Our Values at Work
G4S SRI update

June 2015

Securing Your World

Introductions

Irene Cowden
Group HR Director

Clare Spottiswoode
Non-Exec Director
& CSR Committee Chair

Debbie Walker
Group Communications Director

Helen Parris
Director of Investor Relations

Nigel Lockwood
Head of CSR

Peter David
Company Secretary

Alastair James
Director of Group Risk
& Internal Audit

Jerry Petherick
Managing Director
G4S Care & Justice Services UK

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Agenda

Business Ethics

- *Corporate values*
- *Ethics & sustainability Governance*
- *Focused on what matters*
- *Managing risk*
- *Speaking out: whistleblowing*
- *Employee engagement*

Human Rights

- *An open approach to addressing human rights complaints*
- *Embedding human rights*
- *Realising human rights*

Health and Safety

- *Focusing on safety*

Q&A

For Background

- *Safeguarding our integrity*
- *Securing our people*
- *Securing our environment*
- *Securing our communities*

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Business Ethics
Our corporate values

Performance:
We seek to improve performance year-on-year to create long-term sustainability

Teamwork & Collaboration:
We collaborate for the benefit of our customers and G4S

Best People:
We employ the best people, develop their competence, provide opportunity and inspire them to live our values

Expertise:
We develop and demonstrate our expertise through our innovative approach to creating and delivering the right solutions

Customer Focus:
We have close, open relationships with our customers which generate trust and we work in partnership for the mutual benefit of our organisations

Integrity:
We can always be trusted to do the right thing

Safety First:
We prioritise safety management to protect the health and wellbeing of our colleagues and those around us

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Business Ethics
Ethics and sustainability governance

CSR Committee

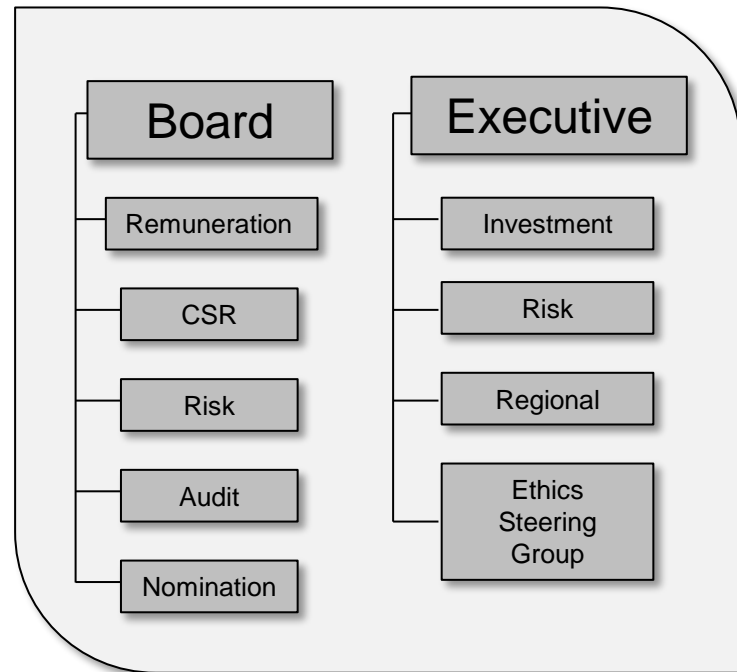Clare Spottiswoode
Non-Exec Director
& CSR Committee Chair

Winnie Fok
Non-Exec Director

Paul Spence
Non-Exec Director

Regular Attendees:
- Debbie Walker, Group Communications Director
- Irene Cowden / Jenni Myles, Group HR Director
- Peter Neden, Regional President, UK & Ireland
- Nigel Lockwood, Head of CSR
- Herman Kok, Head of Health & Safety

Board	Executive
Remuneration	Investment
CSR	Risk
Risk	Regional
Audit	Ethics Steering Group
Nomination	

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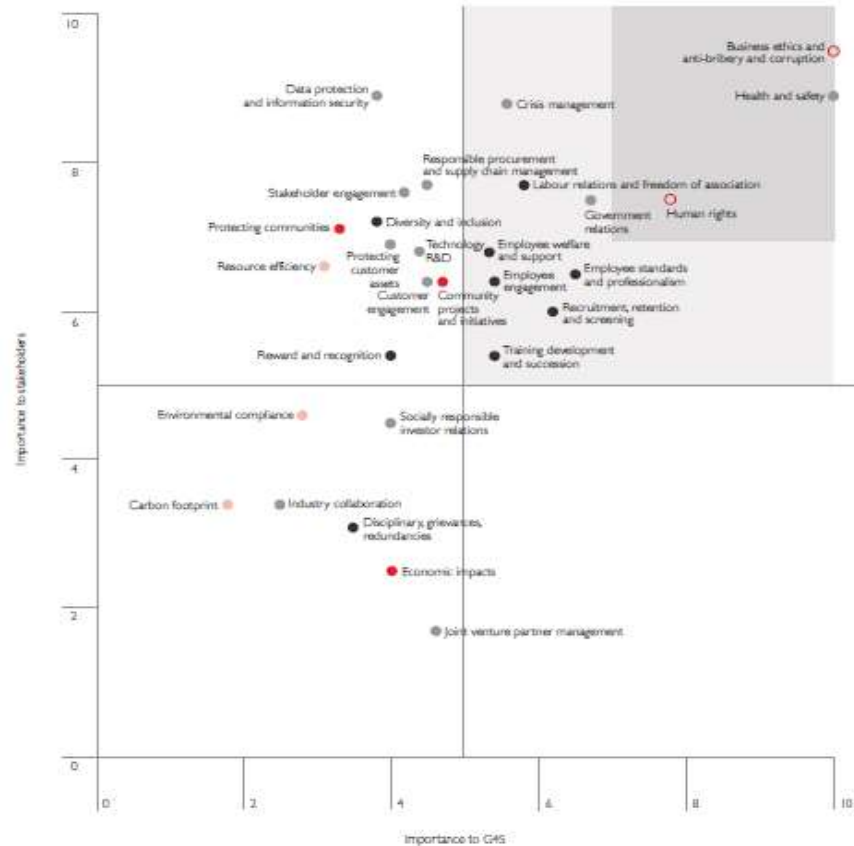
Business Ethics
Focused on what matters

Bi-annual review defines priorities and material issues

Development of specific CSR strategy and reporting

Stakeholder engagement

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2014 materiality matrix

Business Ethics
Managing Risk

- All risks are categorised in a hierarchical risk universe
- Ethical risks are included in the **Reputation** and **Legal & Regulations** sub-categories:

Reputation	Brand positioning & strength not being aligned to strategy	Adverse publicity impacting reputation with customers, public or government	Government relationship management being ineffective	Media relationship management being ineffective	Human rights incidents and issues	Corporate Social Responsibility shortcomings	Environmental impact and policies affecting reputation with customers	H&S performance affecting reputation with customers	Animals suffering in our care	Perceived or actual tax policy or litigation strategy damaging reputation

Laws & Regulations	Failing to comply with specific country & state laws and regulations	Failing to comply with competition law	National ownership requirements not being met or impeding management control	Failing to obtain required Government licenses	Failing to comply with mandatory compliance or governance regimes	Failing to comply with employment legislation and international standards	Failing to comply with pension laws	Failing to comply with firearms regulations	Failing to comply with Human Rights legislation and international standards	Failing to comply with environmental legislation and internationally accepted standards	Being subject to Class Actions and/or regulatory agency interventions	Not complying with Health & Safety legislation

- The impact of every risk is assessed along five dimensions, one of which is reputation
- The others being strategic, financial, operational and health and safety

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Business Ethics
Strategic and mandatory risks

- **Group Risk & Compliance** (GRC) system covers strategic risks identified by businesses

- Group control standards are currently self-reported via annual or bi-annual spread sheet surveys. These controls are being mapped to the risk universe.

- From 2015, business will report compliance via the GRC system – integrating with Internal Audit processes

- Creating an integrated risk, control and audit system and enabling improved reporting and analysis

- Mandatory risks and controls include:
    - *Health and safety, including firearms*
    - *Human rights*
    - *Anti-bribery and corruption*
    - *Tax*
    - *Legal (under development)*

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Business Ethics

Speaking out: Whistleblowing

2014

- Reviewed existing whistleblowing policy against principles of the UK Whistleblowing Commission's Code of Practice
- Launched new stronger policy, available online
- Selected an independent provider for new group-wide hotline and case management system

2015

- Rolling out a new 'Speak Out' group hotline and case management system for serious concerns in Q3/4 2015
- New hotline supported by a wide-ranging awareness campaign to encourage employees to 'Speak Out' and raise concerns through company whistleblowing systems

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Business Ethics

Employee engagement

P rotect their basic needs
R espect them as individuals
I nvolve them in the business
D evelop their skills and potential
E ngage them fully

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Business Ethics

Employee engagement survey 2015

Timing:

- Survey opens 1st April 2015
- Survey closes 30th June 2015
- Consolidated group results end August 2015

Languages:

- 37 available including most European languages, and Nepalese, Dari, Arabic, Tagalog, Sinhalese and Tamil

Format:

- Paper – data scanned by third party
- On-line
- Mobile pilot in some businesses (with 3 language options)

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Business Ethics
Employee engagement survey 2015

Protect	I understand the procedures I should follow to do my job	
	I understand how to behave in line with the company values	New question
	I have the materials and equipment I need to do my job	
	G4S takes health and safety in the workplace seriously	
	I feel able to speak up if I notice unethical behaviour in G4S	New question
Respect	The company respects and values people from different backgrounds	
	I receive recognition from my supervisor / manager when I do a job well	
	The company treats its employees fairly	
	I believe providing excellent customer service is important to G4S	New question
	I believe G4S demonstrates high standards of ethics	Amended question
Involve	I feel my opinions and ideas count at work	
	I believe communication in the company is effective for my needs	
	I am proud to be a member of the G4S team	Amended question
Develop	I have been well trained to perform my job	
	I am encouraged to progress and develop within my role	
	My supervisor/manager supports me by listening and giving helpful feedback on my performance at work	
Engage	I would recommend G4S as an employer to a friend	
	I am satisfied with my job	
	I intend to still be working at G4S in one year's time	
	I believe G4S has a positive effect on society and local communities	

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Human Rights
Addressing human rights impacts

UK
- HM Inspector's 2015 report rated Rainsbrook STC as "Inadequate" after 16 years of "good" and "outstanding" reports
- All issues were identified by G4S and reported to Youth Justice Board (YJB) in line with agreed reporting processes
- New management and action plan in place to resolve issues

South Africa
- Unofficial strike leading to Department of Correctional Services (DCS) assuming control of Mangaung Correctional Centre (MCC) (2013)
- DCS return management control of MCC to G4S (2014)
- DCS review of human rights allegations on-going

Israel
- Independent review of impact on human rights and humanitarian law (2014)
- OECD review and Initial Assessment (2014)
- OECD Final Statement expected in coming weeks

Human Rights

**Realising human rights:
Custodial & Detention Services**

Realising human rights and mitigating risks

Issue	Mitigation
Rehabilitation	- Structured education and employment programmes - Healthcare and addiction treatments - Family support
Safety and security	- Training - Risk assessments - Local security strategy (defines processes) - Monitoring
Reducing rates of violence/new psychoactive substances (legal highs)	- Violence reduction projects - New legislation - Psychoactive substances strategy
Limiting use of force and preventing inappropriate behaviour	- Selection & training of employees - Review via use of force committees - Technology – eg. body worn videos - Active management - Culture
Improper utilisation of care & separation units	- Very careful staff selection, training & rotation - Active management - Technology - Culture

Human Rights

	Service summary:	Grievance process:	Process determined by:	Investigation and remedy:	Authority or Client oversight	Independent bodies:
(Australia)	Adult, custody, youth, custody, prisoner transport, court custody, immigration detention	Yes	Client/Authority (G4S processes implemented in minority of cases)	Yes (timeframe not set)	Yes	▪ Inspectors ▪ Ombudsman ▪ Aboriginal Legal Services ▪ Human Rights / Health Services Commissioners
(South Africa)	Adult custody	Yes	Client/Authority and G4S	Yes (timeframe of 7 days in minor grievances)	Yes	▪ Inspecting Judges ▪ Public Protector ▪ Human Rights Commission
(United Kingdom)	Adult custody, youth custody, children's services, prisoner escort & court custody, police custody, immigration detention	Yes	Client/Authority (and in the case of the police & courts, G4S)	Yes (time frames vary between facilities)	Yes	▪ Independent Monitoring Boards ▪ HM Inspectors
(United States)	Youth custody, detainee transport	Yes	Client/Authority (and in the case of the youth custody, G4S)	Yes	Yes	▪ State hotlines ▪ Inspectors ▪ Ombudsman

Human Rights

Realising human rights:
Custodial & Detention Services (UK&I)

Avenues for Prisoner grievances

It is essential that prisoners see there are effective and legitimate processes to express grievances appropriately.

Informal

- Discussions with staff/managers
- Managers' surgeries
- Prison Councils
- Letters to Company managers external to the establishment

Formal

- Auditable Request & Complaint system (with formal appeals process)
- Applications to Independent Monitoring Board
- Prisons & Probation Ombudsman
- Letters to MPs
- Letters to HMIP

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Human Rights

Avenues for staff grievances

- Informal discussions with managers: Internal & external to the establishment
- Formal discussions and/or letters with managers
- 'Speak Out': Formal whistleblowing processes
- Union based processes

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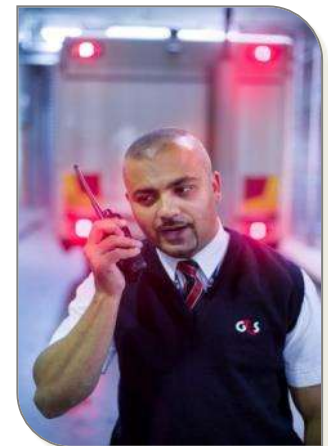
Health and Safety
Progress in 2015 to date

- Completed health and safety training for all senior leaders

- Implemented more rigorous process for reporting, investigating and closing out serious incidents

- Conducting follow up Critical Country Reviews (CCR's) to support improvement actions

- Expanded the Driving Force Rules safety campaign and rolled out group policy framework

- Recognised performance with the Safety First Awards

- Implemented health and safety performance objectives for all business leaders

Communication and consultation

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Health and Safety
Work related fatalities

Work related fatalities*

	Attack-related incidents	Non-attack related incidents	Road traffic incident	Total
2012	18	14	21	53
2013	17	11	21	49
2014	14	8	19	41
2015 YTD	6	5	12	23
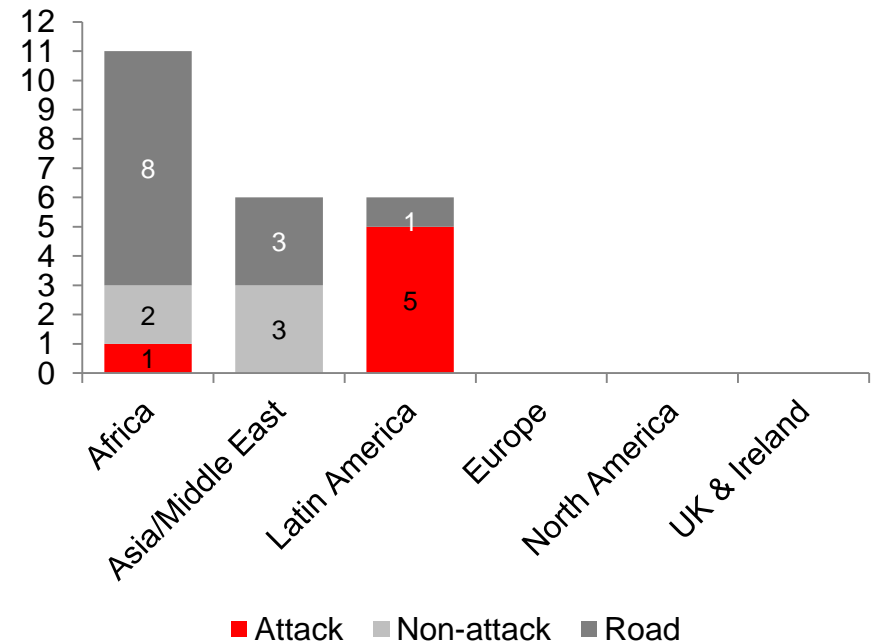
*Reporting excludes on-duty suicides and is up to 1st June 2015

■ Attack   ■ Non-attack   ■ Road

Health and Safety
Focussing on safety

Lost Time Injury Frequency Rate
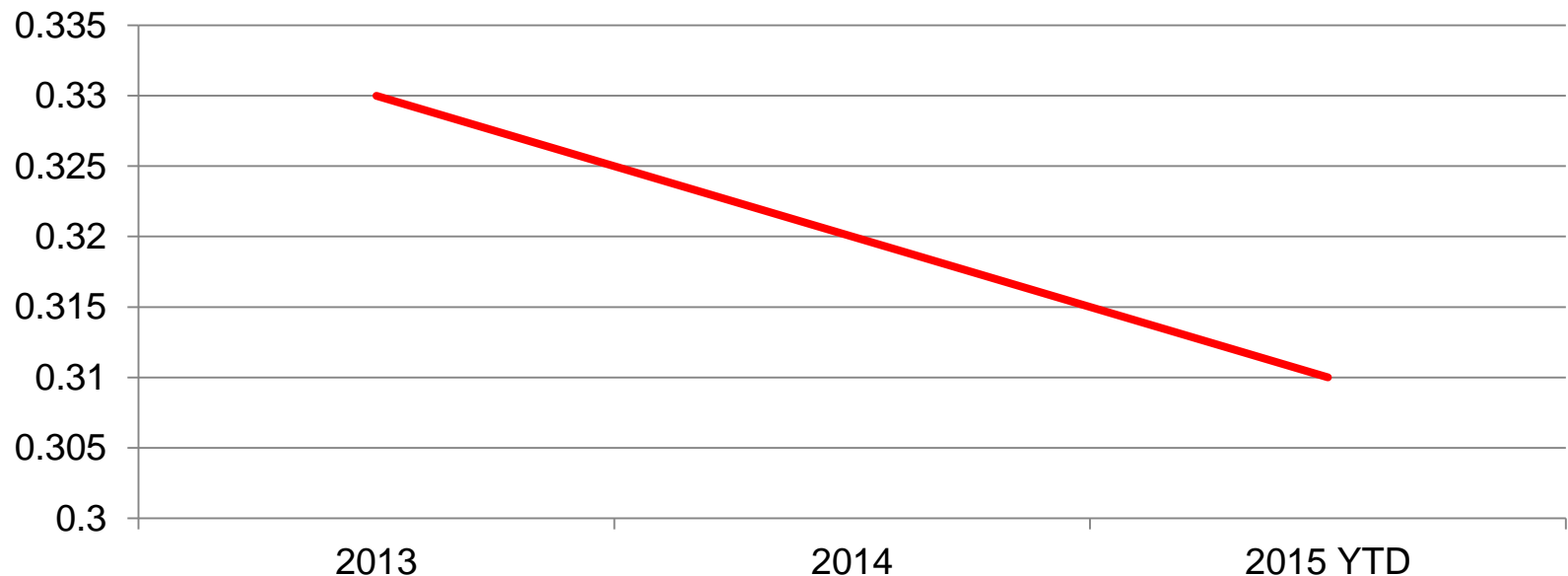
2015 reporting coverage: 90% employees

Definition: Lost time injuries per 100,000 hours worked

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Health and Safety
Measurement and investigation

India: Four Serious incidents reported in 2014
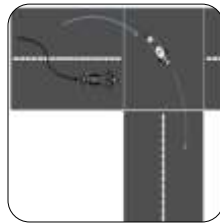
Notification

- Notification to Executive by Country MD
- Initial report
- Brief to teams
- Immediate actions

Investigation

- Investigation and root cause analysis
- Detailed investigation report
- Review by Region and Group

Corrective action

- Action plan managed by Country Manager
- Themed programme on motorbike safety
- Pilot scheme on helmets

Close out

- Independent review during CCR
- Follow up process for recommended actions
- Sharing lessons learnt

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Q&A

Further information is also available at:
www.g4s.com/csr
csr@g4s.com

Our values at work

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Background

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Safeguarding Our Integrity
Embedding the UN Guiding Principles

G4S launched its human rights framework in 2013

- Embedded human rights standards and awareness in business policies and processes

- Conducting CSR and human rights reviews of new country entries and contracts requiring board or executive committee approval

- Incorporated human rights risk analysis into the group's new risk and compliance systems (rolling out 2015)

- Conducting annual 'Heat-Map' review to identify countries which are deemed to be at high risk of violating human rights

- Embedded human rights issues into internal audit processes

- Integrating control self-assessments for high risk countries into new risk and compliance software platform

- Building further awareness of human rights issues and responsibilities across the group

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Securing Our People
Health and safety: Leadership and learning

Inaugural Safety First Awards

- Awarded to winners and runners up in eight categories:
  - CEO Safety Award
  - Most improved health and safety performance
  - Best implementation of road safety programme
  - Best road safety initiative
  - Best incident management
  - Best H&S training programme
  - Customer safety recognition award
  - Health and Safety Leadership Award

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Securing Our People
Health and safety: Road safety

G4S Chile:
Safety First Award winner

- Road safety programme since 2011

- Route planning and driver scheduling

- Use of telematics to manage speed and encourage safe driver behaviour

- Awareness campaigns tailored to different roles

- All drivers complete defensive driving course

- Rigorous preventative maintenance programme and pre-trip checklist

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Securing Our People

Employee engagement: Unions

Positive employee relations climate

| Over a third of our employees are covered by collective agreements | Long established relationships with trade unions in many countries | Formal works council arrangements at business unit and European level | Global framework EEP Agreement with UNI and GMB union |

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Securing Our People
Diversity and inclusion

Our Diversity and Inclusion strategy focuses on harnessing this huge multi-national diversity by improving the levels of cultural understanding across the organisation
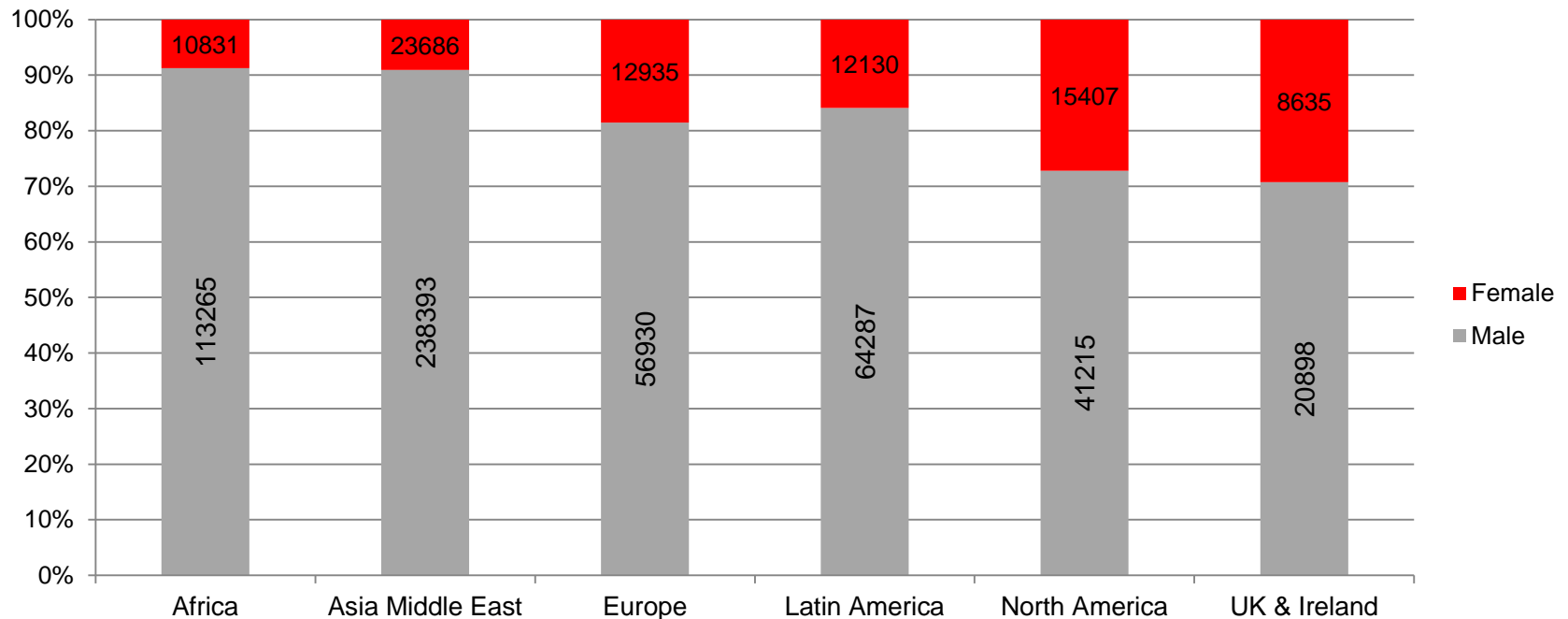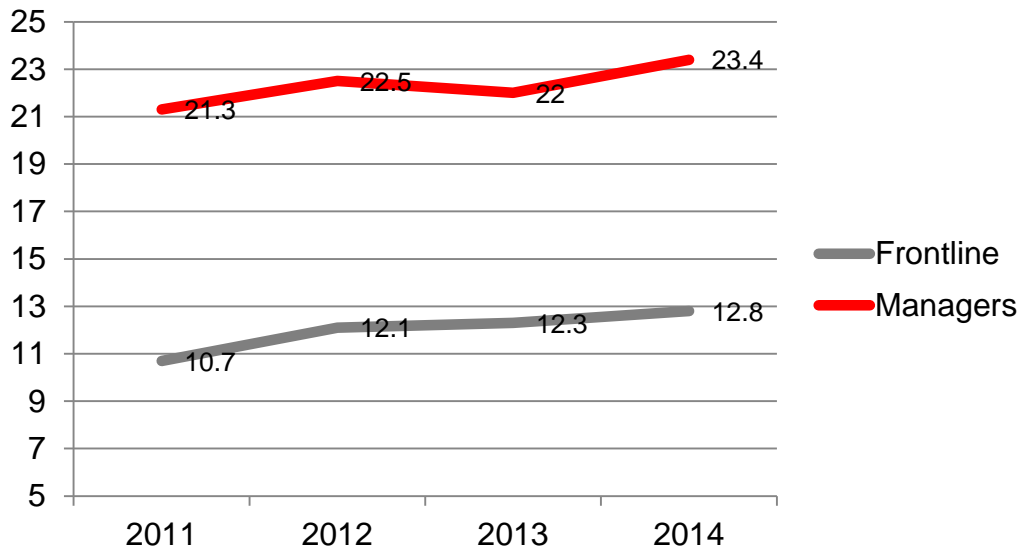

- Overall 13.5% of employees are female
- Continue to work with specific businesses to improve representation of women in supervisory positions and the talent pipeline
- Continue to use cultural awareness training tool

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Securing Our People
Diversity and inclusion

Proportion of females in the workforce

Chart: Proportion of females in the workforce, 2011–2014

Managers: 2011: 21.3, 2012: 22.5, 2013: 22, 2014: 23.4
Frontline: 2011: 10.7, 2012: 12.1, 2013: 12.3, 2014: 12.8

Regional Diversity and Inclusion actions have included:

✓ Developing partnerships with organisations that can assist in sourcing diverse candidates

✓ Running focus groups to identify any potential barriers to inclusion

✓ Promoting cultural understanding using Culturewizard

✓ Supporting communication programmes to raise awareness of the importance of diversity and inclusion

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

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Securing Our Environment
Climate action programme

Group carbon intensity (t/CO2e per £m turnover)
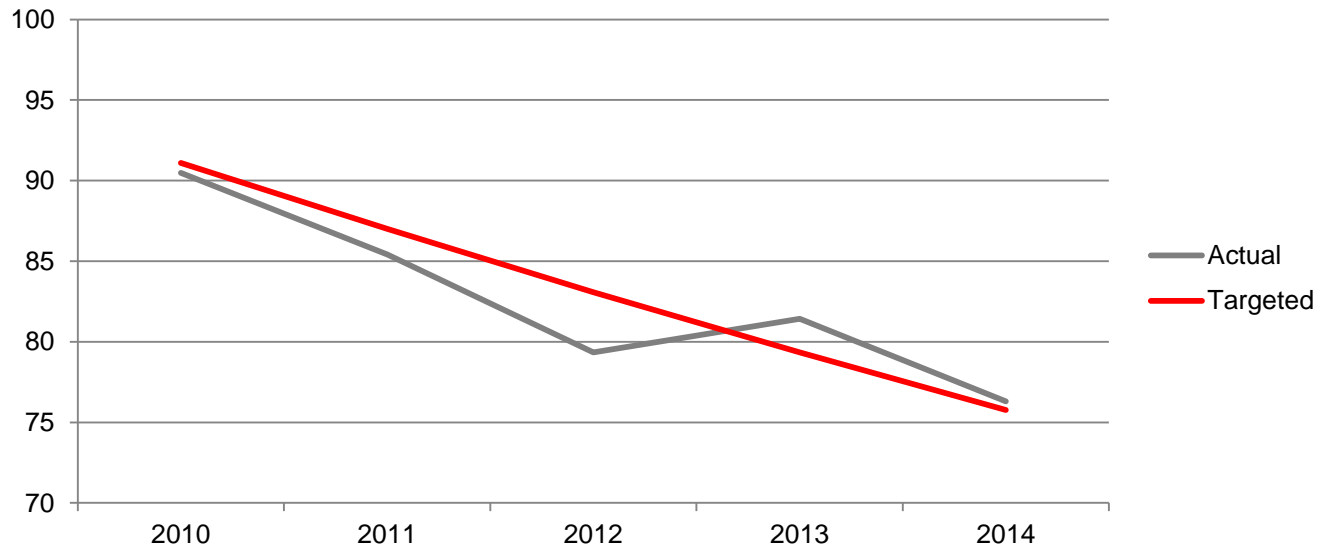
TARGET
4.5%
reduction in
carbon intensity
per annum
(2010 – 2014)

ACHIEVED
15.7%
reduction in
carbon intensity
(2010 – 2014)

5.6% reduction in **carbon emissions** between 2010 and 2014
(against 16% growth in business)

6% reduction in **vehicle fuel emissions** between 2010 and 2014

13% reduction in CO2e per average **employee** between 2010 and 2014

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Securing Our Communities

Over 1,000 charities and good causes provided with support

Academic study of G4S' economic impacts in UK the identified direct and indirect support of 56,000 jobs and total £1.73bn GVA.

Donations 2014
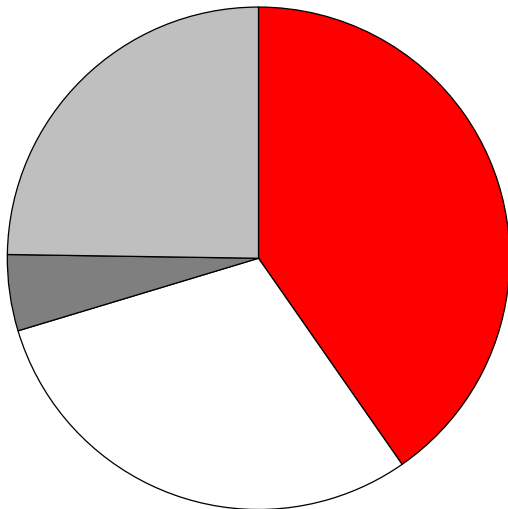
- ■ Corporate donations of money
- □ Corporate donations of goods & services
- ■ Employee & third-party donations facilitated by G4S
- ▨ Employee welfare & Development

16,400 hours of employee volunteered time

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Invested over £1,900,000 in community good causes and welfare of employees facing health difficulties or financial hardship in developing markets.

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June 2015

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