



Securing Your World



FOCUSED GROWTH

G4S is the world's leading, global, integrated security company specialising in the provision of security and related services across six continents.

G4S plays a valuable and important role in society. We provide direct employment for over half a million people around the world and make a difference by helping people to live and work in safe and secure environments.

OUR BUSINESSES

SECURE SOLUTIONS (84% OF CORE BUSINESS REVENUES)



SECURITY SERVICES AND TECHNOLOGY (77%)

Market

G4S operates an integrated security business in more than 90 countries across the globe. The global security market has structural growth qualities (see page 8 for a description of the growth drivers) and is highly fragmented; there are few international suppliers and our competitors are typically smaller local and regional companies. The security industry is seeing growing demand for technology-enabled and integrated security solutions (which combine people and technology) to deliver cost-effective security, especially in developed markets.

Our approach

Against the backdrop of growing demand, we design, market and deliver a wide range of security and related services and our global footprint provides valuable access to a highly-diversified customer base in markets around the world. Some traditional security markets are commoditised and significant price competition exists – we aim to differentiate G4S by providing industry-leading security solutions that are innovative, reliable and efficient. Our scale and focus on productivity support, our cost competitiveness and our sustained investment in professional staff, technology, software and systems enable us to provide innovative and reliable solutions for our customers on a stand-alone or integrated basis.



CARE & JUSTICE SERVICES (7%)

Market

G4S Care & Justice Services are concentrated in the UK and Australia. The market for the private provision of care and justice services is fairly consolidated with a small number of large providers. Larger companies are usually better equipped to deliver the highly specialised services in this sector, working with a diverse supply chain including the voluntary sector. In the UK the market environment is mature with limited growth opportunities. In the short to medium term we expect the environment to be more positive in Australia.

Our approach

We aim to achieve positive outcomes for those in the care and justice system. G4S will only offer custody, detention, rehabilitation and care services where we can access a qualified talent pool and where the political, legal, human rights and regulatory framework is consistent with our Group values and results in acceptable operational, commercial and reputational risk.

CASH SOLUTIONS (16% OF CORE BUSINESS REVENUES)



CASH SOLUTIONS

Market

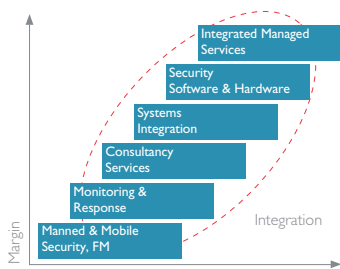
G4S Cash Solutions is one of a small number of large, global cash businesses and is the market leader or number two in 40 of its 42 markets. Each market is highly regulated, often by central banks, and the business requires significant infrastructure and expertise. G4S competes with local, national and a small number of international competitors. Cash volumes in most developed markets are flat or gradually declining at an aggregate market level. Cash usage continues to increase in emerging markets (see page 8 for cash usage trends). The Group sees significant revenue-growth opportunities in providing technology solutions to reduce the cost and increase the ease of using cash for banks and retailers.

Our approach

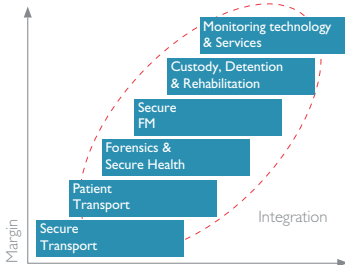
We transport, process, recycle, store securely and manage cash, and provide secure international logistics for cash and valuables. Our strategy is designed to enable us to aggregate cash-handling volumes through cost leadership and product and service differentiation. We invest in technology and sell proprietary cash-management systems which combine skilled professionals with software, hardware and operational support in an integrated, managed service. To support cost leadership we strive for a consistent operating model and use shared services to maximise efficiency. We operate around the globe, focusing on markets where we are able to build and sustain a material market share in our key service offerings. Outside of the traditional cash market, there remains significant opportunity for retail cash and bank branch automation – services that have mainly remained in-house until now.

G4S takes a fully-integrated approach to its strategy and Corporate Social Responsibility. This is reflected in its 2017 Integrated Report and Accounts, from which this document has been extracted, setting out our CSR approach and impact on society.

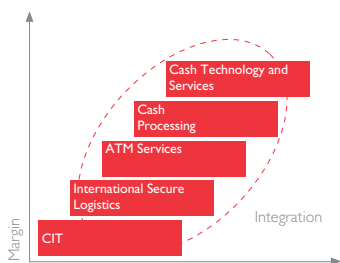
Secure Solutions



Care & Justice Services



Cash Solutions



MATERIALITY ASSESSMENT

In order to ensure that G4S' approach to CSR remains focused on the areas that are most relevant to the business and its stakeholders, a wide-ranging materiality assessment of ethical and sustainability issues is carried out. The CSR committee's work also included overseeing this process, which is conducted with the support of an external facilitator every two years.

The results, which inform future reporting and strategy, confirmed three core priority ethical and sustainability areas for the Group during 2018 and 2019:

- 1) Health and safety
- 2) Human rights
- 3) Anti-bribery and corruption

The assessment reinforced the importance of G4S' ethics, culture and values, as well as employee standards and behaviour in preventing issues and poor performance across the Group's core priorities and other CSR matters.

Further information, including the full materiality matrix can be found at g4s.com/csr, and on p23 of this document.

OUR VALUES

Our values are the standards we set for ourselves and they are reflected in the culture of our organisation through our behaviours and actions.

We act with..
INTEGRITY AND RESPECT

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.

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

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.

We achieve this through...
INNOVATION AND TEAMWORK

Innovation and Teamwork

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

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.

2017 INTEGRATED REPORT AND ACCOUNTS

The full Integrated Report and Accounts for 2017 is available to download from www.g4s.com



Ashley Almanza, Group Chief Executive Officer

Our CSR approach and contribution to society

As a global leader in security and related services, corporate social responsibility is very important to G4S and it forms a key part of our strategy. We are trusted to care for some of the world's most valuable assets and to ensure the safety, protection and welfare of people around the world, often in complex and demanding operating environments.

Conducting our business in a way which is ethically responsible, safe and consistent with the company's values and standards, is an essential element of our business model.

The Group is committed to sustainability and the core principles of the UN Global Compact are reflected in our policies, values and business activities today.

We recognise that business has an important role in the achievement of the UN Sustainable Development Goals. On page 18 of the Integrated Report and Accounts we highlight where G4S is helping to advance these goals and make a positive difference to society and communities around the world.

We expect all colleagues to uphold G4S' values in whatever role they play. In return, our commitment is to provide meaningful work, fair reward and the opportunity to develop. Our employees often work in inherently hazardous environments and we equip and train our employees to ensure they are safe.

We regularly ask stakeholders from inside and outside the company to provide input into an analysis of our material CSR issues to help set priorities. See page 23 of this document more information on the CSR materiality review that was undertaken in 2017.

Our CSR approach covers a broad range of areas, with three material priorities: health and safety, human rights and anti-bribery and corruption.

In June 2017, G4S was selected as a constituent company of the FTSE4Good Index, recognising our strong commitment to social responsibility and sustainable business practices.

Culture – embedding our values

Underpinning our culture are the Group's values which govern and guide the conduct of everyone at G4S.

Health & Safety

The wellbeing and safety of our employees and those in our care remains a key priority for the Group executive and global leadership teams. We work in an inherently hazardous industry: we travel extensively and many of our colleagues are trained and deployed to protect our customers and their property. As a result, road-traffic accidents and criminal attacks are inherent risks we face in delivering some of our services. We have therefore invested in a sustained programme to strengthen our health and safety policies, practices and training performance across the Group with the aim of improving safety.

DEFINING OUR SOCIETAL IMPACT

We play an important role in society. Through its services and organisation, G4S delivers a broad range of significant and far-reaching social and economic benefits to the communities in which we work, many of which are helping to realise the United Nations Sustainable Development Goals (SDGs).

- We create employment opportunities, and invest in and develop our employees. We directly benefit them and our suppliers through the salaries, benefits and payments we make for goods and services.
- In our Care and Justice operations, we develop innovative programmes to rehabilitate offenders and provide them with the encouragement and skills needed to help them rebuild their lives once released.
- We deliver a wide range of specialist security services that mitigate the risk or impact of criminal behaviour and help to create safer and more stable communities.

- Our colleagues work with governments and non-governmental organisations in high-risk environments such as former conflict areas, to support humanitarian, stabilisation and economic-reconstruction efforts.
- Our focus on safety has helped reduce the risk of injury and fatality.
- We encourage industry standards to be raised. By embedding our policies and practices into less developed regions, as well as by supporting new approaches such as the Ethical Employment Partnership or the International Code of Conduct for Private Security Providers, we have helped to improve industry standards around the world.

The SDGs call upon businesses to advance sustainable development through the investments they make, the solutions they develop, and the practices they adopt. In our Integrated Report and Accounts report, we have mapped case studies against the SDGs to highlight where G4S is helping to advance the SDGs through our programmes and operations.

Visit sustainabledevelopment.un.org for more information on the United Nations Sustainable Development Goals.

The number of road-traffic fatalities has decreased by 48% since 2013 when the first G4S road-safety programme was launched. There has also been a reduction in attack-related fatalities in our Cash Solutions businesses. However the number of armed attacks has not changed and so we continue to work with the relevant authorities to mitigate the elevated risk in some of our services. Sadly, during 2017, 25 of our colleagues lost their lives in work-related accidents and attacks, compared with 47 fatalities in 2016.

Although we are pleased that there are clear signs of an overall cultural shift within G4S in our approach to safety we also know that there is more to do and our plans reflect this. We are firmly committed to improving our health and safety performance and our goal remains zero harm.

Employee-communication programme

Following the launch of our values in March 2016 we conducted an extensive employee engagement programme to raise awareness and deepen understanding of G4S' corporate values. We have developed a training programme for managers and our values are an essential part of induction and training for new employees. We are embedding our values into existing processes, governing all aspects of our business including sales, operations and performance management. Where actions are required – for example, an improvement in the safety performance of a particular business – leaders and managers will have specific objectives in order to make sure the actions are prioritised appropriately.

Speak Out

We continue to encourage colleagues to “Speak Out” if they are aware of behaviour which is not consistent with our values or policies. There are many ways in which colleagues can raise concerns, with supervisors or managers, with their local HR team or through the global, independent whistleblowing systems. Our case management system provides improved visibility of whistleblowing cases from across the Group, and provides vital information to our Group Ethics Steering Committee.

I believe that the conduct of the vast majority of our employees is consistent with our values and that this has been – and remains – the cornerstone of our customer service and commercial success. We know, however, that even isolated instances of poor conduct are unacceptable and can be very damaging. It is therefore important that we continue to promote good conduct and the use of Speak Out.

Ashley Almanza
Group Chief Executive Officer

Zero harm

is our health and safety goal

47%

reduction in employee fatalities from 2016 to 2017

48%

reduction in annual road fatalities since 2017

SUSTAINABLE DEVELOPMENT GOALS



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

This section summarises our strategic priorities and how we focus our resources and expertise in areas where we can achieve the best results for customers and sustainable growth and return for investors. Our CSR approach covers a broad range of areas, but we have three material priorities: Health and safety, Human rights and Anti-bribery and corruption which are covered in the People and Values section.

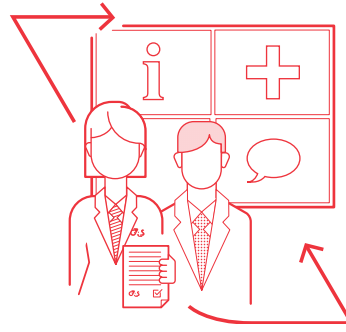
Strategic priorities

Watch our 2017 results and 2018 outlook online at: www.g4s.com/investors



Key risks

KPI



PEOPLE AND VALUES

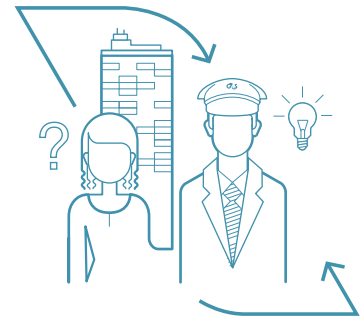
We recruit, develop and deploy the best people in our industry

- Attracting and retaining the best people
- Creating the right culture
- Defining our societal impact
- Building capability
- Engaging for success
- Promoting the right organisational culture
- Improving health and safety
- Respecting human rights

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

47%

Reduction in fatalities from 2016 to 2017



CUSTOMERS AND SERVICE EXCELLENCE

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

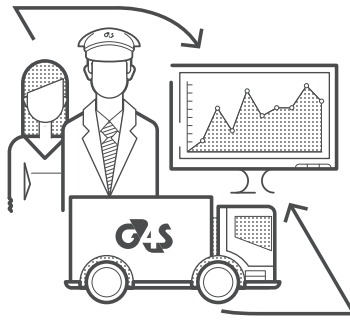
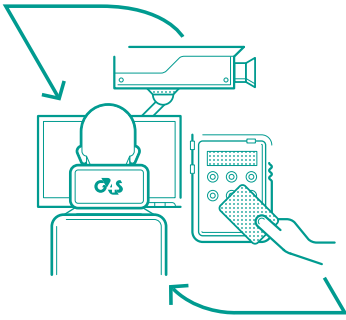
- Positive demand for security services
- Large diversified customer base and sales pipeline
- Investment in sales leadership and account management
- Net promoter score and contract retention

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

£1.4bn

Annual contract value of substantial new business won

CORPORATE CULTURE BASED ON GROUP VALUES AND...



TECHNOLOGY AND INNOVATION

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

- Well-positioned for trends towards more technology with disciplined capital allocation
 - Secure Solutions – integrated security
 - Investing in world-leading proprietary products and services
 - Cash Solutions – Bank and Retail cash technology
-
- Failure to market or deliver our services and technology effectively or failure to deliver adequate value for money

30%

Growth in cash management technology locations in 2017

OPERATIONAL EXCELLENCE AND PRODUCTIVITY

We have secure, safe, reliable and efficient operations

- More focused business – cultural change
 - Reinvesting for growth
 - Productivity programmes – good progress but more to do
 - Efficient organisation design and management de-layering
 - Procurement and property
 - Operational excellence
 - IT-enabled lean processes
-
- Failure to comply with our standards results in harm, loss of expertise or investment fails to deliver benefit

4.2%

Increase in Adjusted PBITA from core businesses in 2017

FINANCIAL AND COMMERCIAL DISCIPLINE

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

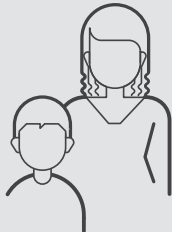
- Contract risk management
 - Portfolio management
 - Operating cash flow
 - Strengthening collections performance
 - Managing accounts payable
 - Capital allocation
 - Changing behaviours
-
- Inefficient capital management and failure to comply with Group risk management standards

2.4x

Net debt/Adjusted EBITDA at December 2017 in line with our target set in 2016

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

SOCIETY



Key stakeholders

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

How we engage

- Operations which promote secure and stable communities
- CSR Materiality Review with key stakeholders
- Community-engagement programmes
- Tax and economic contributions
- Government relationships and parliamentary engagement
- NGO and UN agency engagement
- Industry forums

CUSTOMERS



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

- Relationship management
- c150,000 customers
- Bidding process
- Customer service
- Net promoter score

SHAREHOLDERS



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

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

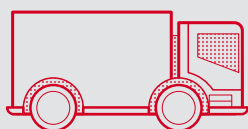
EMPLOYEES



With around 570,000 colleagues, G4S is one of the world's largest private sector employers. Our success is underpinned by the way we lead and engage with our people.

- HR core standards set the framework for employee engagement.
- On-boarding, induction and refresher training
- Biennial global all-employee and senior management engagement surveys
- Works councils and employee representative forums, including through UNI, the global union, with whom G4S signed a global Ethical Employment Partnership in 2008
- Newsletters, videos, employee self-service portals, and intranets
- Specific campaigns on health & safety, values and Speak Out
- Values recognition schemes


SUPPLIERS



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

- 55,000 suppliers
- Contract and relationship management
- Supplier Code of Conduct
- Purchase to Pay

Understanding of stakeholders' interests helps us define our strategic priorities and guide our initiatives. We run a formal exercise every two years to identify and prioritise our material CSR issues.






Key areas of interest	Our response and KPIs
<ul style="list-style-type: none"> • People and Values • Ethical and sustainable business practice; including: <ul style="list-style-type: none"> • Health & safety • Human rights • Anti-bribery & Corruption • Employee standards and behaviour 	<ul style="list-style-type: none"> • Slavery and Human Trafficking Statement • UN Global Compact: Communication on Progress • Global employee-engagement survey (see page 19) • Engagement with Parliamentary committees • Industry forums including: International Security Ligue, British Security Industry Association, Confederation of British Industry • MP surveys and site visits, especially to detention facilities 
<ul style="list-style-type: none"> • Quality and price of service • Expertise • Innovation • Health & safety • Business ethics 	<ul style="list-style-type: none"> • 3.2% revenue growth from core businesses in 2017 • Customer retention is on average around 90% • 24,000 customers surveyed using net promoter score in 2017, with improvement in most regions • Feedback from unsuccessful contract bids 
<ul style="list-style-type: none"> • Financial performance • Strategic direction and coherence • Governance and risk management 	<ul style="list-style-type: none"> • CEO and CFO met with shareholders representing over 65% of the share register and 205 institutions (see page 79 for more information) • 3.2% revenue growth from core businesses in 2017 • 5.7% adjusted earnings growth from core businesses in 2017 • £527 million operating cash flow from core businesses in 2017 • Final dividend increased 5% in 2017 
<ul style="list-style-type: none"> • Company performance and plans • Compensation and benefits • Training and career development • Health & safety • Values, CSR and recognition 	<ul style="list-style-type: none"> • Feedback from 428,000 employees in 2017 • Access to survey extended through mobile technology and number of languages available • Increase in overall favourable responses from 82% (2015) to 84% (2017) • Feedback from consultation committees and works councils • Nominations for employee recognition awards • Reduction in staff turnover from 27.6% in 2016 to 25.3% in 2017 • Fatalities, serious injuries and road traffic incidents down around 30-50% since focus was applied and investment was made in these areas 
<ul style="list-style-type: none"> • Supplier performance – service delivery and product quality • Payment terms • SME engagement 	<ul style="list-style-type: none"> • Rationalised suppliers • Commitment to the UK Prompt Payment Code • Member of the UK Government Contract Finder portal to promote use of SME businesses 

Links to policies and case studies:

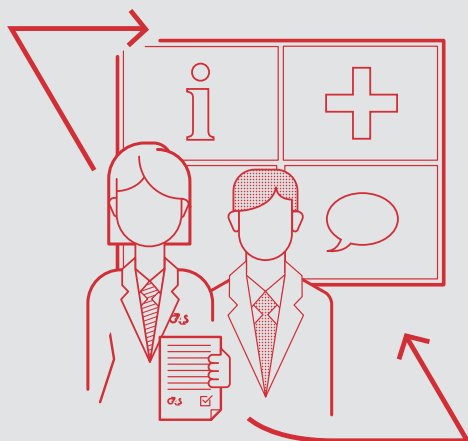
- 🔗 Business Ethics Policy: g4s.com/ethicspolicy
- 🔗 Environmental Policy: g4s.com/environmentalpolicy
- 🔗 Ethical Employment Partnership: g4s.com/EEP
- 🔗 Human Rights Policy: g4s.com/humanrightspolicy
- 🔗 HR core standards: g4s.com/hrstandards
- 🔗 Slavery and Human Trafficking Statement: g4s.com/modernslavery
- 🔗 Supplier Code of Conduct: g4s.com/suppliercode
- 🔗 Tax Strategy: g4s.com/taxstrategy
- 🔗 Whistleblowing Policy: g4s.com/whistleblowingpolicy
- 🔗 Business for Peace Case Study: g4s.com/b4p

Please see examples online on g4s.com

Link to strategy

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

PEOPLE AND VALUES



With around 570,000 people, G4S is one of the world's largest private sector employers. Our employees and services touch the lives of others every day, providing crucial services to keep them safe and secure. Our success is therefore underpinned by the way we attract, develop and engage with our people, as well as the culture and values that shape the way we work and how our colleagues carry out their roles.

2017 ACHIEVEMENTS

8.3% Reduction in voluntary employee turnover to 25.3% in 2017 (2016: 27.6%)	428,000 Employees responded to our global engagement survey	37% Reduction in serious H&S incidents since 2015 in high priority businesses
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Attracting and retaining the best people

Attracting and retaining the best people continues to give G4S a competitive advantage as well as ensuring we deliver the best results for our customers. For our senior population, we know from our management survey that the most important factor influencing their decision to join and then to stay at G4S is the nature of the roles and the responsibilities on offer. Our global footprint and operations across a range of product and service lines helps make the business attractive to the best candidates. Once appointed, the responsibility, complexity and opportunities for innovation help retain our senior people and keep them motivated.

For other levels in the organisation, we have developed two toolkits which help us attract and retain colleagues by utilising our expertise and sharing resources across the Group. The first relates to recruitment and is designed to ensure potential candidates for jobs with G4S have a positive recruitment experience while going through an efficient and effective hiring process. The second provides guidance on good retention practices. Both toolkits are online and contain templates that are easy to follow and adopt. They emphasise the importance of ensuring applicants know what will be expected before they apply, and if they do join G4S there are robust processes in place to welcome, induct, train and support them. Feedback from our most recent global employee survey suggests that our employees feel well equipped to perform their role, with over 90% of respondents stating they understand their job procedures. Often employee turnover is at its highest in the initial months after appointment, which suggests there is still more to do to retain our newest colleagues.

In order to build our reputation as a good employer and attract candidates from the widest talent pools,

CREATING THE RIGHT CULTURE

The G4S values are embedded in the standards, policies and guidance which we set out to help employees and managers perform.

To help our front-line operational employees understand the behaviours we expect, and the decisions they should take in line with our values, we have launched a range of learning and awareness materials. These materials include an animated video, scenario-based flashcards, presentations and an online exercise. The materials draw on over 90 scenarios from all product and service lines and are designed to promote discussion and to guide behaviour in line with our values. They address topics like harassment, bribery and corruption, the care and treatment of others, breaches of health and safety rules and inappropriate use of social media. To ensure these materials remain relevant we will continue to add different scenarios whenever new values-based operational situations are identified which can help guide our employees.

Work is now underway on values training materials for our managers, using our newly revised competency framework. In line with our values, this refreshed framework defines leadership and management behaviours in terms of how managers should act today, plan for tomorrow, and build relationships. The framework is used in our selection processes as well as our 360 degree review process to assess performance and future potential. It enables us

countries and regions adopt different approaches to diversity, reaching out to recruit from under-represented groups in their businesses. In North America, the recruitment of veterans who bring relevant skills and an inherent understanding of security risks continues, whilst in the UK our businesses are some of the few in the security sector to have been awarded Disability Confident level 2 status as a result of their commitment to identify and remove barriers which impact on the employment of people with disabilities.

Overall employee retention continues to improve with voluntary employee turnover reducing to 25.3% (2016: 27.6%) as closer scrutiny and the implementation of good retention practices help us improve performance even in tight labour markets. This is good for service to our customers, who appreciate working with staff who know them better and have more experience. While our employee headcount has reduced from 585,000 to 570,000 as a result of our portfolio management programme and our drive to improve organisational efficiency, wherever possible we redeploy people and retain their skills and knowledge. For our front-line employees, the launch of a new values related global recognition programme will add a further opportunity to showcase the amazing work they do for our customers each and every day. Ensuring we celebrate success, and share information about the ways in which our employees behave in line with our values, not only helps to bring our values to life but also promotes the expertise and capabilities of our people.

In March 2018, we published our UK Gender Pay Gap Report for the relevant UK businesses. As well as explaining the reasons for any gaps, the report also sets out the actions we are taking to achieve the progress required as part of our wider diversity and inclusion strategy.

Wage inflation

In a number of markets, especially developed regions such as North America and the UK, economic indicators have highlighted an increase in wage inflation – as a result of tightening labour markets in some areas and as a result of increases in minimum or living wages. As a long-established global employer, G4S has many years of experience of managing periods of wage inflation. We have to be prepared to negotiate price increases with customers and to look for ways to continue to be more productive and cost effective. For example, we believe this trend is helping to drive more revenue towards integrated solutions, where G4S has a competitive advantage and barriers to entry are higher.

Building capability

Building industry-leading capability is at the heart of our people strategy. We want employees at G4S to have the opportunity to flourish and grow so that they can contribute to the future success of the organisation. There are many examples of local development programmes which enhance the security and technology expertise in our organisation.

For example, in 2017 the G4S Academy was launched in Denmark and has provided a structured approach to skills development and accreditation in line with industry standards.

Regional Leadership Programme

On a Group-wide basis, our efforts are focused on developing the next generation of leaders, primarily through our flagship Regional Leadership Programme, which is devised centrally but delivered locally so that it is tailored to meet our diverse needs. The Programme offers high-potential individuals, in a range of line, functional and business-development roles, the opportunity to enhance their knowledge and strengthen

73%

Response rate to the biennial employee engagement survey undertaken in 2017

84%

Favourable response rating from the global employee engagement survey

90

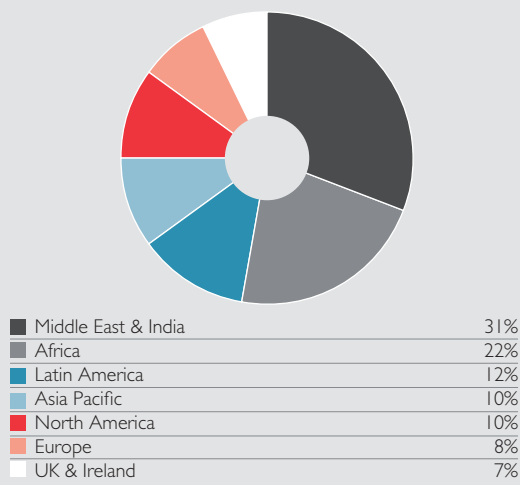
graduates from the regional leadership programme which continues in 2018

to gather insight into what colleagues have achieved as well as whether they have done so in a way which is consistent with our values.

While having a common set of values helps set G4S apart from the competition, as a global employer we also appreciate that having a diverse workforce enables us to better understand our differing customer needs, and harnessing this diversity is critical to driving innovation. Feedback from our latest global employee survey indicates that 84% of employees who responded believe that the company values people from different backgrounds, and in 2018 we will continue our focus on diversity to ensure we maximise the benefits it brings.



Employees by location as at 31 December 2017 (%)



their leadership skills. So far 90 employees have graduated from the programme, and a further 59 are already on course to do so in 2018.

Talent reviews

Annual talent reviews and quarterly talent exchange discussions are helping to identify potential candidates for future regional programmes early and are ensuring career opportunities are more widely available to employees across the Group.

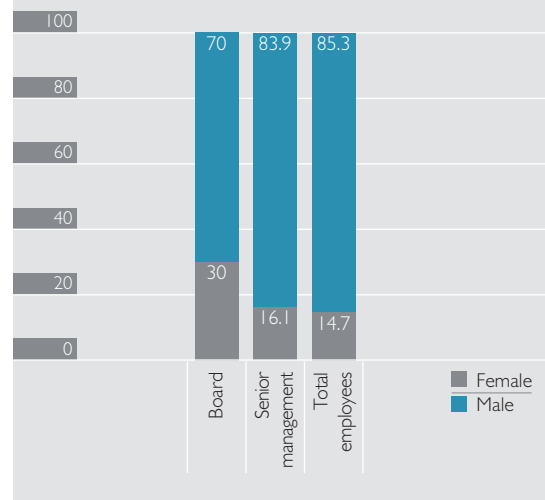
Broadening use of training and development materials

Whilst our investment in training and development has to be highly focused, we are doing more to promote the use of materials we already have available to build wider capability across the entire management population. For example, in 2017 we launched a 16-week development programme containing relevant materials such as articles, assessments, online exercises and e-books relating to a number of specific topics such as change management, delegation and coaching skills. The programme is currently running, with thousands of employees subscribing. As learning technology evolves, our ability to provide access to materials in a more flexible and bite-sized way, to suit our busy managers, is increasing. For example, for specific functions like Sales and Business Development, we are establishing on-line academies which will help employees identify their own development gaps and navigate the materials available to find those best suited to meet their needs.

Recruiting and developing women

Recruiting and developing women into line-management roles for our operations remains a challenge across the Group as well as the security industry as a whole. We actively monitor our gender balance and were pleased that in 2017 an independent business-led review supported by UK Government (the Hampton-Alexander Review) showed G4S as the top performing company in the business services sector in the FTSE 100. There is more to do in this area and as part of our wider diversity and inclusion strategy we have identified a number of actions to help us to continue to make progress.

Employee gender diversity in 2017 (%)



Engaging for success

We are in no doubt that having well-trained, engaged and motivated employees helps us to deliver for our customers and make G4S a success. Consequently, we invest a lot of time and effort in listening to our employees' views and responding to their feedback. We do this in a variety of ways including direct dialogue, consultation forums and our employee survey. To ensure the survey is accessible to all employees, it is offered in over 40 languages and three formats (paper, online and mobile). Engagement levels for senior managers were also tested in a separate survey targeted at the leadership team. Response rates for both surveys remained high in 2017. In the case of the global engagement survey in 2017 the response rate at 73% was at the same level as 2015 and for the leadership survey was higher at 87%, compared with 85% in 2015. Feedback from the global survey helps identify what businesses need to stop doing, start doing and continue to do to improve levels of employee engagement. The feedback from the management survey showed improvements in almost every area, suggesting high levels of confidence and support for the business strategy, our values and the executive team.

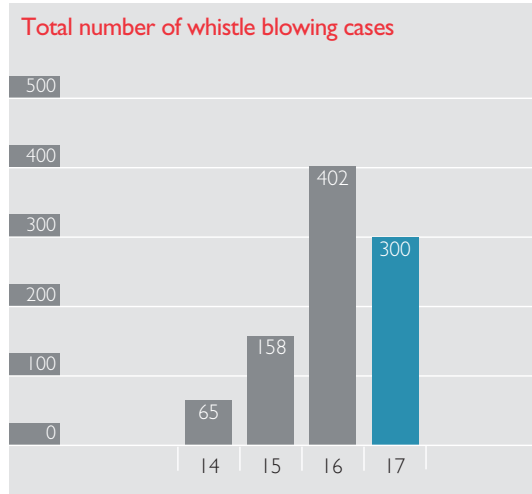
Union representation

Our union and employee representative forums at global level are via the global union UNI, and the GMB, with whom we signed an Ethical Employment Partnership in 2008. At a European level we have a well-established European Works Council and at a local level there are a number of union recognition agreements in place. Working together with our recognised unions helps us raise standards both internally and, where appropriate, across the wider industry and identify potential problems early and address them constructively.

Promoting the right organisational culture

During 2017, 300 cases were raised by colleagues via Speak Out, our global whistleblowing system. This was 25% fewer than the previous year, but detailed analysis shows that employee grievances are being reported and handled more effectively via other channels. We believe it is very important that employees feel confident to speak out confidentially to ensure standards are met to protect people. All cases reported to Speak Out are reviewed and are directed to the most appropriate channel for action.

The majority of matters raised via Speak Out are grievances which are transferred to the relevant HR department, as they are best placed to investigate and resolve the matter promptly. Concerns regarding operational procedures are investigated by local management to ensure that relevant standards are being followed.



Anti-bribery and corruption

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

Matters of a serious nature are investigated at a senior and independent level, with 59 investigations completed during 2017.

The Group Ethics Steering committee has continued to oversee implementation of our whistleblowing policy, case management of whistleblowing reports, and to conduct regular reviews of serious cases, the investigations' progress and the resulting actions.

SPEAK OUT

Values: Integrity and Respect

Safety, Security and Service Excellence

SDGs:



Every G4S employee has a responsibility to ensure that we uphold our core values, adhere to the law and deliver against the important commitments set out in our business ethics policy and ethics code.

Speak Out, our global whistleblowing system, is a key method of ensuring that we maintain a high standard of ethics, respect and integrity.

Speak Out is hosted by an independent specialist hotline and case management provider. It enables every employee to report concerns that they may have about the behaviour of individuals, or the business operations, which they feel contravene the ethics code or our core values. We encourage any employee who wishes to raise a matter of ethical concern to contact the free telephone hotline or make a report online. Both channels are available 24 hours a day, seven days a week, and are completely confidential.

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

SPEAK OUT!

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

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

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

Securing Your World

Improving health and safety

The safety of our employees and those in our care is one of our key priorities.

To enable us to keep our customers and the communities we serve safe, we must prioritise the safety as well as the health and wellbeing of our employees. It is our responsibility to ensure that our colleagues return home from work safely every day.

The nature of our work and the environments we operate in mean that safety and security present a strategic risk to our business. We believe that setting the highest standards for health and safety across our industry helps keep our colleagues safe and builds loyalty and commitment to G4S among our employees. Leading by example and having expertise in health and safety gives employees, customers and stakeholders confidence that we will work in a safe way.

We recognise that our businesses operate in different contexts and face varying levels of risk. All businesses within the Group are required to meet a set of core health and safety standards. We must make sure that we are constantly learning and continuously enhancing our processes, in order to continue to keep colleagues safe despite a changing environment.

Compliance is monitored via audits and reviews of performance at regional, group and board level via the CSR committee. Health and safety is included in Group Internal Audit's scope as part of non-financial risks.

During 2017 we have:

- Continued to improve the performance of businesses which have had multiple fatalities. Serious incidents have reduced by 37% in these businesses since 2015
- Introduced a reporting and tracking process for those incidents which have the potential to result in a fatality, and increased the coverage of our injury reporting to 98% of businesses
- Reviewed our front-line health and safety induction training and drafted a mandatory syllabus
- Revised the G4S Golden Rules of Safety

Sadly, during 2017, 25 of our colleagues lost their lives in work-related accidents. On a comparative basis this is a reduction from 47 fatalities in 2016. The number of road-traffic fatalities has decreased by 48% since 2013, when the first road-safety programme was launched.

While the number of attack-related fatalities decreased in our Cash Solutions businesses, this has not been due to a reduction in the number of armed attacks. The businesses continue to work with the relevant authorities to introduce new procedures and improved controls.

During 2017 the Group's lost time injury incidence rate was 6.7 per 1,000 employees (98% of businesses reporting). This compares with a rate of 7.7 in 2016 (96% of business reporting).

There were three non-natural deaths in custody in 2017. All deaths in custody are investigated by the relevant authorities to determine the cause of death. One of the incidents was due to self harm.

Pronouncements will be made by the relevant coroner on the two remaining incidents following their investigations. In 2016, we disclosed a death in custody which was later pronounced as due to unintentional drug overdose by the coroner.

Respecting human rights

We are proud of our role in society and of the positive contribution we make to the realisation of human rights through the range of services we offer and the standards which we apply.

However, 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 treatment of our own employees and others who are in our care.

G4S' human rights policy and its related framework are based upon the UN Guiding Principles on Business and Human Rights. Alongside our values of Integrity and Respect, the framework reinforces the continued development of a business model which aids the realisation of the Sustainable Development Goals through the improvement of industry standards, employment opportunities and helping to create secure and stable communities.

By having clear values and standards, and educating and training colleagues to uphold them, we are creating a positive culture which means our colleagues can be trusted to do the right thing and behave in a way which meets our standards. In cases where colleagues are deemed not to have upheld those standards, we undertake swift, thorough and impartial investigations into the causes of such behaviour and take appropriate action to remedy them. In addition to this resulting in consequences for the individual or individuals concerned, we learn from such instances and enhance our safeguards to prevent similar issues arising in the future.

G4S ACADEMY

Values: Innovation and Teamwork

G4S Academy is a recently-launched initiative within G4S Denmark, focused on creating an intelligent culture that can embrace and adapt to technological change, and predict future customer demands by leveraging our unique, untapped in-house knowledge and sharing it with customers.



6.7

Per 1,000 employees lost time injury incidence in 2017

65

Human rights self assessments completed in 2017

The standards set by our human rights policy have been embedded into our business policies and processes, such as our ethics policy, HR core standards, and the group risk and compliance systems. For example, investment proposals are assessed on whether they can be achieved in line with our company values and standards, as well as on the basis of appropriate operational delivery, commercial risk and financial return.

During 2017, we have:

- Developed and implemented a human rights awareness programme for senior managers, beginning with the Group Internal Audit department.
- Conducted 65 human rights control self-assessments of businesses operating in high-risk countries.
- Commenced a programme of internal audits of human rights controls of businesses in high-risk countries, carrying out audits in 2017.
- Assessed operational and other business issues against our 'risk universe', such as human rights and other CSR risks.
- Published our first slavery and human-trafficking statement, setting out the actions we have taken to help prevent modern slavery within our business and supply chain, including the development and implementation of our Supplier Code of Conduct and our migrant worker policy (g4s.com/modernslavery).
- Updated our Supplier Code of Conduct
- Commissioned an independent review of Brook House Immigration Removal Centre following allegations of unacceptable behaviour and treatment of detainees by employees (see page 22 of this document).

IMPROVING DRIVER SAFETY

Values: Safety, Security and Service Excellence
Innovation and Teamwork

SDGs:



The number of road-traffic fatalities has decreased by 48% since 2013 when the first road safety programme was launched. During 2017, we introduced new high-visibility clothing for our motorcyclists in Thailand, and brightly coloured seat belts in Hong Kong which enabled a visual check.



ACTIONS FOR 2018

Create and promote the right organisational culture

- Launch management values training materials, embed front-line materials and complete update of HR policies and processes to reflect G4S values
- Continue the delivery of regional leadership programmes and promote development paths and learning opportunities for employees at different levels
- Implement action plans from global employee-engagement survey and address actions from management survey
- Review opportunities to improve gender balance and follow up on UK gender pay gap reporting

Improving Health and Safety

- Continue to implement the revised front-line health and safety induction training
- Introduce updated controls for security officers working at entrance gates
- Share and adopt best practice across the Group in managing critical risk areas
- Develop action plans for businesses which have had multiple fatalities, as well as monitoring their implementation

Respecting Human Rights

- Review human rights risks across the Group's geographic footprint and update our human rights heatmap.
- Conduct human rights control self assessments and continue programme of internal audits of businesses operating in high-risk environments.
- Carry out human rights risk assessment in key business areas
- Review and implement key actions resulting from the independent review of Brook House IRC (see page 22 of this document).
- Continue to build awareness of human rights responsibilities across the Group's businesses.

Anti-bribery and corruption

- Continue to increase awareness of Speak Out and create an environment in which colleagues are confident that they may raise concerns without fear of retaliation

MOUNT GAMBIER PRISON, AUSTRALIA

Values: Integrity and Respect
 Safety, Security and Service Excellence
 Innovation and Teamwork



G4S has operated Mount Gambier Prison since 1995 and in September 2017 was awarded a new five-year contract which includes an option of a further term of up to five years. Mount Gambier Prison, the only privately-run prison in South Australia, is a medium-security men's prison with a capacity of 493 beds. Taking over as general manager at the prison is the previous deputy director for G4S-managed HM Prison Rye Hill in the UK.

As the new contract begins, the team will be developing new partnerships with the local community. These will include support services and technology partners. Rehabilitation and reintegration services will be provided, as well as programmes aiming to reduce prisoners' risks of reoffending, thus supporting the Government's policy to achieve a 10% reduction by 2020 and aiding reintegration back into the community. The prison's management team will also continue to work alongside the State on the planned expansion of the facility, engaging with the community and providing significant employment opportunities in the region.



CSR governance



John Connolly, Chairman

The board and I see strong governance, adapted to the Group's needs, circumstances and business model, as a source of competitive advantage. G4S is a large, geographically diverse organisation, doing business in complex and sometimes sensitive environments. Sharing a common understanding of the company's purpose and values is essential. To promote this, the board continues to support the application of G4S's values throughout the organisation. A strong governance culture is supported by continuous monitoring, review and promotion of the Group's values, standards and policies. It is also essential that directors feel able to provide not only support but also constructive challenge.

People

The Group has around 570,000 employees in over 90 countries, often providing complex services in difficult environments. This can create significant challenges. It is therefore pleasing that the outcome of the 2017 employee engagement survey, which consisted of questions relating to G4S' new corporate values provided an 84% favourable response rate.

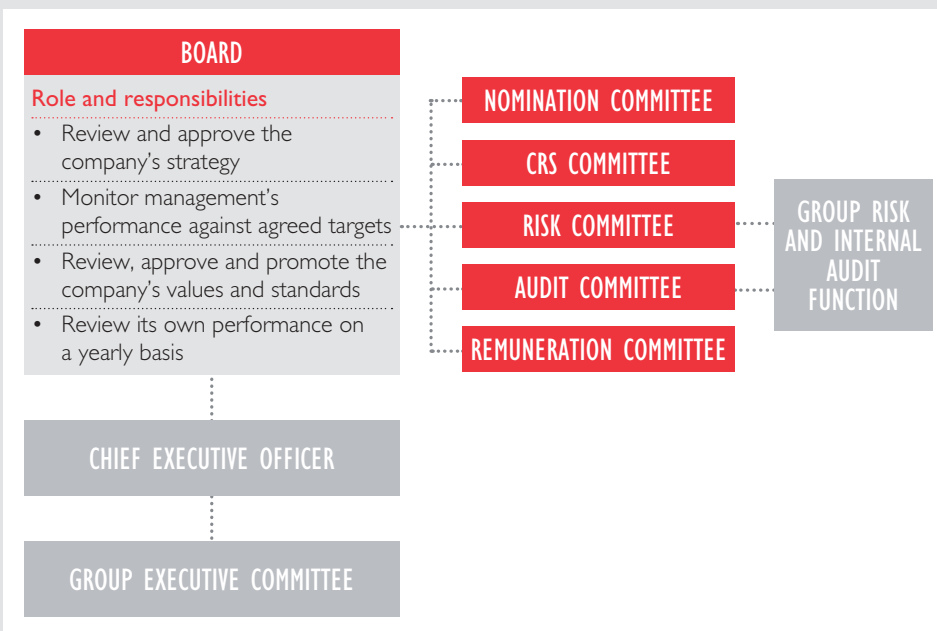
On behalf of the board, I wish to thank the employees of G4S for their engagement, enthusiasm, hard work and dedication.

Strong governance culture

Ensuring that G4S is resilient and agile and therefore able to deal with constant change and evolving economic and geo-political situations, is of paramount importance. This can only be achieved with a skilled and experienced board and management team and an appropriate culture and governance structure.

Therefore we strive to foster open and effective communication within the boardroom and with the executive team. This process is informed by best practice as well as feedback received and views collated from our key stakeholders. There are a number of ways in which the board gathers stakeholders' views, which are set out on pages 78 and 79 of the Integrated Report and Accounts. This year, as in previous years, I met with major shareholders as part of our annual programme of governance meetings.

Given the business undertaken by the Group and the complex markets in which we operate, it is essential to understand the key risks faced by the organisation and to ensure that the company has appropriate policies, systems, processes and management action plans to mitigate these risks to an acceptable level. The board therefore maintains a Risk Committee, which is separate from the Audit Committee, to provide the necessary focus on risk management and mitigation.



A STRONG GOVERNANCE CULTURE — KEY TO SUSTAINABILITY

ENTERPRISE RISK MANAGEMENT GOVERNANCE MODEL

Our aim is to identify material risks that could impact us, and to focus management attention on effective mitigation of the significant risks to achievement of our strategic objectives and safeguard our reputation.

BOARD

The board has responsibility for ensuring risk-management processes are effective by reviewing the most critical risks and controls.

RISK COMMITTEE

The Risk Committee meets four times per year and reviews the Group's risk appetite, assesses the Group's principal residual risks and assesses the overall enterprise risk management process.

AUDIT COMMITTEE

The Audit Committee meets four times per year and ensures the Group's control framework is operating effectively.

GROUP EXECUTIVE COMMITTEE

The Group Executive Committee oversees the management of the Group's principal residual risks.

REGIONAL AUDIT COMMITTEES

The committees meet four times a year, also attended by the external auditor, and review:

1. The progress of closing internal and external audit findings; and
2. Reports on status of financial controls and significant accounting judgments.

GROUP AND REGIONAL ETHICS COMMITTEES

The committees are responsible for whistleblowing and related investigations across the regions.

OPERATING COMPANIES AND SHARED-SERVICE FUNCTIONS

Our operating companies and shared-service functions identify and assess the risks to their business objectives and plan appropriate mitigating actions. These are recorded in our Group-wide risk management tools. A thorough review is conducted as part of the annual

planning process with updates made in senior management team meetings and trading reviews. Control self-assessments of compliance with Group control standards are completed annually (bi-annually for financial control standards).

Operating companies

We employ three lines of defence to control and manage risks across the Group.

1ST LINE: BUSINESS OPERATIONS AND SUPPORT

Responsibility for the first line sits with the managers of our businesses, whether line management or support. The senior management team within each business is responsible for implementing and maintaining appropriate controls across their business.

Result: Ensures standards expected by the Group, our customers and other stakeholders are met.

2ND LINE: CONTROL AND OVERSIGHT FUNCTIONS

The second line consists of oversight functions at both regional and Group level including: risk, finance, legal, human resources, operations, information technology, commercial and CSR.

Result: Provides support to business managers.

3RD LINE: INTERNAL INDEPENDENT ASSURANCE

The third line comprises the internal audit function. As part of its annual programme of work, internal audit conducts regular reviews of risk management processes and gives advice and recommendations on how to improve the control environment.

Result: Provides independent assurance over the design and operation of controls.

EXTERNAL AUDIT

Financial reporting risks are considered as part of the external audit.

Principal risk

Link to strategy

HEALTH AND SAFETY (H&S)**Risk**

The provision of security services to protect valuable assets, often in hostile or dangerous circumstances, presents health and safety challenges. In addition to the significant impact on individuals, a serious breach of health and safety could disrupt the Group's business, have a negative impact on our reputation and lead to financial and regulatory costs. In 2017, 25 (2016: 47) employees lost their lives in work-related incidents, of which eight (2016: 20) were as a result of armed attacks and 11 (2016: 17) were road-traffic incidents as the year-on-year improvement in road safety continued. There were three (2016: 9) non-natural deaths of people in our custody.

Risk mitigation

We are committed to protecting the health, safety and well-being of our staff, people in our care or custody and third parties. The Group's mandatory H&S standards target the critical safety risks in the Group including road and firearm safety and are supplemented by training for front-line staff through to business leaders. During 2017 the annual self-assessment by countries of compliance with our standards was supported by site reviews from local, regional and Group H&S managers and was included in the scope of country internal audit visits. Reporting was enhanced to include high potential incidents which are investigated thoroughly. Controls are reviewed in light of lessons learned from serious incidents.

We reviewed the appropriateness of our 'Golden Rules' which reflect critical safety risks and are mandatory for all G4S businesses, and failure to adhere to them is linked to our disciplinary procedures. Good practice and progress in delivering H&S improvements are recognised and rewarded, while poor practice and insufficient progress lead to close executive scrutiny, and can impact performance-related pay for business leaders if appropriate.

Mitigation priorities for 2018

We will continue to refine our standards, policies and controls where we see an opportunity to reduce H&S risks further. The compliance with these group requirements will again be self assessed during 2018 and reviewed by H&S and internal audit teams. A revised H&S training programme for our front-line employees is under development which supplements existing training provided by businesses on key H&S risks. Safety improvement plans are required for all businesses. Business leaders take responsibility for leading safety performance and putting H&S at the forefront of their day-to-day activities.

CULTURE AND VALUES**Risk**

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

Risk mitigation

We have a set of values, detailed on page 2, which are continually reinforced to all employees through a variety of key processes including recruitment, induction training, and recognition schemes as well as communications materials. Nominated values ambassadors in businesses are helping to cascade values-related communications. HR and learning and development leaders have assisted in the production of materials for increasing awareness and understanding of our values. In everything we do, no matter how challenging the circumstances, we require our people to behave in line with our values and to be prepared to use our whistleblowing facility, Speak Out, if they become aware that others are not doing so. Ethics steering committees at a Group level and in each region oversee the whistleblowing investigation process and provide constructive guidance to countries on ethical matters. We continue to focus on building awareness of the importance of our corporate values and whistleblowing, particularly in places where we work with people who may be more vulnerable and have less

opportunity to raise concerns themselves. In 2017, our whistleblowing hotline and case-management system received a total of 300 reports from our employees (2016: 402). Matters of a serious nature were investigated at a senior and independent level, with 59 investigations completed during 2017 (2016: 55).

Mitigation priorities for 2018

For our front-line employees, we will extend the values-based training materials already developed to reflect common experiences or particular challenges which come to light from whistleblowing cases, internal grievances or feedback from the global employee-engagement survey conducted in 2017.

For managers, the newly-revised competency framework has helped guide the development of on-line training, which is due to be launched in 2018. The training uses realistic scenarios in which participants are required to make value-based decisions from a range of options in order to achieve the right outcomes. The training will be mandatory, and cascaded to all managers to complete before the end of 2018.

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

Principal risk

Link to strategy

PEOPLE



Risk

In a global and diverse security business such as ours, there are risks associated with recruiting, training, engaging, rewarding and managing people, as well as ensuring we retain critical talent to deliver increasingly sophisticated services through our 570,000 employees. Screening and vetting is a particular challenge in some territories which lack supporting infrastructure from the relevant authorities. Any incident where our people fail to meet expectations of customers and other stakeholders could lead to financial and reputational damage to the Group's business. Whilst our controls are robust we still face the risk of an employee not behaving in line with our values.

Risk mitigation

The Group's mandatory human resource standards cover core requirements for delivering the HR strategy, such as ensuring there are effective organisational structures in place, that employees are screened, inducted and trained to perform their jobs, and that there are appropriate mechanisms in place for managing on-going performance and recognising great performance. During 2017 the annual self-assessment by countries of compliance with our standards was supported by site reviews from local and regional teams, and included in the scope of country internal audit visits.

We review in detail the performance and potential of managers across the Group to help identify development needs and build succession plans. We also deliver regional leadership programmes to nurture talented individuals early in their careers, and help develop them into more senior roles as they move through the organisation. Staff turnover is a key indicator to us of employee satisfaction, and reducing it improves service excellence and reduces recruitment costs. During the year staff turnover reduced from 27.6% in 2016 to 25.3% in 2017 (see page 10).

Mitigation priorities for 2018

We will use the information from our fifth global employee survey to help develop initiatives to enhance standards further and ways in which to ensure the standards are embedded. Compliance with our Core HR Standards will again be self-assessed during 2018 and reviewed by local, regional and group teams as well as tested by internal audit. Direct support will be provided as necessary to enhance compliance with our standards.

MAJOR CONTRACTS



Risk

The Group operates a number of long-term, complex, high-value contracts with multinational companies, governments or strategic partners. Key risks include; accepting onerous contractual terms; poor mobilisation of contracts; not transitioning effectively from mobilisation to on-going contract management; not delivering contractual requirements; inaccurate billing for complex contracts; ineffective contract-change management; and not managing sub-contractors appropriately.

Risk mitigation

During 2017 we updated our strict thresholds for the approval of major bids, involving detailed legal review and senior management oversight. For a selection of our most significant contracts in the UK, we perform 360° reviews of all aspects of contract management and performance. We also perform a quarterly financial review of the top 25 and low-margin contracts in each region.

For our large multinational customers, account managers oversee performance of these contracts across relevant countries and have regular updates with customers to ensure we deliver against contractual terms.

Mitigation priorities for 2018

While great improvements have been made in reducing the risk of taking on onerous contracts, as the impact can be significant, we will continue to enhance the quality of the analysis used in the bidding process and ensure that lessons are learned from underperforming contracts. We will also embed into the Salesforce opportunity management tool our updated approval requirements to make compliance and monitoring effective.

Principal risk

Link to strategy

LAWS AND REGULATIONS



Risk

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

Risk mitigation

Our policies and procedures clearly set out the requirement for local management teams to comply with all relevant laws and regulations. Group and regional leadership, together with our Ethics Committees at Group and regional level provide oversight and support our businesses to mitigate the risks. Group legal and regional leadership closely monitor changes in foreign ownership laws and make appropriate plans to respond. G4S continues to liaise with relevant governments and authorities to influence positively the regulatory environments in which we work.

Mitigation priorities for 2018

We will continue to focus on seeking full compliance with laws and regulations across all jurisdictions we operate in and ensure that concerns are addressed appropriately by local management with support and guidance from Group and regional leaders.

GEOPOLITICAL



Risk

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

all businesses must comply with. Those based in high-risk countries self assess their compliance with these standards annually, with this assessment reviewed by Group and checked by internal audit. We have a mandatory supplier code of conduct which includes anti-bribery and modern slavery requirements. Our G4S Risk Management business has particular expertise in providing secure solutions in very high risk, low infrastructure environments.

Mitigation priorities for 2018

In markets where potential government policy or trade agreements may have a significant impact on our ability to trade we will continue to engage with national and international governments to promote the benefits that G4S brings to a market and an economy, to ensure that we minimise the impact of any trade restrictions or trade policy. We will increase the number of countries that complete human rights control self-assessments and carry out human rights risk assessments in all key business areas. We will also work to build awareness of human rights responsibilities across the business and our partners and increase engagement with suppliers to ensure they are also complying with human rights.

Risk mitigation

We collaborate with our local partners; conduct early risk assessments before and during security assignments; develop robust operating procedures; and work closely with our local and global customers in managing the risks of operating in such environments. We have clear standards on human rights which

Link to strategy

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

Principal risk

Link to strategy

INFORMATION SECURITY



Risk

Increased regulations and sanctions relating to the potential failure to secure sensitive and confidential data, which we are entrusted with by customers, staff, suppliers and other stakeholders, have increased our risks in this area. Like all organisations, we face cyber attacks from a variety of sources which, if successful, could result in censure and fines by national governments; loss of confidence in the G4S brand and specific loss of trust by customers, especially those in government and financial sectors. Additionally, we face the risk of disruption to service delivery from system failures, incomplete backup routines, inadequate business continuity and disaster recovery plans.

Risk mitigation

We have “defence-in-depth” technologies (i.e. multiple layers of defence) in key systems to protect business information entrusted to us. During 2017 we brought our IT function under direct management of the Group team, to enhance the way our systems

are supported and run. This will ensure policies and best practice are applied consistently across all operating businesses. In late 2017 we commenced a programme of investment in Cyber defence tools, to improve the levels of compliance for managing these risks across the many systems and infrastructures that exist globally. We are also introducing additional standards and guidance to ensure compliance with General Data Protection Regulation (GDPR) across the UK and Europe.

Mitigation priorities for 2018

We will continue to strengthen the effective performance of our IT processes through the centrally-managed IT structure, and complete the implementation of our new Cyber Tools programme to increase the security of our IT systems and infrastructure, including managed cyber security products, centralised infrastructure management tools and cyber vulnerability assessments.

MAJOR REDEVELOPMENT, UNITED STATES

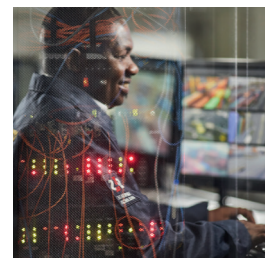
Values: Safety, Security and Service Excellence
Innovation and Teamwork



Since 2016, G4S has been providing detailed risk and threat assessment as well as an integrated solution and unified security at the largest multi-use redevelopment programme in the United States. This includes access control, systems integration, monitoring (fire, video, intrusion), Risk360, SecureTrax, design and management of the security and operating centre, and manned security officers.

CARGILL, BRAZIL

Values: Safety, Security and Service Excellence
Innovation and Teamwork



Cargill has been providing food, agriculture, financial and industrial products and services across 70 countries for the last 150 years. In Brazil, it has 10,000 employees across 17 states and G4S Brazil has been providing electronic security services (CCTV and access control) to Cargill since 2016. After an in-depth study, G4S Brazil designed a CCTV and access control solution in 2017 for each Cargill site in countryside locations. This can be challenging due to isolation of the sites and the requirement for power generators to be used. This solution will be expanded from the current ten sites to 130 sites over the next three years.

CSR committee



Clare Spottiswoode
CSR Committee Chair

“Our people and values underpin everything we do. Our updated values are the standards which we have set for ourselves, the organisation as a whole and our stakeholders. In 2016 they were re-launched across the Group supported by a targeted communications programme, awareness building and training materials. The committee will continue to work to ensure that the values are embedded firmly throughout the entire organisation. This is my last statement as chairman of the CSR Committee. After almost eight years as a non-executive director, I will step down from the board and its committees at the conclusion of the Company’s annual general meeting in May. I am pleased that since joining G4S in 2010, CSR has become firmly embedded in the Group’s processes and forms an integral part of our overall strategy.

Despite a distinct improvement in work-related fatalities in 2017, the committee’s focus on health and safety will continue to remain a key part of its activity during 2018, as we re-affirm our goal of zero-harm.”

Responsibilities

The Group takes a holistic approach to corporate and social responsibility. The scale of the Group, geographic spread of its activities and the complex environments our employees operate in creates a variety of challenges. The CSR Committee was established in 2011 to review and monitor the Group’s CSR approach, which includes developing policies on various CSR-related matters for consideration by the board and to review and monitor how the Group performs against relevant policies. It oversees reporting on CSR matters and progress made during the year. Further details of the committee’s responsibilities can be found in the committee’s terms of reference which are available at www.g4s.com/investors.

Specific issues

The CSR Committee receives regular updates on current issues from the human resources and CSR teams.

In late August 2017, G4S became aware of allegations regarding the conduct and behaviour of a number of staff at Brook House Immigration Removal Centre.

In response to these allegations, G4S took immediate action to strengthen the safeguarding of detainees at Brook House. Together with the UK Home Office, an action plan was agreed and a joint working party created to oversee its implementation. The actions outlined in the plan are well underway and many have been completed. The key objective throughout has been to ensure that detainees are safe at Brook House.

Investigations into staff conduct resulted in the dismissal of six members of staff. The committee has received regular updates on the measures that have been taken to address the issues raised, and on progress of investigations and operational improvement plans. I visited the centre personally in December to discuss the issues with managers, staff and detainees on site and to see the progress first hand.

We have commissioned Verita, a specialist consultancy, to carry out an independent review to understand the extent and root causes of the issues at Brook House. The review is examining G4S’ management, operational and staffing arrangements and the practices and behaviour of G4S’ staff. It is also assessing how G4S oversees the care and welfare of detainees, including in relation to mental-health issues, self-harm, violence prevention, use of force and proper reporting of incidents.

The review is led by Kate Lampard CBE, a former barrister and vice chair of the South of England Strategic Health Authority and of the Financial Ombudsman Services Limited. The findings will be presented directly to the Home Office and the G4S CSR Committee.

Culture and values

As a principal risk for the Group, culture and values as well as ethical compliance were reviewed by the board as a whole during the year. In addition, the CSR Committee oversees the programme supporting the embedding of the values across the Group including in all HR processes, from recruitment through to evaluation and performance management. The committee also reviewed and discussed the various initiatives that supported the launch of the values, including training for management and front-line employees and enhanced communication of the whistleblowing arrangements to all employees.

Health and safety

As part of the CSR Committee’s focus on health and safety during the year, the committee oversaw an initiative to refresh health and safety induction training for front-line employees and the re-issue of a simplified firearms policy across the Group.

As part of its normal cycle of work, the committee received regular health and safety reports including updates on on-going initiatives and details of future plans and summaries of incidents.

Committee membership during 2017

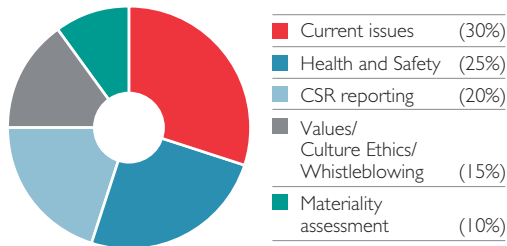
	Member Since
Clare Spottiswoode (Chair)	January 2012
Winnie Kin Wah Fok	March 2012
Paul Spence	January 2013

John Ramsay joined the board and the CSR Committee on 1 January 2018.

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

There were three scheduled meetings and one unscheduled meeting of the CSR Committee during 2017. Members' attendance at committee meetings is shown on page 74.

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

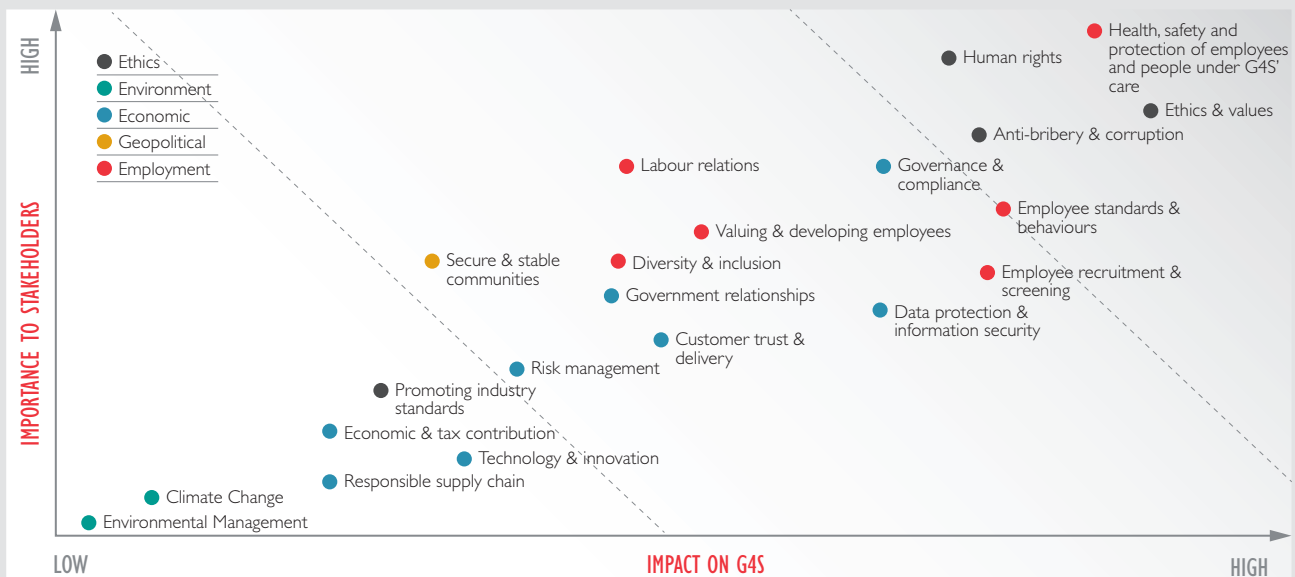


Sadly, in 2017, 25 employees lost their lives in work-related incidents. Although this is a significant reduction over previous years, in part, as a result of a reduction in road traffic accident fatalities, the focus and work of health and safety professionals and management teams in this area will continue. We will build on this progress and re-affirm our goal of zero harm. To further this endeavour and as mentioned last year, in 2017 the CSR Committee reviewed and supported the adoption of a new and consistent definition of High Potential Incidents ("HPIs") and the embedding of HPIs reporting across the Group. Work to ensure consistent reporting of HPIs is on-going, so as to ensure valuable insight is captured and efforts are focused preventatively.

Materiality Assessment

In order to ensure that G4S' approach to CSR remains focused on the areas that are most relevant to the business and its stakeholders, a wide-ranging materiality assessment of ethical and sustainability issues is carried out. The committee's work also included overseeing this process, which is conducted with the support of an external facilitator every two years.

CSR Materiality Matrix



Greenhouse gas emissions

We recognise the impact that our business activities can have on the environment and are committed to managing this impact in a responsible manner.

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

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

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

The businesses that reported data in the 2017 GHG measurement represent 90% of the Group’s operations, across a 12 month period. This level of measurement, including each of the Group’s main service types, allows reliable calculation of the total GHG emissions for 100% of the Group.

The G4S total carbon footprint during 2017, extrapolated to 100% of the business equates to some 501,467 t/CO₂e. These CO₂e emissions, including emissions generated by services which our customers have outsourced to G4S, have decreased by 2.5% since 2016 – against a 3.2% revenue growth in our core businesses during the same period, reflecting the efforts made to increase the energy efficiency of our business.

In 2018, we will continue to implement energy efficiency strategies with the aim of reducing carbon intensity by at least 3.5% per annum.

* World Business Council for Sustainable Development

** World Resources Institute

For further details, please visit g4s.com/env

501,467
t/CO₂e
Total carbon footprint

62.9
t/CO₂e per £m revenue

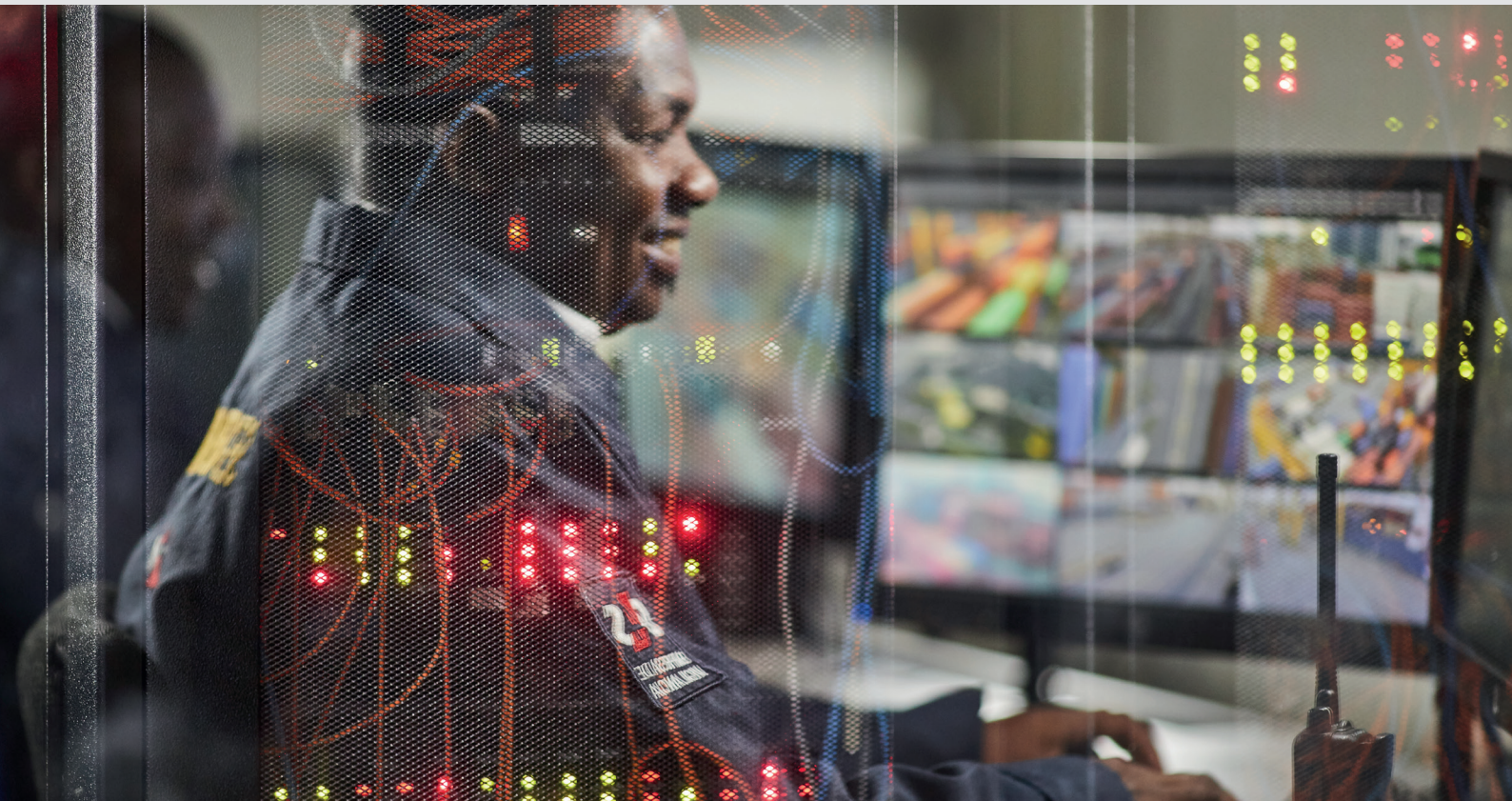
GHG emissions (t/CO₂e)

(Based on 90% measurement)

	2016	2017
Vehicles (inc. refrigerants)	256,081	261,398
Total buildings (inc. refrigerants)	139,831	139,728
<i>Including electricity emissions of</i>	<i>114,243</i>	<i>103,915</i>
Air travel	15,261	20,368

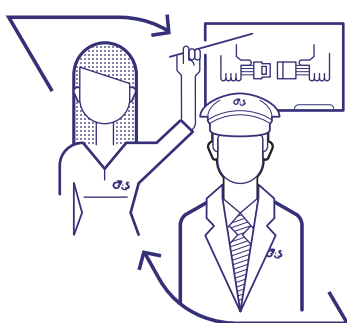
Carbon intensity

	2016	2017
Tonnes CO ₂ e per £m turnover	68.1	62.9



Key priority based on 2017 stakeholder materiality exercise

KPIs

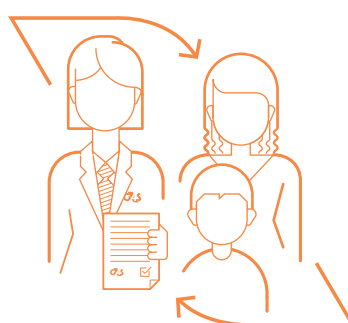


HEALTH AND SAFETY

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

47%

Reduction in employee fatalities

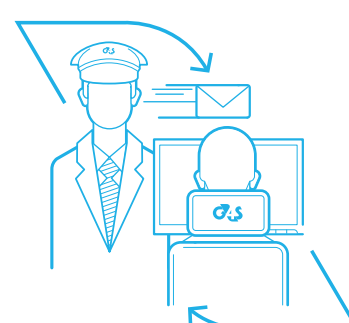


HUMAN RIGHTS

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

65

Human rights control self assessments of businesses operating in high-risk countries



ANTI-BRIBERY AND CORRUPTION

We continue to develop and encourage a workplace culture in which all employees understand the company's standards of ethics and feel confident that they may raise ethical concerns.

300

Cases reported and managed via our global whistleblowing system Speak Out during 2017

KEY CSR INDICATORS

	2017	2016	2015	2014	Integrated Report and Accounts Index
Number of employees	570,000	585,000	610,000	623,000	p17
Percentage of female managers	22.8%	25.5%	23.4%	23.4%	p18-19
Percentage of frontline female employees	14.2%	13.6%	13.4%	12.8%	p18-19
Work-related fatalities	25	47	46	41	p21
Attack	8	20	17	14	p21
Non-attack	6	10	9	8	p21
Road-traffic incident	11	17	20	19	p21
Lost time incidence rate (per 1,000 employees)	6.7	7.7	8.5	–	p21
Non-natural deaths in custody (UK/Australia)	3	9	2	–	p21
Coverage by collective agreements (%)	31%	32%	33%	30%	p20
Employee turnover (%)	25.3%	27.6%	29.4%	30.8%	p17
Number of human rights control self-assessments in high-risk countries	65	54	–	–	p21-22
Number of human rights audits in high-risk countries	37	–	–	–	p21-22
Number of whistleblowing cases	300	402	158	65	p20
t/CO ₂ e GHG emissions per £m revenue	62.9	68.1	72.3	75.0	p117-118
Total GHG emissions t/CO ₂ e	501,467	514,466	526,403	542,429	p117-118
Scope 1 t/CO ₂ e	297,211	296,543	304,551	312,708	p117-118
Scope 2 t/CO ₂ e	103,915	108,369	108,398	107,232	p117-118
Scope 3 t/CO ₂ e (air travel)	20,368	15,261	16,088	17,573	p117-118

Visit g4s.com for more information.

Reporting frameworks

UN Global Compact

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



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

Within our collected sustainability reporting framework, we have described the actions we have undertaken to build upon and further integrate the Global Compact and its principles into our culture and values, business strategy and daily operations during 2017.

CARBON DISCLOSURE PROJECT

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

In the latest CDP report, G4S achieved a performance score of (C), in line with the programme's average.

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



UN Global Compact Communication on Progress Index:

		CSR Framework Pages	
	Integrated Report	CSR Extract	Online
Statement of continued support by CEO	5	3	g4s.com/ungc
Human Rights: Principles 1 & 2	2, 5, 12, 13, 14, 16, 17, 21, 22, 23, 34, 64, 65, 82, 83, 88, 90	1, 2, 3, 5, 7, 8, 9, 10, 13, 14, 15, 18, 20, 21, 22, 23, 25	g4s.com/humanrights
Labour: Principles 3, 4, 5 & 6	4, 5, 6, 12, 13, 14, 16, 17, 18, 19, 20, 21, 22, 23, 29, 33, 34, 60, 62, 65, 78, 82, 83, 97, 117	2, 3, 4, 5, 7, 8, 9, 10, 11, 12, 13, 14, 15, 18, 19, 21, 23, 25	g4s.com/people g4s.com/humanrights
Environment: Principles 7, 8 & 9	34, 117, 118	25, 26	g4s.com/env
Anti-corruption: Principle 10	5, 13, 16, 20, 23, 34, 64, 83, 88, 90	2, 4, 7, 8, 9, 10, 12, 15, 18, 20, 23, 25	g4s.com/ethics

CSR Index

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

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