey, the results tracked improvements and also provided feedback from employees on new questions on the company values.

Overall, the feedback was positive and all questions had a favourable response rate in excess of 76%, with a number, including those relating to fair treatment, personal development and effective communications, showing an increase in favourable responses since 2013. Levels of engagement remain high, with 80% of employees confirming their intention to stay with the company and that they would recommend G4S as an employer. In spite of these positive responses, there were also opportunities for improvement identified in areas such as health and safety and managerial feedback in relation to employee performance. Following communication of the results, businesses have been developing their action plans for implementation in 2016.

Having leaders who are inspired by the group aims and who strive to develop their businesses to meet these aims is critical so, in addition to the global employee survey, senior managers were invited to participate in a separate survey in order that we could gauge their specific views in more detail. Participation levels and favourable scores from senior managers were high, with over 86% of leaders responding and three-quarters of them doing so positively.

82%

overall favourable score in 2015

90%

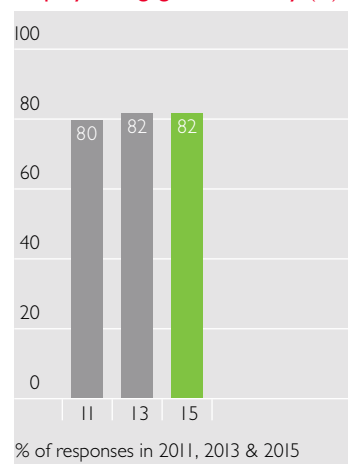
employees confirmed understanding of company values

Offering interesting and challenging roles continues to be seen as a huge attraction to working with the group, with a significant number of senior managers confirming that this is the most important factor influencing their decision to stay with G4S. Of the concerns raised, leadership development and pay and reward were the most significant, both of which the company has taken steps to address with the launch of the new regional leadership programme and a review of the alignment of incentives.

Both the employee and senior management surveys included questions on the group values to establish whether these are fully understood and whether they help shape employees' behaviour at work. From senior managers there was positive feedback about the introduction of the new 'Safety first' value, and in the wider employee engagement survey it was encouraging to see 90% of respondents confirming they are clear about how to behave in accordance with the group values. Embedding our new values in core processes will be a key focus for 2016.

Protect their basic needs
Respect them as individuals
Involve them in the business
Develop their skills and potential
Engage them fully

Overall favourable scores for the employee engagement survey (%)



CSR REPORT 2015: STAKEHOLDER TABLE

	Our stakeholders and why we engage	Examples of how we engage
	CUSTOMERS <p>...can be sure that they are working with a good company, which has high ethical standards and makes a positive impact on society, not just as a result of the service it offers, but also because of the way it behaves.</p> <p>They can be confident that we will always operate to the highest standards and will not compromise their reputation as a result of unethical conduct. They will know that we have systems and processes in place to ensure that employees operate to the highest ethical standards.</p>	<p>During 2015, we have continued to invest in embedding a rigorous approach to strategic account and customer service management. We have implemented a Net Promoter Score model to measure and respond to customer satisfaction ratings and we continue to invest in strategic account managers to ensure that we anticipate and meet our customers' needs.</p>
	PARTNERS AND SUPPLIERS <p>...can be confident that any business venture entered into with G4S will be carried out on the basis of strong ethics and that any form of unethical behaviour will not be tolerated.</p> <p>They will be sure that G4S employees will not compromise the reputation of a supplier or partner as a result of unethical conduct, and they will be clear about our expectations of them as a partner or supplier to the group and our zero tolerance policy in terms of unethical transactions or behaviour.</p>	<p>Our ethical and sustainability standards have been integrated into our key business processes, including our supplier code of conduct which was reviewed and relaunched in 2015.</p> <p>(See our website: www.g4s.com/suppliercode)</p>
	EMPLOYEES <p>...can be sure that they are working with a good company and be clear about the expectations that the group has of them in terms of behaving ethically and representing the G4S brand in an appropriate way.</p> <p>Our employees have an important role to play in helping to maintain a healthy, respectful and productive working environment. They will feel able to report any concerns about unethical behaviour within the group and can be confident that their concerns will be investigated and acted upon in confidence.</p> <p>Employees will also have the confidence to speak out if they witness behaviour that is not in line with the company's values or that puts colleagues or others at risk of harm. They will know that their concerns will be taken seriously and that they will be treated fairly for reporting any such conduct.</p>	<p>Since 2008, we have had an ethical employment partnership with UNI, a global union federation. This agreement provides a framework for businesses and unions to engage locally for the purposes of union recognition and collective bargaining. (See page 28)</p> <p>In 2015, we launched Speak Out, a new and enhanced global whistleblowing process and case management system. (See pages 31 to 32)</p> <p>Also in 2015, we conducted our fourth and largest global employee survey to date. Overall feedback was positive, however we are continuing to analyse the results and implement action plans based on the feedback received. (See page 22)</p>
	INVESTORS AND SRI ANALYSTS <p>...can be confident that they have invested in a company that has high ethical standards which provide an important differentiator for the group and help to build a sustainable reputation, business performance and market/share price value.</p>	<p>We have strong relationships with the general investor community and investment analysts.</p> <p>We host investor meetings aimed specifically at socially responsible investors and ethical investment advisors.</p> <p>We respond to ad-hoc requests for information throughout the year and also proactively seek feedback on specific CSR-related issues as they arise.</p>

CSR REPORT 2015: STAKEHOLDER TABLE CONTINUED

Our stakeholders and why we engage	Examples of how we engage
 <p>COMMUNITIES AND NON-GOVERNMENTAL ORGANISATIONS</p> <p>...can be sure that G4S will behave ethically in all of its dealings with stakeholders in the community, such as employees, customers, partners and governments. They can be sure that we will have a positive impact on the local community and bring shared value to the members of that society.</p>	<p>We make an important contribution to the communities in which we live and work through our payment of tax and employment of 610,000 people.</p> <p>Where particular concerns or complaints are made, we will seek to engage with relevant bodies, and stakeholders can be sure that their concerns will be taken seriously and dealt with appropriately at the right level of the organisation, or if necessary, by independent experts.</p>
 <p>INDUSTRY BODIES</p> <p>We work with industry bodies to establish strong benchmarks wherever we operate and play a pivotal role in raising standards in the wider industry and society as a whole.</p>	<p>Many G4S managers and employees play an active role in industry bodies and associations across the world, such as the Confederation of British Industry (CBI) or UN Global Compact. Since 2010, G4S has been directly involved in the development and success of the International Code of Conduct for Private Security Providers (ICoC). G4S was a founder signatory of the code, and in 2013 G4S Risk Management became a founding member of the ICoC Association the compliance and oversight body for the code.</p>
 <p>MULTILATERAL ORGANISATIONS AND GOVERNMENTS</p> <p>...can be confident that we will support regulation that is designed to improve standards. It is important to ensure that legislative developments do not create unfair competitive environments or unnecessary burdens on business activities. In addition to this, governments are also some of the group's largest customers and we strive to maintain good customer relationships.</p>	<p>As a leading global business, G4S participates in consultations regarding industry-specific issues and broader legislative programmes.</p> <p>We also host or participate in events at which we may demonstrate our expertise on security-related issues, such as our Security and Intelligence Forum in the UK.</p>
 <p>INDEPENDENT EXPERTS</p> <p>Where criticisms or complaints are made, stakeholders can be sure that they will be taken seriously and dealt with appropriately at the right level of the organisation or by independent experts if necessary.</p>	<p>We work with independent experts on specific topics to help the group ensure that its policies and practices are aligned with best practice.</p> <p>G4S has engaged with and sought the expertise of recognised specialists on a number of specific issues.</p> <p>For example, in 2015 G4S commissioned an independent expert on offender management and vulnerable children to review a G4S managed secure training centre in the UK, and the Ethics Steering Group selected Navex Global, an independent provider of whistleblowing hotline and case management expertise to support the development and implementation of Speak Out, the new global whistleblowing service.</p>

Customers

We are investing in a more rigorous approach to customer satisfaction monitoring and relationship management

Partners and suppliers

We have strengthened our risk and internal audit systems and processes

Employees

We engage with our employees through a global employee survey

Investors and SRI analysts

We proactively seek feedback from socially responsible investment analysts

Communities and NGOs

We conduct social and economic impact assessments of G4S businesses in key markets

Industry bodies

We aim to raise standards through membership of industry bodies such as the CBI and ICoCA

Multilateral organisations and governments

We participate in relevant consultations and support events at which we may demonstrate our expertise on security-related issues

Independent experts

We seek independent expertise on key issues such as the development of our new whistleblowing policy

STAKEHOLDER ENGAGEMENT



HEALTH AND SAFETY

The safety and wellbeing of our employees and those in our care is one of our key priorities. Our goal is zero harm.

2015 priorities

Extended mandatory health and safety training to the wider management population, with more than 1,000 managers completing the training programme during 2015



Implemented a harmonised approach to recording injuries across the group



Implemented themed safety programmes that target common risk areas, such as road safety



Continued to develop the group's health and safety management system



Complete



Ongoing

The nature of our work and the environments we work in means that security and safety present a strategic risk to our business. We believe that setting the highest standards for health and safety across our industry helps to keep our colleagues safe and builds loyalty and commitment to G4S from our employees. Leading by example and having expertise in health and safety gives not only our employees, but also our customers and other stakeholders, confidence in the behaviour of the company they are dealing with.

We recognise that our businesses operate in different contexts and face varying levels of risk. The group health and safety strategy sets the framework and provides a vision of how each business can progress from a level of compliance with health and safety regulation to a level of differentiation where we lead the industry in health and safety. All businesses within the group assess their performance against a set of core health and safety standards. Compliance is monitored and periodically audited with reviews of performance at regional, group and board levels via the CSR Committee.

Progress in 2015

The process of building capability to continuously improve our management of health and safety issues, eliminating fatal incidents and potentially fatal risks, continued during 2015:

- after the introduction of mandatory health and safety training for senior leaders in 2014, training was extended to the wider management population. This online course, which was developed based on the G4S

health and safety management system and relevant operational scenarios, was completed by more than 1,000 managers in 2015. It focused on the role of the leader in improving performance, positively influencing safety culture and raising awareness of significant safety risks across the organisation

- a project to harmonise our approach to recording injuries across the group was initiated during 2015
- 'Safety first' bulletins were used to share the lessons learned following the investigation of serious incidents. The lessons were further embedded by revising the group's health and safety standards to better address the risks that led to these incidents
- themed programmes were implemented, targeting risk areas that are common to many of our businesses. As road safety policy remains the largest category of fatal incidents, a G4S road safety policy was issued to businesses in 2015. This follows on from the implementation of the Driving Force Rules the previous year. A number of businesses also ran local programmes on topics such as speed management and motorcycle safety
- the health and safety management system was further developed, by providing guidance to businesses on topics relevant to G4S lines of business, for example guidance on the analysis of serious safety incidents related to attacks on security officers.

During 2015, 46 of our colleagues lost their lives in work-related incidents, principally as a result of attacks by third parties and road traffic incidents. This is a tragic loss

Our priority areas: Health and safety *continued*

for their families, friends and colleagues and reminds us of the importance of our efforts when it comes to health and safety.

All fatal and permanently disabling incidents are reported and investigated through a standardised process, which is led by the managing director of the business unit concerned. The implementation of action plans to prevent further incidents in countries where there have been multiple fatalities is monitored through in-depth visits and senior management follow-up as part of critical country reviews.

Each G4S business is expected to have a process for reporting and investigating workplace injuries. Improvement targets are set at business level and are based on factors such as the business's risk profile and local statutory reporting requirements. During 2015, the group's lost time incidents was 0.36 per 100,000 hours worked, based on reporting that covered 88% of employees.

During 2015, there have been two non-natural deaths in custody at G4S-managed prisons. All deaths in custody are investigated by the relevant authorities, which make a determination of the cause of death. One death has been classified as self-harm by the authorities. Pronouncement on the cause of the second death, whether it was due to natural causes or not, will be made by the coroner following completion of their investigations.

Priorities for 2016

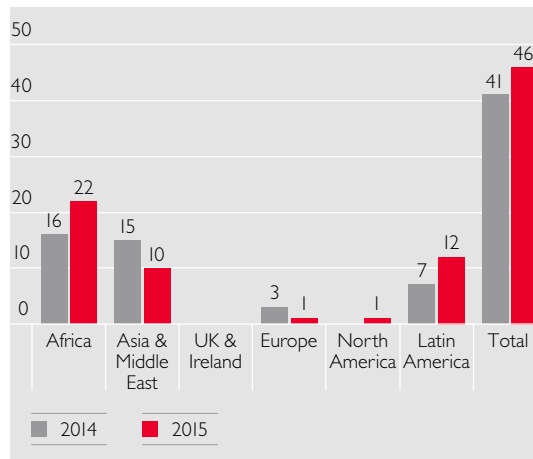
Our main health and safety priorities during 2016 are to continue to drive behaviour change so colleagues across the organisation take personal responsibility for role modelling good health and safety behaviours and for ensuring compliance with the operational procedures designed to keep them safe. We will do this by:

- conducting interventions to support selected businesses in delivering improved health and safety performance, including more involvement by the director of health and safety for the group, increased monitoring of progress with improvement plans as well as follow-up visits and critical country reviews where necessary
- issuing additional formal guidance to businesses on managing risks pertinent to our industry
- introducing further training modules on selected health and safety risks and controls that reinforce the responsibilities everyone has for ensuring these are complied with
- including health and safety control self-assessments as part of the group risk and compliance
- completing the next phase of the online incident management project.

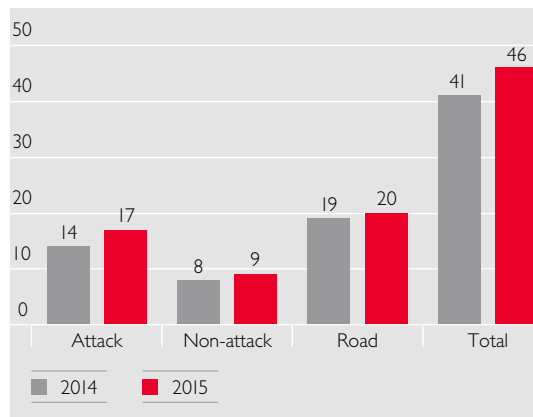
0.36

lost time incidents
per 100,000
working hours

Work-related fatalities by region



Work-related fatalities by category



6

critical country
reviews of safety
in high priority
businesses



Case study – Driver safety, Philippines

Armoured cash vehicles in Philippines have historically encountered numerous road traffic incidents where the limited view of the driver has been established as a root cause. During 2015, a programme was undertaken to install additional convex mirrors to improve the drivers' peripheral view. Over 50% of the fleet has now had the additional mirrors installed, helping to eliminate driver blind-spots and therefore reduce the number of incidents caused by this issue.





HUMAN RIGHTS

G4S' human rights policy and its related framework are based on the UN Guiding Principles on Business and Human Rights and support the continued development of an ethical and sustainable business model that encourages the improvement of standards, job creation, community support and broader beneficial impacts on societies around the world.

2015 priorities

Embedded human rights standards and awareness into key business policies and processes, including the group's risk and compliance systems



Integrated a new human rights control self-assessment for businesses operating in high-risk countries into the group's risk and compliance platform



Commenced a gap analysis of existing policies, standards and business processes to help ensure that we do not allow modern slavery to exist within our business or supply chain



☒ Complete ☐ Ongoing

In many ways, our business can contribute positively to the realisation of human rights by the range of services we offer to protect people and which enable them to enjoy their rights.

We also recognise that we have a duty to ensure that we are not at risk of violating human rights through the services we provide, the customers we work with, the suppliers we use, or through the unfair or inappropriate treatment of our own employees and others who are in our care.

Progress in 2015

Since the launch of our human rights policy in 2013, we have continued to implement our human rights framework and embed its standards and awareness into our business policies and processes.

During 2015, we have:

- embedded human rights standards and awareness within key business policies and processes, including:
 - business ethics policy
 - human resource minimum standards
 - risk assessment and management
 - internal audit and compliance systems
 - supplier code of conduct
 - whistleblowing policy and speak out hotline and case management

- continued to raise awareness of human rights issues and responsibilities within company communications and processes
- integrated a new human rights control self-assessment for businesses operating in high-risk countries into the group's risk and compliance platform. The first of the new control self-assessment will be carried out in the first-half 2016
- engaged with the Australian and UK OECD National Contact Point's (NCPs) in relation to two complaints. Further details on the actions taken and the findings of the OECD NCPs can be found on pages 29 and 30
- commenced a gap analysis review of our existing policies, standards and business processes to help ensure that we do not allow modern slavery to exist within our business or supply chain
- conducted our annual review of our human rights heatmap. The 2015 review covered 111 geographic regions and determined that G4S businesses currently operate in 47 geographic regions in which human rights may be at high or very high risk. The risks within these environments may commonly include the local attitude to labour rights and standards, restrictions on civil liberties, high levels of bribery and corruption, and ongoing or recent conflict.



Further information on our commitment and approach to human rights can be found online at: www.g4s.com/humanrights

**Case study –
Ethical employment
partnership, Global**

Since 2008, G4S has had an ethical employment partnership with UNI, the global union federation. G4S was the first UK company to enter such a partnership, which drives improvements in employment standards across the global security industry, while helping to ensure that employee and union rights are respected throughout the company.



The findings of this review are integrated into our risk and compliance processes and may trigger enhanced levels of assessment and internal audit where necessary.

- commissioned or carried out seven human rights risk assessments relating to major business opportunities for review by the group investment committee
- as part of our global risk management process, a broad assessment of operational and other business issues has been carried out against our 'risk universe', which includes human rights and other CSR risks, at least twice annually by all business units.

2016 priorities

During 2016, we will continue to implement our human rights framework and further develop our human rights approach in line with emerging good practice. We will:

- complete a review of our policies, standards and business processes to help ensure that we do not allow modern slavery to exist within our business or supply chain
- continue to build awareness of human rights issues and responsibilities across the business
- conduct an annual review of human rights risks across the group and update our human rights heatmap
- conduct human rights control self-assessment for businesses operating in high-risk countries
- carry out human rights risk assessment in key business areas.



human rights
reviews
conducted
as part of
our geographic
heat-map
assessment

AN OPEN APPROACH TO ADDRESSING HUMAN RIGHTS ISSUES

The nature of our business means that we can sometimes be subject to complaints from external organisations and those in our care. We take all complaints seriously and engage fully in addressing concerns that are raised.

UNITED KINGDOM

On 30 December 2015, G4S Children's Services (UK) referred a number of serious allegations of inappropriate staff conduct at the Medway Secure Training Centre to Medway's Local Authority Designated Officer (LADO) for safeguarding children, the Youth Justice Board for England and Wales and the Ministry of Justice (MoJ). The allegations centred on the unnecessary use of force and the use of improper language.

The LADO, in conjunction with the police and other relevant authorities, commenced an independent investigation into the allegations.

The G4S regional president for UK & Ireland convened a G4S Response Programme Board to oversee immediate changes to processes and procedures at Medway and to work with the various external agencies appointed to review the issues raised in relation to the conduct of G4S staff. At the time of publication, this programme is ongoing.

As a result of these allegations, seven staff were immediately suspended and five of those employees have now had their employment terminated. A new centre director

(a qualified social worker with extensive experience of working with vulnerable people) was appointed.

Inspectors from the Office for Standards in Education, Children's Services and Skills (Ofsted) have visited Medway STC and have spoken directly with children residing in the centre. The Children's Commissioner's teams have visited all three Secure Training Centres (STCs) managed by G4S.

We have reinforced the standards expected of all employees, reminded them of the group's whistleblowing facility Speak Out, implemented a series of improved processes around rotation of staff and accelerated the process to implement body-worn cameras for our employees in STCs. Refresher training for all staff on Minimising and Managing Physical Restraint (MMPR) has been conducted.

The MoJ has appointed an Independent Improvement Board to review the issues raised at Medway – G4S management and staff are giving them their full support. This review is expected to be completed by the end of March 2016 and the findings are not available at the time of this report being published. The MoJ is also

undertaking a review of internal and external reporting. The police and LADO investigation continues.

This matter was discussed in detail by the CSR Committee and the board, who made enquiries about the root causes of these incidents, as well as the appropriateness and completeness of the remedial action plan, and considered how the learnings from this event could drive an improvement of the control environment across the organisation. The board was satisfied that, pending the outcome of the police investigation and the conclusions reached by the Independent Improvement Board, appropriate remedial action has been taken to strengthen the control environment, prevent the re-occurrence of such events and ensure that the group's values are adhered to and their importance reiterated across the organisation.

The wellbeing and education of young people in our care has remained our key priority whilst the various reviews and investigations are underway.

Occasionally other issues of this nature are raised in connection with the activities of our businesses. Whilst our goal is always to be open and transparent about such matters, sometimes contractual relationships with our customers and/or restrictions imposed by law, regulation or a court may prohibit us from commenting on them publicly.

ISRAEL

The group has a business unit based in Israel, which provides manned security and security systems for businesses and other organisations across the country. This business has been criticised by pressure groups for its contracts to service security systems used in prisons in Israel and for servicing scanning equipment located on the barrier between Israel and the West Bank.

There have been a number of independent reviews of the business in Israel, the latest of which was commissioned in 2014. That review concluded that the company has no causal or contributory role in human rights violations. For more information visit www.g4s.com/israelreview2014

At the group's annual general meeting in June 2015, the chairman reconfirmed decisions made previously by the company in relation to specific contracts: that they would not be renewed when they expire.

In the UK, we engaged with the UK NCP for the OECD over a period of 18 months in relation to a complaint made about G4S in Israel.

After an extensive assessment, during which it received submissions from G4S, interviewed representatives of the UK Foreign & Commonwealth Office, examined evidence from NGOs and reviewed material provided by Lawyers for Palestinian Human Rights, the NCP published its Final Statement in June 2015. For more information visit www.g4s.com/ncpisrael2015

In its Initial Assessment published in June 2014 the NCP concluded that there is no evidence that any G4S equipment or services cause or contribute to adverse human rights impacts and that the company carries out extensive due diligence and ongoing review of the potential human rights risks of its business.

In its Final Statement, the NCP states:

The UK NCP does not find any general failure by the company to respect the human rights of the people on whose behalf the complaint is made or any failure to respect human rights in regard to its own operations.

The UK NCP considers that there is evidence that G4S has leverage, and could take action such as: lobbying immediate business partners and/or government and legal representatives, sharing best practice (with business partners, stakeholders and the wider sector), and committing to new practices in regard to future contracts.

The NCP made three recommendations in regard to demonstrating that the company is addressing the human rights impacts of its business relationships:

- **Work with business partners to address the adverse impacts raised in the complaints**

Across our countries of operation we engage with customers, business partners and other stakeholders on a variety of matters. Our business in Israel is no different and undertakes constant dialogue with its key stakeholder groups.

- **Communicate to stakeholders the actions it has taken in regard to the issues raised in the complaint**

We always aim to be as open as we can about factors that affect our business, but we are often subject to the confidentiality requirements of our customers. In its Final Statement, the NCP identifies that G4S is bound by the confidentiality requirements of its customers and that this 'may unduly limit the company's ability to act effectively if it cannot communicate openly about its actions with stakeholders and business partners.' This assessment is accurate in relation to the contracts and business units which have been under review during the NCP process and therefore we are unable to provide specific detail regarding the actions of our businesses other than that which have been disclosed during the NCP's review.

- **Implement a contract approvals process that includes an assessment of human rights risks and mitigations**

We have implemented a human rights policy across the business and embedded human rights into our group risk and mitigations assessments, details of which can be found on pages 27 and 28 of this CSR Report.

PAPUA NEW GUINEA

In February 2014, an incident took place at the Manus Island Regional Processing Centre (an immigration centre for housing of unauthorised asylum seekers attempting to enter Australia by sea) in Papua New Guinea, during which a transferee was tragically killed and a number of other transferees and members of staff were injured.

Following the incident, the Australian Government, responsible for the offshore processing of transferees in the region, commissioned two reviews. G4S engaged fully with both reviews.

The findings of the first review, conducted by Robert Cornall, can be found at: www.g4s.com/manuscornall2014

Materials relating to the second review, conducted by the Australian Senate Committee for Constitutional and Legal Affairs, can be found via: www.g4s.com/manussenate2014. These include submissions made and evidence given to the committee by G4S and the findings of the review.

In June 2015, the Australian NCP for the OECD published a statement conveying its decision not to accept for investigation a complaint made in relation to the Manus Island Regional Processing Centre. More information can be found via: www.g4s.com/ncpmanus2015

We continue to support the authorities in Papua New Guinea in their local investigation into the incident at the centre.

Note: In March 2016, G4S announced that as part of its on-going review of its portfolio of businesses, it had commenced a process to sell four additional businesses to those which had previously been identified by the group for sale. These included G4S Israel and G4S Children's Services (UK), comprising children's homes and Secure Training Centres.



ANTI-BRIBERY AND CORRUPTION

Being a responsible business partner, employer, customer and supplier is an important part of our strategy and forms an essential foundation on which we carry out our business.

2015 priorities

Completed a review of compliance and assurance resources across the group, integrating employees with a significant audit role into the central risk and internal audit department



Worked with PwC to ensure that our end-to-end risk control and audit process is coherent and effective



Integrated control self-assessments and internal audit systems into our group risk and compliance platform



Initiated a review of the group's anti-bribery and corruption policies to ensure that they are in line with current best practice



Launched Speak Out, a new global whistleblowing process, supported by an integrated case management tool and wide network of trained investigators



Continued to build awareness of Speak Out and encourage an environment in which employees are confident they can raise ethical concerns



☒ Complete ☐ Ongoing

Further information on how we safeguard our integrity, including our business ethics policy and code, risk management and internal audit, whistleblowing policy and approach to anti-bribery and corruption, can be found online at www.g4s.com/ethics

In our view, the ethical behaviour of corporations should not be just a reaction to regulation or legal compliance, but a means of doing business that gives customers, employees, partners and communities the confidence that they are working with an ethical organisation that is not prepared to compromise on its integrity to achieve its objectives or to make money. That is why we ensure that our business ethics and anti-bribery and corruption programmes are embedded within our organisation and are the responsibility of every manager across the group.

We believe that high standards of ethical conduct provide a market differentiator and those organisations with the highest ethical standards will have the most positive impact on the lives of those around them and, ultimately, will be the most successful.

We have a group-wide business ethics policy that clearly defines what we consider to be acceptable and unacceptable business practices. We demand compliance with this policy from all managers and employees across the group.

In order to ensure that everyone in the group understands their obligations in relation to this policy, we do the following:

- update and strengthen the G4S business ethics policy periodically, incorporating evolving standards and legislation and evaluating any risk to the group's integrity
- distribute the policy to managers and request that all managers review the policy and personally sign up to playing their part in ensuring its implementation and therefore the group's compliance

- ensure that all employees are aware of their obligations under the policy, through various communications channels, including induction and other training, notice boards, employee magazines, etc
- provide specific training to all managers and supervisors on business ethics and preventing bribery and corruption through a bespoke programme available in a variety of formats and languages
- reinforce the importance of ethical behaviour through induction, employment contracts, staff handbooks, training and communications practices.

Progress in 2015

Every G4S employee has a responsibility to ensure that they uphold our core values, adhere to the law and deliver against the important commitments set out in our business ethics policy and ethics code. One of the key methods of ensuring that we maintain high standards of ethics and integrity is to ensure that employees are able to report concerns that they may have about the business, or the activities of individuals, that they believe contravene our ethics code.

Following a review of our whistleblowing policy in 2014 by a specially formed Ethics Steering Group, we launched our new and enhanced whistleblowing process in September 2015. Hosted by an independent specialist hotline and case management provider, Speak Out allows all G4S employees and former employees to raise ethical matters of concern online or via a free telephone service.

Our priority areas: Anti-bribery and corruption *continued*

Both channels are available 24 hours a day, seven days a week and are completely confidential.

Accompanying the launch of Speak Out, we have developed a range of communication materials to raise awareness and encourage employees to report any concerns or wrongdoing. The new case management system enables us to better record, manage and report on whistleblowing cases. This integrated system gives us greater visibility of the issues and what, if any, are the common themes. It offers employees greater visibility of the status of their case and any investigations.

Another area that has been improved is the way we select and appoint the people who carry out investigations. In addition to the internal audit team, we have appointed a wider network of investigators (all of whom have received additional training) with the integrity and expertise to deal with confidential matters relating to financial issues, ethical issues, bribery issues, or issues relating to any of our policies as they arise.

The ethics steering group will continue to oversee the successful implementation of Speak Out, monitoring its caseload and carrying out regular reviews of cases being reported, investigation progress and resulting actions.

During 2015, the internal audit function carried out eight investigations into issues raised through existing whistleblowing channels. Other investigations covering less serious matters were carried out by regional management with the results and recommendations from those investigations being shared with the group director of risk and audit.

The internal audit team meets regularly with PwC, our external auditor, to ensure that there is strong cooperation and to minimise any gaps in audit coverage.

Types of issues investigated by the group internal audit function and actions resulting include:

Alleged unethical behaviour by management, including abuse of position and fraud

All issues are investigated and in proven cases action taken against management, including disciplinary action up to and including dismissal.

In the case of serious issues such as fraud, the group has a zero tolerance approach and reports such cases to the local police and wherever possible will seek criminal prosecution.

This applies to all types of fraud whether internal or external.

Concerns regarding operational procedures

Investigations with regional management to ensure that G4S standards are being followed properly.

2016 priorities

- complete the global implementation of the Speak Out whistleblowing hotline and case management system
- continue to create an environment in which G4S colleagues can be confident that they can Speak Out and raise concerns and that they will be taken seriously without fear of retaliation
- conduct annual control self-assessments of key issues, including business ethics, health and safety, and human rights, using the group risk and compliance system
- complete our review of the group's anti-bribery and corruption policies to ensure that they are in line with current best practice and to implement any changes as appropriate.

Risk management

Our risks, including ethics and sustainability risks, are captured in a global risk reporting information system. These risks are formally reviewed at least annually by every business unit and shared service function. The principal risks (see pages 48 to 54 of the Annual Report) to the group as a whole are discussed in depth at the Group Executive Committee. The board Risk Committee reviews the most significant risks on a regular basis, and the board regularly reviews the overall impact of these major risks on the group's activities.

During 2015, the regional risk and audit committees have driven improved risk management processes in the operating units, monitoring the quality of risk registers and the progress against planned mitigating actions. The new Governance Risk and Control (GRC) information system has been implemented and the previous risk management system retired.

The G4S Ethics Code

BEING SAFE AND SECURE

- Putting health and safety first
- Protecting the security of our customers, the public and those in our care
- Carefully following rules and procedures

BEING FAIR AND CONSIDERATE

- Showing respect and consideration for others
- Treating people fairly
- Considering our local communities
- Respecting the environment

BEING HONEST AND TRUSTWORTHY

- Always following the law
- Reporting any wrongdoing
- Never offering or taking a bribe
- Avoiding any conflict of interest
- Being open and honest with customers, colleagues and others with whom we deal

BEING PROFESSIONAL AND PROUD

- Doing the best job you can
- Looking smart and behaving professionally
- Being a good role model
- Safeguarding and promoting the G4S name

IF YOU SEE OR SUSPECT WRONGDOING...

...do the right thing and speak out!



01234 123456

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, welfare issues or general employment grievances) should be directed to your line manager or HR for a quick resolution.



Securing Your World

ABOUT THIS REPORT

This report and our collective sustainability reporting framework were published in April 2016. Together, they represent the CSR activity of G4S plc and its subsidiaries, associated undertakings and joint ventures for the year ended 31 December 2015 and follow our 2014 CSR Report published in April 2015. The audited Integrated Report and Accounts of G4S plc for the year ended 31 December 2015 contains further information about the company and should be seen as the definitive source for investment decisions. No significant changes from previous reporting periods have been made, including the boundaries and measurement methods, unless stated.

Reporting frameworks

Carbon Disclosure Project

Since 2009, G4S has reported on the progress of its Climate Action Programme through the Carbon Disclosure Project (CDP).

In the latest CDP report, *Global Climate Change – At The Tipping Point*, G4S achieved a CDP score of 94(B), an improvement of 6% from our score of 89(B) in 2014.

The CDP scores companies based on their climate change disclosure; high scores indicate good internal data management and an understanding of climate change-related issues affecting the company.

Reporting to the CDP shows that companies are aware 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.

Global Reporting Initiative

Our sustainability reporting framework for 2015 contains a number of Standard Disclosures from the Global Reporting Initiative Sustainability Reporting Guidelines. A list of these Standard

Disclosures and their location within our sustainability reporting framework is available to view online at: www.g4s.com/gri

UN Global Compact

G4S plc became a signatory to the UN Global Compact in 2011. The world's foremost CSR initiative, the Global Compact sets out 10 universal principles to which businesses must adhere across the areas of anti-corruption, labour relations, human rights and the environment. G4S is proud to reaffirm its commitment to these principles, which continue to be reflected in our family of CSR policies and 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 business strategy, culture, values and daily operations during 2015.



UN Global Compact: Communication on Progress Index

	CSR framework pages
Statement of continued support by CEO	8
Human Rights: Principles 1 & 2	2, 10, 11, 13, 14, 15, 18, 19, 20, 21, 27, 28, 29, 30 + www.g4s.com/humanrights
Labour: Principles 3, 4, 5 & 6	2, 6, 7, 10, 11, 20, 21, 22, 23, 25, 26 + www.g4s.com/people + www.g4s.com/humanrights
Environment: Principles 7, 8 & 9	3, 20, 21 + www.g4s.com/cap
Anti-corruption: Principle 10	2, 10, 11, 15, 20, 21, 31, 32 + www.g4s.com/ethics

SUSTAINABILITY ONLINE



Visit: www.g4s.com for more information

Our sustainability reporting framework is led by our Integrated Report and Accounts and this Corporate Social Responsibility Report. These documents are supported by our website, which contains a greater range of information and data on wider ethical and sustainability issues.

This includes our climate action and greenhouse gas reporting, labour relations, employee diversity and other human resource minimum standards, community investment, economic impact and much more.

A full index of sustainability-related issues can be found online at www.g4s.com/csrindex



This is our **Communication on Progress** in implementing the principles of the **United Nations Global Compact** and supporting broader UN goals.

We welcome feedback on its contents.

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